

## EXECUTIVE

**Monday, 18 November 2024**
**6.00 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

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## A G E N D A

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<b>SECTION A</b>	<b>Page(s)</b>
1. Confirmation of Minutes - 14 October 2024	<b>3 - 6</b>

2. Declarations of Interest

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

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### QUALITY HOUSING

3. Department of Housing and Investment Remedies Policy	<b>7 - 24</b>
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*Minute Extract of Housing Scrutiny Sub-Committee 3.10.24 'To Follow'*

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### CUSTOMER EXPERIENCE, REVIEW AND RESOURCES

4. Annual Complaints Performance and Service Improvement Report 2023-2024	<b>25 - 58</b>
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5. Unacceptable Customer Actions Policy	<b>59 - 80</b>
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*Minute Extract of Housing Scrutiny Sub-Committee 3.10.24 'To Follow'*

6. Quarter 2 2024-25 Operational Performance Report	<b>81 - 150</b>
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7. Financial Performance Quarterly Monitoring	<b>151 - 184</b>
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8. Treasury Management and Prudential Code Update Mid-Year Report - 30 September 2024	<b>185 - 198</b>
9. Setting the 2025/26 Budget & Medium Term Financial Strategy 2025/26- 2029/30	<b>199 - 236</b>
10. Strategic Risk Register Quarterly Review	<b>237 - 240</b>
11. Exclusion of the Press and Public	<b>241 - 242</b>

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.

These items are being considered in private as it is likely that exempt information may be disclosed, as defined in Schedule 12A of the Local Government Act 1972. No representations have been received in relation to the proposal to consider these items in private.

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## **SECTION B**

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### **CUSTOMER EXPERIENCE, REVIEW AND RESOURCES**

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12. Strategic Risk Register Quarterly Review	<b>243 - 258</b>
	<b>[Exempt Para(s) 3]</b>

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### **QUALITY HOUSING**

13. Opportunity to Acquire 9 x 3 Bed New Build Homes	<b>259 - 282</b>
	<b>[Exempt Para(s) 3]</b>

**Present:** Councillor Naomi Tweddle (*in the Chair*),  
Councillor Donald Nannestad, Councillor Sue Burke,  
Councillor Rebecca Longbottom and Councillor  
Joshua Wells

**Apologies for Absence:** Councillor Bob Bushell

**36. Confirmation of Minutes - 16 September 2024**

RESOLVED that the minutes of the meeting held on 16 September 2024 be confirmed and signed by the Chair as a true record.

**37. Declarations of Interest**

Councillor Naomi Tweddle declared a Personal and Pecuniary Interest with regard to the agenda item titled 'Lincoln BIG Ballot'.

Reason: She sat as a Director on the Lincoln Business Improvement Board.

**38. Residents Parking Scheme Process**

Purpose of Report

To provide details of a formalised process to the extension and/or creation of Residents Parking Zones within the city and seek recommendation for approval.

Decision

That Executive approve the formalised Resident Parking Scheme process, subject to

- Minor amendments to the format of the final policy document as agreed with the Director of Communities and Environment to incorporate wraparound text and an explanatory flow diagram on existing County Council working criteria.
- Final feedback on the policy document being requested from the County Council once drafted.

Alternative Options Considered and Rejected

Not having a formalised process for Residents Parking Schemes clearly publicised meant that ward members and officers could be subject to ad-hoc pressure to respond to isolated complaints and that this could be repeated multiple times creating abortive work whilst raising expectations.

Reasons for the Decision

The provision of adequate and efficient parking in the City was crucial in helping ensure Lincoln successfully continued in its role as the key urban centre for Lincolnshire and the wider area. Resident Parking Schemes (RPS) were a key component to balancing the requirement to provide visitor parking whilst

safeguarding adequate provision for residents of a number of our more central wards.

A formalised process for the extension and/or creation of a new zone was required to provide clarity to both elected Members and residents of the city.

The city already had a number of RPS zones which were administered by the Parking Services team on behalf of the County Council.

Following several enquiries from both Ward Members and local residents regarding the potential extension of some Residents Parking Schemes (RPS) in Lincoln it had highlighted the requirement to establish a more formalised and systematic approach so that all parties had more clarity on the process.

Whilst as a City Council we administered such schemes through our Parking Services team the ultimate responsibility and decision making for any schemes as well as their enforcement rested with the County Council as the Highway Authority.

There was a set criteria that the County Council worked to before agreeing to implement a new RPS. Firstly, there needed to be evidenced support of at least 50% of the residents in the proposed zone and secondly there needed to be evidence of a measurable problem of non-resident parking on the effected streets. They also screened out streets which had at least 50% provision of off-street parking within the curtilage of a property or within 30m already in place. The County Council would also consider whether an appropriate level of enforcement could occur to ensure effectiveness and that the scheme would not create wider impacts on the highway network.

In addition to this there would also be an assessment of resource allocation by the County Council to establish whether such a proposal could be accommodated given the officer work required. Likewise, the process required significant resource allocating within the Council's Parking Services team and so the Assistant Director – Planning and City Services would also need to review available resource at the time of any request. As a result, a clear process was necessary so that the County Council received what they needed and to avoid abortive efforts from local residents and ward members alike.

The proposed formalised process for extending and/or creating an RPS was detailed at paragraph 5.1 of the officer's report.

Members commended officers for their detailed work on formulating a streamlined scheme.

### **39. Lincoln BIG Ballot**

*(Further to a declaration of a Personal and Pecuniary Interest, as outlined at item 37 above, Councillor Naomi Tweddle left the meeting during the consideration of this item.)*

*(Councillor Donald Nannestad, Vice- Chair chaired this item).*

#### **Purpose of Report**



To present to committee the Lincoln Business Improvement Group (BIG) ballot arrangements and to seek Executive views on how the nominated officer should vote in the ballot using the votes attributable to council properties within the Business Improvement District (BID) designated area.

## **Decision**

That the Chief Finance Officer be instructed to cast votes for City Council properties with a 'yes' to the continuation of Lincoln Business Improvement Group for the next 5 years, in the upcoming ballot.

## Alternative Options Considered

The alternative would be to mandate officers to vote 'no' in the ballot. As covered in the main body of the report this would lead to a full range of activities being closed down. At a time where city centres needed dedicated support to help them evolve into new and exciting places, the role of BIG in creating those visitor experiences would be lost with a 'no' vote, which would have a large impact on the vibrancy of the city centre.

## Reason for Decision

The Lincoln Business Improvement Group would be undertaking its fifth voting process from September to November 2024 for its operational period July 2025 to June 2030. A workshop for all members of the Council was held on 18 September 2024 where the full extent and remit of Business Improvement Group operations were discussed and a range of views expressed, which were reported to Policy Scrutiny Committee at its meeting on 1 October 2024. (copy of minutes appended to the report)

The Lincoln Business Group Business Plan 2025-2026 was appended to the report. This set out priorities up to 2030, together with the proposed annual budget and the benefits of the Business Improvement Group.

The report set out the ballot process that would be followed, with the ballot itself being held on Monday 25 November 2024.

The BIG Board, at its meeting on 20 August 2024 approved a bid levy rate increase from 1% to 1.75%. According to the documentation supplied to the Board, this increase brought them into line with BIDs around the country, where the average was now 1.7%. For the City Council this would increase its overall BID levy charge from £30,877.05 to £47,417.13 (based on current figures). This did not yet include the Cornhill market as it was taken out during the refurbishment so would be assessed and brought back into listings imminently.

Clearly this was a large increase for many businesses in the BID area, softened for those whose rateable value had decreased in the 2023 list for business rates.

The BID Ballot process 2024 and levy mechanics was set out in paragraph 4 and 5 of the report respectively.

The impacts of a 'yes' vote and a 'no' vote were set out in paragraphs 7 and 8 of the report respectively.

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**EXECUTIVE**

**18 NOVEMBER 2024**

**SUBJECT: DEPARTMENT OF HOUSING AND INVESTMENT  
REMEDIES POLICY**

**DIRECTORATE: HOUSING AND INVESTMENT**

**REPORT AUTHOR: JOANNE CROOKES, CUSTOMER SERVICES MANAGER**

**1. Purpose of Report**

- 1.1 To seek approval of the new Directorate of Housing and Investment (DHI) Remedies Policy (Appendix 1)

**2. Background**

- 2.1 The Council now has a statutory duty to handle customer complaints in line with the Housing Ombudsman Service (HOS) Complaint Handling Code. (The Code)
- 2.2 Section 7.1, of the Code self- assessment states that where something has gone wrong a landlord must acknowledge this and set out the actions it has already taken, or intends to take, to put things right.
- 2.3 Section 7.2 states that any remedy offered must reflect the impact on the resident as a result of any fault identified.
- 2.4 Section 7.3 states that the remedy offer must clearly set out what will happen and by when, in agreement with the resident where appropriate. Any remedy proposed must be followed through to completion.
- 2.5 Finally, Section 7.4 of the self-assessment states that Landlords must take account of the guidance issued by the Ombudsman when deciding on appropriate remedies.
- 2.6 Whilst there are existing procedures for offering small sums to compensate loss there was not a formal policy document which was in line with the HOS Guidance on Remedies and therefore, a new one needed to be developed and agreed to ensure compliance with The Code.
- 2.6 Lincoln Tenants Panel (LTP) have been consulted about this report and have made the following comments:
- 1) Recommend the remedies policy reviewed annually.  
Response: This has been noted and reflected in the review date information.
  - 2) LTP request that they are provided with annual report on the volume of compensation administered and areas of service related to.  
Response: This has been noted and can be provided.
  - 3) Agree with the proposed compensation amounts and increments system relating to qualifying improvements, gesture of goodwill and payment of

compensation to customers,

Response: This has been noted.

- 4) Recommend rent refund for disturbance allowance amount is reduced.

Response: This has been noted however, the amounts have been suggested are based on the Housing Ombudsman award thresholds.

- 2.7 This policy was reviewed at Housing Scrutiny Sub Committee on 31 October 2024 and it was supported that the policy goes to Executive on 18 November for approval. It was also discussed that the report and policy should be presented to Policy Scrutiny Committee on 19 November for further review and consideration.

### **3. Organisational Impacts**

#### **Strategic Priority**

High Performing Services

#### **Finance**

Compensation payments and allowances should be met from within existing budget provision. These payments should be monitored to assess the effect of the introduction of a published policy.

#### **Legal**

There are no direct legal implications arising from this report.

#### **Equality and Diversity**

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.

To ensure that we deliver our Equality Duty we accept complaints from customers via all communication channels. Customers can complain in person, verbally, in writing or via our online complaints template. Customers who need assistance to log a complaint can get help from Customer Services to ensure that they are heard. All complaints received are dealt with equally regardless of how they are made.

#### **Community Engagement and Communications.**

We welcome feedback from customers and clearly promote the Complaints procedure on our website and in our public buildings.

#### **4. Recommendations**

- 4.1 Members to consider and approve the new DHI Remedies Policy.
- 4.2 That authority be delegated to the City Solicitor in conjunction with the Portfolio Holder for Quality Housing to consider and approve any suggested amendments recommended by the Policy Scrutiny Committee on 19 November 2024. Any recommendations which are major will be referred back to Executive for approval.

**Is this a key decision?**

No

**Do the exempt information categories apply?**

No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?**

No

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

One

**List of Background Papers:**

None

**Lead Officer:**

Joanne Crookes  
Customer Services Manager  
[Jo.crookes@lincoln.gov.uk](mailto:Jo.crookes@lincoln.gov.uk)



## **DEPARTMENT OF HOUSING AND INVESTMENT REMEDIES POLICY**

#### Document Control

<b>Organisation</b>	City of Lincoln council
<b>Title</b>	Remedies Policy
<b>Author</b>	Paula Burton
<b>Filename</b>	
<b>Owner</b>	DHI
<b>Subject</b>	
<b>Classification</b>	
<b>Review date</b>	March 2026 and then on an annual basis

#### Revision History

Revision Date	Author	Previous Version	Description of Revision

#### Document Approvals

This document requires the following approvals:

<b>Sponsor Approval</b>	<b>Name</b>	<b>Date</b>
Executive		
CMT		
SIRO		



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## DHI REMEDIES POLICY

<b>1.</b>	<b>Purpose</b>
1.1	We recognise that occasions do arise when we may make a payment in recognition of loss or detriment suffered, in the form of compensation to a customer who has an interest in a property owned and/or managed by the City of Lincoln Council under the terms of a tenancy or lease agreement on HRA assets.
1.2	This policy also details who is entitled to make a request for compensation and how the amount of compensation awarded will be determined.
1.3	This policy does not cover payments to settle claims for personal injury. These are dealt with separately by our insurers.
1.4	This policy does not cover the provision to financially compensate for reasonable expenses incurred when a tenant is temporarily decanted to another property whilst their home received major repair works, refurbishment, or undergoing remedial work; this will be set out within the City Councils' Decanting Policy.
1.5	This policy is intended to provide general guidance only. Each individual request for compensation will be considered on its merits against the statutory and policy framework.
1.6	This policy should be read in conjunction with the City of Lincoln Council's Corporate Complaints Policy which may be used by customers who feel they have experienced a service failure.
<b>2.</b>	<b>Key Principals and Service Standards</b>
2.1	<p>We are committed to achieving the highest possible standards in the services we provide. This policy will ensure that a consistent and fair approach to compensation, gestures of goodwill and ex-gratia payments is taken by:</p> <ul style="list-style-type: none"> <li>• Ensuring that tenants and leaseholders are not materially disadvantaged as a result of asset management, repairs or service failures.</li> <li>• Applying this policy effectively and proportionately.</li> </ul>
<b>3.</b>	<b>Equalities Statement</b>
3.1	We will ensure that this policy is applied fairly and consistently to customers. The council will not directly or indirectly discriminate against any person or groups of people because of their age, disability, gender, gender reassignment, marital or maternity status, race, religion or sexual orientation.

3.2	When applying this policy, we will act sensitively towards the diverse needs of individuals and communities.
<b>4</b>	<b>Policy Detail</b>
<b>4.1</b>	<b>Right to Compensation for Improvements</b>
4.1.1	<p>Secure tenants with the City of Lincoln Council are entitled to compensation for certain improvements they have made, following a move from their property, they may be entitled to compensation if:</p> <ul style="list-style-type: none"> <li>• They have carried out qualifying improvements to their property;</li> <li>• They have obtained the written consent of the City of Lincoln Council; and</li> <li>• The cost of an improvement is £50 or more; and</li> <li>• The works were started after 1 April 1994.</li> </ul>
4.1.2	A qualifying improvement is one that is listed in the table details in Appendix A.
4.1.3	The maximum compensation that can be paid for any single improvement is £3000.
4.1.4	<p>To make a claim the tenant must write to the council, within the period starting 28 days before, and ending 14 days after the tenancy end date and provide the following information:</p> <ul style="list-style-type: none"> <li>• Name and address, including a forwarding address.</li> <li>• Details of the improvements made.</li> <li>• How much each improvement cost, together with the invoices and receipts.</li> <li>• The date the improvements began and finished.</li> <li>• Copies of all relevant certificates to demonstrate that the improvement met with the required legislation and building control standards, where relevant.</li> </ul>
4.1.5	<p>Our contact details are as follows:</p> <ul style="list-style-type: none"> <li>• Email: customer.services@lincoln.gov.uk</li> <li>• Call: 01522 873333 (Housing)</li> <li>• Write to: City of Lincoln Council, City Hall, Beaumont Fee, Lincoln, LN1 1DE</li> </ul>
4.1.6	We will inspect the improvement and information provided to ensure that the works have been completed to an acceptable standard before considering whether to make an offer of compensation. If works fail to meet this standard, or relevant safety certificates are not provided, no compensation will be

	offered, and the customer may be asked to re-instate the property to its original condition at their own expense or pay for the damage to be rectified if the work is not completed.
4.1.7	<p>We will consider the following factors when determining the level of compensation:</p> <ul style="list-style-type: none"> <li>• The cost of the improvement.</li> <li>• The time since the improvement was completed; and</li> <li>• The notional lifespan of the improvement.</li> </ul>
4.1.8	<p>The level of the compensation payable may be reduced or increased if:</p> <ul style="list-style-type: none"> <li>• The cost of the improvement was excessive</li> <li>• The improvement is of higher / lower quality than it would have been had the landlord completed the works.</li> <li>• The improvement has deteriorated at a greater/lesser rate than the expected notional life, as detailed in Appendix A, for normal wear and tear.</li> <li>• If the improvement was funded by a grant.</li> </ul>
4.1.9	Tenants will not be entitled to claim compensation if they have assigned their tenancy to someone else, purchased the property under the Right to Buy scheme, moved through a Mutual Exchange, or if the tenancy was ended by way of a court order. In addition, the City of Lincoln Council may refuse claims for compensation if the improvements were not authorised.
<b>4.2</b>	<b>Disturbance Allowance</b>
4.2.1	We undertake many improvement programmes during each year and recognise that these may disrupt tenants. To compensate for this disruption, we have introduced a Disturbance Allowance payment scheme. This applies only to works done as part of an improvement programme and not repairs a tenant has asked for.
4.2.2	We will grant a decoration voucher to compensate for any damage to decoration.
4.2.3	The Disturbance Allowance is calculated as a percentage of weekly rent charges, refunded either as a rent credit if you are in arrears, or BACS payment into a bank account.
4.2.4	<p>You may qualify for a Disturbance Allowance if:</p> <ul style="list-style-type: none"> <li>• You lose the use of part of your home for more than one week.</li> <li>• You are not rehoused during the works.</li> <li>• You lose the use of part of your garden for more than one week.</li> <li>• You have scaffolding up for longer than 4 weeks.</li> </ul> <p>See further details on how we define these terms in the section below.</p>

4.2.5	<b>Losing the use of part of your home</b> means you are unable to use a room or amenity because building work is going on during the day, or you are unable to use a room or amenity outside normal working hours because of the type of work being done. See <b>Appendix B</b> for details.
4.2.6	<b>Losing the use of part of your garden</b> means you may be entitled to compensation if the council or our contractor uses either your front or back garden to store materials. The allowance would be 20% of the weekly property rent for each full week of loss. If both the front and back gardens are used, the allowance will be 50% of the weekly rent for each full week of loss (part weeks do not count).
4.2.7	<b>Having scaffolding up for more than 4 weeks</b> means you may be entitled to compensation. The allowance would be 20% of the weekly property rent for either the front or back walls of your property. If both the front and back of the property have scaffolding up for longer than 4 weeks, the allowance would be 50% of the weekly property rent (part weeks do not count).
4.2.8	To claim please use the disturbance allowance claim form at <b>Appendix C</b> or write to the City of Lincoln Council.
4.2.9	It is important that even when a request for compensation has been made, rent must continue to be paid or a tenancy may be at risk.
<b>4.3</b>	<b>Gesture of Goodwill</b>
4.3.1	We may consider making a payment as a gesture of goodwill where service delivery failings cause exceptional inconvenience, stress, disturbance or annoyance.
4.3.2	Any requests for compensation as a result of a service delivery failure will be investigated and payment may be offered in line with our goodwill payment matrix. See <b>Appendix D</b> .
<b>4.4</b>	<b>Payment of Compensation to Customers</b>
4.4.1	Any offer of compensation will be made to a customer in writing. The tenant must confirm in writing if they accept the payment as full and final settlement of their request. Any payment of compensation offered under this policy is not an admission of liability by the Council.
4.4.2	Compensation payments to customers through this could be offset against any housing debts owed to the council, including rent arrears, or re-charges for rectification of damage. Following the offset, any balance remaining will be paid directly to the customer via BACS transfer.

<b>4.5</b>	<b>Review of Decisions</b>
4.5.1	Customers can appeal against a decision not to award compensation and can request that the decision is reviewed within 14 days of the decision being made. The decision will be reviewed by a more senior Manager who was not involved in the original decision.
<b>4.6</b>	<b>Disputes</b>
4.6.1	If a customer remains dissatisfied with the offer the case can be considered through the Corporate Complaints Policy.
4.6.2	In the event that the Council is unable to resolve matters of dispute through our internal processes, the case can be referred to the Housing Ombudsman Service.
<b>4.7</b>	<b>Insurance Claims</b>
4.7.1	<p>If the customer suggests that they have suffered damage or loss of belonging as a result of something the Council, or its agents/contractors, have done or not done, the matter is handled as an insurance claim.</p> <p>Insurance claims for tenants property valued at less than £750 will be handled by the Directorate of Housing with support from the CX Insurance Team where required.</p> <p>These claims are evidence based. The tenant must be visited as soon as possible after the incident to assess the damage incurred. Damaged goods must be available to be inspected and receipts/evidence of value provided wherever possible.</p> <p>The payment must be paid as a 'without prejudice' discretionary payment and signed documentation obtained from the tenant before payment is made.</p> <p>Claims against Contractors will be referred to the Contractor for resolution and monitored accordingly.</p>
4.7.2	<p>Any cases that exceed £750 in value or have <u>any</u> potential for personal injury must be referred immediately to the Insurance Team. It is for the Council's insurers nominated claims handlers to assess liability</p> <p>Personal injury claims, whether pursued by tenants in person or their legal representatives, must not be handled under this policy.</p>
4.7.3	Tenants and leaseholders are expected to take out appropriate contents insurance for damage to their contents caused by insured perils not insured by the Council, as set out in the tenancy agreement. Examples of this include fire,

	flood, escape of water. There are insurance providers who offer low-cost schemes.
<b>4.8</b>	<b>Housing Disrepair Claims</b>
4.8.1	<p>In an instance where we have been notified of a need for repair to one of our residential dwellings or blocks of flats, but have failed to rectify the problem, a customer may wish to make a claim against the City of Lincoln Council for disrepair. This includes claims for damp and/or mould being present in a property.</p> <p>We urge anyone who feels they might have such a claim against City of Lincoln Council to contact us directly.</p> <p>We will investigate and aim to resolve your complaint quickly and promptly.</p> <p>Any remedies due will be processed and actioned in accordance with the Gesture of Goodwill procedure under 4.3 and 4.4.</p>
4.8.2	<p>There is a pre-action protocol published by the Ministry of Justice, which sets out a process for customers (whether tenant, leaseholder, or resident member of their family), and the Council to follow. The details of the pre-action protocol for disrepair can be found on the Ministry of Justice website, <a href="https://www.justice.gov.uk/pre-action-protocol/housing-conditions-claims">Pre-Action Protocol for Housing Conditions Claims (England) – Civil Procedure Rules (justice.gov.uk)</a></p>
4.8.3	<p>The protocol aims to avoid the need to go to Court by finding an appropriate solution via alternative methods of resolution. We will robustly defend such claims where there is no evidence that the Council is in breach of our repair responsibilities as Landlord.</p>
4.8.4	<p>Details of how to contact us can be found below:</p> <ul style="list-style-type: none"> <li>• Email: <a href="mailto:customer.services@lincoln.gov.uk">customer.services@lincoln.gov.uk</a></li> <li>• Call: 01522 881188</li> <li>• Write to: City of Lincoln Council, City Hall, Beaumont Fee, Lincoln, LN1 1DE</li> </ul>

## Appendix A – Qualifying improvements

Qualifying improvement	Notional life
Bath or shower	12 years
Wash-hand basin	12 years
Toilet	12 years
Kitchen sink	10 years
Storage cupboards in kitchen or bathroom	15 years
Work surfaces for food preparation	10 years
Space or water heating	12 years
Thermostatic radiator valves	7 years
Insulation of pipes, water tank or cylinder	10 years
Loft insulation	20 years
Cavity wall insulation	20 years
Draught proofing of external doors or windows	8 years
Double glazing, other window replacement, or secondary glazing	20 years
Rewiring, the provision of power and lighting or other fittings such as smoke detectors	15 years
Security measures (excluding burglar alarm systems)	10 years



## Appendix B – Rent refund for Disturbance Allowance

Room not in use	% of rent
Kitchen or bathroom or toilet plus one room	100
3 living rooms or 3 bedrooms	100
2 living rooms or 2 bedrooms	50
One living room or bedroom in 1 bedroom accommodation	50
Kitchen or bathroom or toilet	30
One living room or bedroom in 2 bedroom accommodation	20

Appendix C

# Disturbance Allowance Claim Form

Please state what the claim is for:

Date work started

Date work ended

Number of days

Total claim £

Date of claim

Bank details: Bank name

Sort code

Account number

Your name and address

Signature

## Appendix D – Gesture of goodwill payment matrix

	Issue resolved within 24 hours of being made aware. Payment of up to	Issue resolved within a week of being made aware. Payment of up to	Issue resolved within 2 weeks of being made aware. Payment of up to	Issue resolved within 4 weeks of being made aware. Payment of up to	Issue resolved over 4 weeks of being made aware. Payment of up to
Low level inconvenience, without financial impact	£25	£50	£50	£100	£100
Low level inconvenience, with financial impact	£25 + costs	£50 + costs	£50 + costs	£100 + costs	£100 + costs
Medium level inconvenience, without financial impact	£100	£150	£200	£250	£600
Medium level inconvenience, with financial impact	£100 + costs	£150 + costs	£200 + costs	£250 + costs	£600 + costs
High level inconvenience, without financial impact	£200	£300	£400	£500	£1000
High level inconvenience, with financial impact	£200 + costs	£300 + costs	£400 + costs	£500 + costs	£1000 + costs
Personal injury of any kind	Pass to Insurance Team immediately - no offer to be made				

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**EXECUTIVE**

**18 NOVEMBER 2024**

<b>SUBJECT:</b>	<b>ANNUAL COMPLAINTS PERFORMANCE AND SERVICE IMPROVEMENT REPORT 2023-2024</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>JOANNE CROOKES, CUSTOMER SERVICES MANAGER</b>

**1. Purpose of Report**

- 1.1 To present an annual complaints report including details from the Annual Review of Local Authority Complaints issued by the Local Government and Social Care Ombudsman (LGSCO) and the decisions of the Housing Ombudsman Service (HOS).
- 1.2 To report on the overall number of complaints received by the Council on a Directorate basis for the full year 2023-2024, including performance against target response times and the percentage of complaints which are upheld.

**2. Background**

- 2.1 The Council's complaints procedure includes two levels in response to formal complaints. Once the complaint has been considered and responded to by two separate officers the complainant is advised that if they are not satisfied with the final response, they can seek redress the relevant Ombudsman service.
- 2.2 Complaints relating to the landlord function of the Council, as a provider of social housing, are escalated to the Housing Ombudsman Service. All other complaints, about any other service or aspect of Council business fall under the jurisdiction of the Local Government and Social Care Ombudsman.
- 2.3 In April 2024, the Housing Ombudsman Complaint Handling Code (The Code), became statutory for all social housing providers. We have updated our policy to ensure that we comply with The Code and, as it represents best practice in dealing with customer complaints, we have adopted the principles of The Code as a corporate policy. This report summarises our performance in 2023-2024 i.e. before the Complaint Handling Code came into force.
- 2.4 There are a number of elements in The Code which are designed to ensure that our complaint handling performance is both effective and transparent. The HOS has a statutory duty to monitor our compliance with The Code and they have powers to issue Complaint Handling Failure Orders where they find that performance is not conforming with The Code.
- 2.5 The main changes to our complaint handling are in terms of reporting of our performance, learning lessons from complaints, and ensuring that customers find it easy to make a complaint. We already had timescales for complaint handling which reflect the recommended response times in It requires that public bodies have due regard to the need to:

. These are:

- Initial acknowledgement within 5 days
- Level 1 complaints to be responded to within 10 working days of the acknowledgement, and
- Level 2 complaints to be resolved within 20 working days of the acknowledgement.

2.6 The Code requires that we complete an annual self-assessment against all of the provisions set out in The Code. The self-assessment requires that we consider each element of The Code and certify ourselves as either “Complied” or “Not Complied” with each of 78 provisions. Our self-assessment was also considered by the Lincoln Tenant’s Panel prior to submission.

2.7 Our 2024 Corporate Complaints Policy and Guidance is compliant with many of the provisions but there are a small number of areas where we had to undertake work. At date of submission of the initial self-assessment (30 June 2024) only 5 of the provisions were self-assessed as non-compliant at the date of submission (30 June 2024) as detailed in 2.8 below. These are now almost complete in demonstrating full compliance with The Code. The self-assessment is available for inspection on the Council’s website and is attached to this report as Appendix A.

2.8 The areas declared as non-compliant (as things were on the date of self-assessment i.e. 30 June 2024) are:

1. The annual Complaints Performance and Service Improvement Report must be presented to members and published on our website. This report and subsequent publishing on our website will satisfy this provision.
2. The annual Complaints Performance and Service Improvement Report must include details of the annual self-assessment against The Code. This report and subsequent publishing on our website will satisfy this provision. The self-assessment itself is already published on our website and has been submitted to the Housing Ombudsman.
3. There should be a policy to deal with unacceptable resident behaviours (in making complaints) which reflect the provisions of The Code. This has been developed and will be adopted following approval by committee. This policy has been reviewed by Housing Scrutiny Sub Committee on 31 October 2024 and will be presented to Executive for approval on 18 November 2024.
4. There should be a Remedies Policy to reflect the provisions of The Code. This has been developed and will be adopted following approval by committee. This policy has been reviewed by Housing Scrutiny Sub Committee on 31 October 2024 and will be presented to Executive for approval on 18 November 2024.
5. The requirement to have an objective around complaint handling for each relevant staff member was certified as an area of non-compliance but the latest review of job descriptions has identified that that each employee has reference to this in their job description and going forward it is recommended that this is captured in the annual appraisal.

### 3. Complaints – Annual Performance (April 2023 – March 2024)

- 3.1 The number of complaints received over the year has slightly decreased over the peak of the previous year. Please see the figures in the table below at 3.3.

It is worth noting that there were some Council services which had suspended their operations for several months in the year 2020-2021, due to Covid restrictions, and this will have reduced the potential for something to go wrong in that time and consequently kept complaints low.

- 3.2 In 2021, following the publication of the Housing Ombudsman's Complaint Handling Code, we changed our measure on response times to reflect the expectation that all complaints should be responded to within the agreed target time of 10 days for level one or 20 days for level two. Prior to this development we reported on the overall average response time across all complaints.

3.3

Year	Number of complaints	Average response time
2019-2020	338	7.4 days
2020-2021	260	8.1 days
2021-2022	392	66% within target
2022-2023	459	70% within target
2023-2024	418	67% within target

### 4. Breakdown of Complaints

- 4.1 Of the 418 complaints received for 2023-2024 the broad categories they relate to are set out in the table below. The figures for the previous 2 years are included for comparative purposes.

4.2

Service area or responsibility	2021-2022	2022-2023		2023-2024
Repairs & Maintenance	166	199		178
Community Services	7	15		36
Parking	7	39		33
Tenancy issues	67	75		29
Housing Solutions	64	51		26
Council Tax / NNDR	27	22		18
Planning and building control	5	9		17
Housing Investment	6	17		16

PPASB service	13	5	15
Events (Christmas Market)	10	7	13
Major developments	3	1	7
Recreation and Leisure	0	1	7
Private Housing	2	7	6
Bereavement Services	0	1	5
Benefits	4	0	3
Customer Services	2	2	3
Licensing	1	0	2
Financial Services	0	0	2
Legal Services	0	2	1
I.T (website)	0	0	1
Bus Station	1	1	0
Civic & Democratic Services	0	2	0
Property Services	1	2	0
Environmental Health	1	1	0
Human Resources	1	0	0
Total complaints	392	459	418

- 4.3 Upheld complaints: Of the 418 complaints responded to in 2023-2024, Just over 50% (211) were upheld. This is in line with the 55% upheld last year.

In instances where a complaint is upheld customers are offered an explanation and an apology. In certain circumstances they may also be offered some other form of redress. Additionally, the officer upholding the complaint completes a feedback form for the directorate complaint monitoring officer outlining lessons learned, training needs and any recommended changes to procedures.

- 4.4 The lessons learned are reported through each Directorate Management Team (DMT) by the Directorate Monitoring Officer. DMTs are therefore fully aware of the complaints received. Where any changes to procedure are required or potential policy developments are needed these are discussed and taken forward as appropriate.

## 5. Local Government and Social Care Ombudsman Annual Review Report

- 5.1 The LGSCO Advice team provides comprehensive information and advice to both the public and local authorities on complaints. It also produces an annual review of local government complaints which includes an overview of trends, followed by statistical tables detailing the numbers of complaints received from each local authority area broken down into general service areas. This data is published on their website.
- 5.2 The second data set details the number of decisions made and the outcome of those complaints which the LGSCO has undertaken to investigate fully. In terms of outcome the only data published is whether the investigation has led to the complaint being upheld or not upheld. Details of the complaints themselves, the decision and any recommendations are now only available in the form of individual published decisions as they are released throughout the year.



- 5.3 In the year to 31 March 2024 the LGSCO made decisions on 13 new complaints about City of Lincoln Council services. This is in line with the previous two years, which saw 13 and 11 complaints respectively moving to the Ombudsman stage.

The general service areas of these were as follows:

Service Area	2021-2022	2022-2023	2023-2024
Environmental Services	1	1	0
Housing	3	7	6
Revenues and Benefits	6	3	1
Corporate Services	0	0	0
Highways and Transport	0	2	2
Planning and Development	1	0	4
Totals	11	13	13

- 5.4 One of the complaints were referred back for local resolution: This had not been through our own complaint's procedure, and we had therefore not had the opportunity to investigate or resolve the complaint before the customer involved a third party in the issue. In effect this is not an LGSCO complaint.
- 5.5 Three of the complaints were closed after initial enquiries: These complaints are where the Ombudsman has decided that it could not or should not investigate the complaint; usually because the complaint is outside LGSCO's jurisdiction, and they cannot lawfully investigate it. The early assessment of a complaint may also show there was little injustice to a complainant that would need an LGSCO investigation of the matter, or that an investigation could not achieve anything, either because there was no fault, or the outcome a complainant wants is not one that the LGSCO could achieve, for example overturning a court order.
- 5.6 In four cases there was advice given: These are cases where the LGSCO would not look at a complaint because they had previously looked at the same complaint from the complainant, or another complaint handling organisation or advice agency was best placed to help them.
- 5.7 There were five complaints which were deemed appropriate for a full investigation. This compares with one investigation undertaken in the previous year and two for the year before that. Of the five fully investigated complaints three were "Not Upheld" and two were "Upheld." This is reported and published as an "Uphold rate" of 40%. The average District Council Uphold rate is 63%.
- 5.8 The two upheld complaints were reported as follows:
1. Housing Solutions: Decided 30 May 2023 - Mr X complained the Council failed to carry out proper checks and misrepresented information about a prospective tenant introduced to him under its private landlord scheme. There was fault by the Council in failing to carry out, or properly carry out all the checks it said it would complete, and to be open and transparent about this and the information it had obtained, causing injustice. The Council agreed to the suggested remedy, by apologising to Mr X, making a payment to reflect the worry and uncertainty caused and undertook a service

improvement.

2. Highways and Transport (Car-Parking): Decided 10 July 2023 - Mr X complained the Council failed to follow statutory guidance on enforcing parking restrictions through a lack of signage at a car park detailing the relevant conditions of parking. Mr X also complained the Council failed to consider the Equality Act 2010 by failing to make reasonable adjustments for disabled drivers. There was fault by the Council for its delays in implementing new signage and the way in which the Council handled Mr X's complaint. The Council agreed to apologise to Mr X, pay him compensation and complete a review of the signage at the car park.

## **6. Housing Ombudsman Service Complaints**

- 6.1 Tenancy related complaints i.e., those which are classed as a landlord function, are referred to The Housing Ombudsman Service (HOS), rather than being dealt with by the LGSCO.
- 6.2 The Housing Ombudsman publishes its decisions and a summary of landlord performance on its website. They create individual reports for landlords with 5 or more findings in the year. These findings are counted individually and there may be multiple findings from a single complaint.
- 6.3 In 2023-2024 The Housing Ombudsman upheld 2 complaints made to it by our residents. These 2 complaints resulted in 5 findings, and the Council has received an individual report to this effect which was published on 5 November 2024. The details of these were as follows in para 6.4:
- 6.4 Upheld Housing Ombudsman Complaints:
  1. The tenant complained about ongoing outstanding repairs which were not completed. There were reports of damp and mould which were not dealt with in accordance with policy, and there was a delay in responding to the tenant's complaints. The HOS found fault with the Council and issued a finding of Service Failure in dealing with the repairs, and two findings of Maladministration. These were in connection with how the Damp and Mould was dealt with and another finding of Maladministration for delays in responding to the complaint. This one complaint resulted in three findings.

For this complainant, the following remedies were ordered:

- A written apology to the tenant for the service failure identified in the investigation.
  - The Council to perform a survey of the resident's property and provide the resident with a list of the works needed to combat any damp and mould identified in this survey along with timescales for completing the work.
  - Payment of compensation for distress caused by the delays.
  - Provide evidence to the HOS that we have complied with the orders.
2. The tenant complained about Damp and Mould in the property. This was not dealt with in a timely manner and tenants were affected by the condition of

their home. The HOS found fault with the Council and issued a verdict of Maladministration for how the Damp and Mould was dealt with and another finding of Maladministration for how the complaint was handled. The maladministration in dealing with the complaint was associated with a situation where an officer was promoted internally, had dealt with the level one complaint as a supervisor and then responded to the level two complaint in their new role as service manager due to a cross over period. The policy states that the level one and the level two complaints will be investigated by two separate officers, and therefore did not adhere to policy on this occasion. This one complaint resulted in two findings. The following remedies were ordered:

- A written apology to the tenant for the failures identified in the investigation.
- Payment of compensation for distress caused by the delays.
- Completion of a post inspection report, with a copy sent to the tenant.
- A management review of the complaint handling process to be completed and submitted to the HOS.
- A self-assessment against the HOS Spotlight report on Damp and Mould to be completed and submitted to the HOS.
- A self-assessment against the HOS Spotlight report on Knowledge and Information Management to be completed and submitted to the HOS.
- Refresher training to be provided to staff dealing with complaints.
- Provide evidence to the HOS that we have complied with the orders.

6.5 The Council has complied with the orders and recommendations of the Housing Ombudsman and have received a rating of 100% compliant in our report.

## **7. Complaint Trends**

7.1 In the full year to 31 March 2024 there has been a slight decrease in the number of complaints received compared to the previous year.

7.2 Complaints from our tenants about repairs to their homes, continue to be our most common complaint although there was a reduction in 2023/24 compared to the previous year. The Council, along with other stock holding authorities and Registered Social landlords continued to see reports of damp, mould and condensation within our stock during this reporting period.

7.3 Complaints about Community Services, Major Developments, Planning and Building Control, Recreation and Leisure and PPASB have increased on the previous year.

7.4 Complaints about Tenancy Services and Housing Solutions have seen a notable reduction in the number of complaints received over the year. Additionally, complaints to DHI during 2023/24 decreased by over 100 when compared to previous years.

7.5 It should be noted that in April 2024, the Housing Ombudsman Complaint Handling Code became statutory. The way that complaints are handled has changed from April 2024 to ensure that we are complying with the requirements

of The Code. Any resident expressing dissatisfaction informally must be given the opportunity to make a complaint which receives a formal response. As such, it is anticipated that future trends will see an increase in formally recorded complaints.

## **8. Learning from Complaints**

- 8.1 When an individual complaint is investigated and responded to, the responding manager or team-leader is required to complete a Complaint Outcome Report.
- 8.2 This report asks for details about the response and the decision to uphold the complaint or otherwise. Where there is learning as a result of the complaint this is outlined on the report and details of changes to policies, processes, or information is described.
- 8.3 A new procedure was implemented in April 2024 to record and monitor lessons learned in a more structured way and as such, the next year's report covering the period April 2024 – March 2025 will have a comprehensive update.
- 8.4 Some examples of learning from complaints over the April 2023 – March 2024 period are listed here:
  1. A complaint from a person applying to go on the Housing register identified that the information set out for applicants on the Homefinder web page was not sufficiently explicit about what the applicant needed to complete and what they were required to provide in terms of evidence. As a result, the contents of the website were reviewed and the wording amended to make it much clearer to applicants about what they need to do and what the next steps are.
  2. A complaint about a billing error meant that the call recording was reviewed, and it was identified that the team member was misinterpreting the procedures. The resident's account was corrected, and the learning led to refresher training for the individual.
  3. A complaint about the inaccessibility of the kennels used for stray animals led to a review of the payment process which means that people can now collect their pets at weekends.

## **9. Compliments**

- 9.1 Despite the current challenges and pressures, the Council continues to receive regular compliments from the public. These tend to acknowledge the professionalism of staff and occur across all service areas. Residents often take the time to appreciate the care and consideration demonstrated by our staff.

Some examples of positive feedback are as follows:

Council Tax - "I would like to thank you for taking the time to send such a kind reply - and above all for taking into account the human dimension into the whole situation. This is appreciated beyond words - and it means a lot."

Parking Services - "I just wanted to say how lovely and helpful your staff member always is, in any dealings that I have responses are always very prompt and she is very helpful if I am seeking help, she is a credit to your team."

Benefits - I would like to express my thanks to the excellent benefits team. I do not think, in this day and age, enough attention is paid to those that provide an excellent service and in this case, I'm pleased to say that I've had nothing but a first class and speedy service from yourselves over the past few weeks following the recent reduction in my state pension entitlement. Both on the phone and by email, you have all provided me with a quick and courteous service, and this is very much appreciated.

Housing Repairs Service - "The workers did a very good job, they were very polite, they were on time, they were very helpful and put things back where they found them and cleaned up after themselves."

Customer Service – "I would like to compliment Lincoln Council for their excellent customer service and systems. On a few occasions I have needed to contact the Council about Council Tax and each time the people who work in customer service, are professional, helpful and well informed. The system of speaking to someone directly is really useful when compared to my local Council in Sussex. Please pass on my feedback"

Even where we make a mistake, customers appreciate it when we take prompt action to redress the issue. A member of the public was charged twice for their car park charge – money was refunded. Customer feedback was "Thank you so much for both a positive, and very quick resolution to this issue. I am mightily impressed."

## **10. Organisational Impacts**

### **Strategic Priority**

High Performing Services

### **Finance**

The Council pays an annual fee to the Housing Ombudsman Service (HOS). Membership is mandatory for all social landlords and the current fee is £8.03 per home. At our current level of stock this costs in excess of £64,000. Last year the HOS ordered the Council to pay a total of £1,850 in compensation to our tenants.

### **Legal**

There are no direct legal implications arising from this report.

### **Equality and Diversity**

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

To ensure that we deliver our Equality Duty we accept complaints from customers via all communication channels. Customers can complain in person, verbally, in writing or via our online complaints template. Customers who need assistance to log a complaint can get help from Customer Services to ensure that they are heard. All complaints received are dealt with equally regardless of how they are made.

### **Community Engagement and Communications.**

We welcome feedback from customers and clearly promote the Complaints procedure on our website and in our public buildings.

## **11 Recommendation**

### **11.1 Members to consider and comment on the complaints report for 2023-2024**

<b>Is this a key decision?</b>	No
<b>Do the exempt information categories apply?</b>	No
<b>Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?</b>	No
<b>How many appendices does the report contain?</b>	One
<b>List of Background Papers:</b>	None

**Lead Officer:**

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## Appendix A: Self-Assessment Form

This self-assessment form should be completed by the complaints officer and it must be reviewed and approved by the landlord's governing body at least annually.

Once approved, landlords must publish the self-assessment as part of the annual complaints performance and service improvement report on their website. The governing body's response to the report must be published alongside this.

Landlords are required to complete the self-assessment in full and support all statements with evidence, with additional commentary, as necessary.

We recognise that there may be a small number of circumstances where landlords are unable to meet the requirements, for example, if they do not have a website. In these circumstances, we expect landlords to deliver the intentions of the Code in an alternative way, for example by publishing information in a public area so that it is easily accessible.

## Section 1: Definition of a Complaint

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
1.2	A complaint must be defined as: <i>'an expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the landlord, its own staff, or those acting on its behalf, affecting a resident or group of residents.'</i>	Yes	Complaints Policy contains this definition	
1.3	A resident does not have to use the word 'complaint' for it to be treated as such. Whenever a resident expresses dissatisfaction landlords must give them the choice to make complaint. A complaint that is submitted via a third party or representative must be handled in line with the landlord's complaints policy.	Yes	The Complaints Policy contains this definition and the recognition of 3 <sup>rd</sup> party or representatives' ability to complain on behalf of the resident. Staff information emphasises this aspect. See Video for launch of policy and emails to all staff.	
1.4	Landlords must recognise the difference between a service request and a complaint. This must be set out in their complaints policy. A service request is a request from a resident to the landlord requiring action to be taken to put something right. Service requests are not complaints, but must be	Yes	The Complaints Policy reflects this	



	recorded, monitored and reviewed regularly.			
1.5	A complaint must be raised when the resident expresses dissatisfaction with the response to their service request, even if the handling of the service request remains ongoing. Landlords must not stop their efforts to address the service request if the resident complains.	Yes	This definition is included in our policy	
1.6	An expression of dissatisfaction with services made through a survey is not defined as a complaint, though wherever possible, the person completing the survey should be made aware of how they can pursue a complaint if they wish to. Where landlords ask for wider feedback about their services, they also must provide details of how residents can complain.	Yes	This is in the policy. Corporate Communications and Policy Unit have been briefed.	

## Section 2: Exclusions

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
2.1	Landlords must accept a complaint unless there is a valid reason not to do so. If landlords decide not to accept a complaint they must be able to evidence their reasoning. Each complaint must be considered on its own merits	Yes	Set out in the Complaints Policy	
2.2	<p>A complaints policy must set out the circumstances in which a matter will not be considered as a complaint or escalated, and these circumstances must be fair and reasonable to residents. Acceptable exclusions include:</p> <ul style="list-style-type: none"> <li>• The issue giving rise to the complaint occurred over twelve months ago.</li> <li>• Legal proceedings have started. This is defined as details of the claim, such as the Claim Form and Particulars of Claim, having been filed at court.</li> <li>• Matters that have previously been considered under the complaints policy.</li> </ul>	Yes	Exclusions are clearly set out in the Complaints Policy	

2.3	Landlords must accept complaints referred to them within 12 months of the issue occurring or the resident becoming aware of the issue, unless they are excluded on other grounds. Landlords must consider whether to apply discretion to accept complaints made outside this time limit where there are good reasons to do so.	Yes	As set out in our Policy	
2.4	If a landlord decides not to accept a complaint, an explanation must be provided to the resident setting out the reasons why the matter is not suitable for the complaints process and the right to take that decision to the Ombudsman. If the Ombudsman does not agree that the exclusion has been fairly applied, the Ombudsman may tell the landlord to take on the complaint.	Yes	As set out in our Policy	
2.5	Landlords must not take a blanket approach to excluding complaints; they must consider the individual circumstances of each complaint.	Yes	As set out in our Policy	

### Section 3: Accessibility and Awareness

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
3.1	Landlords must make it easy for residents to complain by providing different channels through which they can make a complaint. Landlords must consider their duties under the Equality Act 2010 and anticipate the needs and reasonable adjustments of residents who may need to access the complaints process.	Yes	Residents can complain by any means. See Corporate Complaints policy and video launch for confirmation	
3.2	Residents must be able to raise their complaints in any way and with any member of staff. All staff must be aware of the complaints process and be able to pass details of the complaint to the appropriate person within the landlord.	Yes	Residents can complain by any means and to any member of staff, wherever they work. See Corporate Complaints policy and video launch for confirmation	
3.3	High volumes of complaints must not be seen as a negative, as they can be indicative of a well-publicised and accessible complaints process. Low complaint volumes are potentially a sign that residents are unable to complain.	Yes	Complaints are seen as an opportunity to put things right and to learn. See Corporate Complaints policy and video launch for confirmation	
3.4	Landlords must make their complaint policy available in a clear and accessible format for all residents. This will detail the two stage process, what	Yes	We are compliant with this	

	will happen at each stage, and the timeframes for responding. The policy must also be published on the landlord's website.			
3.5	The policy must explain how the landlord will publicise details of the complaints policy, including information about the Ombudsman and this Code.	Yes		
3.6	Landlords must give residents the opportunity to have a representative deal with their complaint on their behalf, and to be represented or accompanied at any meeting with the landlord.	Yes	Please see Complaints Policy and the Guidance notes for staff on responding to complaints.	
3.7	Landlords must provide residents with information on their right to access the Ombudsman service and how the individual can engage with the Ombudsman about their complaint.	Yes	Please see Complaints Policy and the Guidance notes for staff on responding to complaints. This includes details of what must be included in response letters.	

## Section 4: Complaint Handling Staff

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
4.1	Landlords must have a person or team assigned to take responsibility for complaint handling, including liaison with the Ombudsman and ensuring complaints are reported to the governing body (or equivalent). This Code will refer to that person or team as the 'complaints officer.' This role may be in addition to other duties.	Yes	Complaints handling team clearly set out in appendix to policy	
4.2	The complaints officer must have access to staff at all levels to facilitate the prompt resolution of complaints. They must also have the authority and autonomy to act to resolve disputes promptly and fairly.	Yes	Yes – complaints officer suitably senior and has empowerment and access to staff at all levels. Has been tasked with undertaking management review of recent upheld HOS decisions.	
4.3	Landlords are expected to prioritise complaint handling and a culture of learning from complaints. All relevant staff must be suitably trained in the importance of complaint handling. It is important that complaints are seen as a core service and must be resourced to handle complaints effectively	Yes	Complaints handling team clearly set out in appendix to policy. Regular reporting of Complaint Outcome reports and monitoring of response times. All staff reminded of importance via corporate video.	

## Section 5: The Complaint Handling Process

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
5.1	Landlords must have a single policy in place for dealing with complaints covered by this Code. Residents must not be treated differently if they complain.	Yes	Single Policy in existence across all areas/services.	
5.2	The early and local resolution of issues between landlords and residents is key to effective complaint handling. It is not appropriate to have extra named stages (such as 'stage 0' or 'informal complaint') as this causes unnecessary confusion.	Yes	We have no informal complaint level – This is set out in the policy and was emphasised in the corporate launch video and in email to all staff.	
5.3	A process with more than two stages is not acceptable under any circumstances as this will make the complaint process unduly long and delay access to the Ombudsman.	Yes	Our policy complies with this provision in the code.	
5.4	Where a landlord's complaint response is handled by a third party (e.g. a contractor or independent adjudicator) at any stage, it must form part of the two stage complaints process set out in this Code. Residents must not be expected to go through two complaints processes.	Yes	Where contractors deliver services on our behalf, for example central heating repairs – we remain the responsible party. All complaints about services which are our responsibility to deliver will be dealt with through our own 2 stage complaint process,	

5.5	Landlords are responsible for ensuring that any third parties handle complaints in line with the Code.	Yes	We do not use third party complaints processes. Customers are encouraged to raise their complaints with us as their landlord/council	
5.6	When a complaint is logged at Stage 1 or escalated to Stage 2, landlords must set out their understanding of the complaint and the outcomes the resident is seeking. The Code will refer to this as “the complaint definition.” If any aspect of the complaint is unclear, the resident must be asked for clarification.	Yes	This process is set out in both our policy and the staff guidance notes	
5.7	When a complaint is acknowledged at either stage, landlords must be clear which aspects of the complaint they are, and are not, responsible for and clarify any areas where this is not clear.	Yes	This process is set out clearly the staff guidance notes	
5.8	At each stage of the complaints process, complaint handlers must: <ul style="list-style-type: none"> <li>a. deal with complaints on their merits, act independently, and have an open mind;</li> <li>b. give the resident a fair chance to set out their position;</li> <li>c. take measures to address any actual or perceived conflict of interest; and</li> <li>d. consider all relevant information and evidence carefully.</li> </ul>	Yes	This process is set out clearly the staff guidance notes	



	e.			
5.9	Where a response to a complaint will fall outside the timescales set out in this Code, the landlord must agree with the resident suitable intervals for keeping them informed about their complaint.	Yes	This process is set out clearly in the staff guidance notes	
5.10	Landlords must make reasonable adjustments for residents where appropriate under the Equality Act 2010. Landlords must keep a record of any reasonable adjustments agreed, as well as a record of any disabilities a resident has disclosed. Any agreed reasonable adjustments must be kept under active review.	In Progress	We are currently undertaking a full census. As at 28/5/24 we have 7,638 occupied properties. So far, we have returned censuses from 552 properties. Of these returns 70% of tenants are reporting a long-term health problem or disability	Census in progress and new IT system will allow for better record-keeping and alerts.
5.11	Landlords must not refuse to escalate a complaint through all stages of the complaints procedure unless it has valid reasons to do so. Landlords must clearly set out these reasons, and they must comply with the provisions set out in section 2 of this Code.	Yes	This process is set out clearly in the staff guidance notes	
5.12	A full record must be kept of the complaint, and the outcomes at each stage. This must include the original complaint and the date received, all correspondence with the resident, correspondence with other parties, and any relevant supporting documentation such as reports or surveys.	Yes	This process is set out clearly in the staff guidance notes	

5.13	Landlords must have processes in place to ensure a complaint can be remedied at any stage of its complaints process. Landlords must ensure appropriate remedies can be provided at any stage of the complaints process without the need for escalation.	No	We do not currently have an approved Remedies Policy	This policy is under development
5.14	Landlords must have policies and procedures in place for managing unacceptable behaviour from residents and/or their representatives. Landlords must be able to evidence reasons for putting any restrictions in place and must keep restrictions under regular review.	No	We do not currently have an approved Unacceptable Behaviour Policy	This policy is under development
5.15	Any restrictions placed on contact due to unacceptable behaviour must be proportionate and demonstrate regard for the provisions of the Equality Act 2010.	Under review	See Unacceptable Behaviour Policy	This policy is under development

## Section 6: Complaints Stages

### Stage 1

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
6.1	Landlords must have processes in place to consider which complaints can be responded to as early as possible, and which require further investigation. Landlords must consider factors such as the complexity of the complaint and whether the resident is vulnerable or at risk. Most stage 1 complaints can be resolved promptly, and an explanation, apology or resolution provided to the resident.	Yes	Our policy and guidelines expect this.	
6.2	Complaints must be acknowledged, defined and logged at stage 1 of the complaints procedure <b><u>within five working days of the complaint being received.</u></b>	Yes	This process is set out in both our policy and the staff guidance notes	
6.3	Landlords must issue a full response to stage 1 complaints <b><u>within 10 working days</u></b> of the complaint being acknowledged.	Yes	This process is set out in both our policy and the staff guidance notes	
6.4	Landlords must decide whether an extension to this timescale is needed when considering the complexity of the complaint and then inform the resident	Yes	This process is set out in both our policy and the staff guidance notes	

	of the expected timescale for response. Any extension must be no more than 10 working days without good reason, and the reason(s) must be clearly explained to the resident.			
6.5	When an organisation informs a resident about an extension to these timescales, they must be provided with the contact details of the Ombudsman.	Yes	This process is set out in both our policy and the staff guidance notes	
6.6	A complaint response must be provided to the resident when the answer to the complaint is known, not when the outstanding actions required to address the issue are completed. Outstanding actions must still be tracked and actioned promptly with appropriate updates provided to the resident.	Yes	This process is set out in both our policy and the staff guidance notes	
6.7	Landlords must address all points raised in the complaint definition and provide clear reasons for any decisions, referencing the relevant policy, law and good practice where appropriate.	Yes	This process is set out in both our policy and the staff guidance notes	
6.8	Where residents raise additional complaints during the investigation, these must be incorporated into the stage 1 response if they are related and the stage 1 response has not been issued. Where the stage 1 response has been issued, the new issues are unrelated to the issues already being	Yes	This process is set out in both our policy and the staff guidance notes	

	investigated or it would unreasonably delay the response, the new issues must be logged as a new complaint.			
6.9	Landlords must confirm the following in writing to the resident at the completion of stage 1 in clear, plain language: <ul style="list-style-type: none"> <li>a. the complaint stage;</li> <li>b. the complaint definition;</li> <li>c. the decision on the complaint;</li> <li>d. the reasons for any decisions made;</li> <li>e. the details of any remedy offered to put things right;</li> <li>f. details of any outstanding actions; and</li> <li>g. details of how to escalate the matter to stage 2 if the individual is not satisfied with the response.</li> </ul>	Yes	This process is set out in both our policy and the staff guidance notes	

### Stage 2

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
6.10	If all or part of the complaint is not resolved to the resident's satisfaction at stage 1, it must be progressed to stage 2 of the landlord's procedure. Stage 2 is the landlord's final response.	Yes	This process is set out in both our policy and the staff guidance notes	
6.11	Requests for stage 2 must be acknowledged, defined and logged at stage 2 of the complaints procedure	Yes	This process is set out in both our policy and the staff guidance notes	

	within five working days of the escalation request being received.			
6.12	Residents must not be required to explain their reasons for requesting a stage 2 consideration. Landlords are expected to make reasonable efforts to understand why a resident remains unhappy as part of its stage 2 response.	Yes	This process is set out in both our policy and the staff guidance notes	
6.13	The person considering the complaint at stage 2 must not be the same person that considered the complaint at stage 1.	Yes	This process is set out in both our policy and the staff guidance notes	
6.14	Landlords must issue a final response to the stage 2 <b><u>within 20 working days</u></b> of the complaint being acknowledged.	Yes	This process is set out in both our policy and the staff guidance notes	
6.15	Landlords must decide whether an extension to this timescale is needed when considering the complexity of the complaint and then inform the resident of the expected timescale for response. Any extension must be no more than 20 working days without good reason, and the reason(s) must be clearly explained to the resident.	Yes	This process is set out in both our policy and the staff guidance notes	
6.16	When an organisation informs a resident about an extension to these timescales, they must be provided with the contact details of the Ombudsman.	Yes	This process is set out in both our policy and the staff guidance notes	
6.17	A complaint response must be provided to the resident when the answer to the complaint is known, not when the	Yes	This process is set out in both our policy and the staff guidance notes	

	outstanding actions required to address the issue are completed. Outstanding actions must still be tracked and actioned promptly with appropriate updates provided to the resident.			
6.18	Landlords must address all points raised in the complaint definition and provide clear reasons for any decisions, referencing the relevant policy, law and good practice where appropriate.	Yes	This process is set out in both our policy and the staff guidance notes	
6.19	Landlords must confirm the following in writing to the resident at the completion of stage 2 in clear, plain language: <ul style="list-style-type: none"> <li>a. the complaint stage;</li> <li>b. the complaint definition;</li> <li>c. the decision on the complaint;</li> <li>d. the reasons for any decisions made;</li> <li>e. the details of any remedy offered to put things right;</li> <li>f. details of any outstanding actions; and</li> <li>g. details of how to escalate the matter to the Ombudsman Service if the individual remains dissatisfied.</li> </ul>	Yes	This requirement is clearly set out in the staff complaint handling guidance notes	
6.20	Stage 2 is the landlord's final response and must involve all suitable staff members needed to issue such a response.	Yes	This requirement is clearly set out in the staff complaint handling guidance notes	

## Section 7: Putting Things Right

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
7.1	<p>Where something has gone wrong a landlord must acknowledge this and set out the actions it has already taken, or intends to take, to put things right. These can include:</p> <ul style="list-style-type: none"> <li>• Apologising;</li> <li>• Acknowledging where things have gone wrong;</li> <li>• Providing an explanation, assistance or reasons;</li> <li>• Taking action if there has been delay;</li> <li>• Reconsidering or changing a decision;</li> <li>• Amending a record or adding a correction or addendum;</li> <li>• Providing a financial remedy;</li> <li>• Changing policies, procedures or practices.</li> </ul>	No		Remedies Policy under development
7.2	Any remedy offered must reflect the impact on the resident as a result of any fault identified.	No		Remedies Policy under development
7.3	The remedy offer must clearly set out what will happen and by when, in agreement with the resident where appropriate. Any remedy proposed must be followed through to completion.	No		Remedies Policy under development



7.4	Landlords must take account of the guidance issued by the Ombudsman when deciding on appropriate remedies.	No		Remedies Policy under development
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## Section 8: Self-Assessment, Reporting and Compliance

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
8.1	<p>Landlords must produce an annual complaints performance and service improvement report for scrutiny and challenge, which must include:</p> <ul style="list-style-type: none"> <li>a. the annual self-assessment against this Code to ensure their complaint handling policy remains in line with its requirements.</li> <li>b. a qualitative and quantitative analysis of the landlord's complaint handling performance. This must also include a summary of the types of complaints the landlord has refused to accept;</li> <li>c. any findings of non-compliance with this Code by the Ombudsman;</li> <li>d. the service improvements made as a result of the learning from complaints;</li> <li>e. any annual report about the landlord's performance from the Ombudsman; and</li> <li>f. any other relevant reports or publications produced by the Ombudsman in relation to the work of the landlord.</li> </ul>	In Progress	<p>The annual report has been compiled and is currently going through consultation. It will be presented to the Corporate Management Team and then the Governing body at Performance Scrutiny Committee on 14 November 2024. The report and the minutes of this meeting will be published on our website. The implications will be discussed further at our Audit Committee on 10 December 2024 and will form part of our overall Audit Report.</p>	

8.2	The annual complaints performance and service improvement report must be reported to the landlord's governing body (or equivalent) and published on the on the section of its website relating to complaints. The governing body's response to the report must be published alongside this.	In Progress	This has not yet happened but is part of our policy and process. Please refer to the notes in 8.1	
8.3	Landlords must also carry out a self-assessment following a significant restructure, merger and/or change in procedures.	Yes	This has not happened but is part of our policy and processes	
8.4	Landlords may be asked to review and update the self-assessment following an Ombudsman investigation.	Yes	This is within the remit of the HOS	
8.5	If a landlord is unable to comply with the Code due to exceptional circumstances, such as a cyber incident, they must inform the Ombudsman, provide information to residents who may be affected, and publish this on their website Landlords must provide a timescale for returning to compliance with the Code.	YES	Business Continuity Plan and Emergency Plan	

## Section 9: Scrutiny & Oversight: Continuous Learning and Improvement

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
9.1	Landlords must look beyond the circumstances of the individual complaint and consider whether service improvements can be made as a result of any learning from the complaint.	Yes	This is part of our complaints policy. Also, our BD team are working on a tool to ensure that all learning is captured and service improvements monitored and can be reported on more efficiently.	
9.2	A positive complaint handling culture is integral to the effectiveness with which landlords resolve disputes. Landlords must use complaints as a source of intelligence to identify issues and introduce positive changes in service delivery.		As above	
9.3	Accountability and transparency are also integral to a positive complaint handling culture. Landlords must report back on wider learning and improvements from complaints to stakeholders, such as residents' panels, staff and relevant committees.	Yes	This is part of our policy and the new processes following the Code becoming statutory.	
9.4	Landlords must appoint a suitably senior lead person as accountable for their complaint handling. This person must assess any themes or trends to identify potential systemic issues,	Yes	Lead officer is Customer Services Manager. MRC is the Portfolio Holder for Customer Experience, Review and Resources	

	serious risks, or policies and procedures that require revision.			
9.5	In addition to this a member of the governing body (or equivalent) must be appointed to have lead responsibility for complaints to support a positive complaint handling culture. This person is referred to as the Member Responsible for Complaints ('the MRC').	Yes	Portfolio Holder for Customer Experience, Review and Resources	
9.6	The MRC will be responsible for ensuring the governing body receives regular information on complaints that provides insight on the landlord's complaint handling performance. This person must have access to suitable information and staff to perform this role and report on their findings.	Yes	This has not yet happened but is part of our policy and process and will happen.	
9.7	As a minimum, the MRC and the governing body (or equivalent) must receive: <ul style="list-style-type: none"> <li>a. regular updates on the volume, categories and outcomes of complaints, alongside complaint handling performance;</li> <li>b. regular reviews of issues and trends arising from complaint handling;</li> <li>c. regular updates on the outcomes of the Ombudsman's investigations and progress made in complying with</li> </ul>	Yes	This has not yet happened but is part of our policy and process and will happen.	

	orders related to severe maladministration findings; and d. annual complaints performance and service improvement report.			
9.8	Landlords must have a standard objective in relation to complaint handling for all relevant employees or third parties that reflects the need to: a. have a collaborative and co-operative approach towards resolving complaints, working with colleagues across teams and departments; b. take collective responsibility for any shortfalls identified through complaints, rather than blaming others; and c. act within the professional standards for engaging with complaints as set by any relevant professional body.	Partially	This is included as part of the job description for all roles – (specified in the corporate section). Some further work is required to ensure that it forms part of the discussion at annual appraisals and objective setting for all relevant employees.	

**EXECUTIVE**

**18 NOVEMBER 2024**

**SUBJECT: UNACCEPTABLE CUSTOMER ACTIONS POLICY**  
**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**  
**REPORT AUTHOR: JOANNE CROOKES, CUSTOMER SERVICES MANAGER**

## **1. Purpose of Report**

- 1.1 To seek approval of the new Unacceptable Customer Actions Policy (Appendix 1)

## **2. Background**

- 2.1 The Council now has a statutory duty to handle customer complaints in line with the Housing Ombudsman Service (HOS) Complaint Handling Code. (The Code)
- 2.2 Section 5.14 of The Code self- assessment states that –
- Landlords must have policies and procedures in place for managing unacceptable behaviour from residents and/or their representatives. Landlords must be able to evidence reasons for putting any restrictions in place and must keep restrictions under regular review.
- 2.3 Whilst we had existing procedures for reporting incidents and handling reports of unacceptable behaviour it was not a formal policy document and therefore, we needed to develop and agree one.
- 2.4 The new policy has been developed with the assistance of Lincoln Tenant's Panel who were keen to help ensure that while protecting staff the policy was also proportionate in terms of the action taken.
- 2.5 The policy was reviewed at Housing Scrutiny Sub Committee on 31 October 2024 and it was supported that the policy goes to Executive on 18 November for approval. It was also discussed that the report and policy should be presented to Policy Scrutiny Committee on 19 November for further review and consideration.

## **3. Organisational Impacts**

### **Strategic Priority**

High Performing Services

### **Finance**

There are no direct financial implications arising from this report.

### **Legal**

There are no direct legal implications arising from this report.

## **Equality and Diversity**

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.

To ensure that we deliver our Equality Duty we accept complaints from customers via all communication channels. Customers can complain in person, verbally, in writing or via our online complaints template. Customers who need assistance to log a complaint can get help from Customer Services to ensure that they are heard. All complaints received are dealt with equally regardless of how they are made.

## **Community Engagement and Communications.**

We welcome feedback from customers and clearly promote the Complaints procedure on our website and in our public buildings.

### **4. Recommendations**

- 4.1 Members to consider and approve the new Unacceptable Customer Actions Policy
- 4.2 Members to note the assistance given by the Lincoln Tenant's Panel in developing this policy.
- 4.3 That authority be delegated to the City Solicitor in conjunction with the Portfolio Holder for Customer Experience, Review and Resources, to consider and approve any suggested amends recommended by the Policy Scrutiny Committee on 19 November 2024. If any of the recommendations are major changes they will be referred back to the Executive for approval.



**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

**List of Background Papers:**

None

**Lead Officer:**

Joanne Crookes  
Customer Services Manager  
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## Appendix 1



### Unacceptable Customer Actions Policy

#### Document Control

<b>Organisation</b>	City of Lincoln Council
<b>Title</b>	Unacceptable Customer Actions Policy
<b>Author</b>	Joanne Crookes
<b>Filename</b>	
<b>Owner</b>	Corporate policy
<b>Subject</b>	
<b>Classification</b>	
<b>Review date</b>	April 2026

#### Revision History

Revision Date	Author	Previous Version	Description of Revision

#### Document Approvals

This document requires the following approvals:

Sponsor Approval	Name	Date
Executive		
CMT	Angela Andrews	22/10/2024
SIRO		

**Summary of the Policy for Quick Reference –  
Potential actions we can take following a report of unacceptable or vexatious customer actions.**

**1. No Action**

Where we assess the incident or incidents, and the decision is that the customer's action is not considered to be unacceptable.

**2. Log of incident kept – anonymous actions.**

We record the date and time of the incident as well as details of what occurred. We may not know the customer's details, or we decide that we will not retain them. The purpose of this is to monitor the numbers of unacceptable incidents that are taking place.

**3. Log of incident kept – with customer details & informal notice.**

This will usually be as the result of a singular, isolated incident that we consider to be 'low level' (classified as 'blue' in our incident reporting scheme), but that caused distress to a colleague or customer.

**4. Log of incident kept – with customer details & send a warning letter.**

This may be because of a one-off incident (classified as 'Amber' or 'Red' in our incident reporting scheme.) or as a further incident following an informal notice.

**5. Restricting access to Council services – Sanctions and/or inclusion on the Exercise with Caution Register**

If the actions of the customer are sufficiently serious that we assess there to be a risk to staff and/or members of the public, we may agree one or more control measures and it may be appropriate to restrict access. This may also apply following a warning where the unacceptable actions continue, or we record a further incident.

**Restrictions imposed could include:**

- Placing time limits on telephone conversations
- Restricting number of telephone calls (specified times e.g., morning or afternoon per week).
- Limiting the customer to one method of contact e.g., phone, letter, or e-mail.
- Requiring the customer to communicate only with one named member of staff referred to as a single point of contact. (SPOC).
- Requiring any personal contacts to take place in the presence of a witness and/or with the staff member using a safety alarm or device.
- Refusal to register and process further service requests/complaints about the same matter. Where we take this action and inform the customer, any future correspondence that we receive about the same matter, can simply be read, and acknowledged with a response stating that we have noted the correspondence and placed on file. This does not apply to FOI or SAR requests which we will fulfill in line with policy.
- Exclusion from the council housing register.
- Banning a customer from one or more of the authority's premises. This step will need consultation and collaboration with other City Hall tenants to ensure we do not restrict the customer's legitimate access to other services.
- Requiring visits only to take place with more than one officer present.

- We will consider other suitable options, in the light of the customer's circumstances or additional needs.

#### 6. Issuing of a Community Protection Notice and/or reporting the incident to the police.

- A Community Protection Notice (CPN) is a two-stage process and is used to deal with a range of behaviours. (See full ASB policy)
- It may be appropriate to issue a CPN. This can be considered at any time but will be instigated if, following sanctions or being added to the Exercise with Caution Register, the individual persists with unacceptable behaviour.
- This will only be used when we believe that other avenues have been exhausted.

#### 7. Consideration of applying for an injunction.

An injunction is a court order which if granted can impose restrictions on an individual, limiting their contact with the Council. Any application for an injunction will only be requested where all other actions have been considered and implemented or in the most extreme cases.

An injunction can only be sought once legal advice had been obtained and will require supporting evidence to present to the court to show why and an injunction is reasonable in each case.

## Introduction and Scope

City of Lincoln Council are committed to dealing with all our customers and interactions to a high standard, including the handling of complaints. As part of this service, the Council does not normally limit the contact that customers have with its Officers and Members. However, a small minority of customers may act in an unacceptable way while dealing with us, and while there may be a number of reasons for such behaviour to reveal itself, we will take all reasonable steps to ensure that staff, Elected Members and partners are supported when they feel they have been subject to acts which make them feel threatened or mistreated. We will ensure that they are protected from foreseeable risks associated with their work activities and people with whom they come into contact.

As an employer, the Council has a legal duty in relation to the Health and Safety at Work act “to ensure, so far as reasonably practicable, the health, safety, and welfare of workers. This includes protecting them from work-related violence.”

This policy seeks to detail:

- What the Council considers to be unacceptable customer actions.
- How staff are supported to raise concerns with their manager about customer actions.
- How customer actions will be categorised to ensure an appropriate level of response.
- The responses available and how customers will be informed that their actions have been considered unacceptable.

This policy will be used along with other appropriate control measures (such as CCTV, a safe working environment, effective security, lone worker devices and appropriate training and our powers under the Anti-Social Crime and Policing Act 2014) to protect colleagues from work-related violence and distress.

This policy does not cover the behaviour or conduct of staff or Elected Members; these will be dealt with under existing Human Resource procedures and Elected Member Standards.

### Stakeholders

In terms of key contacts for the management of this policy, the expertise and professional knowledge of the following officers may be involved in determining the final decision in respect of actions taken.

- The Customer Services Manager
- Human Resources Manager
- Corporate Health and Safety Adviser
- Tenancy Services Manager
- Housing Solutions Manager
- Housing Maintenance Manager
- PPASB
- Legal Services

Other appropriate Managers & colleagues have been consulted in the development of this policy and will be asked to join discussions about individual cases when appropriate.

This policy seeks to benefit all colleagues & elected Members of City of Lincoln Council as well as partners & contractors who work with our customers on our behalf. These include but are not limited to: · LiNK – the Revenues and Benefits partnership; Lincoln Job Centre+; Citizens Advice Lincoln and Lindsey and Lincoln Voluntary Centre Services. Any information shared as a result of this policy will be in line with existing data sharing agreements.

## Roles and Responsibilities

### **Senior Management Team**

- To support the Unacceptable Customer Actions Policy and ensure sufficient resources are allocated to facilitate its effective implementation.
- To receive information about incidents occurring within their service.
- To satisfy themselves that incidents have been investigated and appropriate measures have been implemented.

### **Line Managers, Supervisors and Team Leaders**

Line Managers and Supervisors are responsible for ensuring that everyone they are responsible for (including partners, contractors, temporary staff, visitors, and agency staff)

- Knows how to report and record unacceptable customer actions.
- Understands the definitions and scope of the Unacceptable Customer Actions Policy
- Provide support, in conjunction with HR where appropriate, to the affected colleague.
- Investigate reports of unacceptable actions

### **Staff**

Staff who experience unacceptable customer actions must discuss the issue with their line manager or supervisor and:

- Report it using the Council's electronic form found on the Hub (Intranet).
- Cooperate fully in the investigation process and, if required to do so, provide written statements to enforcing officers such as the Police or ASB Team.

### **Corporate Health and Safety**

Corporate Health and Safety are responsible for:

- Supporting investigations into offensive incidents.
- Updating the Exercise with Caution Register and ensuring the contents are relevant, reviewed and communicated.
- Supporting and assisting line managers regarding risk assessment of tasks and locations following an offensive incident.
- Providing the Corporate Management Team with information about incidents through Quarterly Reports.
- Notifying Managers, Members and Partners of any updates to the Exercise with Caution Register



## Defining Unacceptable Actions

For the purposes of this policy, a customer is any individual that staff may interact with because of their work who is not an employee or Elected Member of the Council or any of its partners. The customer may be accessing a Council service either in an individual or business capacity.

Customers may act out of character in times of trouble or distress and there may have been upsetting or distressing circumstances leading up to a customer contacting the Council. The Council does not view actions as unacceptable just because a customer is forceful or determined, however, the actions of customers who are unpleasant or disagreeable, demanding or unreasonably persistent, and/or, aggressive or threatening may result in unacceptable actions towards Council colleagues that will fall under this policy.

For the purposes of this policy the Council defines unacceptable actions under three specific headings, which reflects a scale of the severity of the behaviour:

### Category 1 Actions: Aggressive language, tone, or body language.

This may include, but is not limited to:

- The use of a raised voice or shouting directed at the colleague.
- Name calling towards a colleague (that is not linked to a protected characteristic)
- passive aggressive behaviour, for example in an attempt to be derisory or belittle a colleague and/or their actions.

Further details are in Appendix 2

### Category 2: Persistent & Unreasonable behaviour.

This may include but is not limited to:

- Requests for excessive amounts of information.
- Repeated requests for level of service or types of service that are beyond the Council's capacity to deliver.
- Continual and/or repeated phone calls, letters, emails or visits to the Council.

Further details are in Appendix 2

### Category 3: Offensive incidents

This may include (but not be limited to)

- Name calling or verbal assault towards a colleague that is linked to a protected characteristic.
- Verbal threats towards Council colleagues, Members or Council property – even if the customer does not act on the threat.
- Verbal threats towards other individuals or organisations even if the customer does not act on the threat.
- Physical assaults to colleagues or Members
- Intentional physical damage to Council property

Further details in Appendix 2

Any staff or Elected Member that suffers stress, distress or fear due to the actions or behaviour of a customer should report the issue so that a decision can be taken as to whether they are unacceptable actions, in line with this policy's definitions. At the point that behaviour is taking place, they have the right to end the transaction, in a professional way and then report the matter immediately to their line manager,

regardless of how 'severe' the interaction may or may not have been. Through this reporting mechanism, the Council will have the opportunity to:

- Have an overall view of the level of unacceptable actions and behaviour being experienced by its colleagues, regardless of the level of severity.
- Take an appropriate level of action (as defined by this policy) in respect of the perpetrator.
- Identify repeated unacceptable actions that may have taken place over a period of time across multiple departments.
- Support colleagues and empower them to deliver their roles in a safe working environment, free from abuse and threat.

### **Process followed in cases of Unreasonable Customer Actions**

If any member of staff is subject to actions or communication from a customer that caused stress, distress, or fear, the first and most crucial step is to take action to end the interaction in a professional and safe way.

#### **Step 1 - Ending interactions where the customer is acting in an unreasonable way.**

We do not deal with contact from a customer where staff feel that the customer is being abusive, shouting, swearing, threatening, or making derogatory personal comments directly to the staff member or about other staff.

When this happens, colleagues are empowered to advise the customer that they consider the customer's actions to be unacceptable, explain exactly what they consider unacceptable and ask them to stop. If this is happening over the telephone, the colleague has the right to end the telephone call if the customer does not change their behaviour after the colleague has made it clear that they consider it unacceptable.

An incident report (see step 2) should be completed without delay.

In cases where it is considered that a criminal offence has been committed (e.g., assault on staff or criminal damage), where assault is threatened, or where the complainant refuses repeated requests to leave the authority's premises, the Police must be called without delay.

#### **Step 2 –Completing an Incident Report**

After an incident staff should use the 'Report Unacceptable Behaviour' form found on the Reporting section of the Hub to log it. This should be done regardless of how 'serious' the individual may feel the incident was or whether they have all the customer's details; the added purpose of this process is to start to collate overall numbers of incidents over a period, regardless of severity.

This will start the process to allow for the appropriate action to be taken and formally notify the line manager that an incident has taken place. The details will be assessed by the manager, discussed with the staff member affected, and they will classify whether they consider the incident to be Blue, Amber or Red.

It is also essential at this point that if the colleague is distressed by the incident that they are offered support by their supervisor or manager. If staff feel unable to

continue working – even for a brief time, their line manager should ensure that they take an appropriate break.

As a result of the completion of the report, the appropriate action will be decided by the line manager or the line manager with advice from the Corporate Health and Safety team or other appropriate colleagues.

### **Step 3 – Processing the incident.**

All reported incidents will be managed internally by following the Unacceptable Behaviour Procedures (Revised July 2023) which sets out in detail how each category of incident is handled.

## **Review**

We will not keep information recorded on the Exercise with Caution Register for any longer than is detailed in the Council's retention policy.

Corporate health and Safety is responsible for conducting annual reviews of all customers registered on the Exercise with Caution Register to ensure the information remains relevant and appropriate.

## **Relevant Legislation - Glossary**

### General Data Protection Regulations (GDPR)

The General Data Protection Regulation and Data Protection Act 2018 requires that data protection principles be followed in the handling and storing of personal and special category (sensitive) data.

These are the data that must: -

- Be processed lawfully, fairly, and transparently
- Be obtained for a specified, explicit and legitimate purpose
- Be adequate, relevant, and limited to what is necessary
- Be accurate and, where necessary, kept up to date
- Not be kept for longer than is necessary
- Have appropriate security measures in place.

Further information on how customer data will be processed in relation to this policy can be found in Appendix 1 – Unacceptable Behaviour Privacy Notice.

### Health and Safety Legislation

The Health and Safety at Work Act 1974 places duties and responsibilities on organisations to ensure the health, safety and welfare of their employees and others including, but not limited to visitors, contractors, partner agencies and Elected Members as far as is reasonably practicable. This includes protecting them from work-related violence. The arrangements for ensuring health and safety includes providing safe systems, a safe place of work, providing information, instruction and supervision and suitable arrangements for employee's welfare.

### The Management of Health and Safety Regulations

The Regulations require that a suitable and sufficient assessment of risks arising out of, or in connection with a work activity be assessed. The Council has a range of generic job-based risk-assessments, which will, on the whole satisfy this requirement. It is the responsibility of managers to ensure that risk assessments are appropriate to the work activities of their team members. If the generic job risk assessments are not suitable line managers should arrange to conduct a job or activity specific risk assessment.

### The Human Rights Act

This Act requires the Council not to act in a manner, which contravenes a person's human rights except 'in the interest of national security, public safety, or the economic wellbeing of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.' Any such action must be clearly justifiable, and records kept demonstrating the need for action.

### Protection from Harassment Act

Harassment is a term used to describe unwanted and unwarranted behaviour, which affects the dignity of an individual or a group of individuals and relates to causing harm or distress. Harassment can include repeated attempts to impose unwanted attention, communications and contact upon a victim in a manner that could be expected to cause distress or fear

### The Equality Act 2010 (including Worker Protection (Amendment of Equality Act 2010) Act 2023)

The Equality Act 2010 legally protects people from discrimination in the workplace and in wider society. It replaced previous anti-discrimination laws with a single Act, making the law easier to understand and strengthening protection in some situations. The 2023 amendment highlights an employers' duty to prevent sexual harassment of employees, defined as unwanted conduct of a sexual nature. It also places a duty on public authorities known as the Public Sector Equality Duty to ensure that they do not discriminate in how they make decisions, provide services and implement policies.

### Anti-Social Behaviour Crime and Policy Act 2014

This act gives local authorities the power to tackle and address anti-social behaviour. It allows the local authorities to issue Community Protection Notices, take out anti-social behaviour injunctions, apply for Criminal Behaviour orders and make Public Space Protection Orders.

## Appendix 2 Our Definition of Unacceptable Customer Actions

### Category 1 - Aggressive language, tone or body language

- Using a raised voice or shouting directed at staff,
- Repeated use of expletives
- Using inappropriate language on social media – both by direct message and in response to posts made by the Council
- Name calling towards a colleague (that is not linked to a protected characteristic)
- Passive aggressive behaviour, for example in an attempt to be derisory or belittle a colleague and/or their actions.
- Seeking to coerce, intimidate or threaten staff or other people involved, whether by use of language, tone of voice or behaviour including body language.

### Category 2 - Persistent & unreasonable behaviour

In a minority of cases people may pursue their service requests or complaints in a way that is unreasonable. This can impede how the Council handles the interaction and also have a negative impact on the Council's capacity to deal with other customers due to the unreasonable demand on resources.

Some customers may have justified reasons for their complaint or interaction but may pursue them in inappropriate ways. Others may pursue complaints which appear to have no substance, or which have already been investigated and determined.

Their contacts with council staff may be amicable but still place heavy demands on staff time, or they may be emotionally charged and distressing for all involved. Examples of unreasonable demands include, but are not limited to:

- Requests for excessive amounts of information
- Repeated requests for levels of service or types of service that are beyond the Council's capacity to deliver.
- Making repeated approaches in a 'piecemeal' way, which could have been presented as a singular request.
- Demanding responses within an unreasonable timescale
- Insisting on seeing or speaking to a particular person
- Continual phone calls, letters, emails, or visits
- Repeatedly changing the subject of the contact or raising unrelated concerns
- Electronically recording meetings, telephone calls and conversations without the prior knowledge and consent of the other persons involved.
- Further demands relating to a specific issue where the Corporate Complaints Policy has already been followed.

The definition of Unreasonable Demands will always depend on the circumstances surrounding the behaviour and the seriousness of the issues raised by the complainant.

We consider demands as unacceptable and unreasonable if they start to impact substantially on the work of the Council, such as taking up excessive amounts of staff time to the disadvantage of other customers or functions.

Where the customer has submitted a request under the Freedom of Information Act, the Data Protection Act or the Environmental Regulations that raises concerns, advice should be sought from the council's Data Protection Officer, who will be responsible for deciding if any request is unreasonable.

Examples of unreasonable persistence include but is not limited to:

- Persistent refusal to accept a decision made without following the designated route to challenge it.
- Persistent refusal to accept explanations as to what the Council can and cannot do.
- Repeatedly making contact about the same issue
- Continuing to pursue a matter without providing new information.
- Further demands relating to a specific issue where the corporate Customer Complaint Policy has already been followed.

The Council considers the actions of customers who may be considered persistent to be unacceptable when they take up what is regarded as being a disproportionate amount of time and resources. Unreasonable and/or persistent behaviour can relate to any service interaction. It can also occur when a customer is pursuing a complaint formally through the Customer Complaints Policy process.

Examples of unreasonable and/or persistent behaviour when pursuing a formal complaint includes, but is not limited to:

- Refusal to specify the grounds of a complaint, despite offers of assistance from Council staff.
- Refusal to co-operate with the complaint's investigation process or insistence on the complaint being dealt with in ways which are incompatible with the Corporate Complaints Policy (Note that we will carefully consider whether the request is a reasonable adjustment to accommodate the needs of the customer due to protected characteristics)
- Making what appear to be groundless complaints about colleagues dealing with the complaints or attempting to use the complaints procedure to pursue a personal quarrel against a colleague or team.
- Making unnecessarily excessive demands on the time and resources of Council staff whilst a complaint is being looked into.
- Changing the basis of the complaint as the investigation proceeds and/or denying statements made at an earlier stage.
- Raising at a late stage in the process, significant new information which was in their possession when the complaint was submitted.
- Introducing trivial or irrelevant new information or raising large numbers of detailed but unimportant questions and insisting they are all fully answered.
- Lodging numbers of complaints/requests for information in batches over a period of time, resulting in related complaints being at different stages of a

complaints procedure.

- Refusal to accept that issues are not within the remit of a complaints procedure or demanding outcomes which the complaints procedure cannot in itself provide such as that overturning of court decisions, dismissal or criminal prosecution of staff or decisions of the Local Government and Social Care Ombudsman or the Housing Ombudsman Service.
- Submitting repeat complaints essentially about the same issue, which have already been addressed under the Council's complaints procedure.
- Persistence in contacting the Council and demanding responses or action long after the Council has closed the enquiry/investigation into a complaint and all rights of review and appeal have been exhausted.

### Category 3 - Offensive incidents

Violence is not restricted to acts of aggression that may result in physical harm. It also includes behaviour or language (whether oral or written) that may cause staff to feel afraid, threatened, or abused.

Harassment may also include unwanted conduct related to a relevant protected characteristic. Examples of behaviours grouped under this heading include:

- Threats
- Physical violence
- Personal verbal abuse
- Derogatory remarks and rudeness, including reference to staff appearance.
- Threats against the council as an organisation and its property

We also consider that inflammatory statements and unsubstantiated allegations such as referring to staff as 'stupid' or 'liars' is abusive behaviour.

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## **Appendix 3**

### **Unacceptable Behaviour Privacy Notice**

#### **Our Commitment to Your Privacy**

As part of our commitment to protecting your information, we have updated our Privacy Notices to explain how we collect, store and handle your personal data.

We have always been careful to protect your information, but this is part of our ongoing commitment to be transparent about how we use your information and keep it safe. This will also give you more clarity over how your information is being managed.

Through our revised privacy notice, we have addressed the new standards introduced by the European data protection law, known as the General Data Protection Regulation (GDPR) and the Data Protection Act 2018.

#### **How we use your data**

City of Lincoln Council is what is known as the 'controller' of the data you provide to us and is registered with the Information Commissioner's Office.

Under our Unreasonable Customer Actions Policy, we retain certain information. This means we will process and hold your personal data because you have been in contact with the Council and your actions have been considered unacceptable whilst undertaking the interaction. We will take all reasonable steps to ensure colleagues, elected Members and partners are supported when they feel they have been subject to unacceptable customer actions and, when that behaviour is at its most extreme, are protected from foreseeable risks associated with their work activities and people with whom they come into contact.

We are keeping a record of your behaviour for the purpose of protecting our colleagues, elected Members and partners and by reducing incidents of unacceptable behaviour, ensuring you receive the best possible service from us, and managing contact you have with us, if necessary. However, no such data shall be recorded unless it is necessary to protect the health, safety and welfare of the Council's colleagues, partners, elected Members, contractors or other third parties.

#### **What information do we collect?**

We may collect and process the following personal information:

- Your name and contact details (which may include your postal address, email address and telephone number)
- Reason for contacting the Council.
- Recordings of your telephone calls to us, as calls to our contact centre are recorded for training and monitoring purposes, so we can ensure we are delivering a good service and also it allows us to manage the contact with us, if necessary
- Visual images
- Sound recordings
- Records of your behaviour
- Notes about any relevant circumstances that you have told us about

- We may also process additional information, which may contain special category (sensitive) personal data, for example, health information, particularly if this is relevant regarding the interactions you may have with us
- We may also store further information, for example, offences (including alleged offences), criminal proceedings and outcomes.

### **Why we can collect your data**

The lawful basis under the GDPR that we rely on for processing your personal information is:

GDPR Article 6(1)(e) – Performance of a task in the public interest (which allows us to process personal data when this is necessary to perform our public tasks carried out in the public interest).

GDPR Article 9(2)(g) – this is processed for reasons of substantial public in order to comply with UK legislation and where it is necessary for us to fulfil our legal obligations and regulatory requirements. This also relates to our public task and the safeguarding of your fundamental rights (Data Protection Act Schedule 1 Part 2 Substantial Public Interest Conditions: Paragraph 6, which relates to statutory and government purposes).

### **How we collect your data**

The information we hold will have been provided by you during telephone calls, emails or online enquiry forms, face to face conversations, social media or when we communicate with you. We may also hold information provided by other Council departments through relevant systems (where this is relevant).

Telephone calls made to the Council, and subsequently transferred, are recorded. Recording contact centre telephone calls allows us to have access to a verbal record of information in the event of a subsequent complaint and enables us to review the behaviour.

### **When we'll share your data**

Sometimes we have a legal duty to provide personal information to other organisations or if there is a good reason that is more important than protecting your privacy. For example, we may share your information with other Council Departments and the Police Authority for the prevention and detection of crime, for example. If we are concerned about an individual's mental health, or if an individual's behaviour is dangerous or has potential to impact on other organisations.

It may be necessary for us to share the data we hold about you in relation to your actions when dealing with our staff, with the following organisations and partners.

- Lincolnshire Police
- NHS/Clinical Commissioning Groups
- District Councils in Lincolnshire and Lincolnshire County Council
- Job Centre Plus and other DWP staff based in City Hall
- Citizen's Advice
- Voluntary Services

We may also share information about you and your behaviour within the organisation in order to ensure we are able to manage your contact as effectively as possible.

In addition, canvassing staff will be provided with information via Democratic Services about details contained on the Register to ensure they are informed and protected from foreseeable risks associated with the people with whom they come into contact.

Only the Corporate Health and Safety Team shall enter or delete entries on the Exercise with Caution Register. Only those colleagues who are likely to encounter a potentially violent individual, through visits or meetings for example, shall have access to the Register.

We do not sell your personal information to anyone and will never share your information for marketing purposes.

### **Know your Rights.**

You have many rights regarding your personal data, which include seeing what personal information we hold about you. In addition, you can ask us to correct inaccuracies, object to the Council processing your data and restrict the personal information we hold. Where possible we will seek to comply with your request, but we may be required to continue to hold and process information to comply with a legal requirement. In those instances, we will explain why it is appropriate for us to continue processing your personal data.

If you want to contact us with regards to your rights, please contact [dpo@lincoln.gov.uk](mailto:dpo@lincoln.gov.uk)

### **How We Keep Your Information Secure and How Long We Keep it.**

The information we collect is recorded and stored on our secure system. We will keep your information for up to 6 years, after which it will be securely deleted. This will allow us to monitor the numbers of unacceptable incidents that are taking place and to allow monitoring of any future related incidents regarding an individual.

### **Where to get Advice or Make a Complaint.**

If you have any concerns or questions, or would like to make a complaint, regarding data protection matters, please contact our Data Protection Officer at [dpo@lincoln.gov.uk](mailto:dpo@lincoln.gov.uk) or by calling 01522 881188

For independent advice and/or to make a complaint about data protection, privacy and data sharing issues, you can contact the Information Commissioner's Office (ICO) at:

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire SK9 5AF.  
Tel: 0303 123 1113 (local rate) or 01625 545 745

Alternatively, visit [ico.org.uk](http://ico.org.uk) or email [icocasework@ico.org.uk](mailto:icocasework@ico.org.uk)

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**SUBJECT: QUARTER 2 2024/25 OPERATIONAL PERFORMANCE REPORT**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHOR: BUSINESS INTELLIGENCE OFFICER**

## 1. Purpose of Report

- 1.1 To present to Executive an outturn summary of the council's performance in quarter 2 of 2024/25.

## 2. Executive Summary

- 2.1 At the end of quarter 2 2024/25 of the **87** quarterly performance measures and **2** annual performance measures reported during the quarter across the Directorates of Chief Executive's, Communities & Environment, Housing & Investment and Major Developments:

- **15 measures (16.9%)** were Red (below lower target boundary)
- **17 measures (19.1%)** were Blue (within target boundaries – acceptable)
- **33 measures (37.1%)** were Green (meeting or exceeding the higher target)
- **24 measures (27.0%)** were recorded as volumetric
- **0 measures (0.0%)** were recorded as data not being available for this quarter

Out of the **89** performance measures monitored during the quarter **65** had targets allocated to them. Of these targeted measures **50 (76.9%)** 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.

- 3.3 A review of the quarterly performance process was undertaken at the end of 2023/24. This led to the following changes:

- Appendix A now contains a wider range of performance information, including qualitative data in the form of case studies and service highlights. These are

grouped into seven themes, namely the five Vision Priorities and the two inward looking portfolios 'Our People and Resources' and 'Customer Experience and Review.'

- The more detailed performance data tables are now grouped together in Appendix B, including the suite of corporate measures that were previously in Appendix A. Performance data remains grouped by directorate, and a colour coding system has been introduced to make it simpler to identify which portfolio each measure relates to. Appendix B also includes a quarterly Communications update.

3.4 When read together, Appendices A and B aim to enhance the range of performance information presented via the quarterly reporting process and make it easier to assess and scrutinise the performance of each priority/portfolio.

#### **4. Performance Measures Performing Above / Below Target – Quarter 2 2024/25**

4.1 As set out in section 3, Appendix A provides an overview of the council's performance by Directorate and Vision 2025 theme. Highlight reports detailing some of the positive work of the council during the quarter, and the impact of this, is also included in Appendix A.

4.2 To support Appendix A, a full list of all performance measure outturns and supporting service area commentary are provided at Appendix B.

4.3 Appendix B details the performance outturns for the suite of corporate performance measures. These measures focus on the areas of resources, health & wellbeing, sickness, complaints (including Ombudsman rulings) and compliments. Appendix B also contains a quarterly update on corporate Communications activity.

#### **5. Strategic Priorities**

5.1 The 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 link across a range of Vision 2025 strategic priorities and portfolios as set out in Appendices A and B.

#### **6. Organisational Impacts**

##### **6.1 Finance**

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**

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 2 2024/25 Operational Performance Report found at Appendices A and B.

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

<b>Is this a key decision?</b>	No
<b>Do the exempt information categories apply?</b>	No
<b>Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?</b>	No
<b>How many appendices does the report contain?</b>	Two (A and B)
<b>List of Background Papers:</b>	None
<b>Lead Officers:</b>	Business Intelligence Officer Policy & Performance Officer(s)



## Quarter 2 2024/25 Operational Performance Report - Performance overview



Business Intelligence Officer  
Policy and Performance Officer(s)

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## How to read this report

This report provides an overview of the council's performance in Quarter 2 of 2024/25 by Directorate and by Vision Priority. This report also contains an overview of the council's performance in relation to its two inward looking portfolios 'Our People and resources' and 'Customer Experience and Review', which sit outside of the Vision Priorities. Also included within this report are highlight reports detailing some of the support provided by the council to Lincoln's communities during the past quarter, service updates and their impact.

Detailed performance measure outturns for quarter 2 2024/25, performance measure commentary provided by service areas and corporate performance measure outturns can be found at Appendix B.

### Performance Key:

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

<b>G</b>	At or above target
<b>A</b>	Acceptable performance - results are within target boundaries
<b>R</b>	Below target
<b>V</b>	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 measure outturns by Vision Priority are categorised below and in Appendix B using the following codes:

<b>PR</b>	Our People and Resources
<b>RI</b>	Reducing Inequality
<b>CE</b>	Customer Experience & Review
<b>RP</b>	Remarkable Place
<b>QH</b>	Quality Housing
<b>EG</b>	Inclusive Economic Growth
<b>CC</b>	Addressing the challenge of Climate Change

### Corporate performance measures

Corporate performance measures focus on the council's performance overall and are not specific to service area performance. These corporate performance measures are split into the following categories and are presented at Appendix B:

- Resource information
- Appraisals
- Health & wellbeing
- Communications
- Sickness
- Corporate complaints
- Compliments

## Executive summary

During quarter 2 2024/25 the council monitored performance against **87** quarterly performance measures and **2** annual measures. Of these measures **65** had targets allocated to them, of which **50 (76.9%)** were within or exceeding the targets set. The remaining **24** measures were volumetric (untargeted) measures reported for contextual purposes.

The 2024/25 targets for each targeted performance measure were approved by Performance Scrutiny Committee and Executive in March 2024.

Below provides a summary of the quarter 2 2024/25 performance measure outturns by status and by direction of travel. These are displayed by each Directorate and by Portfolio.

### Directorate Summary

	Performance measure outturns by status				
Status	Chief Executives Directorate	Directorate of Communities & Environment	Directorate of Housing Investment	Directorate of Major Developments	Total
Below target	4 (16.0%)	6 (16.2%)	5 (27.8%)	0 (0.0%)	15 (16.9%)
Acceptable	4 (16.0%)	12 (32.4%)	1 (5.6%)	0 (0.0%)	17 (19.1%)
Above target	10 (40.0%)	11 (29.7%)	7 (38.9%)	5 (55.6%)	33 (37.1%)
Volumetric	7 (28.0%)	8 (21.6%)	5 (27.8%)	4 (44.4%)	24 (27.0%)
Data not available	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Total	25	37	18	9	89

	Performance measure outturns by direction of travel				
Status	Chief Executives Directorate	Directorate of Communities & Environment	Directorate of Housing Investment	Directorate of Major Developments	Total
Deteriorating	7 (28.0%)	17 (45.9%)	9 (50.0%)	0 (0.0%)	33 (37.1%)
No change	2 (8.0%)	1 (2.7%)	1 (5.6%)	1 (11.1%)	5 (5.6%)
Improving	9 (36.0%)	11 (29.7%)	3 (16.7%)	4 (44.4%)	27 (30.3%)
Volumetric	7 (28.0%)	8 (21.6%)	5 (27.8%)	4 (44.4%)	24 (27.0%)
Data not available	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Total	25	37	18	9	89

### Priority Summary

	Performance measure outturns by status						
	Our People and Resources	Reducing Inequality	Customer Experience & Review	Remarkable Place	Quality Housing	Inclusive Economic Growth	Addressing the challenge of Climate Change
Below target	1 (50.0%)	1 (10.0%)	3 (17.6%)	2 (11.1%)	8 (36.4%)	0 (0.0%)	Currently no measures reported through the quarterly performance reporting process. Progress updates provided
Acceptable	0 (0.0%)	0 (0.0%)	4 (23.5%)	5 (27.8%)	1 (4.5%)	7 (35.0%)	
Above target	1 (50.0%)	4 (40.0%)	5 (29.4%)	7 (38.9%)	8 (36.4%)	8 (40.0%)	
Volumetric	0 (0.0%)	5 (50.0%)	5 (29.4%)	4 (22.2%)	5 (22.7%)	5 (25.0%)	
Data not available	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
TOTAL	2	10	17	18	22	20	

	Performance measure outturns by direction of travel						
	Our People and Resources	Reducing Inequality	Customer Experience & Review	Remarkable Place	Quality Housing	Inclusive Economic Growth	Addressing the challenge of Climate Change
<b>Deteriorating</b>	0 (0.0%)	2 (20.0%)	6 (35.3%)	7 (38.9%)	12 (54.5%)	6 (30.0%)	Currently no measures reported through the quarterly performance reporting process. Progress updates provided
<b>No change</b>	0 (0.0%)	0 (0.0%)	2 (11.8%)	1 (5.6%)	1 (4.5%)	1 (5.0%)	
<b>Improving</b>	2 (100.0%)	3 (30.0%)	4 (23.5%)	6 (33.3%)	4 (18.2%)	8 (40.0%)	
<b>Volumetric</b>	0 (0.0%)	5 (50.0%)	5 (29.4%)	4 (22.2%)	5 (22.7%)	5 (25.0%)	
<b>Data not available</b>	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	
<b>TOTAL</b>	<b>2</b>	<b>10</b>	<b>17</b>	<b>18</b>	<b>22</b>	<b>20</b>	

Factors such as resource pressures, recruitment challenges and the ongoing cost of living challenges have continued to have an impact on performance in quarter 2 2024/25.

The following pages provide an overview of council performance by Vision Priority during quarter 2 2024/25. Also provided are highlight reports for quarter 2 2024/25.

## Quarter 2 2024/25 performance measure outturns by status and direction of travel

Measure status	Total	Measure direction of travel	Total
<b>Below target</b>	1 (50.0%)	<b>Deteriorating</b>	0 (0.0%)
<b>Acceptable performance</b>	0 (0.0%)	<b>No change</b>	0 (0.0%)
<b>Above target</b>	1 (50.0%)	<b>Improving</b>	2 (100.0%)
<b>Volumetric</b>	0 (0.0%)	<b>Volumetric</b>	0 (0.0%)
<b>Data not available</b>	0 (0.0%)	<b>Data not available</b>	0 (0.0%)
<b>TOTAL</b>	<b>2</b>	<b>TOTAL</b>	<b>2</b>

## Performance measure overview

During quarter 2 2024/25, within the Our People and Resources theme ,1 performance outturn delivered above its high target, WBL 2 - Percentage of apprentices moving into Education, Employment or Training. The measure additionally delivered an improving direction of travel when compared to the previous quarter.

During the quarter, 1 measure delivered below target, WBL 1 - Percentage of apprentices completing their qualification on time. The measure, however, delivered an improving direction of travel when compared to the previous quarter. It is important to note that due to the small number of apprentices due to complete during the quarter, the impact on performance of 1 apprentice not completing on time is much larger.

Performance measure outturns and supporting commentary can be found at Appendix B.

## Highlight Reports

Within Our People and Resources theme, to support Financial Wellbeing a series of financial education courses were made available by the Human Resources team, courses included a 'Planning for Retirement Course' which was held at City Hall and was well attended, gathering highly positive feedback from participants, and 'Pension Credit Week of Action', providing a week of free online presentations and informative communications.

Additional Health and Wellbeing support offered to employees and advertised on the HUB throughout the quarter included the Drinking Aware Drinking Check campaign, free employee Flu Vaccination vouchers, employee Eyecare vouchers, and a series of Safe talk Suicide Awareness courses designed to support resilience within frontline staff.

### OUR PEOPLE AND RESOURCES

## FINANCIAL EDUCATION COURSES

A series of Financial Education courses and informative communications have been produced and made available, **delivered in-house at City Hall and online**, via Affinity Connect in conjunction with West Yorkshire Pension Fund covering:

**Pension Credit Week of Action** saw a whole week of free online presentations ideal for those looking to learn more about their pension scheme in an easy-to-follow format.

Experienced professionals covered various topics, ensuring members felt confident about how the LGPS works and its benefits. Sessions catered to all members, from beginners to those seeking to increase benefits or understand deferred benefit.

### Planning for Retirement and Financial Wellbeing

The course is designed to help employees improve their financial wellbeing by making informed decisions about financial planning. It covers key topics like managing take-home pay, budgeting, understanding pensions, and managing debt. By focusing on pension planning, the course encourages participants to secure a more comfortable retirement and future.

Our People  
and Resources



Leeds City Council | Together, we're creating a better future

### OUR PEOPLE AND RESOURCES

## HEALTH AND WELLBEING SUPPORT

Health and Wellbeing support offered to employees has included:

- **Employee Flu Vaccination voucher** - All employees are eligible for a flu voucher. The flu vaccine helps protect against flu, which can be a serious or life-threatening illness. There's still a chance you might get flu after getting vaccinated, but it's likely to be milder and not last as long. Protection from the flu vaccine goes down with time and the types of flu virus the vaccine protects against are updated each year, this is why it's important to get the flu vaccine every year.
- **Eye Care vouchers** - A sight test is a vital check on the health of the eyes and includes the detection of eye conditions. In addition, a sight test can also detect other health conditions such as high blood pressure, raised cholesterol or diabetes. It is recommended that everyone should have a sight test at least once every two years. Every COLC employee is entitled to a free eye care voucher every 2 years.

- **A series of Safe Talk Suicide Awareness** courses to support resilience for frontline roles, delivered at City Hall, Hamilton House, and Sleaford by Intervention Skills Training, with participant feedback "I would recommend this session to a colleague", "Brilliant presentation - good interaction with the whole group" and "very informative and clear information presented".

- **Drinking Check campaign** - a free online Drinking Check with personalised results and guidance to discover more about drinking, and articles encouraging people to have more open conversations about drinking.

Our People  
and Resources



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## Vision Priority – Reducing Inequality

### Quarter 2 2024/25 performance measure outturns by status and direction of travel

Measure status	Total	Measure direction of travel	Total
Below target	1 (10.0%)	Deteriorating	2 (20.0%)
Acceptable performance	0 (0.0%)	No change	0 (0.0%)
Above target	4 (40.0%)	Improving	3 (30.0%)
Volumetric	5 (50.0%)	Volumetric	5 (50.0%)
Data not available	0 (0.0%)	Data not available	0 (0.0%)
<b>TOTAL</b>	<b>10</b>	<b>TOTAL</b>	<b>10</b>

### Performance measure overview

During quarter 2 2024/25, within the Reducing Inequality Vision Priority there were 4 performance outturns that delivered above their high targets, these include BE 1 - Average days to process new housing benefit claims from date received, BE 2 - Average days to process housing benefit claim changes of circumstances from date received, BE 3 - Number of Housing Benefits / Council Tax support customers awaiting assessment, BE 4 - Percentage of risk-based quality checks made where benefit entitlement is correct.

3 of the measures performing above their high targets have further improved when compared to the same quarter of the previous year.

During the quarter, 1 measure delivered below target, PPASB 3 - Number of live cases open at the end of the quarter (across full PPASB service). This outturn was as a result of the team receiving a greater volume of ASB cases and service requests in general, which could be attributed to the proactive work of the team within the City Centre and surrounding area.

5 measures within this Vision Priority report as a volumetric outturn, including CPT 1 - Number of internal safeguarding referrals received, BE 5 - Number of new benefit claims year to date (Housing Benefits/Council Tax Support), PPASB 1 - Number of cases received in the quarter (ASB cases only), PPASB 2 - Number of cases closed in the quarter (across full PPASB service) and CCTV 1 - Total number of incidents handled by CCTV operators.

Performance measure outturns and supporting commentary can be found at Appendix B.



## Highlight Reports

Within the Reducing Inequality Vision Priority, collaboration, learning and support has been seen across several teams through attendance, participation and presentations delivered at the Lincolnshire Suicide Prevention Conference, bringing together professionals across the region to address this critical issue.

Throughout the quarter, support has been made available to all residents of the city through the Lincoln Community Grocery. COLC Housing teams have additionally provided vouchers for new tenants to cover a year's membership plus 3 food shops at the grocery, where residents can also access further wraparound support services.

### LINCOLNSHIRE SUICIDE PREVENTION CONFERENCE

The annual Lincolnshire Suicide Prevention Conference was held on 4 September.

The conference brings together a diverse group of professionals from across the region for meaningful and impactful conversations on suicide prevention. With powerful guest speakers sharing their lived experiences and engaging breakout sessions, **the conference created a vibrant space for collaboration, learning and sparking new ideas to address this critical issue.** It was an inspiring opportunity for individuals to unite in their shared commitment to saving lives and making a difference in their communities.

Feedback was shared that the event "had been instrumental in our learning, awareness and support of suicide prevention locally." And "as a Lived Experience Lead, I consider it a privilege to help others have a better understanding about mental health issues, including why someone might consider suicide."

The event was attended by Cllr Donald Nannestad - Portfolio Holder for Quality Housing, Simon Colburn - Assistant Director Health and Environmental Services, Martin Walmsley - Assistant Director Shared Revenues and Benefits and additionally in his role as Chair of Lincolnshire Financial Inclusion Partnership, co-presenting a well-received breakout session on the links between 'Money and Mental Wellbeing.'

This led to lots of suggestions from attendees in the session, that LFIP will now look to link into their work programme moving forward, including barriers for people accessing financial and debt advice and support.

Cllr Donald Nannestad - Portfolio Holder for Quality Housing

Reducing Inequality

Simon Colburn - Assistant Director Health and Environment Services

Martin Walmsley - Chair of the Lincolnshire Financial Inclusion Partnership

## LINCOLN COMMUNITY GROCERY

Lincoln Community Grocery and COLC Housing colleagues have continued to deliver support to residents of Lincoln through a **UKSPF-funded project**, where new tenants of the Council and those being placed into accommodation by the Council can receive a **£20 voucher for the Lincoln Community Grocery, covering 1 year membership + 3 shops.**

Not only does the Grocery provide **low cost, high quality food**, which additionally helps to **reduce dependency on foodbanks**, but members are also able to access other 'wraparound' support there - such as debt advice and money management support, one-on-one support, and life skills such as healthy cooking courses, practical help and tools needed to seek and find work through job clubs, plus so much more.

At the Community Grocery as well as saving money on food, members are helping save the planet too! A lot of the food has been supplied close to its best before date and would have likely been thrown away despite being perfectly fine to eat. Typical shops can include items from the bakery, fresh fruit and vegetables, canned or boxed items as well as chilled and frozen or non-food items.

**Reducing Inequality**

"keeping families fed by providing **affordable weekly shopping and support services** to the people of Lincoln"

Located on several bus routes it's easy to get to the Community Grocery on **Beaumont Fee, by public transport**, and is open **Monday-Friday**

## Quarter 2 2024/25 performance measure outturns by status and direction of travel

Measure status	Total	Measure direction of travel	Total
<b>Below target</b>	3 (17.6%)	<b>Deteriorating</b>	6 (35.3%)
<b>Acceptable performance</b>	4 (23.5%)	<b>No change</b>	2 (11.8%)
<b>Above target</b>	5 (29.4%)	<b>Improving</b>	4 (23.5%)
<b>Volumetric</b>	5 (29.4%)	<b>Volumetric</b>	5 (29.4%)
<b>Data not available</b>	0 (0.0%)	<b>Data not available</b>	0 (0.0%)
<b>TOTAL</b>	<b>17</b>	<b>TOTAL</b>	<b>17</b>

### Performance measure overview

During quarter 2 2024/25, within Customer Experience and Review, there were 5 performance outturns that performed above their high target, these include PRO 1 - Percentage spend on contracts that have been awarded to "local" contractors, ACC 1 - Average return on investment portfolio, ACC 2 - Average interest rate on external borrowing, DCT 3 - Average number of days to pay invoices, and REV 2 - Business Rates – in year collection rate for Lincoln.

Of these 5 measures performing above their high targets, 3 measures (PRO 1, DCT 3 and REV 2) improved in performance when compared to the previous quarter. 1 measure (ACC 2) had no change in its direction of travel, and 1 measure (ACC 1), showed a slight deterioration in direction of travel, whilst continuing to perform significantly above its target boundary.

3 measures delivered below target during the reporting period, CS 3 - Average time taken to answer a call to customer services, CS 4 - Average customer feedback score (telephone, face to face and e-mail enquiries), and REV 3 - Number of outstanding customer changes in the Revenues Team.

Of the outturns performing below target, CS 3 showed an improvement in direction of travel for the measure, while CS 4 and REV 3 have both declined in performance direction of travel, when compared to the previous quarter.

5 measures within the portfolio report as a volumetric outturn, CS 2 - Number of telephone enquiries answered in Customer Services, CS 5 - Footfall into City Hall reception desk, ICT 1 - Number of calls logged to IT helpdesk, and ICT 2 - Percentage of first time fixes, all 4 measures have seen increases in outturn, when compared to the previous quarter, and REV 4 - Number of accounts created for the My Lincoln Accounts system.

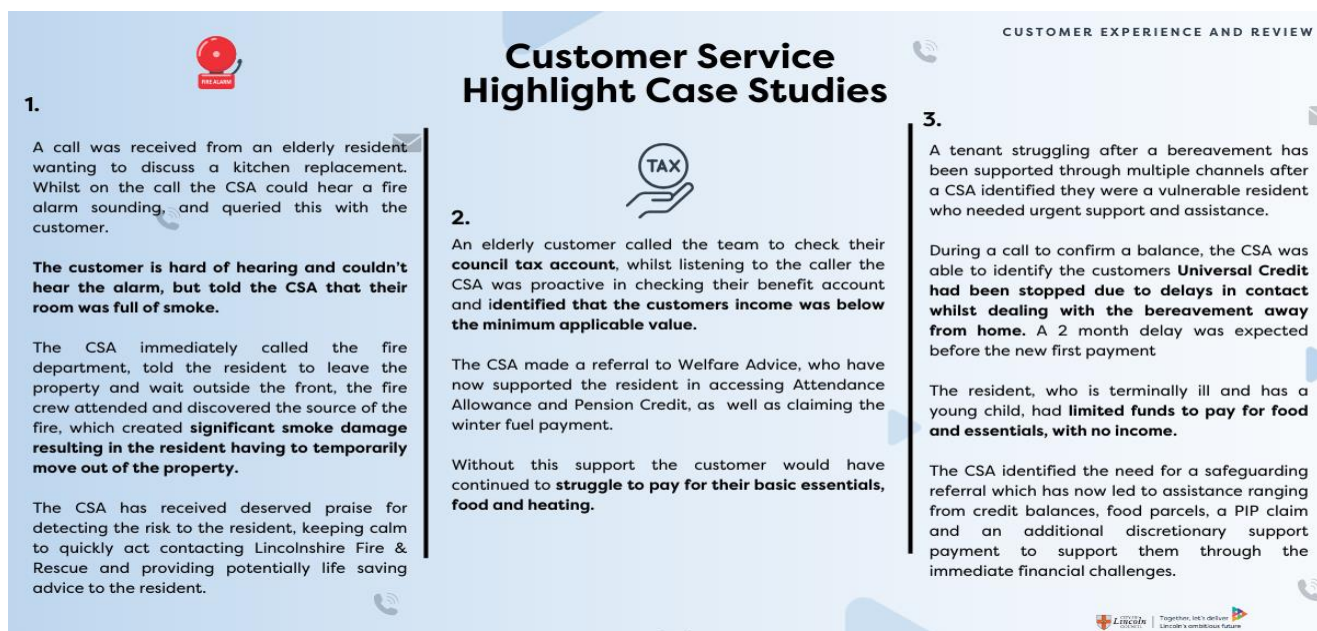
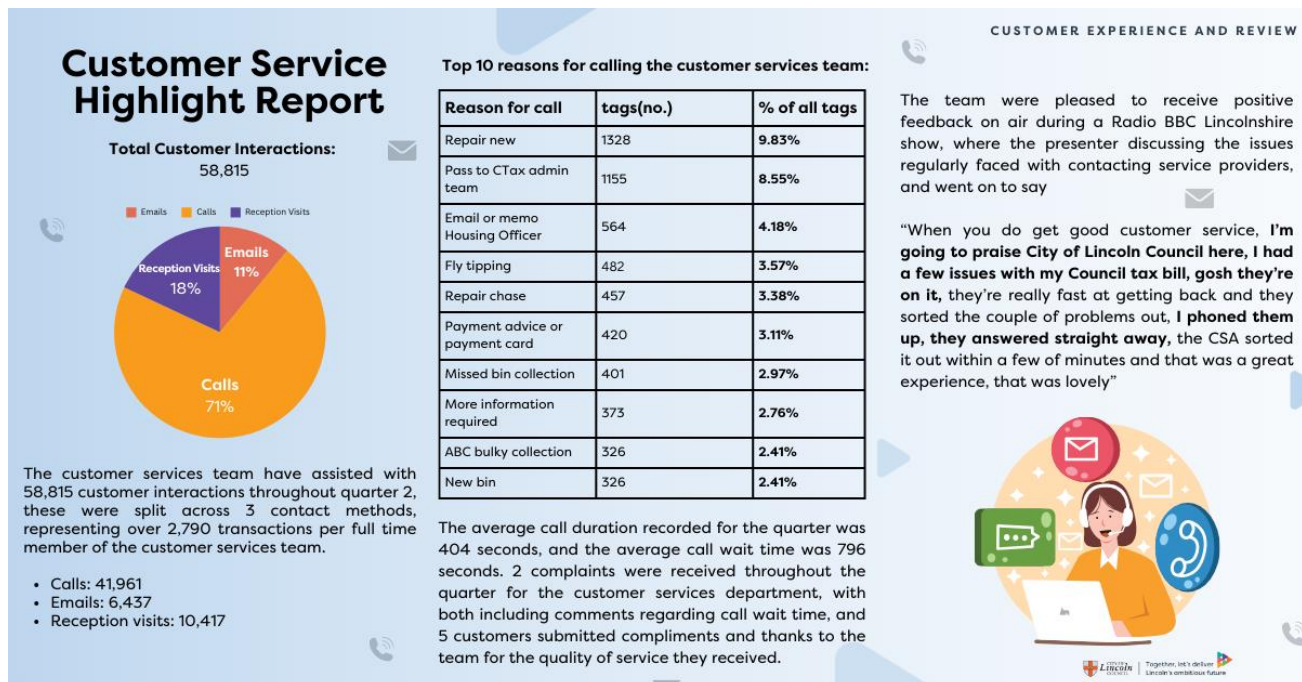
Performance measure outturns and supporting commentary can be found at Appendix B.



## Highlight Report

Within Customer Experience and Review, the Customer Services team supported 51,815 customers and residents through calls, emails and face to face interactions at City Hall reception desk throughout quarter 2, with positive feedback on the service delivered by the team broadcast live during a show on Radio BBC Lincolnshire.

The team have received praise and thanks for their dedication and professionalism whilst handling some particularly poignant cases this quarter, including a vulnerable resident being guided by a CSA to leave a property that had a fire occurring, and residents struggling financially from ill health and bereavements, who CSAs identified as eligible for additional support that they were missing.



## Highlight Report

Within Customer Experience and Review, the 2023/24 edition of the Lincoln City Profile was published during the quarter, with copies sent to City of Lincoln Councillors, local partners and businesses including Lincoln University and Bishops Grosseteste University, as well as the Lincoln Social Responsibility Charter, and has since been shared more widely by many COLC partners.

The profile is a keenly anticipated document each year, collating the latest available datasets of a varied and diverse range of topics, utilised throughout the city to support decision making as well as applications and funding bids.

This latest version of the Profile will advise and provide an evidence base for supporting the development of COLC 'Vision 2030' corporate plan, in addition to the five strategic priorities and review of 'Vision 2025.'

Lincoln City Profile 2023/24 saw additional datasets included to provide a more detailed overview of life and work within Lincoln, as well as 'Key Points' front pages for each of the 8 chapters contained within the profile, which have been shared online through communications and advertisements to highlight the varied topics and insightful statistics included within each chapter.

# Lincoln City Profile

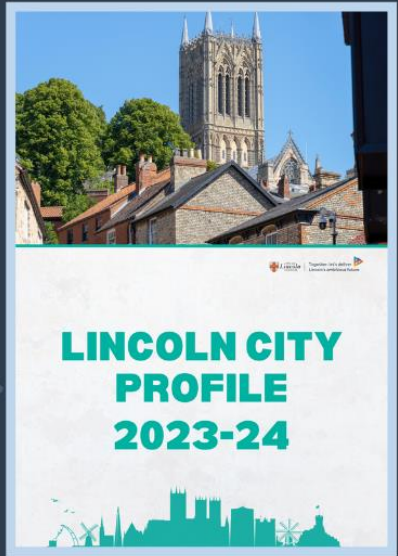
The annually reviewed Lincoln City Profile has been presented to members and published on our website, providing a valuable document utilised by businesses and partners throughout the city to support funding bids, by both the Council and partner organisations, delivering an in depth and insightful overview of life and work in Lincoln.

The Lincoln City Profile 2023/2024 provides an overview of the key **demographics and characteristics of the city and serves as a valuable and timely source of business intelligence and information upon which the Council bases its decision making.** The document collates the latest available statistical data from a comprehensive range of information sources, which supports all five Strategic Priorities and the implementation and review of Vision 2025, and will support development of the corporate plan 'Vision 2030'.

The introduction to the profile provides contextual information about the city. This is followed by eight chapters which provide a wealth of information on our city's **Population, Economy, Welfare, Crime, Education, Housing, Health, Environment & Climate.**

The profile is available as a whole document or as individual chapters. Each chapter of the profile comprises an introduction highlighting the key findings within that section; charts presenting the latest data available for datasets; and commentary to aid interpretation and raise awareness of the key data findings presented.

CUSTOMER EXPERIENCE AND REVIEW



**LINCOLN CITY  
PROFILE  
2023-24**

Lincoln City Council  
Together, let's define  
Lincoln's ambitious future

## Quarter 2 2024/25 performance measure outturns by status and direction of travel

Measure status	Total	Measure direction of travel	Total
<b>Below target</b>	2 (11.1%)	<b>Deteriorating</b>	7 (38.9%)
<b>Acceptable performance</b>	5 (27.8%)	<b>No change</b>	1 (5.6%)
<b>Above target</b>	7 (38.9%)	<b>Improving</b>	6 (33.3%)
<b>Volumetric</b>	4 (22.2%)	<b>Volumetric</b>	4 (22.2%)
<b>Data not available</b>	0 (0.0%)	<b>Data not available</b>	0 (0.0%)
<b>TOTAL</b>	<b>18</b>	<b>TOTAL</b>	<b>18</b>

## Performance measure overview

During quarter 2 2024/25, within the Remarkable Place Vision Priority there were 7 performance outturns that have delivered above their high targets, these include FHS 1 - Percentage of premises fully or broadly compliant with Food Health & Safety inspection, FHS 2 - Average time from actual date of inspection to achieving compliance, LIC 1 - Percentage of premises licences issued within 28 days of grant, SP 2 - Artificial Grass Pitch usage at Yarborough Leisure Centre & Birchwood Leisure Centre, SP 3a - Birchwood Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England, SP 3b - Yarborough Leisure Centre - Number of net promoter score points above or below the average Net Promoter Score for England, and SC 1 - Contractor points recorded against target standards specified in contract - Street Cleansing.

In quarter 2, 2 measures delivered below target during the reporting period. These include, FHS 3 - Percentage of food inspections that should have been completed and have been in that time period - this has been attributed to reduced resource due to staff holiday, the impact of which in a small team is larger, the outturn relates to 19 out of a total of 161 inspections not completed in the quarter. The second measure was GM 2 – Satisfaction with our public open spaces overall (collected via Citizens' Panel) - cleanliness standards in Lincoln are generally seen to be good, however, some negative feedback was provided around the provision of litter bins, and some overflowing bins at times. This feedback is subject to review by the Portfolio Holder and with the contractors at Performance Management Board meetings.

4 measures within the Vision Priority report as a volumetric outturn, LIC 2 - Total number of active premises licences, LIC 3 - Total number of active private hire / hackney carriage licences (operators, vehicles and drivers), SP 1a - Quarterly visitor numbers to Birchwood Leisure Centre, which reported 1,120 additional visitors compared to the previous quarter, and SP 1b - Quarterly visitor numbers to Yarborough Leisure Centre, which also reported an increase of 253 visitors when compared to quarter 2.

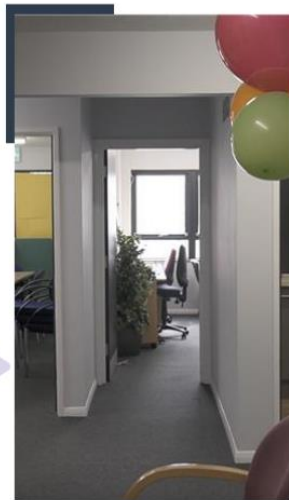
Performance measure outturns and supporting commentary can be found at Appendix B.



## Highlight Reports

Within the Remarkable Place Vision Priority, the teams have been celebrating the successful refurbishment of Moorland Community Centre, following a remodel to the layout creating an upgraded look and feel, the space now offers users improved facilities, meeting rooms, kitchen space, security provisions and storeroom, enabling local groups and the wider community to access services in the area.

City of Lincoln Council won the 'Regeneration Project of the Year Award' at the annual East Midlands property awards, for the redevelopment and refurbishment of the Cornhill Market. The preservation of heritage features, creation of a vibrant public space, and emphasis on environmental sustainability were key considerations commended at the ceremony.



REMARKABLE PLACE

### Refurbishment of Moorland Community Centre

The refurbishment of Moorland Community Centre was completed at the end of August, using funding received through the Government's UK Shared Prosperity Fund.

Moorland Community Centre is at the heart of the Moorland community, providing a facility to hire for local groups on a regular and ad-hoc basis. **The Community Centre will now be a base for the Volunteer Centre Service (VCS).** VCS staff will lead on volunteering and community engagement, support the use of the Community Centre, and work with local partner organisations to develop capacity and community access to local services for the local area.

Remarkable Place

Capital improvements to Moorland Community Centre included remodelling the layout to create a single storeroom and office meeting space, kitchen and office refurbishments and decorating, upgraded electrics and improved outdoor lighting, CCTV provision and security measures, upgrades to meeting rooms to provide better facilities for users, as well as aesthetic improvements to make the entrance to the building more welcoming.



REMARKABLE PLACE

### Winner of the 'Regeneration Project of the Year Award'

City of Lincoln Council has won the 'Regeneration and Restoration Project of the Year Award' at the annual East Midlands Property Awards 2024

The ceremony celebrated excellence across the region's property, real estate, and construction sectors and highlighted the council's innovative approach to the **successful delivery of the £8.75 million regeneration of the Grade II listed Cornhill Market.**

The refurbishment was commended for its positive environmental impact and creation of a vibrant public space, which now can accommodate outdoor stalls, al fresco dining, and community events, enhancing the social and commercial activity in the city.



Remarkable Place

Key considerations in accessing the award were the project's success in preserving the market's original 1930s façade, signs, clock and other heritage features and the strong emphasis on environmental sustainability, with a thermally efficient double-glazed roof reducing the need for excessive heating, the approach to minimising waste during the construction phase, and initiatives to reduce the project's carbon footprint through promotion of car-sharing and walking, all of which has saved over 23 metric tons of CO2.





## Vision Priority – Quality Housing

### Quarter 2 2024/25 performance measure outturns by status and direction of travel

Measure status	Total	Measure direction of travel	Total
<b>Below target</b>	8 (36.4%)	<b>Deteriorating</b>	12 (54.5%)
<b>Acceptable performance</b>	1 (4.5%)	<b>No change</b>	1 (4.5%)
<b>Above target</b>	8 (36.4%)	<b>Improving</b>	4 (18.2%)
<b>Volumetric</b>	5 (22.7%)	<b>Volumetric</b>	5 (22.7%)
<b>Data not available</b>	0 (0.0%)	<b>Data not available</b>	0 (0.0%)
<b>TOTAL</b>	<b>22</b>	<b>TOTAL</b>	<b>22</b>

### Performance measure overview

During quarter 1 2024/25, within the Quality Housing Vision Priority there were 8 performance outturns that performed above their high targets, these include PH 3 - Number of empty homes brought back into use, HI 1 - Percentage of council properties that are not at the 'Decent Homes' standard, HI 3 - Percentage of dwellings with a valid gas safety certificate, HM 1a - Percentage of reactive repairs completed within target time, HM 2 - Percentage of repairs fixed first time, HM 4 - Appointments kept as a percentage of appointments made, CC1 - Percentage of customers satisfied with their new Lincare Housing Assistance service connection to the control centre, and CC 2 - Percentage of Lincare Housing Assistance calls answered within 60 seconds.

Of these 8 above target outturns, 4 (PH 3, HI 3, HM 2 & HM 4) have improved since last quarter, 1 (CC 1) has maintained consistent performance, and 3 (HI 1, HM 1a & CC 2) have shown a deterioration in direction of travel compared to the previous quarter, whilst continuing to perform well above target boundaries.

During the quarter there were 8 measures that delivered below target, each with a deteriorating direction of travel, AH 1 - Number of affordable homes delivered, PH 1 - Average time in weeks from occupational therapy notification to completion of works on site for a Disabled Facilities Grant (DFG), PH2 - Average time from date of inspection of accommodation to removing a severe hazard to an acceptable level, HS 3 - Successful preventions and relief of homelessness against total number of homelessness approaches, HV 1 - Percentage of rent lost through dwelling being vacant, HV 3 - Average re-let time calendar days for all dwellings (including major works), RC 1 - Rent collected as a proportion of rent owed, and RC 2 - Current tenant arrears as a percentage of the annual rent debit.

5 measures within the portfolio report as a volumetric outturn, these include HI 2 - Number of properties 'not decent' as a result of tenants refusal to allow work, HM 5 - Satisfaction with Repairs, HS 1 - The number of people currently on the Housing Register, HS 2 - The number of people approaching the council as homeless and HS 4 - Number of rough sleepers.

Performance measure outturns and supporting commentary can be found at Appendix B.

## Highlight Report

Within the Quality Housing Vision Priority, the team have seen a significant increase in the completion rate of scheduled repairs carried out by the Housing Repairs Service, with a 28% increase in completions, as well as a reduction to the number of follow on repairs. This follows improvements and process changes made with the Customer Services team, reducing the wait time for residents for non-urgent repairs, and fully clearing a backlog of scheduled repairs for the first time since the Covid-19 pandemic, which had previously seen wait times of 12 weeks.

The Housing Repairs Service team jointly hosted a trade day at Hamilton House alongside Jewson's Lincoln builders' merchants, offering local suppliers and external contractors an opportunity to watch demonstrations, ask questions on products and services and meet and discuss how each work within the sector. The event was also attended by Lincoln Tenants Panel, Portfolio Holder for Quality Housing, as well as City Council members, who gave positive feedback on a successful day, which will now be reviewed to inform and influence future events.

QUALITY HOUSING

### Scheduled Repairs Service Improvements



**28% increase**  
in the completion rate  
of scheduled repairs



**3% reduction**  
in the proportion of  
follow-on repairs

There have been significant improvements to scheduled repairs within the Housing Repairs Service, reducing the amount of time our tenants wait to receive a non-urgent repair.

Due to process changes we have enacted with the Customer Services Team, we have now fully cleared our scheduled repairs backlog and this is first time since the Covid-19 pandemic that this has been the case and have reduced the wait time from 12 to 9 weeks

**Quality Housing**

The team has recently identified an increase in the proportion of repairs that cannot be completed due to lack of access to tenants' homes. **Work is underway to investigate any common causes behind this increase, and to work with tenants to ensure timely completion of repairs.**

### Jewson's Trade Day at Hamilton House

On 18 September the Housing Repairs Service and Jewsons held a trade day at Hamilton House.

A range of different suppliers attended, and answered questions and provided demonstrations on how their products and services work. The day was successful, with more than ten stalls and a range of visitors including Lincoln Tenants' Panel, Portfolio Holder and Members, and a variety of external contractors.

The team are seeking feedback from attendees, and reviewing how learnings from the event may influence the services procured in the future.





**Quarter 2 2024/25 performance measure outturns by status and direction of travel**

Measure status	Total	Measure direction of travel	Total
<b>Below target</b>	0 (0.0%)	<b>Deteriorating</b>	6 (30.0%)
<b>Acceptable performance</b>	7 (35.0%)	<b>No change</b>	1 (5.0%)
<b>Above target</b>	8 (40.0%)	<b>Improving</b>	8 (40.0%)
<b>Volumetric</b>	5 (25.0%)	<b>Volumetric</b>	5 (25.0%)
<b>Data not available</b>	0 (0.0%)	<b>Data not available</b>	0 (0.0%)
<b>TOTAL</b>	<b>20</b>	<b>TOTAL</b>	<b>20</b>

**Performance measure overview**

During quarter 2 2024/25, within the Inclusive Economic Growth Vision Priority, 8 performance outturns performed above their high targets, these include DM 3 - Number of live planning applications open, DM 5 - Percentage of total decisions made in the quarter that have subsequently been overturned at appeal, PS 2 - Sessional car parking income as a percentage of budget requirement, DMD 1 - Percentage spend on Town Deal programme, DMD 2 - Percentage of Town Deal projects on target, DMD 3 - Percentage spend on UKSPF programme, DMD 4 – Percentage of UKSPF projects on target and DMD 5 - Number of businesses receiving business support utilising the UKSPF fund.

6 of the above target measures, DM 3, PS 2, DMD 1, DMD 3, DMD 4 and DMD 5 reported an improving direction of travel compared to the previous quarter, DMD 2 had no change, and DM 5, whilst deteriorating in direction of travel, continues to perform significantly above the target boundary.

5 measures within the Inclusive Economic Growth Vision Priority report as a volumetric outturn, DM 1 - Number of applications in the quarter, DMD 6 - Percentage occupancy of Greetwell Place, DMD 7 - Percentage occupancy of The Terrace, DMD 8 - Unemployment rate within Lincoln, and DMD 9 - Average wage in Lincoln.

Performance measure outturns and supporting commentary can be found at Appendix B.

## Highlight Reports

Within the Inclusive Economic Growth Vision Priority, judges at the Royal Town Planning Institute named the 'Central Lincolnshire Local Plan' the best in the region, at the 2024 East Midlands Planning Excellence Awards. The plan maps out the shape and scale of development in Central Lincolnshire through to 2040, and informs decisions and infrastructure across City of Lincoln, North Kesteven and West Lindsey.

City of Lincoln Council hosted Lincoln Live 2024 during the quarter, receiving excellent feedback from residents and visitors for the hugely successful event. A free 2-day live music event bringing to the stage a vibrant celebration of the county and wider areas budding musical talent, with a wide variety of genres throughout the weekend as well as an exciting addition of a local business supplying a range of refreshments from a bar at the main stage.

INCLUSIVE ECONOMIC GROWTH

### Central Lincolnshire Local Plan is 'region's best'

A plan which maps out the shape and scale of development in **Central Lincolnshire through to 2040** and pushes the boundaries of government policy and legislation in its ambition to deliver net zero carbon across the area has been judged to be the region's best.

The Central Lincolnshire Local Plan provides an overarching suite of policies that inform planning decisions and infrastructure investments across **City of Lincoln, North Kesteven and West Lindsey**; targeting energy efficient buildings, renewable energy, adaptation and resilience to climate change, and much more.

It is this level of ambition and the rigour behind it which drew the praise of judges at the Royal Town Planning Institute who named it the Best Plan in the 2024 East Midlands Planning Excellence awards.

Inclusive  
Economic  
Growth

Covering the three areas, the Central Lincolnshire Local Plan sets out where housing and businesses should be located across an 820 square mile area and identifies a list of requirements for what new development will need to achieve to be granted planning permission.



 Together, let's deliver  
Lincoln's ambitious future



INCLUSIVE ECONOMIC GROWTH

### Lincoln Live

Lincoln Live 2024 has proved to be a hugely successful event for a second year running.

**Lincoln Live is a free 2-day weekend live music event** for all ages, bringing to the stage a vibrant celebration of the county and wider area's budding musical talent, hosted by COLC in Lincoln city centre, with a wide variety of genres throughout the day

Located at Cornhill Square, the mainstage allowed visitors to discover BBC Introducing's line up of newly emerging artists on the music scene, visitors were also able to kick back and relax at the new 'Lincoln Live Unplugged' zone in St Paul in the Bail, featuring an exclusively acoustic line up of artists curated by Acoustic Nations Lincoln (AKA Southside) to offer an alternative style to the main stage.

The event saw 13 artists take to the stage to showcase their musical talent, over half of which are based locally in the Lincolnshire region, who received very positive feedback from visitors who commended the set up and line up of artists.

**With footfall increased and visitors in high spirits throughout, over 90% of people who attended the event felt it enhanced their visit to the city.**

Inclusive  
Economic  
Growth

In collaboration with Events in Lincoln who managed the infrastructure, procuring a high quality a 7m x 6m main stage and sound system, another exciting addition for 2024 was a bar at the main stage, managed by Sipwell Events, with renowned local business 8 Sail Brewery supplying a range of ale brewed in the heart of Lincolnshire, as well as spirits, a Lincoln Live-themed cocktail, and a selection of soft drinks.

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Lincoln's ambitious future



Within the Addressing Climate Change Vision Priority, there are currently no strategic measures monitored through quarterly performance reporting. A range of climate change performance measures are being considered for future reporting.

### Highlight Report

Within the Addressing Climate Change Vision Priority, the range of work across teams to achieve Lincoln's target of net zero carbon by 2030 has seen significant progress, with refurbishments to buildings in order to achieve decarbonisation of our public buildings, upgrading the energy efficiency of buildings through replacing heating systems with new gas systems or low carbon electric options.

Additionally, the Council's new Electric Vehicle charging points have seen a 59% increase in usage this year, with 20 additional sockets currently in process, providing a practical charging option for Lincoln residents, as well as for commuters and visitors to the city.

ADDRESSING THE CHALLENGE OF CLIMATE CHANGE

## Decarbonisation of Public Buildings

**Climate Change**

To meet Lincoln's target of net zero carbon by 2030 and as part of the council's intention to replace fossil fuel reliant systems with low carbon alternatives, council teams representing all Directorates and service areas have been working with our partners, including the Lincoln Climate Commission, to refurbish and decarbonise a range of public buildings.

This involves improving the energy efficiency of buildings and replacing old gas heating systems with low carbon electric heating. Electricity is sourced from renewable energy either directly from Photovoltaic panels across several sites, or from a green electricity tariff, significantly reducing the carbon footprint.

Continuous progress on the decarbonisation action plan has resulted in the carbon performance of Council buildings recorded in Qtr 2 this year reducing by 13% compared to Qtr 2 in 2023.



ADDRESSING THE CHALLENGE OF CLIMATE CHANGE

## Electric Vehicle Charge Points

The Council's new Electric Vehicle Charge Points are now fully operational and there has been a 59% increase in usage this year.

A total of 16 EV charging sockets have been installed at locations aimed to help residents who live in areas of the city with limited off-street parking, allowing residents to charge their vehicles at low cost overnight, providing a practical solution to the super rapid charge points found at retail parks and motorway services which are best used for quick top up charging.

Residents with electric vehicles are entitled to a 50% discount on their residents parking permit, and the charging points are also used during the day by commuters and visitors to Lincoln.

The new charge points installation comes as a result of us being awarded a grant in February 2023 by the Office for Zero Emission Vehicles (OZEV) as part of their On Street Resident Chargepoint Scheme, along with match funding from the supplier and installer, Connected Kerb.

20 additional EV charging sockets are also in the process of being made operational at Rosemary Lane, Langworthgate and Lucy Tower Street Car park.

**Climate Change**



City of Lincoln

Together, let's deliver Lincoln's ambitious future

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# Quarter 2 2024/25 Operational Performance Report - Performance Tables





# Performance measure status key

<b>G</b>	At or above target
<b>A</b>	Acceptable performance - results are within target boundaries
<b>R</b>	Below target
<b>V</b>	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

PR	Our People and Resources
RI	Reducing Inequality
CE	Customer Experience & Review
RP	Remarkable Place
QH	Quality Housing
EG	Inclusive Economic Growth
CC	Addressing the challenge of Climate Change

**Table 1 - Quarterly Measures by directorate (Chief Executive - CX Communities & Environment - DCE, Housing & Investment - DHI) – The performance status of each targeted measure in Table 1 is determined by comparing the latest outturn against a high and low target.**

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
107	Carolyn Wheeler – City Solicitor	Procurement Services	CE	PRO 1	Percentage spend on contracts that have been awarded to "local" contractors (as the primary contractor)	%	High is good	20.00	45.00	Q1 - 24/25	54.05	Q2 - 24/25	64.47	G		The total contract spend as an Authority in quarter 2 was £11,710,712.56. Of that spend, a total £7,433,230.56 was awarded to "local" suppliers/contractors. Local is defined as anywhere within the County of Lincolnshire plus a 20 mile radius of the County boundary, as per the Local Agenda policy.
		Work Based Learning	PR	WBL 1	Percentage of apprentices completing their qualification on time	%	High is good	95.00	100.00	Q1 - 24/25	50.00	Q2 - 24/25	66.60	R		In Q2 24/25, the number of apprentices completing their apprenticeship on time was 66.6% (2/3). The individual not completing on time for this quarter decided to withdraw. It is important to note that due to the number of apprentices due to complete during the quarter, the impact on performance of 1 apprentice not completing on time was much larger.
		Work Based Learning	PR	WBL 2	Percentage of apprentices moving into Education, Employment or Training	%	High is good	90.00	95.00	Q1 - 24/25	50.00	Q2 - 24/25	100.00	G		In Q2 24/25 100% (3/3) of apprentices on programme moved into Employment, Education or Training. (The early leaver is employed) There was 1 new starter on the apprenticeship scheme during Q2 24/25.
	Emily Holmes - Assistant Director Transformation & Strategic Development	Corporate Policy & Transformation	RI	CPT 1	Number of internal safeguarding referrals received	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	75	Q2 - 24/25	73	V		<p>The number of safeguarding referrals received during quarter 2 remains similar to quarter 1.</p> <p>Of the 73 referrals received, 11 related to children and 62 to adults</p> <p>Safeguarding continues to be embedded throughout the authority and the number of referrals received demonstrates the council's continued commitment to protecting vulnerable people who may be at risk, and the positive impact of staff training to identify when</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																referrals are needed.
		Customer Services	CE	CS 2	Number of telephone enquiries answered in Customer Services	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	43,759	Q2 - 24/25	41,961	V		<p>Customer Services received a total of 41,961 telephone enquiries in quarter 2 24/25, slightly less than the previous quarter.</p> <p>Of those 9,956 were housing related calls, 6,549 were council tax/benefits, 3,455 for refuse and 663 calls for elections and garden waste.</p> <p>17,856 calls were received at switchboard where the average wait was 45 seconds.</p>
		Customer Services	CE	CS 3	Average time taken to answer a call to customer services	Seconds	Low is good	600.00	300.00	Q1 - 24/25	817.00	Q2 - 24/25	795.00	R	▲	<p>The average wait for a call into the contact centre has reduced slightly to 795 seconds this quarter.</p> <p>If we also take calls at switchboard into account, the average wait would be 476 seconds.</p> <p>The longest wait on a call before it was answered was 5,435 seconds, the longest a customer waited before hanging up was 4,135 seconds. Call back options are offered for customers who do not want to stay in the queue, in quarter two, 3,733 customer call backs were made. Customer Service Advisors are beginning to see an increase in customers immediately activating the call back function as customers become more familiar with this option.</p> <p>In Appendix A of this quarter's performance report there is further detail available on how Customer Services operates.</p>
		Customer Services	CE	CS 4	Average customer feedback score (telephone, face to face and e-mail enquiries)	%	High is good	75.00	90.00	Q1 - 24/25	86.50	Q2 - 24/25	61.40	R	▼	<p>We received 46 responses to feedback requests from in quarter 2 24/25, mainly via email. Only 8 of the 46 responses responded to the feedback score question which limits the usefulness of the Q2 figure as a performance measure. Additional satisfaction measures will continue to be explored. Below are some examples of the feedback received.</p> <p>"I am happy with the response time and attention given."</p> <p>"We requested a replacement bin online as ours had become damaged. This was delivered 2 days after request was placed, by a really polite and friendly driver. Extremely good service on this occasion"</p>



	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																<p>"I have just contacted council again hopefully this time something will get done"</p> <p>"Would like to express my sincere thanks to the CSA who dealt with my enquiry with patience and understanding and couldn't have been more helpful and understanding re my circumstances"</p> <p>In quarter 2 there were 4 upheld complaints about customer services.</p>
		Customer Services	CE	CS 5	Footfall into City Hall reception desk	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	8,868	Q2 - 24/25	10,471	V		<p>In quarter 2 24/25, the Customer Services Team had 10,471 interactions at the main reception desk, a slight increase since the previous quarter.</p> <p>421 customers were reporting themselves as homeless (some could be repeat customers). 300 customers were attending pre-booked appointments, 386 saw officers without having an appointment. 907 were re-directed to the Job Centre and 226 had an enquiry about Citizens Advice.</p>
		IT	CE	ICT 1	Number of calls logged to IT helpdesk	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	1,004	Q2 - 24/25	1,007	V		<p>The I.T helpdesk received a 10.78% increase in the number of calls logged in Q2 compared to the same quarter in 2023/24, from 909 to 1,107 calls.</p> <p>The service area reports a wide spread of help requests, with increases in logging in issues on Citrix and connectivity issues.</p>
		IT	CE	ICT 2	Percentage of first time fixes	%	N/A	Volumetric	Volumetric	Q1 - 24/25	70.00	Q2 - 24/25	73.70	V		<p>The first time fix rate increased in the quarter caused by some logging on and connectivity incidents, which were largely able to be closed quickly.</p>
	Jaclyn Gibson - Chief Finance Officer	Accountancy	CE	ACC 1	Average return on investment portfolio	%	High is good	3.50	4.50	Q1 - 24/25	5.30	Q2 - 24/25	5.20	G	▼	<p>Slight reduction in rates received due to forecast Bank of England base rate reductions.</p>
		Accountancy	CE	ACC 2	Average interest rate on external borrowing	%	Low is good	5.50	3.50	Q1 - 24/25	3.26	Q2 - 24/25	3.26	G	—	<p>Average interest rate paid on borrowing remains same as Q1 (no repayments or additional borrowing during the quarter)</p>
		Internal Audit	CE	AUD 1	Completion of the Internal	%	High is good	20.00	35.00			Q2 - 24/25	31.00	A	—	<p>31% of the Internal Audit plan has been completed up to the end of September. The plan was revised in September to reflect current</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
					Audit annual plan											resources which have reduced due to sickness and additional unplanned work.
		Debtors & Creditors	CE	DCT 1	Percentage of invoices paid within 30 days	%	High is good	95.00	97.00	Q1 - 24/25	95.70	Q2 - 24/25	95.48	A	▼	<p>This measure has seen a slight decrease in performance since the previous quarter, however the outturn continues to achieve above the low target.</p> <p>It is important to note that figures are calculated on all supplier invoices and credit notes (not refunds or grants) paid 01/07/2024 - 30/09/2024.</p> <p>Figures are adjusted based on certain assumptions: 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 payment because the overall balance with the supplier was in credit. 5) All credit balances refunded by the supplier have been removed. 6) All non paid transactions (matching lines and VAT corrections) removed.</p>
		Debtors & Creditors	CE	DCT 2	Percentage of invoices that have a Purchase Order completed	%	High is good	65.00	75.00	Q1 - 24/25	75.00	Q2 - 24/25	71.00	A	▼	<p>Based on supplier expenditure only (none supplier expenditure is excluded) i.e. all invoices and credit notes dated between 01/07/2024 and 30/09/2024. Starting figure: 3,471 invoices and credit notes. Adjustments to starting figure: - Utility bills where purchase orders are not required (544), Supplier invoices where a purchase order would be unsuitable for processing (356).</p> <p>Final number of invoices included - 2,571 of which 1,820 were linked to either an Agresso or Universal Housing order number and 751 were not.</p>
		Debtors & Creditors	CE	DCT 3	Average number of days to pay invoices	Days	Low is good	20.00	15.00	Q1 - 24/25	15.00	Q2 - 24/25	14.00	G	▲	<p>This measure has seen a further improvement in performance since last quarter, achieving above the high target for the measure with an outturn of 14 days.</p> <p>Figures calculated on all supplier invoices and credit notes paid between 01/07/2024 - 30/09/2024. Figures adjusted for those invoices and credit notes where the overall supplier account balance has been in credit and therefore invoices cannot be paid until credit balance has been used. Other adjustments made for transactions which represent VAT adjustments only i.e. no payment</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																has been physically made.
	Martin Walmsley - Assistant Director of Shared Revenue s and Benefits	Housing Benefit Administration	RI	BE 1	Average days to process new housing benefit claims from date received (cumulative)	Days	Low is good	20.00	18.50	Q2 - 23/24	16.61	Q2 - 24/25	13.78	G	▲	<p>The service area reports a further decrease in the number of days to process new housing benefit claims from date received during quarter 2, exceeding the high target for the measure by 4.72 days.</p> <p>The team continue to prioritise Housing Benefit claims to ensure people receive help with their rent, and as the previously high levels of outstanding work are being cleared, the outturn has seen an improvement when compared to quarter 2 2023/24, by 2.83 days.</p>
		Housing Benefit Administration	RI	BE 2	Average days to process housing benefit claim changes of circumstances from date received (cumulative)	Days	Low is good	9.50	7.50	Q2 - 23/24	6.25	Q2 - 24/25	5.18	G	▲	<p>In quarter 2 the outturn for the measure continued to perform well, exceeding the high target by 2.32 days.</p> <p>The service area reports that the large number of changes received within the first quarter have now been cleared during the 2nd quarter.</p>
		Housing Benefit Administration	RI	BE 3	Number of Housing Benefits / Council Tax support customers awaiting assessment	Number	Low is good	2,000	1,800	Q2 - 23/24	1,156	Q2 - 24/25	1,670	G	▼	<p>At the end of quarter 2 the outturn for this measure has shown significant improvement compared to the same quarter 2023/24.</p> <p>There were 1,670 customers awaiting assessment. Of these customers 1,286 were awaiting a first contact from the council.</p>
		Housing Benefit Administration	RI	BE 4	Percentage of risk-based quality checks made where benefit entitlement is correct (cumulative)	%	High is good	89.00	92.00	Q2 - 23/24	89.87	Q2 - 24/25	95.13	G	▲	<p>Throughout quarter 2 the Benefit and Subsidy team completed 719 checks on benefits assessments, with 684 of the checks correctly assessed. This is a 5.26% increase in performance compared to quarter 2 2023/24, and 237 more checks carried out by the Subsidy team than in the previous quarter.</p> <p>The service area has new team members with less experience than other team members. As such, additional checks have been undertaken to provide support and give additional assurance and it should be noted that only minimal errors were identified.</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
		Housing Benefit Administration	RI	BE 5	The number of new benefit claims year to date (Housing Benefits/Council Tax Support)	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	1,073	Q2 - 24/25	2,290	V		So far this year the benefits and Subsidy team have processed 512 claims for Housing Benefit and 1,778 claims for Council Tax Reduction.
		Revenues Administration	CE	REV 1	Council Tax – in year collection rate for Lincoln (cumulative)	%	High is good	50.00	51.50	Q2 - 23/24	50.46	Q2 - 24/25	50.26	A	▼	<p>The performance for this outturn remains within the acceptable target range at 50.26%.</p> <p>The service area reports collection of Council Tax is difficult as people continue to struggle with the cost of living.</p> <p>Putting customers into financial hardship is something the service area tries to avoid, encouraging customers to get in touch to discuss their accounts to try and get them to enter into payment arrangements, although sometimes this will be a slower process of collection than other methods available.</p>
		Revenues Administration	CE	REV 2	Business Rates – in year collection rate for Lincoln (cumulative)	%	High is good	54.00	57.00	Q2 - 23/24	59.56	Q2 - 24/25	61.00	G	▲	<p>The outturn for this measure has seen an increase in performance, exceeding the high target for the measure and the collection at the end of September 2023 by 1.44%.</p> <p>Non Domestic Rates can go up and down throughout the year due to properties being entered or removed from listings and the right of appeal regarding the rateable value of the property.</p> <p>During September the total liability was reduced by £160,675 due to some Rateable Value changes within the system this will have contributed to the improvement in collection by 0.3% only.</p>
		Revenues Administration	CE	REV 3	Number of outstanding customer changes in the Revenues Team	Number	Low is good	1,700	1,600	Q2 - 23/24	1,120	Q2 - 24/25	2,789	R	▼	<p>There are 2,325 items of correspondence in Enterprise (electronic Document Management System) - this includes emails that are indexed.</p> <p>There are 464 outstanding forms in the Citizens Access Revenues (CAR self-serve portal) queue.</p> <p>This is an increase since the end of Quarter 1 but includes the returns from a single person discount review which is currently underway.</p> <p>There has been some continued unanticipated levels of leave on the team.</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																We know that there is some duplication of documents as customers are able to contact us in several different ways - they will complete a CAR document, then email with the same information and then phone with the same information. This can be within a matter of a few days and so the figures above will include work that has already been completed but not identified as completed yet. We are unable to identify these until the document is opened and the system is checked. However, we do not want to restrict how a customer contacts us and work is in progress to move all the documents into Enterprise so that duplicated documents can be identified quickly.
		Revenues Administration	CE	REV 4	Number of accounts created for the My Lincoln Accounts system (to date)	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	5,552	Q2 - 24/25	6,222	V		The total number of customers who have registered on My Lincoln Accounts system by 30th September 2024 is 6,222.
DCE	Kieron Manning - Assistant Director Development Management	Affordable Housing	QH	AH 1	Number of affordable homes delivered (cumulative)	Number	High is good	10.00	50	Q2 - 23/24	17.00	Q2 - 24/25	0	R	▼	<p>Due to the continuing slowdown in the number of homes being built and planning applications being submitted, there have been 0 affordable properties completed during this quarter. The team continue to work with colleagues across the Council to identify and bring forward development sites that contain affordable housing within them. The Hermit Street development will be 100% affordable and was due to be delivered in Q2 with a total of 11 affordable homes but final completion of the scheme was 8th October so just fell outside Q2 reporting timescales.</p> <p>As Affordable Housing can only be required on major sites (more than 10 dwellings) and the majority of housing sites we deal with in the city are smaller than this, the trigger for AH provision is often not triggered. Added to this is an increased demand from national policy on all development making it less viable and therefore reducing the likelihood of securing AH even on major schemes.</p>
		Development Management (Planning)	EG	DM 1	Number of applications in the quarter	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	169	Q2 - 24/25	199	V		Work volumes have increased by 17% in the last quarter, with a range of application types being submitted. The service area reports that the increase could be indicative of increased confidence in the sector as a whole and will continue to be monitored.

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
		Development Management (Planning)	EG	DM 2	End to end time to determine a planning application (Days)	Days	Low is good	85.00	65.00	Q1 - 24/25	62.70	Q2 - 24/25	83.84	A	▼	<p>End to end times have increased since the previous quarter but continue to perform within target boundaries.</p> <p>This figure has been skewed somewhat due to the determination of some longstanding complex applications in the quarter at the White Hart Hotel and Lindum Terrace.</p> <p>Whilst it is difficult to predict how certain applications unfold during the process and therefore how long they take to deal with, at present it is not anticipated that any more additional complex applications which may equally skew the timescales are likely to be determined in the next quarter.</p>
		Development Management (Planning)	EG	DM 3	Number of live planning applications open	Number	Low is good	180	120	Q1 - 24/25	95	Q2 - 24/25	92	G	▲	The outturn has reduced from the previous quarter and is reflective of DM 1. This figure remains relatively stable and is reflective of the overall work volumes mapped against resources in the team which is now at full compliment. This figure will change based on the complexity of individual applications at any given time.
		Development Management (Planning)	EG	DM 4	Percentage of applications approved	%	High is good	85.00	97.00	Q1 - 24/25	97.00	Q2 - 24/25	94.00	A	▼	This outturn remains consistently above 90% on an ongoing basis, due to the positive approach of officers in negotiating good outcomes, either prior to, or during the application process.
		Development Management (Planning)	EG	DM 5	Percentage of total decisions made in the quarter that have subsequently been overturned at appeal	%	Low is good	10.00	5.00	Q1 - 24/25	0.70	Q2 - 24/25	1.83	G	▼	This outturn has increased since the previous quarter, however remains reassuringly low for some time and is connected to the high percentage of applications approved. The increase from the previous quarter is statistically negligible in relation to the total number of decisions issued. This equates to 3 cases in total.
		Development Management (Planning)	EG	DM 5a	Number of decisions appealed in the quarter	Number	Low is good	5	1	Q1 - 24/25	2	Q2 - 24/25	3	A	▼	<p>In the overall context this figure is very low and therefore not of any real concern, the reduction is not an anomaly or indicative of any new trend. The process can see variances of this type and is a normal feature of the planning system and democratic decision making.</p> <p>The low numbers of decisions appealed demonstrates both the quality of decisions made and is indicative of the proactive and positive approach of the team in negotiating acceptable outcomes during the process.</p>



	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
		Development Management (Planning)	EG	DM 5b	Number of appealed decisions in the quarter overturned by the inspectorate	Number	Low is good	5	1	Q1 - 24/25	1	Q2 - 24/25	2	A	▼	<p>The outturn figure for the measure is very low and of no significant concern.</p> <p>One of these decisions relates to a refusal of an extension of an HMO which officers recognised may be approved at appeal.</p> <p>The other decision relates to a proposed house in a garden which officers still consider was contrary to policy but the Inspectorate disagreed and approved consent.</p>
		Development Management (Planning)	EG	DM 6	Percentage of Non-Major Planning Applications determined within the government target (70% in 8 weeks) measured on a 2 year rolling basis (including extensions of time)	%	High is good	70.00	90.00	Q1 - 24/25	78.44	Q2 - 24/25	78.59	A	▲	This critical performance statistic measured nationally remains both strong and consistent and demonstrates that the current resourcing in the team is well matched against the workload.
		Development Management (Planning)	EG	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	Q1 - 24/25	72.41	Q2 - 24/25	74.00	A	▲	<p>The outturn for this measure continues to perform well within target boundaries, with a slight increase in performance since the previous quarter.</p> <p>This critical performance statistic measured nationally remains both strong and consistent and demonstrates that the current resourcing in the team is well matched against the workload.</p>
		Parking Services	EG	PS 1	Overall percentage	%	High is good	50.00	60.00	Q1 - 24/25	54.00	Q2 - 24/25	51.33	A	▼	This period covers the summer period including school summer holidays so we would normally expect this to be a buoyant quarter however there has been a slight drop in utilisation over this period.

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
					utilisation of all car parks											It is considered the wetter than average start to the summer may have contributed.
		Parking Services	EG	PS 2	Sessional car parking income as a percentage of budget requirement	%	High is good	91.00	96.00	Q1 - 24/25	103.42	Q2 - 24/25	103.78	G	▲	Income for the quarter was £1,722,43.40 against a budget of £1,659,836.00 so income has surpassed the budget. Whilst July and August remained challenging with the income surpassing the budget by £8,000 and £17,000 respectively during a usually buoyant period covering the school Summer holidays, September proved a strong month with a surplus of nearly £38,000 to create a good surplus over the full quarter.
	Simon Colburn - Assistant Director of Health & Environmental Services	Food and Health & Safety Enforcement	RP	FHS 1	Percentage of premises fully or broadly compliant with Food Health & Safety inspection	%	High is good	95.00	99.00	Q1 - 24/25	98.63	Q2 - 24/25	99.96	G	▲	<p>The percentage of businesses that are Broadly or Fully Compliant with food safety requirements has increased slightly during the quarter, with the outturn above the high target.</p> <p>There are currently 1,106 registered food businesses, although this figure can fluctuate daily. The number of non-compliant businesses, currently 14, is consistent with other quarterly outturns.</p> <p>The service area reports that resources are focused on food businesses to ensure they are compliant, demonstrating how important the inspection regime is in identifying poor food safety performing businesses, in order to protect our residents and visitors.</p>
		Food and Health & Safety Enforcement	RP	FHS 2	Average time from actual date of inspection to achieving compliance	Days	Low is good	15.00	10.00	Q1 - 24/25	5.28	Q2 - 24/25	6.73	G	▼	The service area reports that the time taken for businesses to comply with food safety requirements from the date of inspection has increased slightly in this quarter, however, is still performing well against target. There were 142 businesses inspected during quarter 2.
		Food and Health & Safety Enforcement	RP	FHS 3	Percentage of food inspections that should have been completed and have been in that time period	%	High is good	90.00	97.00	Q1 - 24/25	91.58	Q2 - 24/25	87.12	R	▼	<p>The outturn for the measure has seen a decrease in the percentage of inspections undertaken this quarter, delivering below the low target for the quarter. The service area reports that this was due to reduced resource due to staff holidays, within a small team this has a larger impact, and it is expected the service area will have caught up by the end of quarter 3.</p> <p>19 inspections out of a total of 161 were not completed within this quarter. Resources always target those food businesses with the higher risk to the public. Of the 19 not inspected 10 were newly registered businesses. Of the remaining 9, 1 was a broadly compliant evening economy takeaway and the remaining</p>



	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																inspections were low risk businesses.
		Licensing	RP	LIC 1	Percentage of premises licences issued within 28 days of grant	%	High is good	80.00	100.00	Q1 - 24/25	98.25	Q2 - 24/25	100.00	G	▲	<p>All licences issued were within the selected timeframe during this quarter.</p> <p>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	RP	LIC 2	Total number of active premises licences	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	410	Q2 - 24/25	409	V		The total number of 'active' premises licences at end of quarter 2 was 409. This was a slight decrease from previous quarter outturn of 410, due to more surrendered/lapsed/revoked than new applications granted.
		Licensing	RP	LIC 3	Total number of active private hire / hackney carriage licences (operators, vehicles and drivers)	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	878	Q2 - 24/25	901	V		The total number of active private hire/hackney carriage licences at the end of the quarter was 901. The breakdown was as follows: Private Hire Drivers - 479 Private Hire Vehicles - 340 Private Hire Operators - 16 Hackney Carriage Drivers - 35 Hackney Carriage Vehicles - 31. The service area has reported the increase in licences is due to a continued increase of new driver and vehicle applications.
		Private Housing	QH	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	Q1 - 24/25	30.90	Q2 - 24/25	32.00	R	▼	<p>During quarter 2 there were 20 grant adaptations completed, 3 being prolonged cases in excess of 12 months due to the complexity of mitigating circumstances. These long term cases have therefore negatively impacted the overall time taken, and without these cases the outturn would have returned a value close to 28 weeks.</p> <p>In order to improve the end to end time, the service area has employed a Technical Support officer to assist in processing and managing the DFG applications, this additional resource is expected to lead to improvements in timeframes by quarter 4.</p> <p>So far this financial year the service area have completed 42 Grant assistance cases, 2 cases are double grant on one property, with a value of £405,147, the total committed and approved currently is £505,781, which combined equates to £910,929 of funding to assist residents to live independently in their own homes.</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																The service area presently have 36 cases being worked on by officers, 5 of the cases being worked on have been 'stop clocked' due to long delays out of the service areas control.
		Private Housing	QH	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	Q1 - 24/25	19.00	Q2 - 24/25	22.00	R	▼	<p>Performance for the measure has declined since the previous quarter, with 25 cases closed throughout quarter 2.</p> <p>A further 48 cases were received during quarter 2, 44 remain open, of which 23 are awaiting allocation.</p> <p>Park and Carholme wards continue to have the highest number of properties that report complaints of disrepair.</p> <p>Resources within the team have been focused on delivering HMO licencing during this quarter and we were carrying 2 vacancies within the team, however at the end of September we are now fully staffed and training of these newly recruited staff is ongoing.</p>
		Private Housing	QH	PH 3	Number of empty homes brought back into use (cumulative)	Number	High is good	8	18	Q2 - 23/24	20	Q2 - 24/25	23	G	▲	<p>The number of empty homes brought back into use during quarter 2 was 23.</p> <p>All of these properties have been problematic long term empties, requiring more work to turn around.</p> <p>The service area reports that the outturn for this measure is on track to exceed the annual target.</p>
		Public Protection and Anti-Social Behaviour Team	RI	PPASB 1	Number of cases received in the quarter (ASB cases only)	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	234	Q2 - 24/25	224	V		<p>The number of ASB cases received within the quarter is an 87% increase when compared with Q2 of 23/24, however it is a small decrease of 4% when compared with Q1 of 24/25.</p> <p>The two new City Centre ASB Officers take a proactive approach in the City Centre, and as such their presence and work within the city has contributed to the rise in ASB cases that are raised.</p> <p>This measure appears to be stabilising if we look at this quarter and the last.</p>
		Public Protection and Anti-Social Behaviour Team	RI	PPASB 2	Number of cases closed in the quarter (across full	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	1,279	Q2 - 24/25	1,362	V		<p>This is a 41% increase when compared with Q2 of 23/24 and a 6% increase when compared with Q1 of 24/25. The increase is positive and demonstrates that the team are actively monitoring and closing down cases.</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
					PPASB service)											
		Public Protection and Anti-Social Behaviour Team	RI	PPASB 3	Number of live cases open at the end of the quarter (across full PPASB service)	Number	Low is good	240	200	Q1 - 24/25	278	Q2 - 24/25	295	R	▼	<p>This outturn is relatively stable when compared with the previous two Quarters data. The service received 1275 cases during Q2 24/25.</p> <p>The team is currently receiving a greater volume of ASB cases and service requests in general. This could be attributed to the pro active work within the City Centre and surrounding area. These ASB cases stay open longer due to the complexity of the investigations and enforcement work. This increases the amount of cases open at the end of the quarter in addition to the greater volume of cases in general.</p>
		Sport & Leisure	RP	SP 1a	Quarterly visitor numbers to Birchwood Leisure Centre	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	41,503	Q2 - 24/25	42,623	V		In quarter 2 there was 42,623 visits to Birchwood Leisure Centre, this is an increase of 505 visits compared to Q2 23/24, over 1%.
		Sport & Leisure	RP	SP 1b	Quarterly visitor numbers to Yarborough Leisure Centre	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	113,680	Q2 - 24/25	113,933	V		During quarter 2 there was 113,933 which is an increase of 10,541 visits against Q2 23/24 which is approximately 10% up.
		Sport & Leisure	RP	SP 2	Artificial Grass Pitch usage at Yarborough Leisure Centre & Birchwood Leisure Centre	Hours	High is good	520.00	700.00	Q1 - 24/25	773.50	Q2 - 24/25	802.75	G	▲	<p>Quarter 2 saw an increase in usage of the Artificial Grass Pitches at Birchwood and Yarborough Leisure Centres, with the measure performing significantly above the high target.</p> <p>Birchwood Leisure Centre recorded 429 hours use, and Yarborough Leisure Centre 373.75 hours use.</p> <p>For each hour of usage, there are four smaller 5-aside pitches, not all these smaller pitches may be in use at one time leading to a fractioned hour of use recorded.</p>
		Sport & Leisure	RP	SP 3a	Birchwood Leisure Centre - Number of net	Number	High is good	0	2	Q1 - 24/25	7	Q2 - 24/25	6	G	▼	In quarter 2 Birchwood Leisure Centre had an average net promotor score of 32 per month, which was above the national average trusts and local authorities benchmarking score of 26.

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
					promoter score points above or below the average Net Promoter Score for England											<p>186 surveys were sent out with 87 responses received.</p> <p>Positive feedback received during this quarter from users detailed friendly and professional staff/instructors, soft play, climbing and parties were particularly praised.</p> <p>Negative feedback related to cleanliness in the gym, cafe opening hours and the booking app, all these items are being addressed and should be reflected in the next quarter.</p>
		Sport & Leisure	RP	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	Q1 - 24/25	(30)	Q2 - 24/25	2	G	▲	<p>In quarter 2 Yarborough Leisure Centre's average net promotor score was 28 per month. This was above the national average benchmarking for trusts/local authorities score of 26 per month.</p> <p>472 Surveys were sent out and 122 responses received.</p> <p>Positive feedback received during the quarter from users was in relation to staff/instructor interactions and easy access to activities.</p> <p>Negative feedback was in relation to the pool time table specifically lane swimming being full, some areas need a refresh of the decoration and cleaning.</p> <p>Each of the negative reports are being looked into for improvement.</p>
	Steve Bird - Assistant Director of Communities and Street Scene	Allotments	RP	AM 1	Percentage occupancy of allotment plots	%	High is good	90.00	95.00	Q1 - 24/25	93.00	Q2 - 24/25	93.00	A	—	<p>As at the end of September 2024 1,051 plots of a total 1,180 plots were let, an outturn of 93%, with the remaining plots being under offer to new customers at the time of the review. Of the 1,180 total plots, 1,125 are currently lettable.</p> <p>There continues to be a good take up of plots with Melbourne Rd having the largest waiting list, with 29 people.</p> <p>Of the 19 sites, 7 sites do not currently have waiting lists and plots on those sites are available to any resident in Lincoln.</p>
		CCTV	RI	CCTV 1	Total number of incidents handled by CCTV operators	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	3,183	Q2 - 24/25	3,055	V		<p>Incident numbers have remained at a similar level this quarter compared to last.</p> <p>Public Order offences increased by 10%, due to this being the summer period with longer days and warmer weather.</p> <p>Mental Health incidents increased by 20%, but drugs incidents reduced by 30%.</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																<p>Evidence discs remain at high levels with July being the first ever month when 100 discs were produced.</p> <p>Proactive monitoring now accounts for 28% of all incidents.</p> <p>Internal reviews increased by 25%, this reflects the increase in fly tipping evidence gathered from 10 new cameras installed within the Sincil Bank area.</p>
		Grounds Maintenance	RP	GM 1	Contractor points recorded against target standards specified in contract - Grounds Maintenance	Number	Low is good	200	75	Q1 - 24/25	185	Q2 - 24/25	190	A	▼	<p>The collective points for the quarter totalled 190, with the outturn performing within the acceptable target range. This has been broken down into 125 points in July, 50 in August and 15 in September 2024. The majority of points in the quarter were recorded against the tree team.</p> <p>The performance of the contractor continues to be closely monitored, not least in the context of a slightly lower than hoped for public satisfaction score in the recent citizen panel satisfaction surveys. This was a disappointing result given the years of investment in Arboretum, Boultham Park, and the Local Landscapes Hidden Histories projects. Key themes identified from feedback were around aspirations for more investment, and perceptions relating to tree care. The Council has recently adopted new policies for income generation for parks, in co-operation with Park Advisory Groups, and a new Policy for Tree Management. It is hoped that these, in conjunction with the proposals to improve Hartsholme Country Park will assist in raising satisfaction.</p>
		Street Cleansing	RP	SC 1	Contractor points recorded against target standards specified in contract - Street Cleansing	Number	Low is good	150	50	Q1 - 24/25	35	Q2 - 24/25	10	G	▲	<p>10 points were awarded against the contractor in quarter 2.</p> <p>5 points were in July, 0 in August and 5 in September. The majority of points in the quarter were recorded for full dog/litter bins.</p> <p>To contextualise this, the service provides over 1000 litter bins throughout the city and that the 10 points awarded in the quarter equate to 2 full litter bins.</p>
		Waste & Recycling	RP	WM 1	Percentage of waste recycled or composted (seasonal)	%	High is good	34.00	37.00	Q2 - 23/24	35.54	Q2 - 24/25	35.00	A	▼	<p>This figure relates to quarter 1 (July 2024 - September 2024) as data received from Lincolnshire County Council is lagged.</p> <p>14.67% has been recorded as waste being recycled, whereas 20.33% was recorded as waste being composted, equating to 35% being composted or recycled.</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																In response to requests from LCC we have tightened up enforcement/rejection of contaminated bins, which means that we are forecasting a small reduction in reported contamination for the next quarter. No rejected contamination is delivered to landfill. The materials not recycled or composted are pelletised and made into alternative fuel.
		Waste & Recycling	RP	WM 2	Contractor points recorded against target standards specified in contract - Waste Management	Number	Low is good	150	50	Q1 - 24/25	100	Q2 - 24/25	131	A	▼	<p>130 points were recorded against the contractor during the quarter. Of these points, 40 were recorded in July, 50 in August and 40 in September. The majority of points in the quarter were recorded for missed recycling collections.</p> <p>To contextualise this, 130 points equates to 26 missed recycling bins whilst servicing over 47,000 properties over a 3-month period.</p>
DHI	Matt Hillman - Assistant Director Assets	Housing Investment	QH	HI 1	Percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals)	%	Low is good	1.20	1.00	Q1 - 24/25	0.36	Q2 - 24/25	0.64	G	▼	<p>There has been an increase in non-decent properties since quarter one, predominately as a result of a flat block roof being reported as needing repair. This block contains x10 flats which are all now considered as not decent.</p> <p>Other failures have come following recent stock condition surveys. There are now a total of x50 failures due to 21 Doors, 13 Roof, 3 Windows, 12 Electrics, 1 Kitchen and Bathroom.</p>
		Housing Investment	QH	HI 2	Number of properties 'not decent' as a result of tenants refusal to allow work (excluding referrals)	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	225	Q2 - 24/25	243	V		There has been an increase in the number of refusals compared to the previous quarter. Efforts continue to be made to work with tenants to address their reasons for refusing improvement works, with a view to ensuring these properties meet the Decent Homes Standard over time.
		Housing Investment	QH	HI 3	Percentage of dwellings with a valid gas safety certificate	%	High is good	98.60	99.00	Q1 - 24/25	98.68	Q2 - 24/25	99.27	G	▲	<p>Year to date – 99.03%</p> <p>The annual gas servicing programme continually runs twelve months a year.</p> <p>The Investment team along with the contractor Aaron Services have recently focussed on reviewing existing gas access</p>



	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																<p>procedures and service delivery.</p> <p>As a result of this work, the service area reports a slight reduction in the number of tenants who did not allow access to the gas engineer prior to the deadline date of the service during Quarter 2.</p> <p>The number of failed access cases has been between four and seven addresses each month.</p> <p>With the support of housing management and legal services we have obtained a small number of injunctions to address some of the outstanding failed access cases.</p>
		Housing Maintenance	QH	HM 1a	Percentage of reactive repairs completed within target time (priority 1 day only)	%	High is good	98.50	99.50	Q1 - 24/25	99.89	Q2 - 24/25	99.89	G	▲	<p>Year to date - 99.89%</p> <p>Performance in this area remains high, the service area meets regularly to assess demand in the priority and urgent teams and will adjust resources when needed to ensure these areas have adequate cover.</p>
		Housing Maintenance	QH	HM 1b	Percentage of reactive repairs completed within target time (urgent 3 day repairs only)	%	High is good	95.00	97.50	Q1 - 24/25	99.32	Q2 - 24/25	97.24	A	▼	<p>Year to date - 98.25%</p> <p>This area has seen a slight reduction since quarter 1 figures, this is predominantly down to a change in reporting no access. These are logged on the system, but we keep the original Job reference open and schedule up to 3 times prior to cancelling the order, this then provides a better audit trail of attempts and greater record keeping. However this can mean a few priority repairs go out of target due to having to be rescheduled due to tenant availability.</p>
		Housing Maintenance	QH	HM 2	Percentage of repairs fixed first time (priority and urgent repairs) - HRS only	%	High is good	90.00	92.00	Q1 - 24/25	98.00	Q2 - 24/25	98.68	G	▲	<p>Year to date - 98.35%</p> <p>Performance in this area remains high and above the high target. New impress stocks are starting to be rolled out and it is anticipated this will support the department in achieving consistent first time fix rates.</p>
		Housing Maintenance	QH	HM 4	Appointments kept as a percentage of appointments made (priority	%	High is good	96.00	98.00	Q1 - 24/25	98.76	Q2 - 24/25	99.27	G	▲	<p>Year to date - 99.02%</p> <p>Appointments made and kept is well above target for quarter 2, the service area ensures resource is relocated where possible through</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
					and urgent repairs) - HRS only											communication during the day to ensure these work types are completed and appointments kept.
		Housing Maintenance	QH	HM 5	Satisfaction with Repairs (Regulator of Social Housing Tenant Satisfaction Measure – TP02)	%	N/A	Volumetric	Volumetric	Q1 - 24/25	73.00	Q2 - 24/25	71.00	V		<p>Performance data for this measure is derived from 'Tenant Satisfaction Measures' data and is a reliable indicator of true tenant satisfaction with the repairs service.</p> <p>There is a slight decrease in satisfaction levels from the previous quarter. In addition to the 71% of tenants who told us they were 'satisfied' or 'very satisfied', 8% told us they were neither satisfied nor dissatisfied, and 22% indicated some level of dissatisfaction with the service.</p> <p>This performance is based on a survey size of 150 tenants. The service area intends to use feedback from these ongoing quarterly surveys to continue to improve tenant satisfaction with the repairs service.</p>
	Paula Burton - Assistant Director of Housing Management	Control Centre	QH	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	Q1 - 24/25	100.00	Q2 - 24/25	100.00	G	→	<p>24 surveys have been returned so far in relation to lifeline connections installed in Quarter two, all of which were satisfied with the overall service provided.</p> <p>Retrospective data has been added for Quarter one after surveys were not sent out in the previous quarter due to the two pre-elections periods. Performance for quarter one was 100% satisfaction based on 60 returned surveys.</p>
		Control Centre	QH	CC 2	Percentage of Lincare Housing Assistance calls answered within 60 seconds	%	High is good	97.50	98.00	Q1 - 24/25	98.97	Q2 - 24/25	98.95	G	▼	<p>Year to date - 98.96%</p> <p>Performance for this quarter has stayed steady with 98.95% of calls answered within 60 seconds well above the TSA target of 97.5%.</p>
		Housing Solutions	QH	HS 1	The number of people currently on the Housing Register	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	2,029	Q2 - 24/25	2,076	V		Numbers on the housing register have continued to increase slightly but remain reasonably consistent.



	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
		Housing Solutions	QH	HS 2	The number of people approaching the council as homeless	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	330	Q2 - 24/25	328	V		The number of approaches is consistent with the previous two quarters, there continues to be a high demand for the service with the year to date total of approaches 658.
		Housing Solutions	QH	HS 3	Successful preventions and relief of homelessness against total number of homelessness approaches	%	High is good	45.00	50.00	Q1 - 24/25	37.87	Q2 - 24/25	36.14	R	▼	<p>Year to date - 36.98%</p> <p>The percentage of cases successfully prevented or relieved is similar to the previous quarter, albeit showing a slight decrease.</p> <p>The service area have prevented or relieved 113 homelessness approaches within the quarter. The number of preventions and reliefs through the first two quarters of this year is consistent with that of quarters one and two last financial year</p> <p>This measure is currently shown as a percentage. It is suggested by the service that presenting the data this way does not show the effectiveness of the prevention work that takes place, nor whether the preventions achieved have been sustained over the longer term.</p> <p>It is therefore under consultation for this measure in future to be presented as a number, be volumetric rather than a targeted measure, and be presented by comparing it to the number of approaches recorded for accompanying measure HS 2, as is detailed above.</p>
		Housing Solutions	QH	HS 4	Number of rough sleepers	Number	N/A	Volumetric	Volumetric	Q1 - 24/25	11	Q2 - 24/25	13	V		The figure is slightly higher than last quarter however the service area reports it is expected that the figure will fluctuate into the teen numbers. As we move into colder weather there is potential to see a reduction in figures due to temporary accommodation being provided.
		Housing Voids	QH	HV 1	Percentage of rent lost through dwelling being vacant	%	Low is good	1.10	1.00	Q1 - 24/25	1.27	Q2 - 24/25	1.36	R	▼	<p>Year to date – 1.31%</p> <p>Rent lost through vacant dwellings has increased on the previous quarter, due in part to some of the service challenges experienced in the re-letting process. This is explained in the commentary accompanying measure HV3 below and relates to a combination of factors that have impacted re-letting times including the condition of properties entering the voids process and a small number of sensitive decisions made by the service to hold specific properties</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																empty beyond the voids process.
		Housing Voids	QH	HV 3	Average re-let time calendar days for all dwellings (including major works)	Days	Low is good	45.00	42.00	Q1 - 24/25	48.79	Q2 - 24/25	51.59	R	▼	<p>Year to date – 50.28 days</p> <p>As in Quarter 1, a small proportion of void properties re-let during the second quarter were affected by issues outside of the council's direct control. Three flats in one communal block were re-let in Quarter 2 as sensitive lettings, following a decision to hold these properties vacant whilst a tenancy matter was resolved. This decision, which was anticipated and referred to in the Quarter 1 performance report, resulted in re-letting delays of 121, 78 and 222 days.</p> <p>There was a 47.5% increase in the number of void properties requiring major works in Quarter 2, rising from 40 in Quarter 1 to 59 in Quarter 2. Whilst this will have affected the overall average re-let time for all void properties in the quarter, a reduction in the average number of days taken to re-let void properties requiring major works will have gone some way to mitigate this.</p> <p>As highlighted in the previous quarterly performance report, the amount of time taken to re-let properties between tenants is complex and strongly influenced by external factors. The voids process involves most services within the council's landlord function, and re-let times are a good example of both how these different services work together as a system, and how decisions made across this system can impact performance.</p>
		Rent Collection	QH	RC 1	Rent collected as a proportion of rent owed	%	High is good	96.50	97.50	Q1 - 24/25	96.48	Q2 - 24/25	96.37	R	▼	<p>Year to date - 96.42%</p> <p>The percentage of income collection is showing a decrease. In addition to collection level generally showing a lower rate until the end of Q3 (because each year we carry a technical debt due to having a 50 or 51 week payment schedule, which means regular payments are adjusted for that &amp; it does not equalise until the non-payment weeks at Christmas), there was a change to the structure of the Tenancy Services Team at the beginning of the quarter.</p>
		Rent Collection	QH	RC 2	Current tenant arrears as a percentage of the annual rent debit	%	Low is good	4.15	4.00	Q1 - 24/25	3.50	Q2 - 24/25	4.47	R	▼	<p>The arrears amount has increased since the end of Q1. Although the pilot structure introduced a specialist team to manage rent collection &amp; arrears, these Officers have had to familiarise themselves with much larger patches &amp; what actions have been taken by previous Officers before they could begin the process of contacting tenants about arrears. There are only 4.4 FTE Housing Officers in the rent team. They have also been focussing on</p>

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Status		Service area commentary
																making sure that Notices & Court Orders are in place & have not expired. It should also be taken into consideration that Q2 is the peak time for taking leave, which means there is less capacity available.

**Table 2 - Annual Measures by directorate (Communities & Environment - DCE) – The performance status of each targeted measure in Table 2 is determined by comparing the latest outturn against a high and low target.**

	Assistant Director	Service Area	PH	Measure ID	Measure	Unit	High or low is good	Low Target	High Target	Previous Data Period	Previous Value	Current Year	Current Value	Status		Service area commentary
DCE	Steve Bird - Assistant Director of Communities and Street Scene	Grounds Maintenance	RP	GM 2	Satisfaction with our public open spaces overall (collected via Citizens' Panel)	%	High is good	80.00	90.00	2023/24	83.50	2024/25	76.50	R	▼	<p>Citizens' Panel results show 76.5% (296 out of 363 respondents to this question) reported being very satisfied or satisfied with the overall management of our open spaces.</p> <p>Cleanliness standards in Lincoln are generally seen to be good, with the main panel feedback being around the provision of litter bins, and some overflowing bins at times. Litter bin provision is constantly under review, with bin provision carefully considered given the costs of provision and emptying. Overflowing bins are unsightly and obvious, so do stand out when seen, but the actual numbers reported, which are very low, do not correlate with what appears to be the impact they have on perceptions. This, and all other feedback, is subject to review with the Portfolio Holder and with the contractors at Performance Management Board meetings.</p>
		Street Cleansing	RP	SC 2	Satisfaction that public land and public highways are kept clear of litter and refuse (Street Cleansing) (collected via Citizens' Panel)	%	High is good	68.00	78.00	2023/24	69.50	2024/25	72.80	A	▲	<p>Citizens' Panel results show 72.8% (284 respondents out of 390 respondents to this question) were very satisfied or satisfied with the cleanliness of highways and open spaces, particularly the Parks which have successfully retained their green flag status and Commons.</p>

**Table 3 - Directorate for Major Developments – Performance Measure Outturns – Quarter 2 2024/25**

The performance statuses of measures DMD 1–5 are determined by an external partner working alongside the Major Developments Team, rather than by comparing performance measure outturns against set high and low targets as per the measures included in Tables 1 and 2.

When determining the performance measure statuses, a range of factors impacting on programme delivery are taken into consideration such as milestone performance, financial performance and associated risks, amongst other factors.

Measures DMD 6-9 are volumetric measures provided for contextual purposes.

The directorate are currently developing a set of performance measures and target boundaries to monitor and report outturns of the quarterly performance of the newly re-opened Cornhill Market, this is expected to be ready for the 2025/26 reporting period.

	Assistant Director	PH	Service area	Measure ID	Measure	Unit	High or low is good	Previous data period	Previous outturn	Quarter 2 2024/25 outturn	Status (determined by external partner and DMD where not volumetric measure)	Trend (Improving, No change, Deteriorating)	Outturn commentary
128	DMD Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 1	Percentage spend on Town Deal programme	%	High is good	Q1 2024/2025	54%	62%	G	▲	Reported figures are up to June 2024 – Quarter 2 claims not due until 18 <sup>th</sup> October.  12 Projects in programme (1 recently dropped out, so need to reallocate, we have EOI for these, which are going to Board for approval on 18.10.24) 4 are financially complete. 5 are on target. 3 have slipped but within programme. (Greyfriars, Lincoln Connected & Sincil Bank) – measures are taking place to bring back on track.
	DMD Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 2	Percentage of Town Deal projects on target	%	High is good	Q1 2024/2025	75%	75%	G	—	Reported figures are up to June 2024 – Quarter 2 claims not due until 18 <sup>th</sup> October. So, all figures are reported outside of a formal claim being approved and submitted.  12 Projects in programme (1 recently dropped out, so need to reallocate, we have EOI for these, which are going to Board for approval on 18.10.24) 4 are financially complete. 5 are on target. 3 have slipped but within programme. (Greyfriars, Lincoln Connected & Sincil Bank) – measures are taking place to bring back on track.
	DMD Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 3	Percentage spend on UKSPF programme	%	High is good	Q1 2024/2025	24%	64%	G	▲	Up to June 2024 there have been 16 Projects allocated. All figures are reported outside of a formal claim being approved and submitted. Claims aren't due in for actual spend until Friday 11 <sup>th</sup> October 2024. The figures claimed are being submitted prior to the formal claim being approved and submitted

	Assistant Director	PH	Service area	Measure ID	Measure	Unit	High or low is good	Previous data period	Previous outturn	Quarter 2 2024/25 outturn	Status (determined by external partner and DMD where not volumetric measure)	Trend (Improving, No change, Deteriorating)	Outturn commentary
DMD	Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 4	Percentage of UKSPF projects on target	%	High is good	Q1 2024/2025	38%	81%	G	▲	<p>16 projects have been allocated, of which 13 are on track.</p> <p>The remaining 2 projects are just starting but are on site. One has completed on capital works, 1 is currently being considered for reallocation Quarter 2 claims are due Friday 11<sup>th</sup> October 2024.</p> <p>The figures claimed are being submitted prior to the formal claim being approved and submitted.</p>
DMD	Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 5	Number of businesses receiving business support utilising the UKSPF fund	Number	High is good	Q1 2024/2025	69	18	G	▲	<p>The Business Advisor service area reports a total of 16 businesses have been supported during the quarter (Up to Sept 2024), and Business Advisor 23</p> <p>So far, we have claimed:</p> <p>Growth Hub</p> <p>Q1 – 32 business support</p> <p>Q2 – 23 business support</p> <p>For Business Advisor we reported</p> <p>Q1 - 16 businesses supported</p> <p>Q2 – 16 Businesses supported</p> <p>Figures claimed last quarter were slightly incorrect. So, we have only claimed the balance this time.</p> <p>Examples of business and pre start business that have received support in Q2:</p> <p>Leaf and Land Collective – a forest school provider looking to expand provision in particular to support SEN needs.</p> <p>Everbit Software Ltd – a software design and development company looking to relocate to Lincoln</p> <p>Yesway Communications Ltd – a communications business developing plans to recycle mobile phones to support communication in remote areas of the world.</p> <p>A children's food manufacturer and retailer pre start business.</p> <p>A sports agency pre start business.</p>

	Assistant Director	PH	Service area	Measure ID	Measure	Unit	High or low is good	Previous data period	Previous outturn	Quarter 2 2024/25 outturn	Status (determined by external partner and DMD where not volumetric measure)	Trend (Improving, No change, Deteriorating)	Outturn commentary
DMD	Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 6	Percentage occupancy of Greetwell Place	%	Volumetric	Q1 2024/2025	98%		Volumetric	Volumetric	No Change in occupancy rate.
DMD	Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 7	Percentage occupancy of The Terrace	%	Volumetric	Q1 2024/2025	99%		Volumetric	Volumetric	There have been a number of internal moves within offices with a new tenancy to start 1 <sup>st</sup> December 2024. Two vacant offices still to let.
DMD	Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 8	Unemployment rate within Lincoln	%	Volumetric	Q1 2024/2025	3.9% (2,785 people)		Volumetric	Volumetric	This figure is from the ONS figures for September 2024
DMD	Assistant Director – Growth & Development – Simon Kirk	EG	Major Developments	DMD 9	Average wage in Lincoln	£	Volumetric	Q1 2024/2025	£32,402 per annum		Volumetric	Volumetric	This figure is from the ONS figures for September 2024. The figure is the average gross weekly wage of £646.10 for a full time worker.





# Corporate Performance Measures

Outturns for the corporate performance measures focus on the council's performance overall rather than individual service areas. The corporate performance measures are split into the following categories:

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

## Resource Information

During quarter 2 2024/25 there were 16 leavers, which equated to a turnover figure of 2.6% (based upon employee headcount at the end of September 2024 excluding apprentices). This figure is higher when compared to the previous quarter 1 2024/25 figure of 1.4%.

The vacancy figure as at the end of quarter 2 2024/25 stood at 59 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 September 2024, the council were recruiting to 24.79 FTE vacancies (Please note these are all at different stages of the recruitment process).

Directorate	CX	DCE	DMD	DHI	Total (Excluding Apprentices)
Average number of FTE employees	184.66	132.17	20.42	219.90	557.15
Average number of apprentices (as at quarter end)	Authority Wide				7.91
Percentage of staff turnover	Authority Wide				2.6%
Active vacancies which are being recruited (FTE)	Authority Wide				24.79

## Appraisals completed up to the end of quarter 2 2024/25 as recorded in ITrent

Directorate	Appraisals due in quarter 2 2024/25	Appraisals completed in quarter 2 2024/25	Percentage of appraisals completed (quarter 2)	Appraisals completed over the last 12 months *
CX	80	17	21.3%	54
DCE	41	11	26.8%	90
DMD	10	10	100.0%	12
DHI	69	15	21.7%	82
Authority Wide	200	54	27.0%	238

\*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 2 2024/25, 200 appraisals were due for completion. Of these, 54 appraisals were recorded as being completed within the ITrent system (27.0%).

It should also be noted that the outturn above is based on those appraisals that have been completed and formally recorded within the ITrent system. It is likely that additional appraisals were completed in the quarter and had not yet been uploaded to the ITrent system at the time of writing this report. The outturn for this measure does not take account of appraisals that have been arranged and are awaiting completion.

## Health & Wellbeing

During quarter 2 2024/2025, to support Financial Wellbeing a 'Planning for Retirement Course' was held at City Hall which was well attended and gathered highly positive feedback from participants. To help identify local discounts that may be offered to staff a new process/form was introduced and made available on the Hub.

Our Health and Wellbeing Champions attended a meeting to go over the recently published Health and Wellbeing Commitment and Action Plan for them to help promote and participate in this going forward.

Health Awareness initiatives promoted included our internally offered Cycle Benefit Scheme, Flu Vaccination vouchers and Eye Care Vouchers. The latter promoted our change to now using Specsavers for eye test vouchers and associated discounts along with the opportunity to provide information on eye care to support National Eye Health Week. Additionally, we promoted the Drink Aware Drinking Check campaign.

Sickness Performance

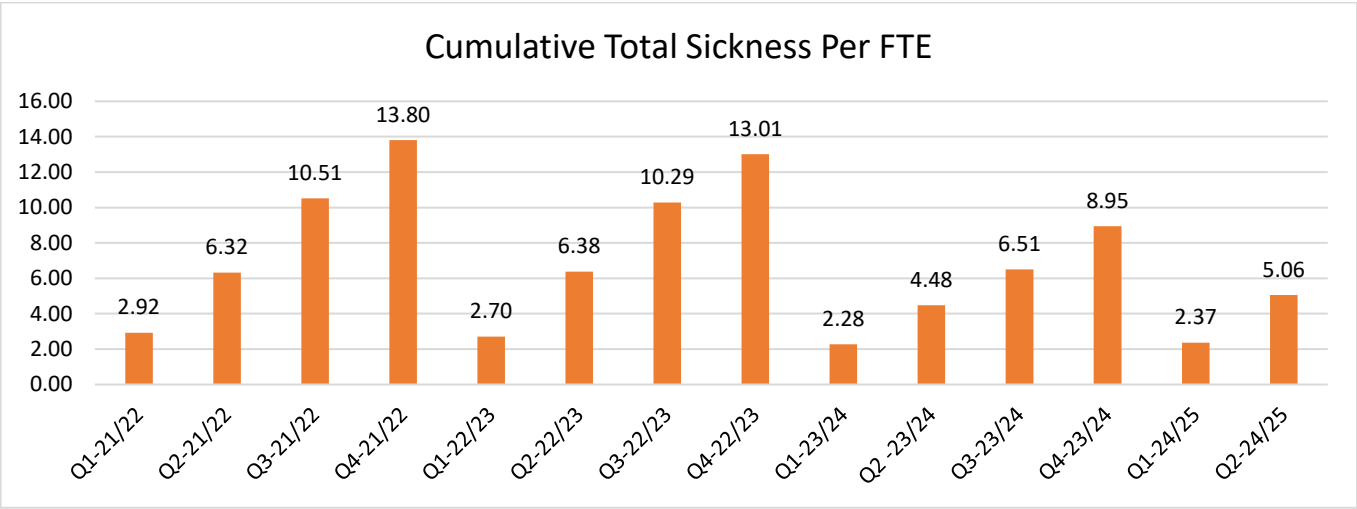
During quarter 2 2024/25 the total sickness levels for the council stood at 2.69 days lost per FTE. When compared to the previous quarter, sickness levels have increased (quarter 1 2024/25 figure stood at 2.37 days lost per FTE). Additionally, when compared to the same quarter last year sickness levels have also increased (quarter 2 2023/24 figure was 2.20 days lost per FTE).

During quarter 2 2024/25, 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 Musculo Skeletal problems.

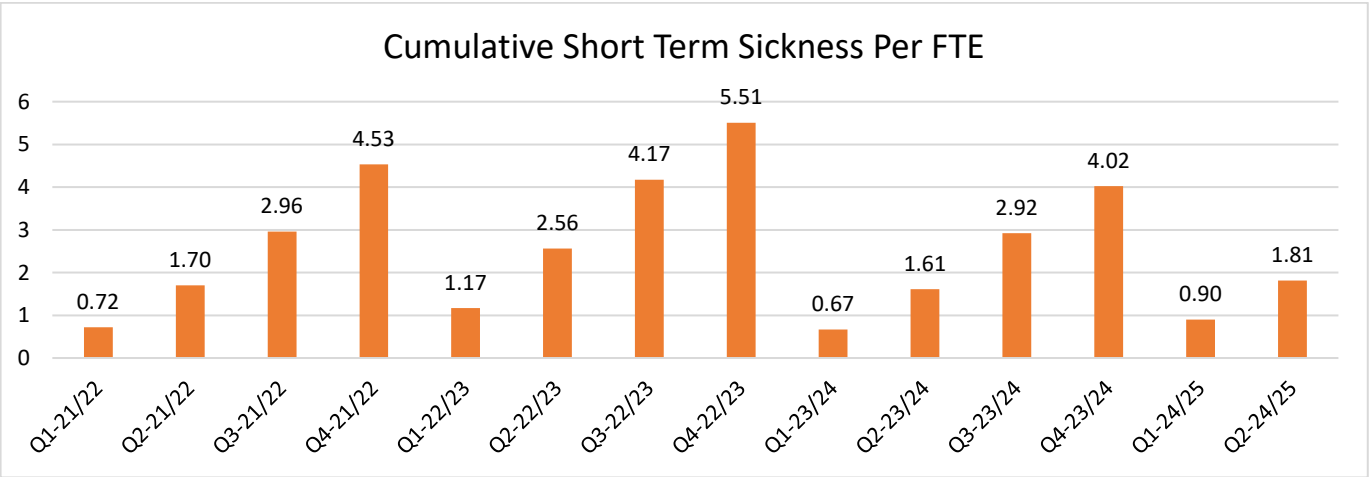
Quarter 2 2024/25 ONLY

	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	186	285	471	184.66	1.01	1.54	2.55
Apprentices	22	0	22	7.91	2.78	0.00	2.78
DCE	69	256	325	132.17	0.52	1.94	2.46
DMD	18	0	18	20.42	0.88	0.00	0.88
DHI	232	450.5	682.5	219.90	1.06	2.05	3.10
Total	527	991.5	1518.5	565.06	0.93	1.75	2.69
Less Apprentices	505	991.5	1496.5	557.15	0.91	1.78	2.69

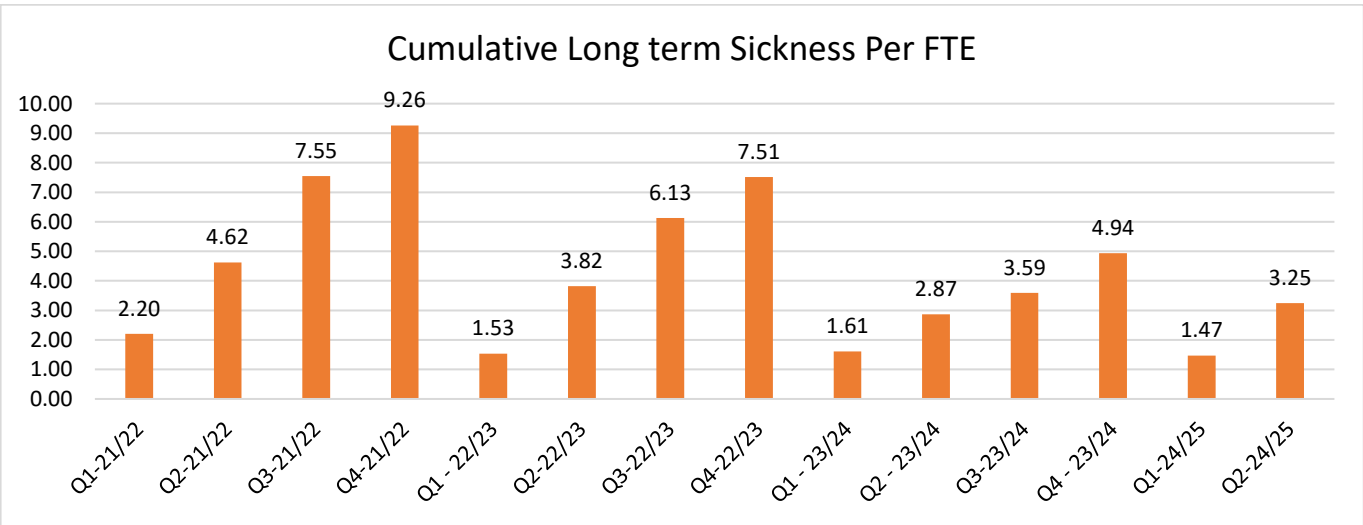
Cumulative total sickness per FTE in days (excluding apprentices)



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



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





Complaints Performance

In quarter 2 2024/25 there were **144** 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 91% (258). In quarter 2 2024/25, there were 0 Local Government Ombudsman (LGO) complaints decided and 1 Local Housing Ombudsman (LHO) complaints decided. A dip in performance in responding to complaints within target time is expected during quarter 2, as the period coincides with increased annual leave across the summer, resulting in less staff being available to respond to complaints received during the period.

Quarter 2 2024/25

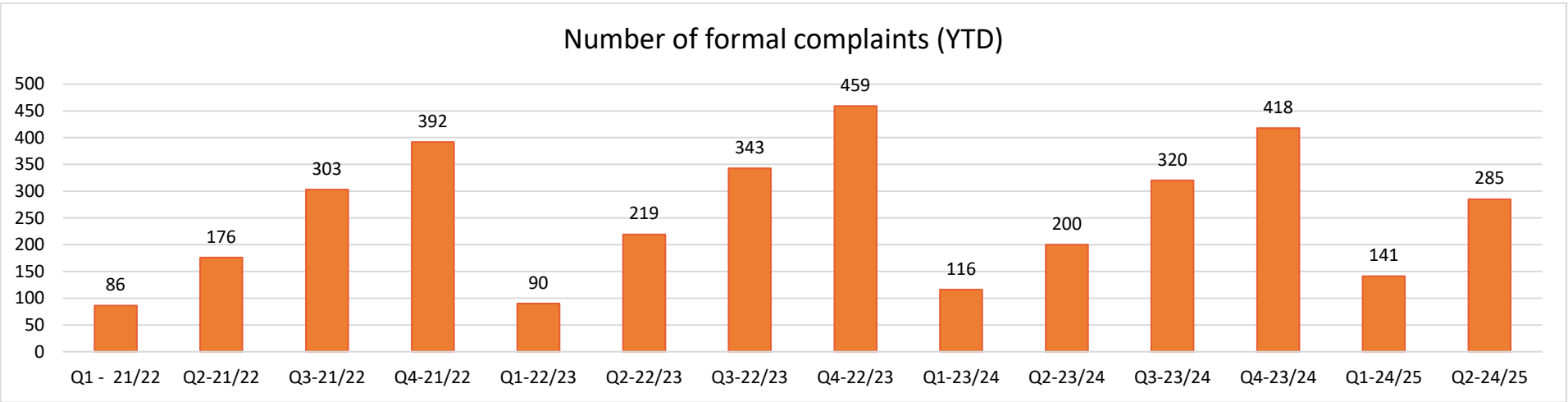
	CX	DCE	DHI	DMD	TOTAL
Number of formal complaints dealt with this quarter (Q2)	8	15	121	0	144
Number of formal complaints upheld this quarter (Q2)	5 (63%)	5 (33%)	72 (60%)	0	82 (57%)
YTD total number of complaints investigated	13	27	244	1	285
YTD number of formal complaints Upheld	6 (46%)	6 (22%)	156 (64%)	0	168 (59%)
No / % of responses within target time this quarter (Q2)	7 (88%)	12 (80%)	104 (86%)	0	123 (85%)
No / % of responses within target time YTD	12 (92%)	22 (81%)	223 (91%)	1 (100%)	258 (91%)
LGO complaints decided (Q2)	0	0	0	0	0
HOS complaints decided (Q2)	0	0	1	0	1

This quarter has seen 1 upheld complaint by the Housing Ombudsman, bringing the half-year figure to 2.

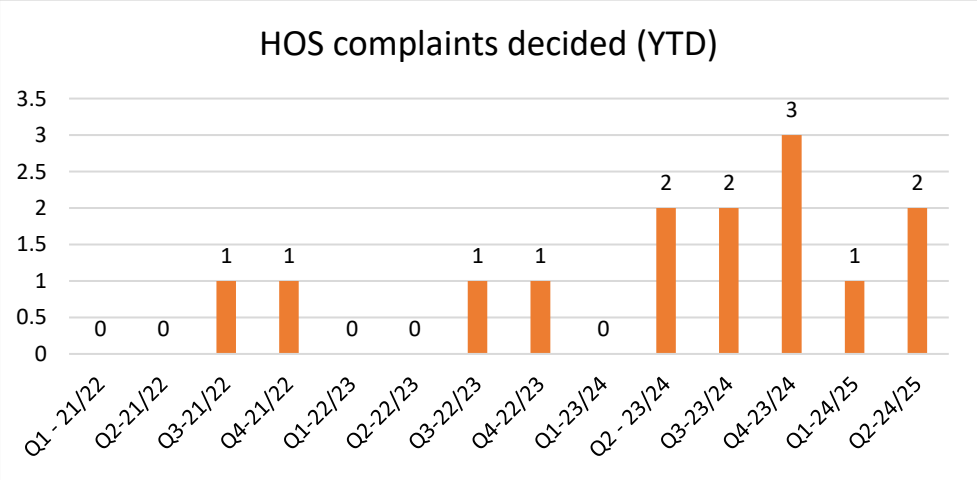
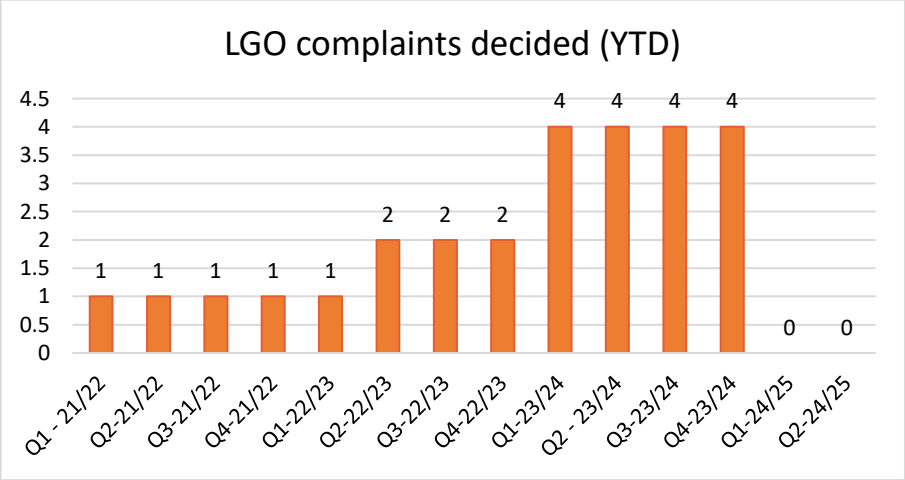
The percentage of complaints responded to within the service standard has reduced this quarter to 85% with all directorates (except DMD) seeing a dip in performance over the course of Q2. DHI had 17 complaints out of target response, DCE had 3 of its 15 and CX had 1 complaint out of date.

The year to date outturn has therefore reduced from the Q1 figure of 96% to 91%.

Number of formal complaints decided (YTD)



Local Government Ombudsman (LGO) complaints decided (YTD) and Local Housing Ombudsman (HOS) complaints decided (YTD)



Compliments Performance

In quarter 2 2024/25 there were 32 compliments recorded across the council through the formal compliment recording process.

	CX	DCE	DHI	DMD	TOTAL
Number of compliments received	7	10	12	3	32

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

CX	Friendly and supportive staff in Customer Services, support with Council Tax query
DCE	Support with street cleansing query, support with parking payment, Food Standards Agency compliance, parking signage, support with anti-social behaviour query, support with finding relatives in cemetery.
DMD	Support with business advice, Friendly and supportive staff in the Business Support Team.
DHI	Support with rent payments, support with housing repairs, supportive staff from Housing Solutions.

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

Friendly and supportive staff in Customer Services

“Would like to pass on my sincere thanks for how helpful, caring, understanding and supportive a member of your Customer Service Team has been. People are always ready to complain but never think of giving praise when it is due, thank you so much”.

DCE

Support with paying for parking

“Thank you so much for your amazingly fast response and rectification to my problem. This was our first visit to your wonderful city and it won’t be long before we return. You should be proud of your team and council”.

Food Standards Agency compliance

“It’s really encouraging to see that you’ve pretty much delivered a full intervention programme, along with sampling and dealing with non-compliance including taking enforcement action such as HINs, seizure of food and voluntary closures were necessary. All of this is important to a well balanced service, and down to a great deal of hard work and commitment by all involved, so please pass on my appreciation and recognition to all involved”.

DMD

Support with business advice

"As a sole trader and freelancer, navigating the complexities of running a business can often feel overwhelming. However, the invaluable support and guidance I received from the City of Lincoln Council, was invaluable. From our very first one-to-one meeting, it was clear that you were committed to understanding the unique challenges and opportunities within my industry. Through a series of insightful discussions, we identified new types of organisations and sectors that matched my skills and business goals. This strategic direction has opened doors to new opportunities that I hadn't previously considered. As well as broadening my business horizons, you provided critical feedback on my marketing materials. I received feedback on my website and suggestions to better reflect my brand and attract the right clients. This process has not only improved my professional image but has also given me greater confidence in presenting my services. As a result of the tailored support from the Business Advisor, I have experienced personal growth and feel more equipped to handle the demands of freelancing. Her guidance has been greatly appreciated and I look forward to our next review meeting."

DHI

Tenancy Services – Rent Team

“I just want to say a big thank you for your help, support, guidance and understanding today with my Rent Payments and setting up future payments via, direct debit, you put my mind at ease, explained everything to me step by step whilst being professional, empathetic, friendly and easy to talk to so that's why I'm leaving you positive feedback”.



Throughout quarter 2 2024/25 the Communications Team have provided support across the council and city to capture and broadcast the latest news, events and updates in Lincoln.

The update provides a detailed overview of social media highlights, key stats and performance, press releases, key events and campaigns from the quarter, as well as a podcast by the Housing Team discussing the 30-year housing business plan, subscriber newsletters and an overview of the internal communications, and the upcoming campaigns and events expected for quarter 3 2024/25.





# Social media highlights



During this past quarter, City of Lincoln Council has shared over 150 posts onto Facebook. This increase has followed a change in the way we create our posts with additional non-news related posts going out onto social media in an attempt to boost engagement across our platforms.

Support has continued for the Lincoln Lottery and Social Responsibility Charter across the quarter as well as additional posts supporting the Events in Lincoln account, Lincoln Pride, car parks, and our continued promotion of diversity days including World Suicide Prevention Day.

In this quarter we also had Lincoln Live take place for the second year running, with the team supporting through the creation of graphics, videos, event photography and more.

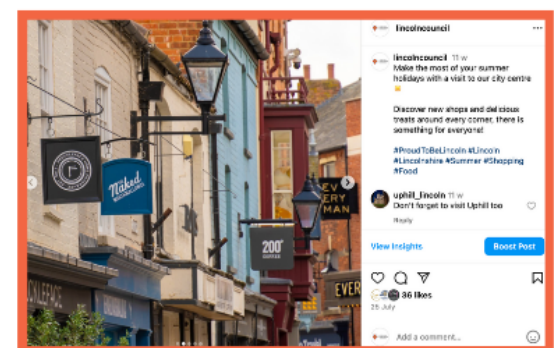
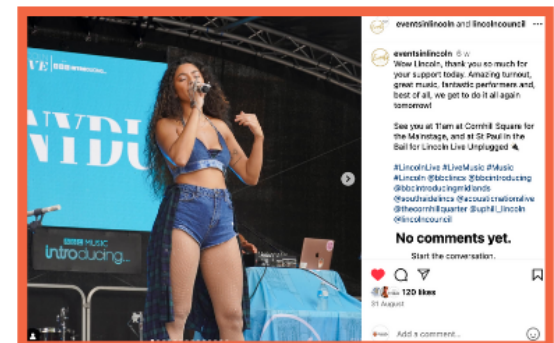
## Most liked and shared posts

As we have changed our content on Instagram to include non-news-related feel-good content, we have noticed a significant increase in the number of likes we have received on the platform.

On the COLC account alone, from Q1, there was just one post on Instagram that had more than 12 likes which was the announcement of the Cornhill Market opening. To directly contrast this, in this quarter we have seen that increase to 19 separate posts with 3 also matching the second most popular from Q1.

This shows that we are creating a more engaged community feel to our social media posts, as people are more regularly liking our posts and not just the big pieces of news.

The most popular posts could be found on Instagram, these were about Lincoln Live. We were able to achieve 328 likes off three of our posts through sharing these as 'collaboration' posts on Instagram, allowing them to fall into the feeds of COLC and Events in Lincoln followers at the same time.



Events in Lincoln aside, the most popular Instagram post gained 36 likes and was a post encouraging the public to try out different areas of the city, showcasing the fantastic shops and restaurants on offer.

The most popular Facebook posts followed a similar trend with our posts about Lincoln as a city doing the best. A post about Newport Arch was the best performer with 113 likes during the quarter. The announcement of scrapping the plan to make RAF Scampton and asylum centre was the second most popular with 86 likes, with a 'Did You Know' post about Steep Hill gaining 81 likes too.

In the previous quarter, all of the most successful posts have been big announcements such as the Cornhill Market stall holders and Festival of History but we have seen this trend change over Q2. Through the use of powerful imagery and shift in focus to try and boost ourselves in the algorithm, we are still about to reach big numbers with our Lincoln Live announcements and news, we are creating a community and through the use of more engaging imagery and social media posts we are able to push our 'smaller' news stories too.

# City of Lincoln Council

An overview of the stats of the City of Lincoln Council social media account over the last quarter. (1 July to 30 September)

## Facebook

**11,887**

Followers

**268,967**

Reach

**1,674**

Reactions

**181**Increase  
in followers**326,778**

Impressions

**467**

Shares

**22,477**

Engagement

## Twitter

**16,523**

Followers

**84,542**

Impressions

**71**

Retweets

**164**

Likes

**10**

Replies

# City of Lincoln Council

An overview of the stats of the City of Lincoln Council social media account over the last quarter. (1 July to 30 September)

## Instagram



**2,763**  
Followers



**662**  
Interactions



**120**  
Increase  
in followers



**24,292**  
Reach



**21,676**  
Impressions

## LinkedIn



**4,874**  
Followers



**487**  
Unique Views



**2**  
Reposts



**1342**  
Page Views



**73**  
Reactions



**1**  
Comment

## Be Lincoln

An overview of the stats of the BeLincolnUK social media accounts over the last quarter.

### Facebook

**620**

Followers

**5,886**

Reach

**33**

Reactions

**14**Increase  
in followers**5,684**

Impressions

**27**

Shares

**342**

Engagement

### Twitter

**461**

Followers

**3,631**

Impressions

**10**

Retweets

**24**

Likes

**8**

Replies



## Be Lincoln

An overview of the stats of the BeLincoln UK social media accounts over the last quarter.

### Instagram

**380**

Followers

**114**

Interactions

**47**increase  
in followers**2,505**

Reach

**1,373**

Impressions

### LinkedIn

**467**

Followers

**29**

Unique Views

**1**

Reposts

**69**

Page Views

**184**

Reactions

**0**

Comments



06

## Events in Lincoln

An overview of the stats of the Events in Lincoln social media account over the last quarter.

**44,401**

Followers

**273,924**

Reach

**976**

Reactions

**415**Increase  
in followers**325,449**

Impressions

**383**

Shares

**16,938**

Engagements

**2,418**

Followers

**13,278**

Impressions

**47**

Retweets

**85**

Likes

**4**

Replies

**4,844**

Followers

**1252**

Reactions

**267**Increase  
in followers**62,846**

Reach

**65,471**

Impressions

# The Cornhill Market

An overview of the stats of The Cornhill Market social media accounts over the last quarter.

## Facebook



**1,447**  
Followers



**2,358**  
Interactions



**151**  
Increase  
in followers



**5,900**  
Page visits



**59,200**  
Reach

## Instagram



**1712**  
Followers



**2,132**  
Interactions



**195**  
Increase  
in followers



**2,083**  
Likes



**19,000**  
Reach



# Interviews



## Key events and campaigns

### Lincoln Live

Returning to the 2024 events calendar, Lincoln Live, was once again supported by the Communications Team. Working closely with the Events Team, we were able to produce an array of promotion content in the build up to, during and post the event.

A social media campaign, leaflets and posters were all created for the build up to create hype.

Leaflets and posters were designed in-house and the posters distributed across the city, in local shops, the visitors centre and the Cornhill Market too.

Our posters were also distributed in a similar manner, with posters in City Hall, Central Car Park and in shop windows too.

As this year saw the addition of a stage up at St. Paul in the Bail, during the event the team were split across the two stages to capture content.



In addition to this year's line-up announcement graphics, the team focused their efforts on two announcement videos for the bar and the acoustic set. These proved to be popular additions to the weekend and on social media with the content particularly on Instagram being shared and interacted with.



## Lincoln Pride 2024

During the last quarter a key event in the calendar was Lincoln Pride 2024. This is a yearly event which takes to the streets of Lincoln to celebrate the diversity of our city. Every year we support this event through videography and photography as sharing content online gives people an opportunity to celebrate, tag each other as well as get an idea of the feeling of the day.

The day was supported by the Events, Comms and Civic teams as well as local councillors and our member of parliament.

To support this event, we produced content for our internal news bulletin, a photo album and a reel for instagram.



The reel gained over 1,200 views and followed a recent trend to the song Run by Run by the Woodkid and was received really well.

Over on facebook, the album and the look-back post both received in excess of 50 reactions each.



## 30-Year Housing Business Plan Podcast

The first in our series of podcasts for the Housing team, the 30-Year Housing Business Plan podcast was produced, shot and edited in this time quarter, offering a different type of content for our audience.

The podcast which was hosted by Strategic Director of Housing and Investment, Daren Turner alongside Cllr Donald Nannestad and covered the housing business plan a nice and easy to understand format.

The benefit of creating content in such a manner is that it allows our audience to get important information in a different style. Some may choose to sit down and watch this as a regular video, some may just listen to it whilst doing something else and some may break it down into parts, allowing us to provide content that suits different types of listener. This is highlighted by the average view during on the podcast. It currently sits at over 8 minutes of average view time, which backs up the idea that content presented in this manner allows staff to view it how they best see fit.

In the future we will be continue with the podcasts following great feedback internally, even looking to publish to an external audience too. Potential future topics include:

- Garage Letting Process
- Aids and adapts Policy and process
- Homefinder guidance
- Intratone - How to use





## A enhanced approach

As mentioned earlier in the document, the team have recently changed their approach on social media in an attempt to improve the general engagement on our social media platforms. In doing so a few different posts have been shared on a weekly basis to engage the audience and get us back in with the algorithm.

The way that this has been achieved is through the reduction of social media graphics and tailoring our content more, dependent on the platform. This includes removing graphics from Instagram, utilising their unlimited character caption to explain our news, accompanied by a relevant but eye-catching photo or, like we do with Twitter, creating videos with the desired platforms requirements in mind.

One of the best examples of this new strategy is to showcase what makes our city special, featuring striking photography, hidden gems, historic facts to increase engagement with our audience an example of this is our current 'Did you know' campaign.

We want to install pride within our residents and visitors, as a beautiful and vibrant city to live in and visit, with posts that are highly shareable and visually engaging

This approach improves the algorithmic performance of our posts, expanding our organic reach and boosting overall engagement.

In a similar fashion we have started to use hashtags to help us reach the correct audience. Hashtags allow content to be categorised and subsequently promoted to accounts that follow that. In doing so we are able to create an audience who are more likely to be interested in our content.



## Hermit Street/ Hermit Mews Updates

Throughout the last quarter the team has also worked on providing updates to the 11 homes being built down at Hermit Street.

As well as providing monthly photo updates to show the progress of the development, the team was also on site during the naming ceremony. This gave the team the opportunity to create content specific for our different social media channels through the creation of a video.

This video provided insight to the public on things such as how the street was named, what the street was named after as well as providing an updated timeline for potential residents.

The video also helped to showcase the high quality of the homes that we being built by the council. Through the content captured, residents of Lincoln were able to get a sneak peak of the hard work that goes into the buildings but also how they look on the interior too.



The 11 homes will be complete in October. Support will continue to be provided to the team through the creation of 'walkthrough' videos showcasing both the 2 bed and 3 bed homes which will be useful for future tenants as well as helping establish the council's portfolio of houses.





## Internal Communications



### Hub statistics



**16**

Articles Posted



**4**

In Briefs Shared



**3,184**

Total Staff Views



### Most viewed Hub pages

- |   |                  |
|---|------------------|
| <b>1.</b> 30 Year Housing Business Plan Podcast         | <b>279 Views</b> |
| <b>2.</b> In Brief: 2 August 2024 - Now Live            | <b>235 Views</b> |
| <b>3.</b> In Brief: 20 August - Now Live                | <b>223 Views</b> |
| <b>4.</b> Cornhill Market transformation wins top award | <b>220 Views</b> |
| <b>5.</b> City Hall - PAT Testing                       | <b>214 Views</b> |





## Newsletters

During the last quarter we have continued to share content for our subscribers on different topics. This is proving a reliable and important way of sharing news with our customers, residents and visitors.

People can subscribe to one or more topics of their choice including:

- Lincoln Parks (215 subscribers)
- Events (117 subscribers)
- Western Growth Corridor (591 subscribers)
- Be Lincoln Town news (266 subscribers)
- General news and updates (328 subscribers)



Our newsletter continues to have great engagement rate with our recipients with the engagement rate currently sitting at 78.9% for the quarter.

This means we are reaching people who really care about what is going on in, and engage with the challenges that face the city



## Our Press Releases



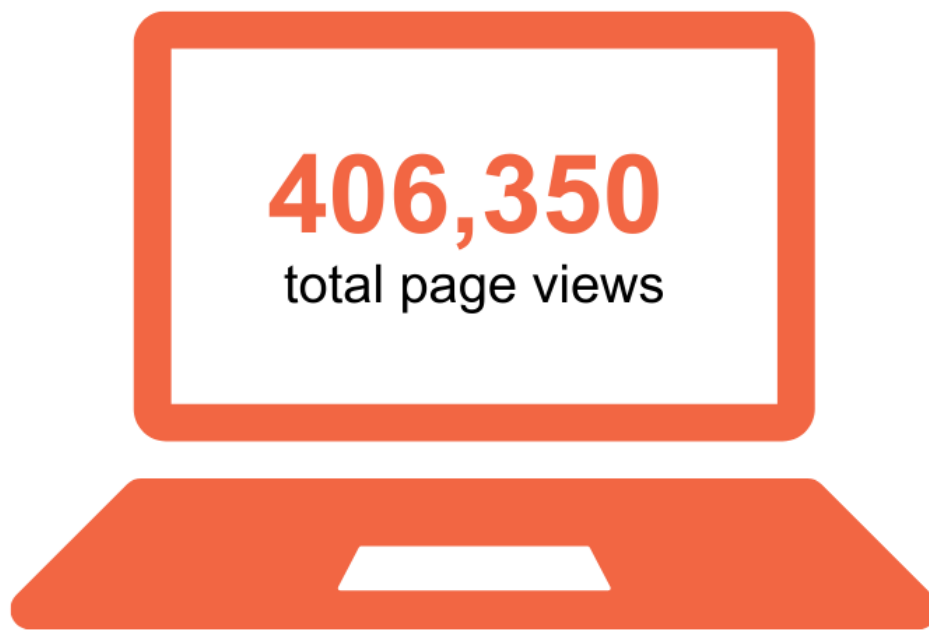
During the last quarter, normal output was resumed following Q1s back to back pre-election periods.

Therefore we were able to resume our regular sharing of press releases. In total during the last quarter we produced 11 press releases, this included:

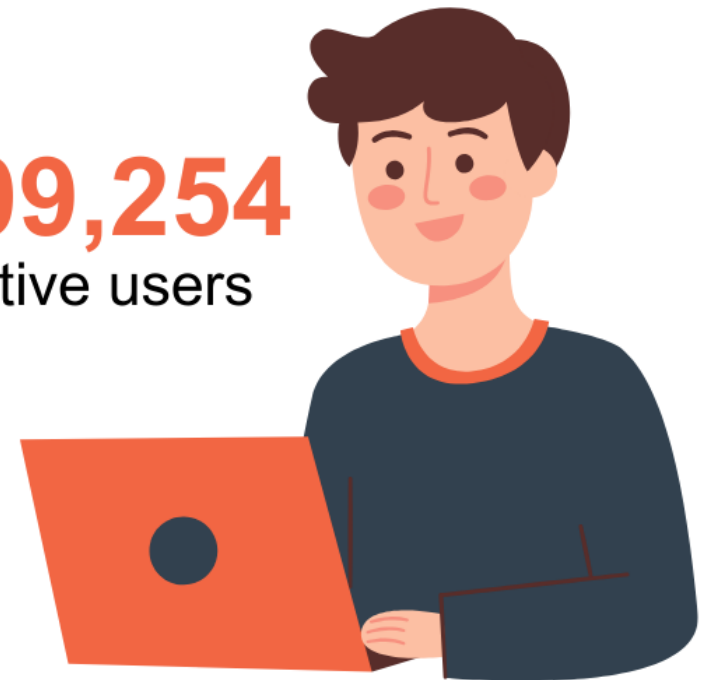
<u>Date</u>	<u>Title</u>
11 July	<i>Central Lincolnshire Local Plan is region's best</i>
18 July	<i>Mayor of Port Lincoln gifts Mayor of Lincoln aboriginal painting</i>
22 July	<i>Moorland Community Centre to undergo works for improvement using UKSPF funding</i>
29 July	<i>Council appoints independent external experts to oversee running of crematorium as investigation launched</i>
16 August	<i>Lincoln Live: a spectacular showcase of local up-and-coming talent</i>
6 September	<i>City of Lincoln Council proposes new policy for the maintenance of the their trees in the city</i>
6 September	<i>City of Lincoln Council wins top award for Cornhill Market transformation</i>
9 September	<i>City of Lincoln Council joins 100 local authorities urging government to save council home</i>
12 September	<i>Help shape visual identity of your community by engaging in 'design code' consultation</i>
16 September	<i>Greyfriars construction is now underway, with official contractors now announced</i>
23 September	<i>GRAHAM leading on the next phrase of Key Infrastructure works for the Western Growth Corridor Development</i>



## Website stats



**109,254**  
active users



## Most visited webpages

Page name:	Views:	Users:
1. /b/view-bin-collection-day	13,942	8,990
2. /m/accounts	9,303	4,687
3. /jobs/vacancies-2	7,501	4,500
4. /directory-record/53/lincoln-central-multistory-	7,282	5,155
5. /council-tax	7,143	4,677
6. /site-search/results/	6,541	3,907
7. /directory/search	6,432	3,936

The most popular pages excludes the landing page due to the fact this page will always be the most popular. In total, the landing page acquired **48,421 views** from **19,450 different users**.



# CAMPAIGNS AND EVENTS

coming up in the next quarter

## October 2024

**Tuesday 15 October** - Hermit Mews Completion

**Friday 19 October** - The Big Spook starts

**Monday 21 October** - Ban on overnight parking for motorhomes in our car parks.

**Monday 28 October** - The Big Spook ends

**Thursday 31 October** - Halloween

## November 2024 - Movember

**Friday 1 November** - Diwali and Launch of Charterholme Brand

**Tuesday 5 November** - WGC - Home groundbreaking

**Friday 8 November** - Signing of new waste contract

**Sunday 10 November** - Remembrance Sunday

**Monday 11 November** - Remembrance Day

**Tuesday 19 November** - The Torchlight Procession and International Men's Day

**Wednesday 28 November** - Lincoln Christmas Lights Switch on

## December 2024

**7-8 December** - Lincoln Ice Adventure

**Tuesday 24 December** - Christmas Eve

**Wednesday 25 December** - Christmas Day

**Thursday 26 December** - Boxing Day

**Tuesday 31 December** - New Year's Day

We also have further projects we will be involved in including: first results of radon testing are expected back, public consultation on plans for Vision 2030 as well as starting our yearly mould campaign.





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**EXECUTIVE****18 NOVEMBER 2024**

**SUBJECT: FINANCIAL PERFORMANCE – QUARTERLY MONITORING**

**REPORT BY: CHIEF EXECUTIVE & TOWN CLERK**

**LEAD OFFICER: LAURA SHIPLEY, FINANCIAL SERVICES MANAGER**

**1. Purpose of Report**

- 1.1. To present to the Executive the second quarter's performance (up to 30 September), on the Council's:

- General Fund
- Housing Revenue Account
- Housing Repairs Service
- Capital Programmes

And to seek approval for changes to the capital programmes.

- 1.2. Financial Procedure Rules require members to receive, on a quarterly basis, a report prepared jointly by the Chief Finance Officer and Corporate Management Team commenting on financial performance to date. This report is designed to meet this requirement.

**2. Executive Summary**

- 2.1. This report covers the General Fund Revenue, Housing Revenue Account budgets and Investment Programmes for the current financial year.
- 2.2. While there are still a number of variables, which are subject to a level of uncertainty, based on the latest set of assumptions as at the end of the second quarter (up to 30 September) the forecast financial position of the Council for 2024/25 is:

Revenue Accounts	2024/25		
	Budget	Forecast @	Variance @
	£'000	Q2 £'000	Q2 £'000
General Fund – Contribution (to)/from balances	(147)	(184)	(37)
Housing Revenue Account – Contribution (to)/from balances	101	(418)	(519)
Housing Repairs Service – (surplus)/deficit	0	17	17*

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

Capital Programmes	2024/25		
	Opening Budget £'000	Revised Budget @ Q2 £'000	Movement @ Q2 £'000
General Investment Programme	23,455	27,894	4,439
Housing Investment Programme	22,763	17,432	(5,331)

Balances	2024/25		
	Budgeted Balance @ 31/03/25 £'000	Forecast Balance @ 31/03/25 £'000	Forecast Movement £'000
General Fund Balances	(2,392)	(2,429)	(37)
Housing Revenue Account Balances	(1,030)	(1,549)	(519)

Reserves	2024/25		
	Opening Balance @ 01/04/24 £'000	Forecast Balance @ 31/03/25 £'000	Forecast Movement £'000
General Fund Earmarked Reserves	(8,234)	(6,987)	1,247
HRA Earmarked Reserves	(4,507)	(4,376)	131

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

### 3. General Fund Revenue Account

- 3.1. For 2024/25 the Council's net General Fund revenue budget was set at £15,427,670 including a planned contribution to balances of £146,820 resulting in an estimated level of general balances at the year-end of £2,391,979 (after allowing for the 2023/24 outturn position).
- 3.2. The General Fund Summary is currently projecting a forecast underspend of £37,227 (appendix A provides a forecast General Fund Summary), resulting in general balance at the year-end of £2,429,206. This position maintains balances above the prudent minimum of c.£1.5-£2m.
- 3.3. There are a number of forecast year-end 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 Forecast year-end key variances:	Forecast £'000
Increased non recoverable supported (exempt) accommodation and other housing benefit costs, reduction in DWP grant funding and unbudgeted Discretionary Housing Payments	361

Trend in reduced crematorium income plus additional interim management & administration costs	351
Nationally agreed pay award settlement	184
Cornhill Market additional initial operational costs	124
Less:	
Reduced Borrowing Costs	(325)
Release of Inflation Volatility reserve	(184)
Additional Government grant for Land Drainage Levies	(173)
Increased Investment Interest	(124)
Net Car Parking Income surplus (gross surplus £179k)	(103)
Net other variances	(148)
<b>Overall forecast budget deficit/(surplus)</b>	<b>(37)</b>

3.4. A number of the key forecast variances have arisen as a result of external variables e.g. economic factors, service demands etc, which differ from the budgeted assumptions. These main variances, both positive and negative cover:

- Pay settlement inflation pressure - the impact of the nationally agreed pay award is in excess of the assumptions included within the MTFS. The 2024/25 pay award, agreed by the National Employers for Local Government Services, provided either a flat rate increase of £1,290 (prorate) or a 2.5% increase to all staff dependant on pay spinal point, equivalent to a 5.7% increase for the lowest paid members of staff. In order to mitigate this cost pressure, an equivalent drawdown from the inflation volatility reserve will be released.
- Unrecoverable Housing Benefit – the number of housing benefit claims in relation to supported (exempt) accommodation, which does not attract 100% subsidy, continues to be at elevated levels, in addition other areas of housing benefit expenditure which do not attract 100% subsidy are also above budgeted levels. Grant funding from the Department of Works and Pensions is also lower than previous years and budgeted for.
- Borrowing costs – as a result of a delay in the anticipated reduction of the Bank of England Base Rate, which has only dropped marginally from 5.25% to 5% at quarter two, the Council have benefitted from reduced borrowing costs due to the continued strategy to review the reprofiling of loans and maintain adequate resource to reduce the level of budgeted borrowing while interest rates are still high.
- Investment income – in addition to savings on interest payable, the ongoing high base rate has increased the level of interest earned on the Council's cash balances over and above the levels anticipated within the MTFS.
- Carparking Fees and Charges – levels of carparking income remain buoyant, particularly in relation to sessional fees and season ticket sales.

3.5 In response to the key cost pressures anticipated in 2024/25; the additional staff costs arising as a result of the proposed pay award are unavoidable and will require the resetting of budgets for 2025/26 onwards within the upcoming MTFS. However,

in relation to the increasing cost of housing benefits, a range of mitigating actions are being taken, e.g. lobbying against current subsidy rules and Local Housing Allowance rates, focusing on actions to manage the supply of and demand for affordable/social housing and temporary accommodation, review of all supported accommodation claims is in place to ensure the appropriate levels of housing benefit are awarded, supporting housing providers to attain social registered landlord status etc. These actions are not likely to reduce costs in the short term, but are part of a longer-term solution.

3.6 Alongside the above variances, a significant variance against the Council's crematorium budget is also forecasted, resulting from a continuation of the reduction in income from cremations seen last financial year, driven by increasing competition from neighbouring Crematoriums. This position is being carefully monitored and an action plan developed. In addition, the service is currently being supported by external industry professionals, increasing the management and administration costs, this is being carefully monitored and will only remain in place for as long as required.

3.7 In addition, a significant in-year variance is now forecasted for the Cornhill Market. The refurbished Market opened on 17 May 2024 but the original budget for 2024/25 was set on the basis of a full year of operation and based on the draft business plan approved at Executive in July 2021. Now that the market is operational a full review of the business plan based on the actual operating costs and income levels is underway and will be reported to Executive in early 2025 and reflected in the next update of the Council's MTFS. The in-year variance being reported at the end of Q2 therefore reflects a number of one-off opening costs in 3 main areas:

- Rental income for the year has now been forecast to be £56k less than originally budgeted as it will not be operating for the full financial year with all stalls let at full rent.
- As part of opening the market a number of one-off items totalling £20k have been purchased which have not been able to be capitalised.
- Additional legal and letting fees of £48k have also been incurred as a one-off for the production of new lease types/terms/lettings for all stalls.

3.8 While the forecast outturn for the General Fund is a small budget underspend, there still remains uncertainty in terms of service demands and income forecasts. As such the final outturn position for the year is still subject to further change and will continue to be carefully monitored. While mitigating actions are underway as set out above, strong budgetary control should continue to be a focus to ensure expenditure and income remain balanced within the budget, resulting in a positive contribution to reserves at outturn.

### 3.9 **Earmarked Reserves**

Further details of the General Fund Earmarked Reserves are set out in paragraph 6 and Appendix G.



### 3.10 Towards Financial Sustainability Programme

The savings target included in the MTFS for 2024/25 was £125,000.

Progress against this target, based on quarter two performance, shows secured savings of £88,840, with a further £25,400 identified savings totalling £114,240 for the General Fund, resulting in a forecast under-achievement of £10,760 in year.

## 4. Housing Revenue Account

- 4.1. For 2024/25 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £101,220, resulting in an estimated level of general balances at the year-end of £1,030,024, after allowing for the 2023/24 outturn position.
- 4.2. The HRA is currently projecting a forecast underspend of £519,410 (appendix C provides a forecast HRA Summary), which would result in HRA balances of £1,549,435 as at the end of 2024/25. This position maintains balances above the prudent minimum of c.£1m.
- 4.3. Although the forecast position is an underspend there are a number of significant variations in income and expenditure. Full details of the main variances are provided in the Appendix D, while the table below sets out the key variances:

<b>Housing Revenue Account Forecast year-end key variances:</b>	<b>Forecast £'000</b>
Nationally agreed pay award settlement	119
Less:	
Additional Rental Income	(204)
Increased Investment Interest	(179)
Reduced Borrowing Costs	(68)
<u>HRS Recharges:</u>	
Housing Repairs Service Overall Deficit Repatriation	17
HRS Repairs – increased Responsive jobs	749
HRS Repairs – reduced level of Voids, Aids & Adaptations and Cleansing jobs (see Appendix D for breakdown)	(1,099)
Net Other Variances	146
<b>Overall forecast deficit/(surplus)</b>	<b>(519)</b>

- 4.4. In line with the General Fund, some of the key variances have arisen as a result of external variables e.g. economic factors, service demands etc, which differ from the budgeted assumptions. 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. These main variances, both positive and negative, cover:

- Nationally agreed pay award inflation pressure – as per the General Fund the national pay award is in excess of the assumptions included within the MTFS.
- Investment income – as per the General Fund as a result interest rates and the Council's borrowing strategy, the level of borrowing and reprofiling of loans is being carefully managed, reducing overall borrowing costs.
- Rental income – income levels are higher than anticipated due to a higher than budgeted opening Housing stock at the start of the financial year.
- HRS Repairs – while there has been a net reduction in repairs recharges from the HRS to the HRA, there has been a switch in the nature of HRS rechargeable works anticipated this year with a significant increase in demand for responsive repairs, wholly offset by a reduction in the level of voids repairs, aids and adapts and cleansing works.

4.5. Alongside these variances the Housing Repairs Services (HRS) is currently reporting a small forecast deficit, which is consequentially repatriated to the HRA, as a result of the issues set out in Section 5 below.

4.6. In response to the key cost pressures forecast in 2024/25; the additional staff costs arising as a result of the nationally agreed pay award are unavoidable and will require the resetting of budgets for 2025/26 within the upcoming MTFS. In relation to housing repairs, the Housing Directorate Management Team continue work on the individual repairs service areas, i.e. Aids & Adaptations, Voids, Responsive Repairs etc, in order to review and manage demand and cost drivers. Work also 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.

4.7. As outlined throughout this report, there still remains a number of variables in the forecast assumptions, and as such the final outturn position for the year is still subject to further change. At this stage no additional mitigations, other than those currently being implemented in response to the issues faced by the HRS are recommended. Strong budgetary control should continue to be a focus to ensure expenditure and income remain balanced within budget.

#### 4.8. **HRA Earmarked Reserves**

Details of the HRA Earmarked Reserves are set out in paragraph 6 and Appendix G.

### 5. **Housing Repairs Service**

5.1. For 2024/25 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.

5.2. At quarter two the HRS are forecasting a deficit of £17,146 in 2024/25, an improvement of £338,165 since quarter one, which has subsequently been 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:

<b>Housing Repairs Service Forecast year-end key variances:</b>	<b>Forecast £'000</b>
Increase in sub-contractors' usage and prices	760
Income shortfall as a result of a lower level of voids, aids & adapts and cleansing jobs	521
Increased Skip hire costs	67
Nationally agreed pay award settlement	47
Less:	
Staff vacancies due to recruitment and retention challenges	(462)
Income surplus as a result of increase in responsive repairs, quoted jobs & other works	(940)
Net other variances	24
<b>Overall forecast deficit/(surplus)</b>	<b>17</b>

5.3. While overall the HRS is forecasting a much-improved year-end position, with a small forecast deficit, there are still a number of significant income and expenditure variances. These main variances, both positive and negative, cover:

- The HRS is still being impacted by recruitment challenges, with continued difficulties in attracting and retaining staff resulting 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.
- Additionally, the HRS are seeing increased levels of work in relation to regulatory compliance, such as damp and mould remediation and installation of fire doors, this is increasingly affecting the capacity to carry out routine works, further compounding the reliance on sub-contractors.
- 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. However, due to the change in nature of works this year and the increase in responsive repairs, which are predominantly performed by our own labour force, the HRS has seen an increase in income which does attract the overhead recovery rate.
- The forecast deficit also includes the impact of the national pay award settlement, which is in excess of the assumptions included within the MTFS as outlined in both the General Fund and HRA variances.

5.4. While the forecast outturn for the HRS is a small budget overspend, there still remains uncertainty in terms of service demands and income forecasts. As such it is essential that the tight controls implemented to monitor premium sub-contractor spend are maintained to minimise the projected deficit and mitigate against the

potential for the current net underspend in the HRA, as outlined in section 4 above, to deteriorate.

## 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 forecast balance as at 31<sup>st</sup> March 2025 are attached in Appendix G, with further details in the MTFS 2024-2029. In summary:

<b>Earmarked Reserves</b>	<b>Opening Balance 01/04/24 £'000</b>	<b>Increase £'000</b>	<b>Decrease £'000</b>	<b>Closing Balance 31/03/25 £'000</b>
General Fund	8,234	673	(1,919)	6,987
Housing Revenue Account	4,507	515	(645)	4,377

## 7. Capital Programme

### 7.1. General Investment Programme

- 7.2. The revised General Investment Programme for 2024/25 amounted to £23.5m following the quarter 1 report. At quarter 2 the programme has been increased by £4.4m to £27.9m, as shown below:

<b>General Investment Programme</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Revised Budget at 2023/24 Outturn	23,455	7,563	1,052	1,052	1,052
Budget changes for approval – Quarter 2	4,439	10,076	3,565	0	0
<b>Revised Budget</b>	<b>27,894</b>	<b>17,639</b>	<b>4,617</b>	<b>1,052</b>	<b>1,052</b>

- 7.3. All changes over delegated limits require approval by the Executive. The following changes have already been approved by the Executive during quarter 2.

<b>Approved by the Executive / Delegated Portfolio Holder</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Western Growth Corridor Housing Delivery Phase 1a – revised costs approved at Executive 22 <sup>nd</sup> July 2024	(2,826)	(178)	3,565	0	0

Western Growth Corridor Phase 1b Bridges – approved at Executive 22 <sup>nd</sup> July 2024	7,697	9,759	0	0	0
Western Growth Corridor Phase Wider Site Costs – approved at Executive 22 <sup>nd</sup> July 2024	53	15	0	0	0
<b>Total Schemes already considered by the Executive</b>	<b>4,924</b>	<b>9,596</b>	<b>3,565</b>	<b>0</b>	<b>0</b>

- 7.4. New schemes over an approved limit, are subject to Executive approval. There have been no new schemes in quarter 2 requiring Executive approval.
- 7.5. 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 2:

<b>GIP Movements Approved by the Chief Finance Officer:</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
<b>Reprofiling budgets to other years:</b>					
The Terrace Heat Mitigation	(247)	247	0	0	0
Compulsory Purchase Orders	(233)	233			
<b>Transfers between schemes</b>					
Planned Capitalised Work – allocated to specific schemes	(209)	0	0	0	0
Sudbrooke Drive Community Centre showers refurbishment	35	0	0	0	0
City Hall Level 2 ceiling & lights	23	0	0	0	0
City Hall Level 3 toilet refurbishment	40	0	0	0	0
Victoria Street Car Park Wall	99	0	0	0	0
Yarborough Leisure Centre replacement of mansafe system	12	0	0	0	0
Shared Prosperity Fund (UKSPF) funds allocated to agreed schemes	(7)	0	0	0	0
UKSPF Sudbrooke Drive Hub	7	0	0	0	0
<b>Changes to budget allocations</b>					
Windmill View – scheme is now complete (borrowing requirement reduced)	(15)	0	0	0	0
Yarborough Leisure Centre - Energy Efficiency – increased costs funded through revenue contributions.	10				
<b>Total GIP Movements Approved by the CFO</b>	<b>(485)</b>	<b>479</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Total GIP Delegated Approvals and Approvals by/for Executive</b>	<b>4,439</b>	<b>10,076</b>	<b>3,565</b>	<b>0</b>	<b>0</b>
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- 7.6. The table below provides a summary of the projected outturn position for the General Investment Programme:

General Investment Programme - Projected Outturn	2024/25			
	Budget following Q1 Report	Revised Budget Q2	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000
<b>Active Programme</b>				
Housing and Investment	298	298	298	0
Communities and Environment	2,911	2,907	2,907	0
Chief Executive	3,417	3,417	3,417	0
Major Developments	10,936	15,613	15,613	0
<b>Total Active Schemes</b>	<b>17,562</b>	<b>22,235</b>	<b>22,235</b>	<b>0</b>
Schemes on Hold/ Contingencies	308	74	74	0
Externally Delivered Town Deal Schemes	5,585	5,585	5,585	0
<b>Total Capital Programme</b>	<b>23,455</b>	<b>27,894</b>	<b>27,894</b>	<b>0</b>

- 7.7. The overall spending on the General Investment Programme active schemes (excluding externally delivered schemes), at the end of quarter 2 is £3.2m, which is 14.5% of the budget. This is detailed further at Appendix I.
- 7.8. The low capital spend at this stage of the year is primarily mainly due to the profiling of a number of large schemes only starting on site towards the end of quarter 2/beginning of quarter 3, e.g. Greyfriars, Yarborough Leisure Centre, Western Growth Corridor Phase 1a Homes and the LUF2 Eastern Access Bridge.

#### 7.9. Housing Investment Programme

- 7.10. The revised Housing Investment Programme for 2024/25 amounted to £17.650m following the Quarter 1 position. At quarter 2 the programme has been decreased by £0.219m to £17.432m, as shown below:

Housing Investment Programme	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Revised Budget at Quarter 1	<b>17,650</b>	<b>17,783</b>	<b>15,968</b>	<b>15,159</b>	<b>13,324</b>
Budget changes for approval – Quarter 2	(219)	(563)	(1,188)	(1,460)	(1,268)
<b>Revised Budget</b>	<b>17,432</b>	<b>17,219</b>	<b>14,780</b>	<b>13,698</b>	<b>12,056</b>

- 7.11. All changes over the approved limit require approval by the Executive. The following changes require Executive approval for Quarter 2:



<b>Changes requiring Executive Approval:</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
<b>Budget Under/Overspends returned to available resources</b>					
Rewiring	(130)	(1,079)	(1,944)	(1,221)	(394)
Kitchen Improvements	0	0	0	(100)	(746)
Door Replacement	(600)	(163)	(493)	(334)	0
Fire Compartment Works	0	(160)	0	0	0
Fire Alarms	0	0	(50)	(50)	(50)
Renew stair structure	0	(25)	(25)	(25)	(25)
Landscaping & Boundaries	(100)	(652)	(313)	(382)	(758)
Over bath showers	0	(151)	(166)	(182)	(182)
Fire Doors	(200)	(215)	0	0	0
<b>Increased budget allocations</b>					
Kitchen Improvements (funded from MRR)	0	415	1,175	0	0
Communal Electrics (funded from DRF)	0	130	50	50	50
Door Replacement (funded from MRR)	0	0	0	0	795
Replacement Door Entry Systems (funded from DRF)	0	98	98	98	98
Void Capitalised Works (funded from MRR)	578	0	0	0	0
New Build – Hermit Street (funded from DRF)	104	0	0	0	0
Fire Doors (funded from MRR)	0	0	35	285	0
Housing Support Services Computer Fund (funded from DRF)	0	103	0	0	0
Property Acquisitions – this includes individual purchase and repair acquisitions approved under officer delegations (funded from 1-4-1 receipts with borrowing as match element).	155	0	0	0	0
<b>Total changes requiring Executive Approval</b>	<b>(193)</b>	<b>(1,696)</b>	<b>(1,633)</b>	<b>(1,860)</b>	<b>(1,211)</b>

7.12. The following schemes have also been added to the HIP, having been approved at Executive during Quarter 2, (or in previous quarters):

<b>Approved by the Executive:</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
<b>Increased budget allocations</b>					
Western Growth Corridor Phase 1b Bridges – approved at Executive 22 <sup>nd</sup> July 2024	0	1,559	0	0	0

Western Growth Corridor Phase Wider Site Costs – approved at Executive 22 <sup>nd</sup> July 2024	278	59	0	0	0
<b>Total changes approved by Executive</b>	<b>278</b>	<b>1,618</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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 2:

<b>Changes approved by the Chief Finance Officer:</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
<b>Reprofiled Expenditure</b>					
Bathrooms & WC	(235)	235	0	0	0
Re-roofing	(400)	(445)	445	400	0
Lincoln Standard Windows Replacement	275	(275)	0	0	0
<b>Increased budget allocations</b>					
Aids & Adaptations (funded from MRR)	50	0	0	0	0
New Services (funded from MRR)	25	0	0	0	0
<b>Reduced budget allocations</b>					
CCTV	(20)	0	0	0	0
HRA Buildings	0	0	0	0	(57)
<b>Total Changes Approved by the Chief Finance Officer</b>	<b>(305)</b>	<b>(485)</b>	<b>445</b>	<b>400</b>	<b>(57)</b>
<b>Total HIP Delegated Approvals and Approvals by/for Executive</b>					
	<b>(219)</b>	<b>(563)</b>	<b>(1,188)</b>	<b>(1,460)</b>	<b>(1,268)</b>

- 7.14. The reduction in forecast budgets across the MTFS is primarily due to the capital programme budgets initially being driven by stock condition surveys and not current available labour resource. Amounts in the programme have been reprofiled to future years, or removed, to better reflect availability of Council operatives and sub-contractors.
- 7.15. The table below provides a summary of the projected outturn position for the Housing Investment Programme:

Housing Investment Programme - Projected Outturn	2024/25			
	Budget following Q1 Report £'000	Revised Budget Q2 £'000	Forecast Outturn £'000	Variance £'000
Decent Homes / Lincoln Standard	9,642	9,005	9,005	0
Health and Safety	646	646	646	0
Contingent Major Repairs / Works	0	0	0	0
New Build Programme	5,793	6,331	6,331	0
Other Schemes	1,257	1,137	1,137	0
Computer Fund / IT Schemes	312	312	312	0
<b>Total Capital Programme</b>	<b>17,650</b>	<b>17,432</b>	<b>17,432</b>	<b>0</b>

- 7.16. The overall expenditure on the Housing Investment Programme at the end of Q2 was £5.730m, which is 32.87% of the 2024/25 revised programme. This excludes expenditure relating to Western Growth Corridor, which is currently shown on the GIP, to be apportioned at year end (current forecast outturn £1.3m). This is detailed further at Appendix J.
- 7.17. A further £1.091m has been spent as at the end of October 2024, although this is still a low percentage of expenditure at this stage of the financial year, works have been constrained by the availability of contractors and materials however new contracts are in place and spend is expected to increase in by the end of the financial year.

## 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 maintain a balanced budget position in 2024/25 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. Although there remains some uncertainty around the latest budget forecasts, based on the information to date on income and expenditure, both the General Fund and HRA are forecasted to maintain balanced budget positions in the current financial year.

General Balances, on both the General Fund and HRA, are the only resource not earmarked 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 latest forecasts of income and expenditure the level of

balances in 2024/25 are estimated to be maintained above these ranges. The close monitoring of the Council's overall financial position will remain critical over the course of this financial year, and as ever strong budgetary control will be required.

Although the primary focus of this report has been to set out the financial variances being faced in the current financial year, beyond 2024/25 the Council continues to face ongoing pressures as a result of increasing baseline costs due to inflationary impacts, escalating service demands and income pressures. 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**

Executive are recommended to:

- 11.1. Note the financial performance for the period 1 April to 30 September 2024.
- 11.2. Assess the underlying impact of the pressures and underspends identified in paragraphs 3.3 (and Appendix B), 4.3 (and Appendix D), and 5.2 (and Appendix F).

- 11.3. Review the changes to the General Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer as detailed in paragraphs 7.5 and 7.12.
- 11.4. Approve the changes to the General Investment programme and the Housing Investment programme approved, or to be approved, by the Executive as detailed in paragraphs 7.3, 7.10 and 7.11.

**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 2024-2029

**Lead Officer:** Laura Shipley, Financial Services Manager  
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**GENERAL FUND SUMMARY – AS AT 30 SEPTEMBER 2024**

<b>Service Area</b>	<b>Ref</b>	<b>Revised Budget £'000</b>	<b>Projected Outturn £'000</b>	<b>Variance £'000</b>
Strategic Development	A	2,228	2,211	(16)
Chief Finance Officer (S151)	B	(105)	(197)	(92)
City Solicitor	C	1,967	1,964	(4)
Revenues & Benefits	D	830	1,167	337
Housing	E	294	291	(3)
Director of Major Developments	F	(3,103)	(3,007)	96
Communities and Street Scene	G	8,033	8,301	267
Health and Environmental Services	H	1,200	1,148	(52)
Planning	I	(2,900)	(3,103)	(202)
		<b>8,443</b>	<b>8,775</b>	<b>332</b>
Corporate Expenditure	J	1,446	1,296	(151)
<b>TOTAL SERVICE EXPENDITURE</b>		<b>9,890</b>	<b>10,070</b>	<b>181</b>
Capital Accounting Adjustment	K	2,137	1,812	(325)
Specific Grants	L	4,452	4,452	0
Contingencies	M	(122)	158	280
Savings Targets	N	(36)	(25)	11
Earmarked Reserves	O	(1,063)	(1,247)	(184)
Insurance Reserve	P	23	23	0
<b>TOTAL EXPENDITURE</b>		<b>15,281</b>	<b>15,244</b>	<b>(37)</b>
<b>CONTRIBUTION FROM BALANCES</b>		<b>147</b>	<b>184</b>	<b>37</b>
<b>NET REQUIREMENT</b>		<b>15,428</b>	<b>15,428</b>	<b>0</b>
Retained Business Rates Income	Q	6,972	6,972	0
Collection Fund Surplus/(Deficit)	R	364	364	0
Revenue Support Grant	S	187	187	0
Council Tax	T	7,906	7,906	0
<b>TOTAL RESOURCES</b>		<b>15,428</b>	<b>15,428</b>	<b>0</b>



### **General Fund Forecast Variances – Quarter 2**

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.

<b>Ref</b>	<b><u>Increased Expenditure</u></b>	<b>£</b>	
E	Housing Needs	79,020	Increased staffing costs as a result of additional Fixed Term Contracts covering temporary absences.
F	Cornhill Market	68,253	Increased expenditure as a result of additional one off equipment, legal & lettings costs required as part of initial operation of the newly re-opened market.
H	Crematorium	226,910	External industry professional support to the management and administration of the Crematorium.
H	Yarborough Leisure Centre	50,000	Anticipated contribution under profit/loss agreement.
I	Car Parks	66,410	Additional charges due to increased pay by phone transactions (cost & volume) (£26k) and forecast maintenance works (£40k), wholly offset by increased income below (net car parking surplus £103k).
M	National Proposed Pay Award	183,890	Impact of the National Employers pay settlement, in excess of budget assumptions.
M	Annual Vacancy Savings Target	96,080	YTD vacancy savings target, offset by savings in service areas.
	<b><u>Reduced Income</u></b>		
B	Internal Audit	38,430	Forecast underachievement of income due to reduction in externally contracted services.
D	Housing Benefits	361,080	Increased non recoverable supported (exempt) accommodation and other housing benefit costs, reduction in DWP grant funding and unbudgeted Discretionary Housing Payment.
F	Cornhill Market	56,000	Reduced rental income due to market not operating for the full financial year with all stalls let at full rent as originally budgeted.
H	Crematorium	108,470	Forecast reduction in income as a result of YTD, and anticipated, cremation levels, partially offset by vacancy and utilities savings, (net pressure £54.4k).

H	Cemeteries	61,530	Forecast reduction in income as a result of YTD, and anticipated, burials.
I	Building Regulations	50,000	Anticipated reduction in income as a result of current economic conditions, wholly offset by vacancy savings below above (net saving £64.8k).
I	Land Charges	42,520	Anticipated reduction in income as a result of current economic conditions.
<b><u>Reduced Expenditure</u></b>			
A	CX Corporate Policy	(27,150)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
C	CoLC Apprentices	(25,230)	Residual vacancy savings after TFS savings target met.
G	Street Cleansing	(63,900)	Reduction in contracted charges and underspend on amenity cleaning.
H	Housing Regeneration	(36,890)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
H	Crematorium	(54,090)	Forecast underspend, predominantly utilities and vacancy savings, offset by reduced income above (net pressure £54.4k).
I	Building Regulations	(129,320)	Vacancy savings offset against anticipated reduction in income above (net saving £64.8k).
I	Heritage	(59,140)	Vacancy savings offset against corporate vacancy savings target.
O	Earmarked Reserves	(183,870)	Release of Inflation Volatility reserve to offset increased expenditure as a result of proposed pay award.
<b><u>Increased Income</u></b>			
B	Lincoln Properties & Industrial Estates	(46,910)	Increased income as a result of backdated rent reviews & lower level of void properties.
B	City Hall	(25,000)	Increased income to be received from lease agreements.
B	Other Interest	(123,680)	Increased investment income as a result of higher interest rates (£119k) and additional dividend income (£4k).
E	Community Leadership & Sustainability	(38,850)	New Burdens grant funding for administration of UKSPF project.

F	Major Developments Team	(51,640)	New Burdens grant funding for administration of UKSPF project.
H	Community Centres	(75,120)	Increased income levels, predominantly driven by ongoing contract at the Grandstand.
I	Car Parks	(179,000)	Increase in season ticket income & forecast increase in pay and display income (net car parking surplus £103k).
I	Development Policy	(26,810)	Additional grant income for Biodiversity Net Gain.
J	Capital Accounting Adjustment- Interest Payable	(324,900)	Reduction in interest payable as a result of reduced borrowing levels.
J	Land Drainage Levies	(173,000)	Additional government grant received to offset the increased cost of Internal Drainage Board Levies.

**HOUSING REVENUE ACCOUNT FUND SUMMARY – AS AT 30 SEPTEMBER 2024**

	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Gross Rental Income	A	(35,220)	(35,410)	(190)
Charges for Services & Facilities	B	(658)	(687)	(29)
Contribution towards Expenditure	C	(50)	(10)	40
Repairs Account – Income	D1	(68)	(65)	3
Supervision & Management – General	D2	(808)	(1,020)	(212)
Supervision & Management – Special	D3	(75)	(156)	(80)
Repairs & Maintenance	E	11,729	11,821	92
Supervision & Management – General	F1	7,395	7,605	210
Supervision & Management – Special	F2	2,148	2,404	256
Rents, Rates and Other Premises	G	861	914	53
Increase in Bad Debt Provisions	H	251	251	0
Insurance Claims Contingency	I	439	439	0
Contingencies	J	312	353	41
Depreciation	K	8,198	8,198	0
Impairments	L	0	0	0
Debt Management Expenses	M	16	16	0
HRS Trading (Surplus) / Deficit	N	0	17	17
<b>Net Cost of Service</b>	<b>O</b>	<b>(5,530)</b>	<b>(5,329)</b>	<b>201</b>
Loan Charges Interest	P	2,331	2,264	(68)
Investment/Mortgage Interest	Q	(428)	(607)	(179)
<b>Net Operating Inc/Exp</b>	<b>R</b>	<b>(3,626)</b>	<b>(3,672)</b>	<b>(46)</b>
Major Repairs Reserve Adjustment	T	3,423	3,423	(0)
Transfers to/from reserves	U	304	(170)	(474)
<b>(Surplus)/Deficit in Year</b>	<b>V</b>	<b>101</b>	<b>(418)</b>	<b>(519)</b>

### **Housing Revenue Account Variances – Quarter 2**

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.

Ref		£	Reason for variance
	<b><u>Reduced Income</u></b>		
C	Court Costs	40,000	Reduction in recovered income from court costs as less cases in year than anticipated.
	<b><u>Increased Income</u></b>		
U	Transfers to/(from) Reserves	(473,650)	Contributions from reserves to offset expenditure as outlined below (further detail in appendix G).
Q	Investment Interest	(178,830)	Increased investment income as a result of higher interest rates.
A	Gross Rental Income	(146,110)	Additional rental income as a result of higher than budgeted opening housing stock levels.
D2	Supervision & Management - General	(134,000)	Increase in contractor admin fee income due to addition of major contracts commencing in second half of financial year.
B	Non Dwelling Rents	(43,640)	Reduction in void loss garage rental income
	<b><u>Reduced Expenditure</u></b>		
E	Repairs & Maintenance - HRS	(1,099,260)	Reduced HRS expenditure on Voids (£980k), Aids and Adapts (£94k) and Cleansing (£25k), wholly offsetting the increase on Responsive Repairs costs below (net underspend £704k).
F	Supervision & Management	(140,780)	Reduced expenditure on Employee Costs due to staff vacancies, offset by agency costs below.
E	Repairs Account	(99,240)	Lower than budgeted installs for CO Detectors & Smoke Alarms due to cyclical replacements, offset by contribution to reserves to level out future costs future replacement cycle peaks.
P	Loan Charges Interest	(67,560)	Reprofiling of loans & adequate resources resulting in reduction in planned borrowing costs.
	<b><u>Increased Expenditure</u></b>		

<b>Ref</b>		<b>£</b>	<b>Reason for variance</b>
E	Repairs & Maintenance - HRS	704,180	Increased HRS expenditure on Responsive Repairs (£704k), offset by underspend above (net underspend £395k).
E	Repairs Account	311,000	High rise review and remediation (£300k), Carbon reduction and home safety works (£11k) entirely funded from reserves
E	Repairs Account	136,500	Stock Condition Survey costs funded entirely from reserves.
J	Contingencies	119,390	Impact of National Employers pay award settlement in excess of budgeted assumptions.
F1	Supervision & Management – General	76,110	Cost of agency staff to cover staff vacancies within Supervision & Management, offset by Vacancy savings above.
F1	Supervision & Management – General	65,370	Membership Fee increases on Housing Ombudsman, and additional Regulator of Social Housing annual subscription costs.
E	Repairs Account	63,220	Gas Servicing of Central Heating increase in market prices and addition of relet costs.
F1	Supervision & Management – General	92,500	Consultancy costs funded entirely from reserves.
F1	Supervision & Management – General	56,650	Increased expenditure primarily due to additional Housing IT costs
F1	Supervision & Management – General	52,840	Caretakers fly tipping costs increase – nationally increased trend since COVID.
F1	Supervision & Management – General	29,900	Downsizing Incentive Scheme costs funded entirely from reserves
N	HRS Surplus/Deficit	17,150	Estimated HRS deficit position (refer to further detail in Section 5 and Appendix F).



**HOUSING REPAIRS SERVICE SUMMARY – AS AT 30 SEPTEMBER 2024**

	<b>Revised Budget £'000</b>	<b>Projected Outturn £'000</b>	<b>Variance £'000</b>
Employees	4,107	3,692	(415)
Premises	193	172	(21)
Transport	440	444	4
Materials	1,561	1,568	7
Sub-Contractors	2,635	3,395	760
Supplies & Services	323	422	99
Central Support Charges	707	707	0
Capital Charges	0	0	0
<b>Total Expenditure</b>	<b>9,965</b>	<b>10,401</b>	<b>436</b>
Income	(9,965)	(10,384)	(419)
<b>(Surplus)/Deficit</b>	<b>0</b>	<b>17</b>	<b>17</b>

## **Housing Repairs Service Variances – Quarter 2**

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
<b><u>Reduced Expenditure</u></b>		
Employee Costs	(461,645)	Vacancies within the Operative staff.
Premises	(20,643)	Reduction in utility forecasts due to delay in depot being in use.
<b><u>Increased Expenditure</u></b>		
Sub-Contractors	760,486	Increased use of sub-contractors to meet void turnaround targets, new work streams and cover vacancies within the operative team.
Skip Hire	67,048	Increased usage of skips due to delay to the use of Hiab.
Proposed Pay Award	46,570	Impact of National Employers pay award settlement in excess of budgeted assumptions.
<b><u>Increased Income</u></b>		
Response Repairs, Quoted Jobs & Other Income	(940,325)	Higher level of responsive work carried out by HRS Operatives, as a result of a switch in the nature of HRS works between voids and responsive repairs, generating increased income through the internal overhead recovery rate.
<b><u>Reduced Income</u></b>		
Voids, Aids & Adapts and Cleansing Works Income	523,123	Reduced income as a result of sub-contractor costs on overhead recovery and old SOR rates used for billing (pending update). Predominantly voids works at £402k, Aids & Adapts £94k and Cleansing works at £25k.

**EARMARKED RESERVES – Q2 MONITORING 2024/25**

	Revised Opening Balance	In Year Increase	In Year Decrease	Forecast Closing Balance
	01/04/2024			31/03/2025
	£'000	£'000	£'000	£'000
<b>General Fund</b>				
Budget Carry Forwards	539	-	(196)	343
Grants & Contributions	1,504	43	(434)	1,113
Active Nation Bond	180	-	(80)	100
AGP Sinking Fund	102	50	-	152
Air Quality Initiatives	22	-	-	22
Birchwood Leisure Centre	106	20	-	126
Business Rates Volatility	916	53	-	969
Christmas Decorations	14	-	-	14
City Centre Masterplan	75	-	-	75
City Hall Improvement Works	50	-	-	50
City Hall Sinking Fund	60	-	-	60
Commons Parking	28	15	-	43
Control Centre Volatility Reserve	-	31	-	31
Corporate Maintenance	100	-	-	100
Corporate Training	71	-	(26)	45
Council Tax Hardship Fund	-	-	-	-
Covid19 Recovery	1,047	-	(200)	847
Covid19 Response	354	-	-	354
CX Capacity	56	-	(56)	-
Electric Van replacement	31	4	-	35
HiMO CPN Appeals	110	1	-	111
Income Volatility Reserve	520	-	(170)	350
Inflation Volatility Reserve	466	-	(184)	282
Invest to Save (GF)	350	-	-	350
IT Reserve	393	65	-	458
Lincoln Lottery	9	-	-	9
Mayoral Car	7	-	-	7
MSCP & Bus Station Sinking Fund	195	47	-	242
Private Sector Stock Condition Survey	51	12	(52)	11
Professional Trainee Scheme	90	-	-	90
Residents Parking Scheme	-	5	-	5
Revenue & Benefits Community Fund	54	-	-	54
Section 106 Interest	32	-	-	32
Staff Wellbeing	28	-	-	28
Tank Memorial	10	-	-	10
Tree Risk Assessment	86	-	25	61
Unused DRF	161	110	(271)	-
Vision 2025/Vision 2030	386	327	(304)	408
	<b>8,234</b>	<b>672</b>	<b>(1,918)</b>	<b>6,987</b>

**HRA**

Capital Fees Equalisation	110	-	-	110
De Wint Court	73	-	-	73
De Wint Court Sinking Fund	113	34	-	147
Disrepairs Management	287	-	(31)	256
Housing Business Plan	842	-	(381)	461
Housing Repairs Service	76	-	-	76
HRA IT	170	365	-	535
HRA Repairs Account	1,351	99	(137)	1,314
Housing Strategic Priority	764	-	-	764
HRS Social Value	111	-	-	111
Invest to Save (HRA)	375	-	(44)	331
NSAP/RSAP Sinking Fund	18	9	-	27
Regulator of Social Housing	180	-	(53)	127
Strategic Growth Reserve	5	-	-	5
Tenant Satisfaction Survey	31	8	-	39

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<b>4,507</b>	<b>515</b>	<b>(645)</b>	<b>4,377</b>
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**Total Earmarked Reserves**


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<b>12,741</b>	<b>1,187</b>	<b>(2,564)</b>	<b>11,364</b>
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**CAPITAL RESOURCES – Q2 MONITORING 2024/25**

	Opening balance 01/04/24	Contributions	Used in financing	Forecast balance 31/03/25
	£'000	£'000	£'000	£'000
Capital Grants/Contributions General Fund	0	14,601	(14,601)	0
Capital Grants/Contributions HRA	0	1,155	(1,155)	0
Capital receipts General Fund	1,663	0	(74)	1,589
Capital receipts HRA	2,560	1,059	(404)	3,215
Capital receipts 1-4-1	4,453	1,422	(1,273)	4,601
Major Repairs Reserve	23,062	11,622	(13,204)	21,480
GENF DRF	141	8,505	(8525)	121
<b>Total Capital Resources</b>	<b>31,879</b>	<b>38,364</b>	<b>(39,236)</b>	<b>31,006</b>

Currently the HIP has schemes planned to facilitate use of all 1:4:1 receipts with no repayment required in 24/25.

### **General Investment Programme – Summary of Expenditure as at 30<sup>th</sup> September 2024**

<b><u>GENERAL INVESTMENT PROGRAMME</u></b>	<b>Budget 2024/25 - Reported at Q1</b>	<b>Q2 Budget Increase / Decrease</b>	<b>2024/25 Revised Budget</b>	<b>Actual Expenditure 30/09/24</b>	<b>2024/25 % Spend to Revised Budget</b>
<b><u>Housing and Investment</u></b>					
Housing Renewal Area Unallocated	298,152		298,152	0	0.00%
<b>Housing and Investment Total</b>	<b>298,152</b>		<b>298,152</b>	<b>0</b>	<b>0.00%</b>
<b><u>DCE - Health and Environmental Services</u></b>					
Better Care Fund (was Disabled Facilities Grant)	2,159,391		2,159,391	428,348	19.84%
Yarborough Leisure Centre - Energy Efficiency	634,350	10,000	644,350	0	0.00%
Yarborough Leisure Centre - Equipment	80,000		80,000	0	0.00%
<b>DCE - Health and Environmental Services Total</b>	<b>2,873,741</b>	<b>10,000</b>	<b>2,883,741</b>	<b>428,348</b>	<b>14.91%</b>
<b><u>DCE - Community Services</u></b>					
Traveller deterrent	6,200		6,200	0	0.00%
<b>DCE - Community Services Total</b>	<b>6,200</b>		<b>6,200</b>	<b>0</b>	<b>0.00%</b>
<b><u>DCE - Planning &amp; City services</u></b>					
Car Parking Software	14,337		14,337	8,663	60.42%
St Mary's Guildhall (HAZ)	0		0	(90)	0.00%
Windmill View	16,475	(14,303)	2,172	2,172	99.99%
<b>DCE - Planning &amp; City services Total</b>	<b>30,812</b>	<b>(14,303)</b>	<b>16,509</b>	<b>10,744</b>	<b>65.08%</b>
<b><u>Chief Executive Corporate Policy</u></b>					
New Telephony System	5,558		5,558	(400)	-7.20%
<b>Chief Executive Corporate Policy Total</b>	<b>5,558</b>		<b>5,558</b>	<b>(400)</b>	<b>-7.20%</b>
<b><u>Chief Executive Chief Finance Officer</u></b>					
Allotments Asbestos Sheds	33,795		33,795	0	0.00%
City Hall Level 2 Ceiling & lights	0	22,961	22,961	0	0.00%
City Hall Refurb level 3 toilets	0	39,930	39,930	0	0.00%



<b><u>GENERAL INVESTMENT PROGRAMME</u></b>	<b>Budget 2024/25 - Reported at Q1</b>	<b>Q2 Budget Increase / Decrease</b>	<b>2024/25 Revised Budget</b>	<b>Actual Expenditure 30/09/24</b>	<b>2024/25 % Spend to Revised Budget</b>
Greyfriars - Phase 2 Delivery	2,662,787		2,662,787	21,954	0.82%
Lincoln Central Lifts	150,000		150,000	0	0.00%
Michaelgate	75,000		75,000	68,564	91.42%
Planned Capitalised Works	489,955	(208,851)	281,104	0	0.00%
Sudbrooke Drive CC Shower refurb	0	34,700	34,700	0	0.00%
Victoria St Car Park Wall	0	99,260	99,260	0	0.00%
Yarborough LC mansafe system	0	12,000	12,000	0	0.00%
<b>Chief Executive Chief Finance Officer Total</b>	<b>3,411,537</b>	<b>0</b>	<b>3,411,537</b>	<b>90,518</b>	<b>2.65%</b>
<b><u>Major Developments</u></b>					
Central Markets	2,000		2,000	0	0.00%
Central Markets (All Funding Streams)	283,583		283,583	(73,864)	-26.05%
Lincoln Transport HUB	0		0	(56,196)	0.00%
TD Sincil Bank Gateway & Greening Project	555,028		555,028	11,157	2.01%
TD Tentercroft Street	312,000		312,000	0	0.00%
The Terrace Heat Mitigation Works	246,547	(246,547)	0	0	0.00%
Towns Deal Programme Management	75,970		75,970	6,120	8.06%
UKSPF (Shared Prosperity Fund)	7,487	(7,487)	0	0	0.00%
UKSPF Belmont Street Our Community Bakery	130,000		130,000	0	0.00%
UKSPF Moorland Community Hub	70,000		70,000	60,012	85.73%
UKSPF Sudbrooke Drive Hub	222,801	7,487	230,288	16,600	7.21%
WGC Housing Delivery	5,622,755	(2,825,905)	2,796,850	91,266	3.26%
WGC Phase 1b Bridges	2,355,359	7,696,781	10,052,140	1,338,900	13.32%
WGC Shared Infrastructure	1,011,645		1,011,645	1,251,875	123.75%
WGC Site Wide Costs	19,487		19,487	37,896	194.47%
WGC Wider 1b Site Costs	21,000	52,810	73,810	20,000	27.10%
<b>Major Developments Total</b>	<b>10,935,662</b>	<b>4,677,139</b>	<b>15,612,801</b>	<b>2,703,765</b>	<b>17.32%</b>
<b>TOTAL ACTIVE SCHEMES</b>	<b>17,561,662</b>	<b>4,672,836</b>	<b>22,234,498</b>	<b>3,232,975</b>	<b>14.54%</b>

<b><u>GENERAL INVESTMENT PROGRAMME</u></b>	<b>Budget 2024/25 - Reported at Q1</b>	<b>Q2 Budget Increase / Decrease</b>	<b>2024/25 Revised Budget</b>	<b>Actual Expenditure 30/09/24</b>	<b>2024/25 % Spend to Revised Budget</b>
<b><u>Schemes Currently Under Review</u></b>					
Compulsory Purchase Orders	233,481	(233,481)	0	0	0.00%
IT Reserve	74,334		74,334	0	0.00%
<b>Schemes Currently Under Review Total</b>	<b>307,815</b>	<b>(233,481)</b>	<b>74,334</b>	<b>0</b>	<b>0.00%</b>
<b>TOTAL CAPITAL PROGRAMME EXCLUDING EXTERNALLY DELIVERED SCHEMES</b>	<b>17,869,477</b>	<b>4,439,355</b>	<b>22,308,832</b>	<b>3,232,975</b>	<b>14.49%</b>
<b><u>Externally Delivered Town's Deal Schemes</u></b>					
Store of Stories	28,000		28,000	28,000	100.00%
TD Barbican Production & Maker Hub	1,700,000		1,700,000	183,503	10.79%
TD Lincoln Connected	577,968		577,968	435,913	75.42%
TD LSIP	800,000		800,000	0	0.00%
TD Sincil Bank	2,234,696		2,234,696	0	0.00%
TD Wigford Way	244,708		244,708	0	0.00%
<b>Externally Delivered Town's Deal Schemes Total</b>	<b>5,585,372</b>		<b>5,585,372</b>	<b>647,416</b>	<b>11.59%</b>
<b>Grand Total</b>	<b>23,454,849</b>	<b>4,439,355</b>	<b>27,894,204</b>	<b>3,880,391</b>	<b>13.92%</b>

### **Housing Investment Programme – Summary of Expenditure as at 30<sup>th</sup> September 2024**

<b><u>HOUSING INVESTMENT PROGRAMME</u></b>	<b>Budget 2024/25 - Reported at Q1</b>	<b>Q2 Budget Increase / Decrease</b>	<b>2024/25 Revised Budget</b>	<b>Actual Expenditure 30/09/24</b>	<b>2024/25 % Spend to Revised Budget</b>
<b><u>Contingency Schemes</u></b>					
Contingency Reserve	0	0	0	0	0
<b>Contingency Schemes Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Decent Homes</u></b>					
Bathrooms & WC's	734,550	(234,550)	500,000	164,659	32.93%
DH Central Heating Upgrades	2,016,960	0	2,016,960	1,025,833	50.86%
Door Replacement	1,634,266	(600,266)	1,034,000	389,579	37.68%
Fire Compartment works	50,000	0	50,000	2,675	5.35%
Fire Doors	500,000	(200,000)	300,000	51,529	17.18%
Kitchen Improvements	1,190,000	0	1,190,000	499,850	42.00%
Lincoln Standard Windows Replacement	907,672	275,328	1,183,000	631,894	53.41%
New services	50,000	25,000	75,000	72,572	96.76%
Re-roofing	500,000	(400,000)	100,000	484	0.48%
Rewiring	150,000	(130,000)	20,000	0	0.00%
Structural Defects	100,000	0	100,000	8,451	8.45%
Thermal Comfort Works	50,000	0	50,000	0	0.00%
Aids & Adoptions	0	50,000	50,000	46,879	93.76%
Void Capitalised Works	1,721,860	578,140	2,300,000	233,970	10.17%
<b>Decent Homes Total</b>	<b>9,605,307</b>	<b>(636,348)</b>	<b>8,968,959</b>	<b>3,128,376</b>	<b>34.88%</b>
<b><u>Health and Safety</u></b>					
Asbestos Removal	198,702	0	198,702	64,862	32.64%
Asbestos Surveys	133,763	0	133,763	34,487	25.78%
Fire Alarms	0	0	0	0	0.00%

<b><u>HOUSING INVESTMENT PROGRAMME</u></b>	<b>Budget 2024/25 - Reported at Q1</b>	<b>Q2 Budget Increase / Decrease</b>	<b>2024/25 Revised Budget</b>	<b>Actual Expenditure 30/09/24</b>	<b>2024/25 % Spend to Revised Budget</b>
Renew stair structure	25,000	0	25,000	0	0.00%
Replacement Door Entry Systems	288,846	0	288,846	1,491	0.52%
<b>Health and Safety Total</b>	<b>646,311</b>	<b>0</b>	<b>646,311</b>	<b>100,840</b>	<b>15.60%</b>
<b><u>IT/Infrastructure</u></b>					
Housing Support Services Computer Fund	306,441	0	306,441	136,520	44.55%
Telephony	5,558	0	5,558	0	0.00%
<b>IT/Infrastructure Total</b>	<b>311,999</b>	<b>0</b>	<b>311,999</b>	<b>136,520</b>	<b>43.76%</b>
<b><u>Lincoln Standard</u></b>					
Over bath showers (10 year programme)	36,450	0	36,450	0	0.00%
<b>Lincoln Standard Total</b>	<b>36,450</b>	<b>0</b>	<b>36,450</b>	<b>0</b>	<b>0.00%</b>
<b><u>Other Current Developments</u></b>					
CCTV	20,000	(20,000)	0	0	0.00%
Communal Electrics	160,000	0	160,000	60,059	37.54%
Communal TV Aerials	5,000	0	5,000	4,069	81.38%
Environmental works	500,000	0	500,000	87,540	17.51%
Garages	60,000	0	60,000	0	0.00%
Hiab and Mule	130,689	0	130,689	130,689	100.00%
HRA Buildings	81,639	0	81,639	0	0.00%
Landscaping & Boundaries	300,000	(100,000)	200,000	52,495	26.25%
<b>Other Current Developments Total</b>	<b>1,257,327</b>	<b>(120,000)</b>	<b>1,137,327</b>	<b>334,852</b>	<b>29.44%</b>
<b>HOUSING INVESTMENT TOTAL</b>	<b>11,857,395</b>	<b>(756,348)</b>	<b>11,101,047</b>	<b>3,700,589</b>	<b>33.34%</b>

<b><u>HOUSING INVESTMENT PROGRAMME</u></b>	<b>Budget 2024/25 - Reported at Q1</b>	<b>Q2 Budget Increase / Decrease</b>	<b>2024/25 Revised Budget</b>	<b>Actual Expenditure 30/09/24</b>	<b>2024/25 % Spend to Revised Budget</b>
<b><u>HOUSING STRATEGY AND INVESTMENT</u></b>					
<b><u>New Build Programme</u></b>					
Property Acquisitions	2,391,534	155,457	2,546,991	629,714	24.72%
New Build Capital Salaries	46,953	0	46,953	0	0.00%
New Build- De Wint Court	0	0	0	0	0.00%
New Build Site – Hermit Street	1,891,443	104,414	1,995,857	1,400,233	70.16%
Jasmin Green	50,000	0	50,000	0	0.00%
Ermine Church Land	349,893	0	349,893	0	0.00%
Western Growth Corridor	1,063,281	277,660	1,340,941	0	0.00%
<b>New Build Programme Total</b>	<b>5,793,104</b>	<b>537,531</b>	<b>6,330,635</b>	<b>2,029,946</b>	<b>32.07%</b>
<b>HOUSING STRATEGY AND INVESTMENT TOTAL</b>	<b>5,793,104</b>	<b>537,531</b>	<b>6,330,635</b>	<b>2,029,946</b>	<b>32.07%</b>
<b>TOTAL HOUSING INVESTMENT PROGRAMME</b>	<b>17,650,499</b>	<b>(218,817)</b>	<b>17,431,682</b>	<b>5,730,535</b>	<b>32.87%</b>

**TFS Phase7 programme: progress at Q2 – 2024/2025**

Service	Summary of project	Dir.	Total savings in 2024/25	GF savings in 2024/25	HRA savings in 2024/25	Comments
			£000's	£000's	£000's	
<b>ACTIONS COMPLETED AS OF END Q2 2024/25</b>						
Major Developments	Maximise Towns Fund/Review of workspaces	DMD	46	39	6	Complete
Workbased Learning	Review of Workbased Learning	CX	86	50	36	Complete for 24/25 – future business case required
<b>TOTAL</b>			<b>131</b>	<b>89</b>	<b>42</b>	

**EXECUTIVE****18 NOVEMBER 2024**

**SUBJECT: TREASURY MANAGEMENT AND PRUDENTIAL CODE  
UPDATE MID YEAR REPORT – 30 SEPTEMBER 2024**

**DIRECTORATE: CHIEF EXECUTIVE & TOWN CLERK**

**REPORT AUTHOR: LAURA SHIPLEY, FINANCIAL SERVICES MANAGER**

**1. Purpose of Report**

- 1.1 This report summarises the Council's treasury management activity and the actual prudential indicators for the period 1 April 2024 to 30 September 2024.

**2. Executive Summary**

- 2.1 The Treasury Management Strategy for 2024/25 approved by Council on 27 February 2024 outlines the Council's capital and investment priorities as follows;

- **Liquidity** of investments
- **Security** of capital / investments
- **Yield** earned on investments

- 2.2 The strategy includes indicators that help ensure that the Council's capital investment plans are affordable, prudent and sustainable. Setting an integrated Capital and Treasury Management Strategy is a requirement of the CIPFA Code of Practice.

- 2.3 The position and performance for the 6 months ended 30 September 2024 are set out in the body of this report.

- 2.4 Officers can confirm that the approved limits within the Annual Treasury Management Strategy were not breached during the quarter ended 30 September 2024.

**3. Background**

- 3.1 The prudential system for capital expenditure is well established. 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 and the Prudential Indicators at 30 September 2024. The Treasury Management Strategy and Prudential Indicators were previously reported to and approved by Council on 27 February 2024.

- 3.2 This 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.



- 3.3 This report highlights the changes to the key prudential indicators, to enable an overview of the current status of the capital expenditure plans. It incorporates any new or revised schemes previously reported to Members. Changes required to the residual prudential indicators and other related treasury management issues are also included.

#### **4. Investment Portfolio**

- 4.1 The Council held £29.355m of investments as at 30 September 2024. (as set out in paragraph 4.8).
- 4.2 Forecast interest income for the year is £0.961m (£0.354m General Fund & £0.606m HRA), an overachievement of income of £0.300m against the £0.661m budget.
- 4.3 Of this investment portfolio 100% was held in low risk specified investments, the requirement for the year being a minimum of 25% of the portfolio to be specified investments. During the 6 months to 30 September on average 93% of the portfolio was held in low risk specified investments and an average of 7% of the portfolio was held in non-specified investments (with other local authorities).
- 4.4 Where possible the Council seeks sustainable investments and are working with our advisors on the best way to score banks and funds ESG ratings, whilst balancing this against generating returns that are in the best interest of the taxpayer.
- 4.5 Liquidity – The Council seeks to maintain liquid short-term deposits of at least £5m available with a week's notice. At 30 September 2024 the Council held liquid short term deposits of £20.355m and the WAL of the investment portfolio was 0.082 years (30 days). The WAL of the investment portfolio is higher than expected.
- 4.6 Security - The Council's maximum security risk benchmark for the portfolio as at 30 September 2024 was 0.012%. Based on the historic risk of default of the counterparties and types of accounts in which the council's funds are place – this equates to a potential loss of £0.004m on an investment portfolio of £29m. This represents a very low risk investment portfolio.
- 4.7 Yield – The Council achieved an average return of 5.25% on its investment portfolio for the 6 months ended 30 September 2024. This compares favourably with both the prior year's equivalent figure of 4.73% and average SONIA rate over the period of 5.12%.
- 4.8 The table below highlights the level of investment activity, and the rates obtained as at 30 September 2024. Investments were made in line with Link's approved counterparty list.

INVESTMENTS	PRINCIPAL £	RATE %	PERIOD DAYS
Lloyds Bank Corporate Market NRFB	2,000,000	5.24	92
Lloyds Bank Corporate Market NRFB	2,000,000	5.12	185
SMBC Bank International Plc	2,000,000	4.95	92
SMBC Bank International Plc	3,000,000	4.77	181
<b>Total Fixed Short term Investments</b>	<b>9,000,000</b>		
Aberdeen Standard Liquidity Fund	7,000,000	5.01	Call
BlackRock Institutional Sterling Liquidity	605,000	4.97	Call
BNP Paribas Insticash Sterling	5,750,000	4.96	Call
Federated Short-Term Sterling Prime Fund	7,000,000	5.03	Call
<b>Total Money Market Fund Investments</b>	<b>20,355,000</b>		
<b>Total Investments / Average Rate</b>	<b>29,355,000</b>	5.01	

## 5. Borrowing

- 5.1 In accordance with the Local Government Act 2003, the Council has a statutory duty to determine and keep under review how much it can afford to borrow. Therefore, the Council establishes 'Affordable Borrowing Limits' (or Authorised Limit) as part of the Prudential Indicators within the approved treasury management strategy.
- 5.2 The 'authorised limit' and 'operational boundary' indicators govern the maximum level of external borrowing to fund the capital programme and short-term cash flow. See Appendix A.
- 5.3 The Council's capital financing requirement (CFR) for 2024/25 is £154.944m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing), or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The Council has projected borrowing at the end of 2024/25 of £105.068m and is forecasting to utilise £49.876m of cash flow funds in lieu of borrowing towards capital expenditure. This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring if further upside risk to gilt yields prevails.
- 5.4 As at 30 September 2024, the average rate of interest paid during the first half of the financial year on external borrowing was 3.26%. This is lower than the budgeted rate set in the MTFS 2024-29 of 3.65% due to the repayment of a loan in the prior year, which was not anticipated in the MTFS, and the new borrowing forecast at budget setting has not yet been required.
- 5.5 As at 30 September 2024, the Council held £107.406m of external borrowing, of which 100% were fixed rate loans (See table below).

Borrowing Type	Lender	Outstanding Loans (£)	No Of Loans	Ave Rate %
PWLB	PWLB	95,405,738	32	3.55
LA Borrowing	North Kesteven District Council	2,000,000	1	2.05
Market Loans	Barclays	10,000,000	4	4.24
<b>Total/ Ave Rate</b>		<b>107,405,738</b>	<b>37</b>	<b>3.59*</b>

\* Note the average rate in the table above differs from the actual average rate of interest paid in 5.4 as it relates to all loans and doesn't take into account size of loans / weighting.

5.6 It is anticipated that no additional borrowing will be undertaken during this financial year. A loan of £2m is due to mature in February 2025, the need to replace this will be assessed closer to the time in-line with cashflow forecasts and interest rates at the time.

5.7 The capital programme is being kept under regular review due to the effects of inflationary pressures and shortages of materials and labour. The borrowing strategy will therefore also be regularly reviewed and revised, to achieve optimum value and risk exposure in the long-term.

## 6. Capital Expenditure and Financing

6.1 Capital expenditure forms one of the required prudential indicators. The Council must ensure that capital expenditure is affordable, approved and monitored.

6.2 The table below shows the forecast capital expenditure as at Q2 against budgets set as part of the Medium Term Financial Strategy (OE), and revised budgets adjusted at 2023/24 year end due to reprofiling etc, and how these are to be financed.

	2024/25 Original Estimate (OE) £'000	2024/25 OE inc. Year End Adj 's £'000	2024/25 Q2 Revised Estimate £'000
<b>General Fund Capital Expenditure</b>	<b>17,527</b>	<b>23,151</b>	<b>27,894</b>
Financed By -			
Capital Grants	4,550	6,806	14,601
Capital Receipts	1,112	1,133	74
Revenue Contributions	121	161	149
REFCUS Grants	5,468	8,270	8,376
Prudential Borrowing	6,276	6,781	4,694

6.3 The General Fund Investment Programme was adjusted post 2023/24 year end to take into account reprofiling of schemes and known changes at the time. The programme has since seen an increase in forecast expenditure in Q2, mainly due to the approval and inclusion of the Western Growth Corridor Levelling Up Fund bridge works.

	2024/25 Original Estimate (OE) £'000	2024/25 OE inc. Year End Adj 's £'000	2024/25 Q2 Revised Estimate £'000
<b>Housing Revenue Account Capital Expenditure</b>	<b>21,043</b>	<b>22,763</b>	<b>17,432</b>
Financed By -			
Capital Receipts	1,119	2,213	1,677
Capital Grants	0	0	1,155
MRR Revenue Contributions	5,721	5,855	4,235
MRR Depreciation	13,603	13,352	8,969
Prudential Borrowing	600	1,343	1,396

- 6.4 The Housing Investment Programme original was adjusted post 2023/24 year end to take into account reprofiling of schemes and known changes at the time. In addition, the original estimates, set as part of the Medium Term Financial Strategy, were based on a stock condition survey of properties and the required levels of work. The forecast expenditure has now been adjusted to better reflect what the council's internal workforce and current contractors have capacity to complete in year.
- 6.5 The Capital Financing Requirement (CFR), the councils underlying need to borrow, and the movement in year can be seen below. (See also 5.3 & 7.2)

Capital Financing Requirement (CFR)	2024/25 Original Estimate (OE) £'000	2024/25 OE inc. Year End Adj 's £'000	2024/25 Q2 Revised Estimate £'000
Capital Financing Requirement (CFR) - General Fund	76,810	76,701	74,614
Capital Financing Requirement (CFR) - HRA	79,913	80,278	80,330
<b>Capital Financing Requirement Total</b>	<b>156,723</b>	<b>156,979</b>	<b>154,944</b>
Net movement in CFR (Capital borrowing need less MRP & VRP)	5,949	7,197	5,163

\* Note that although the CFR total doesn't change significantly between the Original Estimate and the OE including year-end adjustments, the net movement figures look greater due to the reprofiling of capital expenditure at year end and the 2023/24 CFR carried forward figure being adjusted accordingly.

## 7. Prudential Indicators

- 7.1 As part of the Treasury Management Strategy, the Council established a range of Prudential Indicators (in accordance with professional practice) to monitor both Treasury and Capital as the two are intrinsically linked.
- 7.2 Details of the performance against the Prudential Indicators can be found at Appendix A. See comments below.

1. Capital Expenditure General Fund – see section 6.2
2. Capital Expenditure HRA – see section 6.2.
3. Capital Financing Requirement (CFR) General Fund – The Capital Financing Requirement is the Council's underlying need to borrow for a capital purpose. The GF CFR is currently less than anticipated at budget setting due to the reprofiling of WGC Housing element, in line with revised build schedule.
4. Capital Financing Requirement (CFR) HRA – As above. The HRA CFR remains very close to the original estimate (including year-end adjustments) with minimal additional borrowing expected, pushing the CFR up only slightly.
5. Actual External Debt – Currently forecasting actual external debt at year end to be less than original anticipated at budget setting due to the council utilising internal funds rather than borrowing whilst interest rates are still high. The need for borrowing will be continuously monitored in-line with the councils cashflow and spending requirements.

6. Gross Debt to the CFR – Under Borrowing –. The council is currently under borrowing against the CFR, meaning the council is utilising internal resources (£46m) rather than borrowing.
7. Authorised Limit for External Debt - This represents the limit beyond which borrowing is prohibited and needs to be set and revised by members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.
8. Operational Boundary for External Debt - This indicator is based on the probable external debt during the course of the year; it is not a limit and actual borrowing could vary around this boundary for short times during the year. CIPFA anticipate that this should act as an indicator to ensure the authorised limit is not breached.
9. Financing Costs to Net Revenue Stream (General Fund)– improved position anticipated due to re-profiling of forecast borrowing (planned borrowing for Western Growth Corridor £6m) and utilising internal funds.
10. Financing Costs to Net Revenue Stream (HRA) – Slight improvement due to forecasting holding off on reborrowing to replace a maturing loan.

7.3 Due to changes in accounting practice and the implementation of IFRS16 (leases) this year, the CFR will include lease liabilities that are currently not recognised on the balance sheet. As IFRS16 implications have not been fully calculated at the date of this report no changes to the CFR forecast have been made yet. The council is currently establishing the impact of the change in accounting for these liabilities (previously treated as operating leases and treated as rental expenditure) and estimates will be reflected in the 2024/25 Statement of Accounts.

7.4 The Chief Finance Officer reports that no difficulties are envisaged for the current or future years. This view takes into account current commitments, existing plans, and the proposals in the budget report.

## **8. Economic Update**

8.1 The current economic update from the Council's treasury advisors (LINK) can be found in Appendix B.

8.2 Interest Rate Forecast - Current medium term interest rate forecasts are shown below. Economists have now forecast a more gradual / slower reduction of rates so

Link Group forecasts are likely to be adjusted to reflect the Capital Economics forecast.

Bank Rate											
	NOW	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Link Group	5.00%	4.50%	4.00%	3.50%	3.25%	3.25%	3.25%	3.25%	3.00%	3.00%	3.00%
Capital Economics	5.00%	4.75%	4.50%	4.25%	3.75%	3.25%	3.00%	3.00%	3.00%	3.00%	-
5yr PWLB Rate											
	NOW	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Link Group	4.75%	4.50%	4.30%	4.10%	4.00%	3.90%	3.90%	3.90%	3.90%	3.90%	3.80%
Capital Economics	4.75%	4.70%	4.60%	4.40%	4.30%	4.10%	4.10%	4.00%	4.00%	4.00%	-
10yr PWLB Rate											
	NOW	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Link Group	5.01%	4.60%	4.40%	4.30%	4.10%	4.10%	4.10%	4.00%	4.00%	4.00%	3.90%
Capital Economics	5.01%	4.80%	4.70%	4.60%	4.50%	4.30%	4.30%	4.20%	4.10%	4.10%	-
25yr PWLB Rate											
	NOW	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Link Group	5.51%	5.00%	4.80%	4.70%	4.50%	4.50%	4.40%	4.40%	4.40%	4.30%	4.30%
Capital Economics	5.51%	5.10%	4.90%	4.80%	4.70%	4.50%	4.50%	4.40%	4.30%	4.20%	-
50yr PWLB Rate											
	NOW	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Link Group	5.29%	4.80%	4.60%	4.50%	4.30%	4.30%	4.20%	4.20%	4.20%	4.10%	4.10%
Capital Economics	5.29%	5.10%	5.00%	4.80%	4.70%	4.60%	4.50%	4.40%	4.40%	4.30%	-

## 9. Strategic Priorities

### 9.1 One Council

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.

## 10. Organisational Impacts

### 10.1 Finance

The financial implications are covered in the main body of the report.

### 10.2 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 MHCLG Investment Guidance when carrying out their treasury management functions.

### 10.3 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 required.

## 11. Risk Implications

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.

## 12. Recommendation

- 12.1 It is recommended that Executive note the Prudential and Local Indicators and the actual performance against the Treasury Management Strategy 2024/25 for the half-year ended 30 September 2024 and refers to Full Council (in accordance with CIPFA's Code of Practice for Treasury Management).

**Is this a key decision?** No

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

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

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

**List of Background Papers:** Treasury Management Strategy 2024/25  
(Approved by Council February 2024)

**Lead Officer:** Laura Shipley, Financial Services Manager  
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### **Updated Position on Prudential and Local Indicators**

The table below summarised and provides an update of the main prudential indicators as at 30<sup>th</sup> September 2024 against budget.

Indicator No.	Indicator	2024/25 Original Estimate (OE) £'000	2024/25 OE inc. Year End Adj 's £'000	2024/25 Q2 Revised Estimate £'000
1 & 2	Capital Expenditure - General Fund	17,527	23,151	27,894
1 & 2	Capital Expenditure - HRA	21,043	22,763	17,432
	<b>Capital Expenditure Total</b>	<b>38,570</b>	<b>45,914</b>	<b>45,326</b>
3 & 4	Capital Financing Requirement (CFR) - General Fund	76,810	76,701	74,614
3 & 4	Capital Financing Requirement (CFR) - HRA	79,913	80,278	80,330
	<b>Capital Financing Requirement Total</b>	<b>156,723</b>	<b>156,979</b>	<b>154,944</b>
5	Estimated Actual External Debt (As at 31st March 2025)	113,017	113,017	105,068
6	Gross Debt and the CFR – Under Borrowing	(43,706)	(43,962)	(49,876)
7	Authorised Limit for External Debt	130,165	130,773	128,850
8	Operational Boundary for External Debt	124,217	124,217	116,268
9 & 10	Financing Costs to Net Revenue Stream - General Fund	15.39%		13.51%
9 & 10	Financing Costs to Net Revenue Stream - HRA	28.79%		28.34%
Local 5	Net Income from Commercial and Service Investments to Net Revenue Stream	10.45%		10.58%

### **Remaining Prudential Indicators**

In addition to the 10 key Prudential Indicators covered in the main report are 4 further indicators, as set out below.

### **Treasury Management Prudential Indicators**

The first treasury indicator requires the adoption of the CIPFA Code of practice on Treasury Management. This Council adopted the Code of Practice on Treasury Management on 1st March 2011 (revised 2021), and as a result adopted a Treasury Management Policy & Practices statement.

There are two further indicators:

These limits relate to funds invested for greater than 365 days.

**Upper Limits On Variable Rate Exposure** – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments.

**Upper Limits On Fixed Rate Exposure** – Similar to the above indicator, this covers a maximum limit on fixed interest rates.

Indicator No	Indicator	2024/25 %
11	Upper Limit for Fixed Interest Rates	100%
12	Upper Limit for Variable Interest Rates	40%

Total Principal Funds Invested – These limits are set to reduce the need for early sale of an investment, and are based on the availability of investments after each year-end.

Indicator 14 - Maximum Principal Sums invested for longer than 365 days	2024/25 Limit £m	Actual as at 30/09/24	Forecast 31/03/25
	7	0	0

As at 30<sup>th</sup> September 2024, there were no principal funds invested for a duration invested greater than 1 year.

### Maturity Structure of Borrowing

These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing at the same time and are required for upper and lower limits.

The table below shows the maturity structure limits in places per the Treasury Management Strategy, maturity structure as at Q2 and the profile expected at year end.

Indicator 13 - Maturity structure of fixed borrowing	2024/25 Lower Limit	2024/25 Upper Limit	Actual at 30/09/24	Forecast at 31/03/25
Under 12 months	0%	40%	3%	2%
12 months to 2 years	0%	40%	1%	1%
2 years to 5 years	0%	60%	7%	9%
5 years to 10 years	0%	80%	14%	15%
10 years and above	10%	100%	75%	74%

### Local Prudential Indicators

In addition to the statutory and local indicators listed above the Chief Finance Officer has set five additional local indicators aimed to add value and assist in the understanding of the main indicators. These are summarised in the table below.

Additional Local Indicator	2024/25 Target	2024/25 Actual as at 30/09/24
1. Borrowing rate achieved (i.e. temporary borrowing of loans less than 1 year)	Less than SONIA rate	No temporary loans taken
2. Investment rate achieved against the SONIA rate	Greater than SONIA rate ( 5.12% 6 month Ave)	5.25%
3. Average rate of interest paid on Council debt during the year	4.50%	3.26%
4. The amount of interest on debt as a percentage of gross revenue expenditure.	Reported at year end	
5. Net Income from Commercial and Service Investments to Net Revenue Stream	10.45%	10.58%

The interest rate achieved on investments compares favourably to the SONIA rate due to the use of fixed rate investments setup prior to Bank of England rate reduction forecasts. The council is also proactive with the use of money market funds and seeking best possible rates.

Average rate of interest paid on the Council's debt during the year - The council has benefitted from holding long term loans taken out prior to rates being as high as they have been over the last couple of years.

Net income from commercial and service investments has to Net revenue stream ratio being slightly higher due to rent reviews in excess of what was assumed at budget setting.

**Economic Update from LINK (the Council's treasury advisors)**  
**NOTE – THIS WAS PREPARED AHEAD OF THE 2024 AUTUMN BUDGET**

- The third quarter of 2024 (July to September) saw:
  - GDP growth stagnating in July following downwardly revised Q2 figures (0.5% q/q)
  - A further easing in wage growth as the headline 3myy rate (including bonuses) fell from 4.6% in June to 4.0% in July;
  - CPI inflation hitting its target in June before edging above it to 2.2% in July and August;
  - Core CPI inflation increasing from 3.3% in July to 3.6% in August;
  - The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
  - 10-year gilt yields falling to 4.0% in September.
- The economy's stagnation in June and July points more to a mild slowdown in GDP growth than a sudden drop back into a recession. Moreover, the drop in September's composite activity Purchasing Managers Index, from 53.8 in August to 52.9, was still consistent with GDP growth of 0.3%-0.4% for the summer months. This is in line with the Bank of England's view, and it was encouraging that an improvement in manufacturing output growth could be detected, whilst the services PMI balance suggests non-retail services output grew by 0.5% q/q in Q3. Additionally, the services PMI future activity balance showed an uptick in September, although readings after the Chancellor's announcements at the Budget on 30th October will be more meaningful.
- The 1.0% m/m jump in retail sales in August was stronger than the consensus forecast for a 0.4% m/m increase. The rise was reasonably broad based, with six of the seven main sub sectors recording monthly increases, though the biggest gains came from clothing stores and supermarkets, which the ONS reported was driven by the warmer-than-usual weather and end of season sales. As a result, some of that strength is probably temporary.
- The government's plans to raise public spending by around £16bn a year (0.6% GDP) have caused concerns that a big rise in taxes will be announced in the Budget, which could weaken GDP growth in the medium-term. However, if taxes are raised in line with spending (i.e., by £16bn) that would mean the overall stance of fiscal policy would be similar to the previous government's plan to reduce the budget deficit. Additionally, rises in public spending tend to boost GDP by more than increases in taxes reduce it. Our colleagues at Capital Economics suggest GDP growth will hit 1.2% in 2024 before reaching 1.5% for both 2025 and 2026.
- The further easing in wage growth will be welcomed by the Bank of England as a sign that labour market conditions are continuing to cool. The 3myy growth rate of average earnings fell from 4.6% in June to 4.0% in July. On a three-month annualised basis, average earnings growth eased from 3.0% to 1.8%, its lowest rate since December 2023. Excluding bonuses, the 3myy rate fell from 5.4% to 5.1%.
- Other labour market indicators also point to a further loosening in the labour market. The 59,000 fall in the alternative PAYE measure of the number of employees in August marked the fourth fall in the past five months. And the 77,000 decline in the three months to August was the biggest drop since November 2020. Moreover, the number of workforce jobs fell by 28,000 in Q2. The downward trend in job vacancies continued too. The number of job

vacancies fell from 872,000 in the three months to July to 857,000 in the three months to August. That leaves it 34% below its peak in May 2022, and just 5% above its pre-pandemic level. Nonetheless, the Bank of England is still more concerned about the inflationary influence of the labour market rather than the risk of a major slowdown in labour market activity.

- CPI inflation stayed at 2.2% in August, but services inflation rose from a two-year low of 5.2% in July to 5.6%, significantly above its long-run average of 3.5%. Food and fuel price inflation exerted some downward pressure on CPI inflation, but these were offset by the upward effects from rising furniture/household equipment inflation, recreation/culture inflation and a surprisingly large rise in airfares inflation from -10.4% in July to +11.9% in August. As a result, core inflation crept back up from 3.3% to 3.6%. CPI inflation is also expected to rise in the coming months, potentially reaching 2.9% in November, before declining to around 2.0% by mid-2025.
- The Bank initiated its loosening cycle in August with a 25bps rate cut, lowering rates from 5.25% to 5.0%. In its September meeting, the Bank, resembling the ECB more than the Fed, opted to hold rates steady at 5.0%, signalling a preference for a more gradual approach to rate cuts. Notably, one Monetary Policy Committee (MPC) member (Swati Dhingra) voted for a consecutive 25bps cut, while four members swung back to voting to leave rates unchanged. That meant the slim 5-4 vote in favour of a cut in August shifted to a solid 8-1 vote in favour of no change.
- Looking ahead, CPI inflation will likely rise in the coming months before it falls back to its target of 2.0% in mid-2025. The increasing uncertainties of the Middle East may also exert an upward pressure on inflation, with oil prices rising in the aftermath of Iran's missile attack on Israel on 1 October. China's recent outpouring of new fiscal support measures in the latter stages of September has also added to the upshift in broader commodity prices, which, in turn, may impact on global inflation levels and thus monetary policy decisions. Despite these recent developments, our central forecast is still for rates to fall to 4.5% by the end of 2024 with further cuts likely throughout 2025. This is in line with market expectations, however, although a November rate cut still looks likely, December may be more problematic for the Bank if CPI inflation spikes towards 3%. In the second half of 2025, though, we think a more marked easing in inflation will prompt the Bank to speed up, resulting in rates eventually reaching 3.0%, rather than the 3.25-3.50% currently priced in by financial markets.
- Our forecast is next due to be updated around mid-November following the 30 October Budget, 5 November US presidential election and the 7 November MPC meeting and the release of the Bank of England Quarterly Monetary Policy Report.
- Looking at gilt movements in the first half of 2024/25, and you will note the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank's August rate cut signalled the start of its loosening cycle. Following the decision to hold the Bank Rate at 5.0% in September, the market response was muted, with the 10-year yield rising by only 5bps after the announcement. This likely reflected the fact that money markets had priced in a 25% chance of a rate cut prior to the meeting. The yield had already increased by about 10bps in the days leading up to the meeting, driven in part by the Fed's "hawkish cut" on 18 September. There is a possibility that gilt yields will rise near-term as UK policymakers remain cautious due to persistent inflation concerns, before declining in the longer term as rates fall to 3.0%.
- The FTSE 100 reached a peak of 8,380 in the third quarter of 2024, but its performance is firmly in the shade of the US S&P500, which has breached the 5,700 threshold on

several occasions recently. Its progress, however, may pause for the time being whilst investors wait to see who is elected the next US President, and how events in the Middle East (and Ukraine) unfold. The catalyst for any further rally (or not) is likely to be the degree of investors' faith in AI.

### MPC meetings: 9 May, 20 June, 1 August, 19 September 2024

- On 9 May, the Bank of England's Monetary Policy Committee (MPC) voted 7-2 to keep Bank Rate at 5.25%. This outcome was repeated on 20<sup>th</sup> June.
- However, by the time of the August meeting, there was a 5-4 vote in place for rates to be cut by 25bps to 5%. However, subsequent speeches from MPC members have supported Governor Bailey's tone with its emphasis on "gradual" reductions over time.
- Markets thought there may be an outside chance of a further Bank Rate reduction in September, following the 50bps cut by the FOMC, but this came to nothing.
- Nonetheless, November still looks most likely to be the next month to see a rate cut to 4.75% but, thereafter, inflation and employment data releases, as well as geo-political events, are likely to be the determinant for what happens in the remainder of 2024/25 and into 2025/26.

### Interest Rate Forecasts

The Authority has appointed Link Group as its treasury advisors and part of their service is to assist the Authority to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012.

Our latest forecast on 28 May sets out a view that short, medium and long-dated interest rates will fall back over the next year or two, although there are upside risks in respect of the stickiness of inflation and a continuing tight labour market, as well as the size of gilt issuance. Our PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1 November 2012.

Link Group Interest Rate View 28.05.24		Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
<b>BANK RATE</b>		4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3 month ave earnings		4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6 month ave earnings		4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12 month ave earnings		4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5 yr PWLB		4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10 yr PWLB		4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25 yr PWLB		5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
50 yr PWLB		4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

**EXECUTIVE****18 NOVEMBER 2024**

**SUBJECT:               SETTING THE 2025/26 BUDGET AND MEDIUM-TERM  
FINANCIAL STRATEGY 2025/26 – 2029/30**

**DIRECTORATE:       CHIEF EXECUTIVE AND TOWN CLERK**

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

## **1.     Purpose of Report**

- 1.1   This report updates the Executive on the latest Medium Term Financial Strategy (MTFS) position for the Council, including; the challenges in preparing for the 2025/26 and future years budget, setting out the parameters within which the Council will prepare these budgets, and confirms the Council's approach to development of the budget and MTFS.
- 1.2   Included in the report is an update on the current economic position and developments in national policy, specifically the Government's first Budget and Spending Review, which gives rise to specific impacts for local government funding. This, along with cost and demand pressures and other emerging issues, will inform the development of the MTFS.

## **2.     Executive Summary**

- 2.1   The Council's new, emerging, Vision 2030 and it's five strategic priorities will drive the medium-term financial planning process, with changes in resource allocation determined in accordance with policies and priorities. The MTFS provides the framework for the development of annual budgets in line with the aims of the Council's strategy and priorities.
- 2.2   The refreshed MTFS will include financial projections for the five-year financial planning period through to 2029/30. It will set out the financial parameters within which the Council is required to work and the recommended approach to addressing the financial challenges the Council faces to develop a balanced, sustainable, budget and set Council Tax and Housing Rents for 2025/26.
- 2.3   The refresh of MTFS needs to be seen in the context of a high level of financial uncertainty for the Council in relation to future Government funding levels. Significant changes to future public sector departmental spending through the Spending Review 2025, the allocation of this funding to local government through reforms to the distribution methodologies, and the potential implementation of a Business Rates Reset, are as yet all unknown but all of which have the potential to fundamentally affect the Council's funding trajectory and MTFS.
- 2.4   Furthermore, the Council continues to face budget pressures due to changes in the of use, and demand for, services, as well as increased costs and reduced income streams.



- 2.5 As a result of these factors, the Council, and local government as a whole, are yet again having to update their medium-term financial strategies in an uncertain environment. It is a long time since the Council had any stability and certainty beyond a one-year timeframe, and the development of the latest MTFS looks set to continue this tradition. This continues to make financial planning, and the subsequent impact on service delivery, in this climate extremely challenging.
- 2.6 Against this backdrop of uncertainty, this report sets out the current financial planning assumptions that will form the basis of the MTFS refresh. However, due to the level of uncertainty it is difficult to make a full, definitive and comprehensive assessment of the ongoing financial impact of some of these issues. As such, the figures in this report are based upon best estimates and forecasts and will therefore be subject to change as the budget process develops, and will continue to change into the new financial year. This medium-term financial planning process is though critical to ensuring that the Council has an understanding of the likely level of available resources and the potential costs of delivering services, identifying budget shortfalls at the earliest opportunity to ensure appropriate action can be taken in advance.
- 2.7 Based on the current financial planning assumptions it is estimated that the Council will not need to make any significant increases in the level of savings targets that underpin the existing MTFS. The assumption that reductions in the annual net cost base of the General Fund of c£1.75m by 2027/28, if it is to remain sustainable in the medium term, will remain. The Council has a strong track record of managing its finances, having delivered annual revenue reductions of over £10.5m over the last 10+ years. But, £1.75m is a significant amount in comparison to the General Fund budget and with each year the challenge gets much harder.
- 2.8 Careful and prudent financial management will continue to be required to ensure that the Council maintains a robust and sustainable financial position and is able to respond to the financial risks that it faces. The MTFS needs to remain flexible, the Council's reserves resilient and the sound track record of delivering savings needs to be sustained, whilst ensuring that resources are directed towards the new Vision 2030.

### **3. Background**

#### **Economic Climate**

- 3.1 The most recent major fiscal event was the new Government's Autumn Budget and Spending Review 2024, announced in October. This was presented alongside the Office of Budget Responsibility's (OBR) new set of Economic and Fiscal Outlook forecasts. Against a broadly unchanged economic and fiscal backdrop since March, the Budget delivers a large, sustained, increase in spending, taxation, and borrowing. Budget policies increase spending by almost £70bn a year over the next five years, of which two-thirds goes on current and one-third on capital spending. Half of the increase in spending is funded through an increase in taxes, mainly on employer payrolls, on assets, and through greater tax compliance. These raise £36bn a year in additional revenue and push the tax take to a historic high of 38% of GDP by 2029/30. The other half of the increase in spending is funded by a £32bn a year increase in borrowing, one of the largest fiscal loosening's of any fiscal event

in recent decades. The Government's decisions in the Autumn Budget 2024 are intended to boost investment and drive a higher level of output in the long run.

- 3.2 Despite the package of measures announced by the Chancellor, aimed at driving growth, the OBR judges that these will only temporarily boost output in the near term but will leave GDP largely unchanged in five years. Having stagnated last year, the UK economy showed strong growth in the first two quarters of this year, with GDP increasing by 0.7% in quarter 1 and by 0.5% in quarter 2. Despite this initial strong growth, the economy is only expected to grow by just over 1% in 2024, rising to 2% in 2025, before falling to around 1.5%, slightly below its estimated potential growth rate of 1.66% per cent, over the remainder of the forecast period.
- 3.3 In terms of inflation, CPI is now normalising after inflationary shocks resulted in it peaking at a 41-year high of 11.1% in October 2022 and spending 33 consecutive months above target. It has continued to fall back during the first two quarters of 2024, starting the year at 4%, reducing to 2% in June, in line with the Bank of England's target rate. Prices slightly increased again in July, up to 2.2%, remaining at that level in August before dropping, unexpectedly by 0.5%, to 1.7% in September, the lowest rate in 3.5 years. This now means that inflation is below the Bank of England's 2% target, which should pave the way for interest rates to be cut further. However, with household energy bills set to increase again from October and the impact of policies announced in the Budget, it is likely that the September CPI rate will be a dip with inflation likely to rise again in the near term by around 0.5%. This will result in a projected rise to 2.6% in 2025. Despite this potential for a short-term rise, the OBR expects CPI to gradually fall back in 2025, remaining close to the 2% target throughout the remaining 3-years of the OBR forecast.
- 3.4 After 14 consecutive increases in the Bank of England base rate, with the rate, reaching a 16-year high at 5.25%, the first drop in more than 4-years, to 5%, was voted by the Bank's Monetary Policy Committee (MPC) in August 2024. Announcing the decision to hold rates in September, which had been widely predicted, the Bank of England's Governor said slowing inflation meant the Bank should be able to cut interest rates gradually over the upcoming months. With inflation falling lower than most economists expected in September, the markets were subsequently anticipating an interest rate cut of 0.25% when the MPC next meets on 7<sup>th</sup> November, with the potential for a second rate cut in December. However, the OBR forecast anticipates that the Bank of England will respond to the Budget policies by keeping rates higher for longer, with optimism of two quick interest rates cuts significantly reducing. The OBR's mid-term forecast anticipates that rates are expected to fall to 3.5% in 2028/29.

## **Public Sector and Local Government**

### **3.5 Public Sector Expenditure**

As set out in paragraph 3.1, the Autumn Budget and Spending Review 2024 announced an increase in public sector expenditure of over £70bn p.a. over the next 5-year period (this includes departmental spending and annually managed expenditure). In total public spending is set to increase as a share of the economy this year from 44.9% to 45.3% of GDP. It then declines gradually thereafter, settling

at 44.5% of GDP by the end of the decade, a level that is almost 5% higher than before the pandemic and an average of 1.8% of GDP a year higher than forecast in March based on the plans of the former Government.

- 3.6 In terms of departmental spending, Phase 1 of the Spending Review resets departmental resource and capital expenditure budgets for 2024/25 and sets budgets for 2025/26. This includes providing targeted funding to stabilise and support public services and delivering a significant increase in public investment in the economy. Total departmental spending is set to grow by an average of 4.1% per year in real terms between 2023/24 and 2025/26. It will then continue to grow in real terms over the remainder of the forecast period, resulting in an average annual real terms growth rate of 2.2% from 2023/24 to 2029/30. The plans set out in the Budget mean that departments' day-to-day spending (RDEL) will increase by an average of 2.4% in real terms over the forecast period, equivalent to a real terms increase of £62bn between 2023/24 and 2028/29. The Budget also increases capital spending (CDEL) by over £100bn over the next five years, with a £13bn increase next year (a real terms increase of 9.9%), taking total CDEL spending to £131 billion in 2025/26, this equates to an average annual real increase in CDEL of 2.6% between 2023/24 and 2028/29.
- 3.7 The Budget sets out detailed plans for the 2024/25 and 2025/26 departmental budgets, across each of the 17 government departments. Beyond 2025/26 the Budget only sets out the Government's overall spending envelope, entailing two overall spending totals (one for total RDEL and one for total CDEL) but provides no detailed plans for how these are to be divided between each government department – these will be set in the Government's planned 2025 Spending Review. Spending Review 2025 moves to Phase 2, which will deliver a new settlement for public services, setting out long-term plans for improving public services, achieving value for money for taxpayers, and investing to bring about a decade of national renewal. This is set to conclude in late Spring 2025 and is most likely to set out departmental spending plans for at least two more years.
- 3.8 The approach by the new Government of growing day to day spending and boosting investment, through increasing taxation and borrowing has alleviated the concerns that previously existed of a new round of austerity measures. Previous OBR forecasts had anticipated real-terms cuts in departmental expenditure and the need for spending restraints, based on the previous Government's plans.

### 3.9 Local Government

There has been great deal uncertainty in local government finance for a number of years due to a delay in the implementation of funding reforms, volatile economic factors, and fears of a new round of austerity measures. While the Autumn Budget and Spending Review brings some positivity in terms of increases to public sector departmental expenditure (including local government) and has delivered some short term certainty, it still leaves many unanswered questions with Councils having no greater certainty over their individual resource levels beyond 2025/26.

- 3.10 The Autumn Budget sets out that there will be a real terms increase in core local government spending power of around 3.2% in 2025/26, including at least £1.3bn of new grant funding, of which at least £600m will be funding to support social care.

In addition, local authorities are expected to receive around £1.1bn of new funding in 2025/26 through the implementation of the Extended Producer Responsibility scheme to improve recycling outcomes from January 2025. Other important funding schemes like the Homelessness Prevention Grant were also confirmed to be continuing.

- 3.11 Importantly though, the Budget is not clear on whether there is a separate funding stream to cover the cost of additional National Insurance costs to Councils. If this is to be funded through the additional £1.3bn of new grant funding, then the overall increase to tackle existing cost pressures will be significantly reduced.
- 3.12 The additional funding announced is, though a much-welcomed boost to Council finances in 2025/26, and with overall departmental expenditure budgets set to increase in real terms over the remainder of the Spending Review period, the overall trajectory for local government funding looks more positive. However, while this is a step in the right direction the additional funding announced will only help to meet some, but not all of the significant cost and demand pressures that Councils face and does not provide sufficient additional funding to close budget gaps and preserve services. As a result, Councils still face a precarious short and long-term future.
- 3.13 In addition, clarity on pending funding reforms is urgently needed. The Fair Funding Review of local government funding and the re-set of the business rates baseline are two fundamental reforms to the mechanisms of local government funding, which will have significant impacts on the level of resources for each Council.
- 3.14 The history of these reforms goes back a number of years to 2018-2020. However, implementation has been successively delayed, primarily due to Covid19, Brexit, in order to provide local authorities with financial stability while responding to the economic shocks experienced' and more recently until after the General Election.
- 3.15 The Fairer Funding Review is expected to deliver both a new set of formulas for estimating the relative spending needs (the current formulas are based on spending needs from 2013/14) of different Councils, and a more rational overall funding system that better takes into account spending needs and revenue-raising capacity. The review should establish new baselines at the start of a reset to the Business Rates Retention scheme.
- 3.16 A Business Rates Reset was also set to be introduced alongside the Fair Funding Review. A full business rate baseline reset of accumulated growth is expected to take place, with the intention of better reflecting how much local authorities are actually collecting in business rates. This reset has the effect of wiping out any business rate gains that individual authorities have built since the launch of the current system in 2013/14. This has significant financial implications for the majority of Councils, for those below their baselines this would be a positive move, but it presents a serious threat to those with high growth above baselines, with a punitive, cliff-edge reset.
- 3.17 Included within the Autumn Budget statement was a commitment to delivering change, setting a different course for the future, including a comprehensive set of reforms to return the local government sector to a sustainable position. The

Government intends to reform the approach to funding allocations within the Local Government Finance Settlement by redistributing funding to ensure that it reflects an up-to-date assessment of need and local resources. This will start with a deprivation-based approach in 2025/26 with additional funding targeted to the places that need it most. Broader redistribution of funding will follow through a multi-year settlement from 2026/27. The Government will set out further details on 2025/26 and the multi-year settlement through the upcoming local government finance policy statement in November. In relation to the Business Rates Reset, the Government and Autumn Budget has been silent. Clarity on plans for, and the timing of, any reset of accumulated business rates growth is needed at the earliest opportunity in an effort to provide certainty to local authorities.

- 3.18 While the Government has stated that it will give local government the certainty it needs by moving towards multi-year funding settlement to provide long-term stability, the sector is still in the position of a highly uncertain financial planning period. The local government finance policy statement will provide further detail, as well some clarity being received on the Extended Producer Responsibility scheme funding, but it is clear that fast and transparent work by the Government on these matters, or some clear transitional policy up-front of the results of these reviews, will be crucial to enable Councils to set robust budgets.
- 3.19 Only with greater funding certainty through multi-year settlements and more clarity on financial reform, can Councils undertake effective financial planning, protect services and meet the needs of residents.
- 3.20 The other main points from the Autumn Budget and Spending Review that are relevant to local government, specifically District Councils, are as follows:
- The Shared Prosperity Fund will continue for a further year and be worth £900m, in advance of wider funding reforms.
  - The Government will provide £233m of additional spending in 2025/26 to prevent homelessness. This suggests the Homelessness Prevention Grant continuing for another year.
  - Local Housing Allowance (LHA) will be not uprated in April 2025 to reflect 30% rents in the private rented sector. LHA will be frozen at 2024 rates.
  - Housing benefit subsidy rates for temporary accommodation will remain at their current level.
  - There will be an £86m increase to the Disabled Facilities Grant in 2025/26.
  - As announced by the Chancellor prior to the Budget, there were positive measures to support Councils with affordable housing:
    - £500m increase to the Affordable Homes Programme in 2025-26.
    - Right to Buy: Councils will be permanently allowed to retain 100% of receipts locally and discount levels will revert to pre-2012 levels from 21st November.

- Five-year rent settlement for social housing landlords: rents will rise by Consumer Price Index +1% each year during the period.
- The Government is extending the discounted Public Works Loan Board Housing Revenue Account lending rate until March 2026.
- In relation to Business Rates, key announcements included:
  - 40% business rates relief for retail, hospitality and leisure businesses, up to a total relief of £110,000 per business, in 2025/26;
  - freezing the small business multiplier in 2025/26, with a full CPI increase to the standard multiplier; and
  - an intention to introduce new, permanently lower multipliers for retail, hospitality and leisure properties with a rateable value under £500,000, funded by a new higher multiplier on all properties with a rateable value of £500,000 and above, which includes the majority of large distribution warehouses including those used by large online retailers.
  - Councils will be fully compensated for the impact of these measures and the cost of administering the changes
  - Alongside the Budget, the Government published a discussion paper on business rates reform.
- There were key announcements which will affect Council's as employer's:
  - National Insurance contributions will increase from 13.8% to 15.0% from April 2025, with a reduction to the per-employee threshold at which employers become liable to pay National Insurance to £5,000. The OBR suggests that the Treasury is compensating public sector employers for higher tax costs due to the measure through higher departmental budgets.
  - National Living Wage will increase by 6.7% to £12.21. Minimum wage for 18- to 20-year-olds will increase by 16% to £10 per hour.
- The Government will provide £1bn to extend the Household Support Fund and Discretionary Housing Payments in 2025/26.
- The Spending Review provides over £1bn next year towards the Warm Homes Plan (which has a local grant element) and a guarantee of investment of an initial £3.4bn towards heat decarbonisation and household energy efficiency between 2025/26 and 2027/28.
- The Spending Review also provides over £1bn of funding over three years to fund hundreds of local energy schemes to help decarbonise the public estate through the Public Sector Decarbonisation Scheme.

### 3.21 Local Government Financial Resilience

After a decade of austerity measures (equating to a 22.2% real terms cut since 2010/11), budget pressures created as a result Covid19, spiking inflation in recent years and growing demand for services, there are an unprecedented number of

Councils now in financial crisis. Under the Local Government Finance Act, a Council's finance officer should issue a report, under section 114 (s114), if they believe that the authority is about to incur expenditure that is unlawful according to the Act, i.e. the Council cannot balance its budget. S114 notices, or the threat of them, are now becoming a regular occurrence of Councils reaching the end of the road in terms of their financial position.

- 3.22 Since 2020, 18 Councils have received exceptional financial support (EFS) from the Government and 14 Councils have issued at least one S114 notice, in some cases multiple notices have been issued. In addition, there are several authorities who have recently warned that they are at risk of issuing a S114 notice, and arguably more Councils would already have issued a S114 if it wasn't for the last government's extensive use of EFS. Under this framework, local authorities can request support from central government. The Government usually then grants that support in the form of capitalisation directions. A recent survey by the Local Government Association (LGA) found that one in four Councils were likely to apply for EFS in either 2025/26, 2026/27 or both years, with the number rising to 44% for those with social care responsibilities, if the Government did not provide additional funding.
- 3.23 While the underlying reasons for the unprecedented level of emergency support varies across the Councils, the sheer scale of this intervention by the Government reveals the extraordinary funding emergency facing local government and indicates the risk of financial failure is potentially becoming systematic.
- 3.24 Recent analysis by the LGA has revealed that Councils in England face a funding gap of £2.3bn in 2025/26, rising to £3.9bn in 2026/27, a £6.2bn shortfall across the two years. And this needs to be seen in the context of the estimated £24.5bn in cuts and efficiencies in service spending that Councils made between 2010/11 and 2022/23. If Councils' net service spend had grown in line with inflation, wage growth, demographics and drivers since 2010/11 it would have been a 42% higher in 2022/23 than actual service spend in 2022/23. Councils have had to absorb these huge pressures through services cuts and efficiency.
- 3.25 With limited further capacity to make further service cuts, Councils are now increasingly having to draw on their financial reserves to manage these cost pressures and balance their budgets. Councils' un-ringfenced reserves fell by £1.7bn in 2022/23 and £1.1bn in 2023/24. Some 42 % of Councils drew on their reserves in both years. The LGA is clear that the use of reserves is not a sustainable solution to current budget pressures – reserves can only be spent once.
- 3.26 In its submission to the Treasury ahead of the Autumn Budget the Chair of the LGA said "Councils are the key to delivering the Government's priorities, but the risk of financial failure across local government is potentially becoming systemic. Councils already face a funding black hole of more than £2bn next year. Having already delivered £24.5bn in cuts and efficiencies, any further cuts on top of this would be disastrous. The Government needs to take action to provide Councils with financial stability and certainty in order to unlock their full potential. Immediate financial support and long-term funding reform and certainty – alongside a focus on preventative spending - are essential to protect services and enable Councils to



fully contribute to the Government's agenda, from social care to housing, economic growth and tackling climate change.”

- 3.27 In addition, in January 2024, the House of Commons Levelling Up, Homes and Communities Committee published a report on financial distress in local authorities. The report backed calls for an injection of £4bn or risk severe impact to Council services and the prospect of further Councils in England facing effective bankruptcy. The MPs said their report points to a systemic underfunding of local Councils in England, and they have called on the next government to reform Council tax and the wider funding system for local authorities “to ensure Council finances are put on a sustainable footing”.
- 3.28 While it is reassuring that the new Government has recognised the financial challenges facing the sector and has provided some additional financial support for 2025/26, this only brings a temporary reprieve until a longer term, more sustainable funding plan is in place to sufficiently fund local services. It remains to be seen whether Phase 2 of the Spending Review will deliver the Government’s commitment to provide financial stability and certainty through long-term funding settlements and what if any further additional funding this might include.

#### **4. Integrating Strategic, Service and Financial Planning**

- 4.1 The Council’s vision and strategic priorities drive the medium-term financial planning process, with changes in resource allocation determined in accordance with policies and priorities. The MTFS provides the framework for the development of annual budgets in line with the aims of the Council’s vision and priorities.
- 4.2 The MTFS is central to identifying the Council’s financial capacity to deliver its vision and strategic priorities, this requires a balance to be struck between the need to support the delivery of the vision with the need to maintain a sustainable financial position. This balance has become extremely difficult in recent years given the Council’s financial position and a need to continue to reduce the net cost base. During the development of the MTFS striking this balance manifests itself in two main ways; it guides decision making in terms of proposals presented in order to achieve any savings targets; and it determines the allocation of resources towards strategic priority areas both in operational service delivery and project implementation.
- 4.3 The current strategic plan, Vision 2025, and its supporting delivery plans comes to a natural conclusion in March 2025. While the Council is proud of all it has achieved with both Vision 2020 and Vision 2025, there is much more to do to make Lincoln achieve its potential, while improving the lives of its residents, businesses and communities. Work has now commenced on the development of a new plan, which will continue to progress a vision for both the City and Council through to 2030. It will set out initially the priorities and actions that the Council will focus on during the first 12-18 months, to allow for a further review post Spending Review 2025 and to reflect on the further policy decisions made by the new Government.
- 4.4 The action and projects within the plan will be extracted from a range of sources including, existing work programmes, agreed areas of focus, key ongoing strategic projects and other projects and schemes put forward by Members and officers as

contributing directly into the priorities. These key projects will cover both the General Fund and the Housing Revenue Account, as well as the Council's capital programmes.

- 4.5 In developing the next plan, it has been acknowledged that the Council still has a significant financial savings target to realise over the period of the MTFS so there does have to be a careful balance between delivering a range of new projects that will make a real difference for the City and the need to keep tight control of the Council's financial position and also provide the capacity to deliver against both. This balance will be achieved by creating a mix of exciting, high-profile projects that will shape the future of the City, with a range of other projects in keeping with the financial and officer capacity available for delivery. Key to delivery of a new vision will be the ability to continue to attract external funding, work in partnership with others and reallocate/repurpose existing, limited, resources. These internal resources will be available in the form of; potential one off 'additional' resources in 2025/26, through earmarked reserves, borrowing capacity (within the HRA), from capital budgets set aside and from unallocated capital receipts. The attraction of external grants remains a critical element of the Council's Vision and plans.
- 4.6 Despite the challenges posed to the Council's financial position it remains committed to seeking to deliver against its strategic priorities and longer term vision.

## **5. Development of the Budget and MTFS**

- 5.1 As set out throughout this report, Councils continue to face cost and demand pressures, along with pressures on income streams. The Council's own financial position is no different to this; inflation, pay awards, maintenance and construction costs, borrowing costs and reductions in local income streams all have a significant impact on the Council's cost base. In addition, the Council continues to see increased demand for services, by those who rely on the safety net provided by local government, driven in part by the cost-of-living crisis and housing shortfall. Together these factors create a situation of the Council's cost base increasing at a greater pace than the funding received from local taxation and Government funding.
- 5.2 These escalating cost, demand and income pressures have arisen across a number of key areas, affecting both day to day services and capital investment schemes:
- Cost inflation: the prolonged period of high price inflation has had a big impact on the cost of core services. The Council has a number of key service contracts, for front line services e.g. waste collection, housing repairs, that are linked to annual contractual inflationary increases. The cost of these has significantly increased.
  - Demand increases and temporary and supported (exempt) accommodation: cost-of-living pressures have increased demand for a range of Council services and contributed to an increased demand for temporary accommodation. In addition, an increase in the number of supported (exempt) accommodations claims in non-housing association properties has significantly escalated the cost to the Council. For both temporary and

supported accommodation, while the Council is able to reclaim an element of the costs through the housing subsidy system, a large proportion of this is not funded and is left for the Council to fund.

- Wage inflation: staff costs make up a significant percentage of Council expenditure. Recent pay agreement, negotiated by the National Employers side, whilst recognising the below inflation pay increases of local government workers in recent years, has placed a significant additional burden on local authorities.
- Limits to Council tax revenue: District councils are more dependent on locally raised income than other Councils but are subject to tighter Council Tax limits. The district Council precept makes up only 14% of the total Council Tax bill. Councils are also restricted by referendum limits on its annual increases, which have fallen significantly below the levels of inflation experienced in recent years. In addition, the collection of Council Tax income remains challenging with collection rates lower than pre-pandemic levels, due to the current pressure on household incomes.
- Reduction in Sales, Fees and Charges income: income primarily of a development nature e.g. from planning applications, land charges and building control remains at depressed levels due to pressures in the construction and housing market as the ongoing economic climate and cost-of-living crisis continues to impact on development within the city.
- Construction and capital costs: the cost of delivering building and maintenance schemes has escalated due to inflationary pressures borne by contractors as well as labour shortages, material shortages and supply chain issues. In addition, the cost of borrowing to fund capital schemes is also increasingly impacting on the affordability of projects and the costs borne by the revenue funds.
- Additional burdens: over recent years there have been more and more burdens placed on Councils with little or no additional funding. A key risk that the Council currently faces is the costs of implementing weekly food waste collections from April 2026. While the previous Government were committed to meeting the cost of transition and ongoing service delivery through the new burden's regime, as yet there has been no confirmation of revenue funding allocations.

5.3 Whilst assumptions were made in the development of the current MTFS there is a requirement to refresh these in light of developments over the last 12 months, and to address the impact of the new and emerging challenges on the overall level of resources available to support the Council's budget. Additionally, the strategy will be rolled on for a further year so that it incorporates the five years to 2029/30.

5.4 The key financial assumptions on which the preparation of the budget and MTFS are based includes, business rates, government grants, Council tax levels, inflation rates, interest rates, etc. There continues to be to be a number of unknowns and key variables, and it is challenging to estimate some of these assumptions with

certainty. Key to this is the lack of certainty on the level of government funding (e.g. EPR, new burdens, funding of national insurance increases, allocation of additional £1.3bn) and the impact of future reforms to the core funding mechanisms. The tradition of budget setting amidst uncertainty looks set to continue for this refresh of the MTFS.

5.5 Against this backdrop of uncertainty, the development of the budget and MTFS, will include the preparation of indicative net base service budgets by the Directorates and Financial Services Team. When reviewing budgets officers will prepare these on an incremental basis and will update in accordance with the assumptions detailed in Appendix A and will highlight cost and demand pressures and potential mitigating actions.

5.6 At this stage in the development of the MTFS there are a number of emerging additional service and demand pressures that are likely to impact on future years budgets. Whilst it is the intention that any new service pressures identified, which have not already been taken account of in the revised assumptions, will as much as possible need to be managed within existing base budgets. Given the scale of some of these pressures these are unlikely to be mitigated in full through this process.

5.7 Alongside this the overall level of resources from Council Tax, Business Rates, Housing Rents, Government Grants etc will be estimated in line with the assumptions detailed in Appendix A.

#### 5.8 General Fund

As referred to above the preparation of the base budgets and resource levels are based on a range of assumptions for key variables. The key changes to the assumptions (further detail of which are set out in Appendix A) for the General Fund, at this point in time, which will have a financial impact are set out below:

Figures in ( ) equate to a surplus	2025/26 £'000	2026/27 £000	2027/28 £000	2028/29 £'000
Business Rates	(500)	0	0	0
Council Tax	44	47	27	3
Revenue Support Grant	(31)			
Government Grant/EPR	To be determined post finance settlement			
Contractual Inflation	17	25	26	27
Utility Prices	(195)	(193)	(191)	(189)
Pay Inflation	229	230	236	241
Capital Financing/Treasury Mgmt	(285)	(95)	(60)	(79)
Service demands/pressures (other)	To be determined as part of budget process			
<b>Total Budget Pressures/ (Surplus)</b>	<b>(721)</b>	<b>14</b>	<b>38</b>	<b>3</b>

5.9 Whilst the indicative projections above identify additional potential resources in 2025/26, and a low level of ongoing cost increases, it is important to note that these

projections do not include any service demands and pressures that may arise as part of the base budget setting process. As set out in a separate report on this agenda, the Quarter Two Financial Monitoring Report sets out a number of financial variances in the General Fund, particularly in relation to the cost of and demand for supported (exemption) accommodation. Whilst the intention is to take appropriate mitigating action and contain service pressures within overall budgets, there will inevitably be some impact on the underlying budgets which will increase the overall level of budget pressures.

- 5.10 Importantly as well is the Government's intention towards fully funding the additional cost borne by the public sector as a result of the changes to national insurance contributions. The additional cost to the General Fund is estimated as follows:

<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
<b>£'000</b>	<b>£000</b>	<b>£000</b>	<b>£'000</b>
354	355	360	366

These costs have not been factored into the table in paragraph 5.9. Should the Government not compensate for these costs this will result in an ongoing cost pressure and a need to increase future years savings targets.

- 5.11 Despite the likelihood for service pressures to dampen the surplus resources, identified above for 2025/26, it is probable that there will still remain some 'one-off' additional resources. This is likely to be boosted further following announcement of the Local Government Finance Settlement, particularly as a result of the forthcoming allocation of Extended Producer Responsibility payments (which for 2025/26 will sit outside of the Local Government Finance Settlement). Any additional resources in 2025/26 will be prioritised towards delivering new schemes/projects as part of the development of Vision 2030, along with replenishing reserves in order to provide additional resilience for future years.
- 5.12 Beyond 2025/26, at this stage in the development of the budget, it is not anticipated that there will be a need to significantly increase the level of savings in this latest iteration of the MTFS above those currently set. But, due to the number of variables and unknowns (as set out in this report), the assumptions and estimates above will continue to be refined as part of the development of the budget. The final level of savings targets will be determined following the announcement of the Local Government Finance Settlement in December.
- 5.13 The current MTFS 2024/2029 is predicated on a savings target of £1.75m by 2027/28. The phasing of the savings target was set to mirror the potential timing of a full Spending Review and implementation of national funding reforms from 2026/27 onwards. In setting these savings targets it was acknowledged that they would be subject to change (positively or negatively) dependent on a new government being in place with a new fiscal policy, the Spending Review taking place, announcements on food waste funding and clarity on the timing and nature of national funding reforms, this still remains the case. Due to the lack of clarity around the future level of local government funding it is highly likely that the level of savings required will need to be adjusted in the next refresh of the MTFS, i.e. in 12 months' time.

- 5.14 While work has commenced on delivery against the targets for 2024/25 and 2025/26, a full, wider scale programme is set to be developed in 2025/26 in order to deliver the targets from 2026/27 onwards. On the basis of the current reviews, the table below sets out the current level of savings required.

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Savings Target MTFS 2024-29	250	1,500	1,750	1,750
Savings subject to business case	(131)	(134)	(137)	(141)
<b>New savings required</b>	<b>119</b>	<b>1,366</b>	<b>1,613</b>	<b>1,609</b>

- 5.15 The ability to deliver these significant budget reductions must be set in the context of the Council having already delivered, over the last decade and a half, annual revenue savings of nearly £10.5m. This is a significant amount in comparison to the net General Fund budget. This has already involved the Council having to take difficult decisions in terms of which services it can continue to provide, but each year the challenge gets much harder.
- 5.16 The key mechanism for delivering the required budget savings is through the Towards Financial Sustainability (TFS) Programme, which seeks to bring net service costs in line with available funding. The programme focuses on both short term and longer-term sustainable options, which includes:
- Seeking opportunities to maximise the use of technology
  - Considering the benefits of increasing Council Tax in line with referendum limits
  - Exploring opportunities to find alternative ways of providing services i.e. through joint working
  - Considering community asset transfer opportunities
  - Reviewing financial support to third sector organisations
  - Seeking to generate additional income by reviewing sales, fees and charges
  - Seeking to maximise income opportunities from property investments.
  - Maximise grant funding opportunities
  - Making the best use of assets,
  - Continuing to use the Council's influence, and direct investment in the city to create the right conditions for the City's economy to recover and grow, leading to longer term increased revenue streams for the Council.

However, while the Council will focus on this range of measures, and there is sufficient 'lead in time' to deliver these savings, given the scale of savings required it cannot rule out the need to face further difficult decisions about the size and scope of the essential services it provides, in the future.

- 5.17 Alongside the development of the TFS Programme, the Council will continue to lobby the Government and call upon them to deliver sustained increases in local government funding in order to bring financial stability. The Council will also support sector campaigns/lobbying regarding specific funding issues i.e. land drainage levies.

### Housing Revenue Account (HRA)

- 5.18 A key element of the self-financing regime is the Council's 30-year Business Plan, which sets out the Council's ambitions for its housing stock for the next 30 years. The Council's latest Housing Business Plan 2024-2054 was approved in November 2023, following a fundamental review of resources, investment requirements and priorities. The Business Plan reflected the impact of government policy changes e.g. Social Housing Act 2023, the Building Safety Act, Fire Safety Act etc, the results of stock condition surveys and financial assumptions at the time. The Business Plans acts as guide to the development of the HRA budgets, with a focus on growing surpluses that will enable sustainable investment in homes and neighbourhoods.
- 5.19 The revised MTFS for the HRA will be based on the revised financial assumptions (as outlined in Appendix A), updated development and investment profiles, along with any other emerging service pressures. The main changes to the assumptions for the HRA, at this point in time, which will have a financial impact are set out below, with further details provided in Appendix A:

Figures in ( ) equate to a surplus	2025/26 £'000	2026/27 £000	2027/28 £000	2028/29 £000
Housing Rents	(164)	(160)	(274)	(149)
Utility Prices	(121)	(119)	(118)	(118)
Pay Inflation	120	122	124	127
National Insurance*	214	215	221	221
Capital Financing/Treasury Management	(177)	(268)	(215)	(276)
Service demands/pressures	To be developed as part of budget process			
<b>Total Budget Pressures/ (Surplus)</b>	<b>(128)</b>	<b>(210)</b>	<b>(262)</b>	<b>(195)</b>

\* The increase in national insurance contributions is shown as a direct cost to the HRA as no specific grant funding regime is in place that compensates HRA's.

- 5.20 While the above table sets out the changes in key assumptions and identities additional resources for the HRA, it does not yet take account of service demands and pressures. As set out in a separate report on this agenda, the quarter two financial monitoring report sets out a number of financial variances in the HRA particularly in relation to the labour and contractor shortages the Housing Repairs Service is experiencing. While it is not currently expected that this will create an overall significant ongoing cost pressure for the HRA this will be further developed as part of the budget process. Management of these in-year pressures will be closely monitored and any required changes to the underlying assumptions will be taken into account as part of the development of the budget and MTFS.



- 5.21 In addition, the critical element of the HRA budget, and primary source of funding is the rental income from Council dwellings. Whilst the assumptions in Appendix A highlight additional rental income due to higher stock numbers, the level of income is also influenced by collection rates, void levels, Right-to-Buy sales and the delivery of new homes. Following the announcement in the Autumn Budget of a reduction in the level of Right to Buy discounts, current assumptions on the level of assumed annual Right to Buy's will need to be reviewed. This is though likely to have a positive impact on overall rental income.
- 5.22 It is important to recognise that the income from housing rents does not just help fund the Housing Revenue Account, it is also required to fund the ongoing capital investment required in the housing stock. Similar to the revenue account, the capital programme faces an increased cost base due to the impact of inflation, a reduction in available contractors, limited government funding to support investment such as environmental priorities and requirements such as carbon reduction measures to homes etc. Acknowledging the pressure on household incomes, it is important to maintain a careful balance between the level of housing rent applied against the level of resources required to resource the HRA and the capital investment required in the stock.
- 5.23 As per the General Fund, due to the number of variables and unknowns, the assumptions and estimates above will continue to be refined as part of the development of the budget.

#### Investment Programmes and Capital Strategy

- 5.24 The development of the General Investment Programme (GIP) for 2025-30 will focus on the delivery of existing schemes in Vision 2025, new schemes emerging from Vision 2030 and essential investment in existing assets to either maintain service delivery or existing income streams. Due to the lack of revenue resources to fund prudential borrowing (and the higher cost of borrowing) it is essential that other sources of funding such as grant allocations and partner contributions continue to be sought.
- 5.25 External grant funding continues to enable the delivery of a considerable number of capital schemes for the Council e.g. Lincoln Town Deal Programme, Heritage Lottery Fund for Greyfriars, Sport England for Yarborough Leisure Centre etc. The most significant scheme in the GIP is the £20m Levelling Up Fund 2, which will bring forward the delivery of a bridge to open the eastern access to the Western Growth Corridor site, with a total scheme cost of c£24.8m.
- 5.26 The development of the Housing Investment Programme (HIP) for 2025-30 will be in accordance with the latest 30-year Housing Business Plan. The focus over the next 5-years will remain on the two main high-level areas of housing strategy and housing investment. In terms of housing strategy, the focus continues to be on maximising the use of retained Right to Buy receipts, assessing the use of prudential borrowing and seeking government grant funding for new build schemes or purchase & repair schemes. With regards to Right to Buy receipts, following announcements in the Autumn Budget, an assessment of the impact on resources in the HIP will now be undertaken. In relation to housing investment, the HIP will continue to focus on the developing and improving core housing services

(focussing on the allocation of resources to the key elements of decent homes and supporting the Lincoln Standard), regenerating estates and neighbourhoods and reducing carbon emissions.

- 5.27 With inflationary pressures having also affected construction costs, as well as the higher cost of borrowing, investment plans will continue to be approached cautiously and allow for flexibility. All schemes across both the GIP and HIP, that have not yet started will be re-evaluated as they come forward for delivery. This will ensure that they still demonstrate value for money and remain affordable. Given the importance of investment in the City, to support the local economy, all opportunities to contain costs and/or seek alternative funding to ensure schemes are delivered will be undertaken.
- 5.28 The culmination of the above processes will result in a set of budget proposals, including savings targets, that will deliver a balanced budget in line with the Council's strategic priority areas. This will then be subject to public consultation and Member engagement.

#### Consultation and Engagement

- 5.29 Local authorities have a statutory duty to consult externally on Council Tax setting. For consultation on the 2025/26 budget, proposals are being developed for consultation and engagement activities designed to gather feedback from residents and stakeholders in a meaningful way, this process will be undertaken alongside the public consultation on Vision 2030. This will allow consideration of the Council's plans for growth and investment to be considered alongside the financial position of the Council, demonstrating how it intends to use its limited resources to support the priority areas.
- 5.30 Consultation activities will include, a public survey, use of the Citizens Panel, targeted workshops for specialist groups (similar to the budget consultation earlier in 2024), direct engagement with key stakeholders, including the business community and local partners, and staff engagement.
- 5.31 Consultation on Vision 2030 and Budget is due to commence in November 2024, which will allow Members to consider the feedback alongside budget scrutiny.
- 5.32 Following the success in recent years of the all Member workshops and budget scrutiny process, a similar process will be followed in early 2025 to ensure that all Members have the opportunity to consider and fully understand the proposed budget, MTFS and Council tax recommendations and that a robust scrutiny of the proposals is undertaken.
- 5.33 A financial planning timetable to deliver a balanced and affordable five-year revenue budget strategy and capital programme, in line with the new Vision 2030, is attached at Appendix B.

## **6. Strategic Priorities**

- 6.1 The Medium-Term Financial Strategy seeks to deliver the key priorities of the Council within the available level of resource, both revenue and capital.

## **7. Organisational Impacts**

### **7.1 Finance**

The financial implications are as set out in the report.

### **7.2 Legal Implications including Procurement Rules**

Section 31A of the Local Government Finance Act 1992 requires billing authorities to calculate their Council Tax requirements in accordance with the prescribed requirements of that section. This requires consideration of the authority's estimated revenue expenditure for the year in order to perform its functions, allowances for contingencies in accordance with proper practices, financial reserves and amounts required to be transferred from the General Fund to the Collection Fund.

These proposals will eventually be referred to Council so that it can approve the budget and set the Council Tax, which it is required under statute to do so for 2025/26 by 11th March 2025.

### **7.3 Equality, Diversity and Human Rights**

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

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

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

This report provides a summary of the financial planning activities across the Council. As a consequence of the development of the MTFS and budget for 2025/26 there may be an impact on certain Council services which will be subject to review through the Towards Financial Sustainability Programme. Where individual projects or reviews are being developed, specific equalities implications will be assessed and relevant impact assessments and/or statutory consultation with service users will be carried out accordingly. As the overarching strategic document, a separate equality impact assessment will not be undertaken for the MTFS 2025-2030.

### **7.4 Human Resources**

There are staffing implications associated with the report, especially in relation to the Financial Services Team, where staff will be significantly involved in the preparation of the budgets and MTFS. This resource has been provided for within the Service Plan of the team.

Specific staffing implications may arise where certain Council services are subject to review through the Towards Financial Sustainability Programme. In such cases the Council's Management of Change Policy will be adhered to.

## **8. Risk Implications**

8.1 There are significant risks to the Council's budget strategy, particularly in the short-term as a result of;

- The uncertainty regarding the outcomes of the Spending Review 2025 and allocation of funding to Local Government
- The uncertainty regarding the Governments planned reforms to the redistribution of funding allocations within the Local Government Finance Settlement and future of any Business Rates Reset.
- The cost implications of a range of Government policy initiatives in relation to waste and recycling arising from the Environment Act e.g. implementation of weekly food waste.
- Increased demand for Council services, particularly from those most vulnerable in the City e.g. temporary and supported accommodation.
- The impact of the cost-of-living pressures on income streams as household incomes are squeezed, particularly Council Tax income.
- The impact of the Government's fiscal policy on overall economic factors e.g. inflation, interest rates.
- The impact of the Government's fiscal policy on businesses within the City and the local economy.
- Impact of variations to forecast interest rates, both in terms of investment returns and also on assumptions made on borrowing costs.
- The capacity and ability to continue to deliver a significant level of savings.

The budget process includes the recognition of these risks in determining the 2025/26 budget and MTFS, but it will be imperative that the Council continues to build upon its record of delivering significant savings and maintains a strong financial management discipline in order to ensure a sustainable financial position.

## **9. Recommendation**

9.1 Executive are asked to;

1. Note the financial challenges and risks that the Council faces, particularly the uncertainty surrounding future funding levels,

2. Note the projected budget parameters for 2025/26 and future years and note the planning assumptions, as set out in Appendix A,
3. Note the budget, strategic and service planning preparation programme, set out in Appendix B.

**Is this a key decision?** No

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

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

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

**List of Background Papers:** None

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## KEY BUDGET ASSUMPTIONS MTFS 2025 – 2030

1. The base budget estimates will be prepared on the basis of a number of key assumptions as follows:-

### 2. **Business Rate Tax Base**

- 2.1 The current Business Rates Retention scheme was introduced in April 2013. The calculation of income to be received through the scheme is critical in determining the amount of tax resources that the Council has available to fund local services.

#### 2.2 Surplus position 2023/24

When forecasting the position on the Council's share of the Business Rates Collection Fund balance for 2023/24, a surplus of £0.430m was declared, on the basis of the in-year monitoring position and estimated appeals provisions at that point in time. By the time of closing the 2023/24 accounts the situation had decreased the surplus the surplus by £0.390m. This reduction was predominately due to a change in the rateable value of two Museums within the City, reducing the rateable values to £1 and reducing annual rates payable by c£0.380m, with an overall backdated repayment of £2.659m (this are total amounts and not the Council's share). This decrease in the surplus will be a cost to the General Fund in 2025/26 and will be funded from the Business Rates Volatility Reserve, which is held to cushion such fluctuations in Business Rates income. There is currently a balance of £0.916m in the reserve.

#### 2.3 In year position 2024/25

In relation to the business rate base for 2024/25 this was estimated to be £41.119m. Movements in this base are monitored on a monthly basis so that the Council has an early indication of any significant changes. As in previous years, there has been a significant reduction in the level of business rates payable in year primarily due to the Government extending the rate reliefs that were initially given to ratepayers to provide financial support during Covid19, but which have continued to be provided to the Retail, Hospitality and Leisure industries. Councils continue to be compensated through s.31 grant payments for this loss of income.

- 2.4 In addition to a loss of business rates payable through reliefs there also continues to be a significant reduction in rates payable in 2024/25 due to properties claiming empty property rate relief. As at September, empty property relief of £1.630m has been awarded, in comparison to September 2023 when the amount awarded was £1.487m, with a final year-end total of £1.798m. The 2024/25 business rates base assumes total empty property reliefs of £2.022m.
- 2.5 The Council also continues to face pressures due to the impact of appeals, as an example, as stated in paragraph 2.2, due to changes in the rateable values of two Museums within the City, which were reduced on appeal, the business rates base has reduced by £0.380m in 2024/25. While an assumption is made

each year for reductions due to appeals, these were significant reductions and are only two of a number of successful appeals against the ratings listings. In addition to the in-year reduction in business ratings income, appeals also often require the pay back of retrospective 'overpayments'. While the Council is required to set aside a provision each year for back dated appeals, these estimates can be significantly different to the final level of assessed reductions, creating further in year reductions in income.

2.6 In terms of collection rates, these continues to perform well with the rate as at September 2024 at 61%, which is 1.44% higher than at the same point in 2023. The position in terms of arrears is also positive, with a lower number and value of businesses currently in arrears than at the same point in 2023.

2.7 Despite the positive collection rate and prudent assumptions made when setting the 2024/25 budget, as a result of the impact of appeals against the ratings lists, income from business rates is likely to fall below budget expectations, with the anticipation of a small deficit on the in-year position. This will be further reported to the Executive in January 2025 as part of the Collection Fund Surplus/Deficit declaration, with the expectation that the Business Rates Volatility Reserve will be sufficient to fund the declared deficit.

## 2.8 2025/26 – 2029/30

As set out in the main body of this report, while the Autumn Budget announced that Phase 2 of the Spending Review would redistribute funding to ensure that it reflects an up-to-date assessment of need and local resources, it was silent on plans for a reset of business rate baselines. Any such reset though, if this is still the Government's intention, would not now be implemented until 2026/27 at the earliest. These changes, if/when implemented and if no transitional protection is in place, will wipe out gains the Council has built up since the launch of the current system in 2013, and reset the level of assumed business rates to be collected. The current MTFS was prepared on the basis of this full reset and subsequent loss of gains made from 2026/27, with no transitional arrangements. Until further information on the reforms are announced, the MTFS will continue to be based on this assumption.

2.9 The Council is currently part of a Business Rates Pool for 2024/25 along with the County Council and the six other Lincolnshire District Councils. The benefit of pooling is that the authorities in the pool can be better off collectively through a reduction in the amount of levy paid to the Government. The arrangements for the current pool are that this retained levy is allocated 40% to the County Council and 60% allocated to the District Council that has generated the business rates growth. The current MTFS assumes, prudently, that pooling would cease from 2025/26 onwards and no future gains beyond 2024/25 were forecasted. However, the Government have recently sought proposals for business rate pools for 2025/26. Along with the other Lincolnshire Districts and County Council, the Council has undertaken an assessment of the implications of pooling and based on current estimates the Council has expressed an interest in continuing the current pool arrangements. Subject to approval of the continuation of the current pooling arrangements, additional resources of



c£0.655m are estimated in 2025/26. Beyond 2025/26 it will continue to be assumed that business rates pooling will cease, in line with a potential reset.

- 2.10 As set out above, the Council still faces uncertainty and the potential for reduced levels of income from the impact of the Check, Challenge and Appeal process. The Council still has a number of challenges lodged with the Valuation Office, against both the 2017 and 2023 ratings lists, along with further identified threats for pending challenges. The Collection Fund is required to fully provide for the expected result of all appeals and uses external assessments to estimate the likely level and value of these appeals. The current provision of outstanding appeals stands at £1.483m, of which the Council's share is £0.593m. In addition to the backdated element of these appeals there is also an ongoing impact due to the reduction in the business rates base, which ultimately reduces the level of income to be retained in the future by the Council. The current MTFS assumes a 3% p.a. reduction in retained rates due to losses on appeals. This was rate was set in advance of the new 2023 ratings list, and was based on national assumptions and local experience from the 2017 list. Based on experience to date of Check, Challenge and Appeals against the 2023 list, the assumption of 3% p.a. will remain over the period of the MTFS.
- 2.11 In terms of annual business rates increases, these are set nationally by the Government and are usually increased in line with CPI as at September of the preceding year. In recent years, the Government have intervened to either cap or freeze the level of annual increases, and this continues to be the case as announced in the Autumn Budget. In these circumstances Councils have been compensated for loss of income up the level of CPI, with there being no consequent financial impact on Councils of the Governments intervention to cap/freeze the annual multiplier increases. The financial impact on Councils does however come from the rate of CPI as at September, as this will determine the increase in income levels, either through higher/lower rates payable or through higher/lower compensation. The current MTFS assumed that business rates for 2025/26 would increase by 2%, however with September CPI announced at 1.7%, this will result in a reduction of forecasted income in 2025/26. Beyond 2025/26, future years assumptions will continue to be at 2% p.a. in line with the Government's target rate for inflation.
- 2.12 Beyond 2025/26 it becomes increasingly difficult to accurately estimate the level of business rates resources due to the number of uncertainties and variables around; the timing of the reset; the calculation of baseline need; and the assessment of the business rates baseline. This is in addition to the normal planning variables around the level of appeals; multiplier rates, and levels of growth/decline etc. At this stage in the development of the MTFS, while the 2025/26 budgets will be updated based on the assumptions set out above, the budget estimates for future years will remain as per the existing MTFS, as follows:

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Current MTFS 2024-29	(6,497)	(5,440)	(5,544)	(5,659)
Latest forecast	(7,997)	(5,440)	(5,544)	(5,659)
<b>Change in resources</b>	<b>(500)</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 3. Revenue Support Grant

- 3.1 The Council's Revenue Support Grant (RSG) was set to cease in 2024/25 at the end of the current spending review period. However, in 2023/24 a number of grants were rolled into RSG. For the Council this included the Local Council Tax Support Administration Subsidy grant. The current MTFS assumes that only the element of rolled in grant would remain from 2025/26 onwards at £0.158m p.a. Given the funding reforms not will now be implemented until Phase 2 of the Spending Review, RSG at the 2024/25 level uplifted for CPI of £0.190m will be assumed in 2025/26, an increase of £0.031m. From 2026/27 onwards, the existing assumption that only the element in relation to the rolled in grants will remain, at a level of £0.158m p.a. and that the original RSG element will be subsumed into the funding reforms, will remain.

### 4. Council Tax

- 4.1 This increased importance of Council Tax, alongside Business Rates, as a principle means of raising tax revenue makes decisions taken in relation to the levels of Council Tax critical to the delivery of a sustainable MTFS.
- 4.2 Council Tax collection rates suffered as a result of Covid19 and while they began to show signs of improvement post pandemic, the subsequent cost-of-living challenges then reduced collection levels further. Support continues to be made available through the Council's Local Council Tax Support Scheme (LCTS) and Council's Council Tax Hardship Fund, however despite this collection rates remain below pre-pandemic levels. As at the end of September 2024 the collection rate was 50.26% which is 0.2% below the same point last year, and 2.61% below the same point pre-Covid19.
- 4.3 Along with the collection of in year Council Tax, work also continues on the collection of prior year arrears with over £2.876m collected in 2023/24 towards prior year debts. Despite this the reduced in year collection rates are resulting in in-year arrears growing at a greater rate than the reduction in prior years. As at 31<sup>st</sup> March 2024 total Council Tax arrears were £12.244m (the Council's share being c£1.7m), an increase of £1.725m from March 2023, equivalent to 18,739 cases an increase of 540.
- 4.4 The current collection rates assumed in the MTFS are set at 98.75% p.a. Although action is being taken to try and improve collection rates, based on the performance of the both the in year and arrears collection rates it is considered prudent to reduce this by 0.5% p.a. to 98.25% for 2025/26 and 2026/27, increasing to 98.50% from 2027/28 onwards. This will have the impact of reducing overall budgeted Council Tax income.

- 4.5 In calculating the Council Tax base, the overall yield is reduced by the estimated numbers of claimants entitled to support under the Council's LCTS scheme and the eligibility criteria of the scheme. The more Council Tax support that is awarded the more the taxbase is reduced, limiting the ability to raise Council Tax. In 2023/24, Lincoln's revenue was reduced by 14.1%, due to its local CTS scheme. Of this, 4.5% was in the form of support to pensioners and 9.6% was support for working-age families. The table below compares the share of revenue foregone with the nearest demographical neighbours and England averages.

	<b>Lincoln</b>	<b>Nearest Neighbour</b>	<b>England Average</b>
Support for pensioners	4.5%	4.4%	3.7%
Support for working-age	9.6%	7.0%	5.1%
<b>Total Council Tax Support</b>	<b>14.1%</b>	<b>11.4%</b>	<b>8.8%</b>

- 4.6 Despite the cost-of-living challenges experienced in recent years, the number of LCTS claimants has continued to reduce, with total claimants of 8,278 at June 2024 compared with 8,491 in March 2020.
- 4.7 The current MTFS assumes a reduction of 1% p.a. in claimant number in 2025/26 to 2027/28, with the caseload plateauing from 2028/29 onwards. Based on the latest caseload numbers and trends, this assumption will continue.
- 4.8 At this stage in the development of the MTFS current entitlements under the LCTS Scheme are being reviewed with public consultation taking place during November/December. Any adjustments to the scheme or indeed to the Council Tax discretions that are applied will be reflected in the final MTFS following consultation and subsequent Executive approval. These are not yet included in the Council Tax modelling below.
- 4.9 The current MTFS assumes an annual increase in the Council tax base of 1.25% as a result of new property development. Although housing delivery on the Western Growth Corridor development has now commenced, the majority of the development will be towards the end of the MTFS period. The revised MTFS will continue to be based on the assumption of growth of 1.25% p.a. in 2025/26 – 2027/28, increasing to growth of 1.5% p.a. for 2028/29 and 2029/30.
- 4.10 As part of the 2024/25 Finance Settlement the Government announced an increase in the Council Tax Referendum Limit, allowing District Councils to increase Council Tax by the higher of 3% or £5. The current MTFS was prepared on the basis of reverting to the previous referendum limit of 2% p.a. from 2025/26 onwards and assumed an increase of 1.9% p.a. To date, there has been no announcements on the Government's intention for any referendum limits for 2025/26 onwards, and the Autumn Budget was silent on this. It is likely that the upcoming local government finance policy statement, expected in November, will provide further clarity on this. Until any further announcements are made the MTFS will therefore continue to be based on the assumption of a 1.90% p.a. from 2025/26 onwards.

- 4.11 From 1<sup>st</sup> April 2025 new legislation, introduced under the Levelling Up and Regeneration Bill 2023, will allow Council's to raise a premium of no more than 100% on furnished properties without a resident that are occupied periodically (second homes). Full Council considered a report on this new flexibility in February 2024 and agreed the introduction of a 100% premium with effect from April 2025. This new premium will be assumed in the Council Tax base from 2025/26 onwards.
- 4.12 Based on the assumptions as set out above and using the latest Council Tax base position, estimated Council Tax yields are set out in the table below. Overall yields have reduced primarily due to the reduction in the assumed collection rates:

	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Current MTFS 2024-29	(8,185)	(8,474)	(8,771)	(9,067)
Latest forecast	(8,141)	(8,427)	(8,744)	(9,063)
<b>Change in resources</b>	<b>44</b>	<b>47</b>	<b>27</b>	<b>3</b>

If an increase to the referendum limits were to be announced, on the basis of the limit of 3% in 2024/25, an increase in Council Tax yields up to this limit would result in additional income of c£79k p.a.

## 5. Other Core Spending Power Government Grants

### 5.1 New Homes Bonus (HNB)

Historically NHB was a significant source of funding for District Council's, but subsequent amendments to the scheme parameters and funding envelope reduced the levels of grant allocations. Despite this the Council still received an allocation of £0.380m in 2024/25. The previous Government had announced a consultation on the future of the New Homes Bonus scheme on a number of occasions, which did not transpire. Since the General Election, there have been no further updates on the future of the scheme and there was no reference made in the Autumn Budget. The current MTFS does not assume any grant allocations beyond 2024/25 and will continue to be prepared on this basis until further clarity on the future of the grant is given.

### 5.2 Services Grant

This grant, previously announced as a one-off in 2022/23, remained in the Finance Settlement for 2023/24 and 2024/25, although with a much-reduced funding envelope. The grant was intended to provide funding to all tiers of local government in recognition of the vital services delivered at every level of local government. Its value was determined based upon resources left available after decisions on all other grants (e.g. increase in minimum funding guarantee, additional social care grant etc), hence it's reduced level in 2024/25. The Council's allocation in 2024/25 is £0.026m. The current MTFS does not

assume any grant allocations beyond 2024/25 and will continue to be prepared on this basis until further clarity on the future of the grant is given.

### 5.3 Funding Guarantee

This new grant, announced for 2023/24, was intended to provide a funding floor for all local authorities, so that no local authority would see an increase in core spending power that is lower than a set percentage. The Council's allocation for 2024/25 was £0.434m. While no announcements have been made in relation to the future of this grant, given its purpose is to maintain a funding floor, then the current MTFS cautiously assumed an ongoing grant allocation of £0.300m p.a. The revised MTFS will continue to be prepared on this basis until further clarity on the future of the grant is given.

### 5.4 Internal Drainage Board Levies Grant

A small number of Councils are required to make payments of Special Levies to Internal Drainage Boards (IDB's) for the specific use of managing the maintenance and operation of drainage, water levels and flood risk, which is required to manage water resources and reduce flood risk to people, businesses, communities and the environment. These Special Levies represent a significant proportion of the Councils' net budget at £1.263m p.a., equating to 16% of the Council Tax Requirement. The annual increase in levies is ordinarily in line with CPI projections, however due to the economic climate and the significant cost increases borne by the IDB's along with the impact of a number of significant storms in 2023, average inflationary increases of 20% and 16% were applied in 2023/24 and 2024/25 respectively. Councils have no control over the sum levied.

5.5 This issue is unique to a small number of Councils and following a successful campaign of lobbying, Government made one-off grant allocations to those Councils most impacted in 2023/24 and 2024/25. The Council's allocation for 2023/24 was £0.142m, with £0.173m allocated for 2024/25. As a comparison the inflationary increase in the Council's levies from 2022/23 to 2023/24 was £0.160m with a further increase of £0.177m to 2024/25.

5.6 While these one-off grant allocations from Government are welcomed, the Council is continuing to still seek a longer term, more sustainable, approach to Drainage Board funding from Government that removes the need for Council subsidy entirely. The Council is part of a Special Interest Group, supported through the LGA, which continues to lobby Government to seek a revised approach to the funding mechanism. No grant beyond the 2024/25 allocation is currently included in the MTFS and this will remain the current planning assumption.

## 6. **Extended Producer Responsibility/Implementation of Food Waste**

6.1 Extended Producer Responsibility (EPR) is a scheme that requires producers of packaging to pay for the cost of recycling that packaging. The Government's intention was to use the income from the scheme in the local government funding system, which would include reviewing the impact of this income on

relative needs and resources of individual authorities. Local authority finances are affected by the policy in the following way:

- Companies above certain thresholds for size and generated packaging waste will have to pay a fee to a Scheme Administrator (yet to be set up but will initially be a public body). The Scheme Administrator will determine the fee schedule.
- The total collected fees (excluding the Scheme Administrator's own administrative fee) will be distributed to local authorities to compensate for net costs of their household and commonly binned waste services, including collection, disposal, and recycling. These costs form the basis of the fee mechanism. The policy does not currently address the question of how any funding shortfall arising from non-collection of the fee would be addressed, but the fact that the fee will be applied to large producers makes collection potentially easier.
- Funding will be provided on the basis of the Scheme Administrator's assessment of what a 'net efficient cost' of providing the service is locally. The Scheme Administrator will assess the household and commonly binned packaging waste management costs, volumes, and income (for example, through selling waste) by each relevant local authority. It will be able to take into account other factors (for example, frequency of collection, sparsity, types of households, deprivation, and others). It will be up to the Scheme Administrator to devise this process and calculation model.
- The Scheme Administrator will have the power to assess the efficiency and effectiveness of local household and commonly binned packaging waste services, including activation of an improvement plan mechanism. Powers will be granted to penalize local authorities to the sum of up to 20% of their assessed 'net efficient costs'.
- This will be an annual process.

6.2 Funding for local authorities was originally intended to start in October 2024, but implementation of the scheme has subsequently been delayed, with authorities now expected to be notified of payment estimates in November 2024 with payments received towards the end of 2025. Additional income of c£1.1bn p.a. is expected to be received by authorities through implementation of the scheme. This will provide a 1.6% real terms increase in funding in 2025/26.

6.3 The Autumn Budget stated that for 2025/26 this will be treated as 'new money', but it may be netted off in the Finance Settlement in future years. This is an important 'one-off' boost in 2025/25, particularly for District Councils. However, until the Government sets out how this significant funding stream will affect the wider local government finance system beyond 2025/26, i.e. will existing funding be reduced to reflect that EPR is providing some funding for waste and recycling services, or will it simply be additional income, then it isn't possible to assess whether this will be ongoing, additional funding for local authorities.

Also, exceptionally for 2025/26 only, and recognising the importance of Councils being able to effectively plan their budgets, the Government will guarantee that if local authorities do not receive EPR income in line with the central estimate there will be an in-year top up.

- 6.4 In addition to the implementation of the EPR scheme, waste collection authorities are required to provide weekly waste collections to all households by 31<sup>st</sup> March 2026, as mandated by its inclusion in the Environment Act 2021. This will be the largest change to waste collection services in Lincoln since the introduction of wheeled bins.
- 6.5 The introduction of food waste collections will require significant resources to implement, of both a capital and revenue nature. Under the New Burdens doctrine, the Government have stated that they will provide local authorities with funding to meet agreed reasonable new burdens arising from these new statutory requirements. While capital transitional grant allocations have already been announced, to date there has been no further detail announced on the level of revenue funding Councils are likely to receive. It is also not clear whether the revenue funding allocations will take into consideration the varying delivery arrangements that Councils operate e.g. the Council contracts out its service delivery and as such the revenue costs it incurs include the cost of vehicle provision, whereas other Councils outright purchase the refuse vehicles and do not pay for these as a revenue cost. Initial estimates indicate that this new service will cost in the region of £0.5m - £0.6m p.a. At this stage in the development of the MTFS no estimates of additional expenditure or income have yet been assumed, work continues on developing these budget estimates. It is anticipated that subject to grant funding announcements the MTFS will include an estimate of the net cost implications of operating this new service. There is a high risk that the new burdens funding provided will not cover the revenue costs associated with implementing this new statutory service, creating a further budget pressure.

## **7. Inflation**

- 7.1 The cost of inflation affects the price of the goods and services that the Council purchases. Many of the Council's service contracts are index linked to CPI, RPI or other industry standard indices, at a defined date in the year (specific dates vary between contracts). In addition, the general inflationary increase applied within the MTFS is normally maintained in line with CPI projections. In recent years, as a result of the high levels of inflation the costs of the goods and services the Council purchases escalated significantly, leading to soaring costs for the Council's key service contracts, in particular Waste/Recycling, Street Cleansing and Grounds Maintenance. In addition, other contractual cost increases arose from existing/retendered contracts as well as significant increases in material and subcontractor costs, which was a particular issue for the HRA. However, now that CPI has fallen back costs are now stabilising and the inflationary pressures are easing.
- 7.2 CPI currently stands at 1.7% as at September 2024, down from 2.2% in August and having dropped 5% in the past year. Despite this drop in September, the latest forecasts from the Bank of England are that inflation is expected to edge



up to about 2.6% in 2025 before gradually falling back in 2025, remaining close to the 2% target throughout the remaining 3-years of the OBR forecast.

- 7.3 The current MTFS assumes a CPI rate of 2% p.a., while this is in line with the Bank of England's forecasts, the December 2024 CPI rate is estimated to be c0.5% higher than the current MTFS assumption. This will specifically have an impact on the cost of the Waste/Recycling, Street Cleansing and Grounds Maintenance contracts. CPI from 2025/26 will continue to be assumed at 2% p.a., with RPI assumed to be CPI+1%.
- 7.4 The higher levels of CPI inflation forecast for December 2024 will result in an estimated additional cost burden for the General Fund.

	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
General Fund	17	25	26	27

No specific additional costs for the HRA have been assessed at this stage, but work will continue as part of the development of the budget, with any cost pressures arising considered as part of the base budget service pressures.

## 8. Utilities

- 8.1 The Council currently procures the majority of its gas and electric supplies through a Framework Agreement, which brings with it the benefit of economies of scale. Historically the Council had benefited from significant cost savings with supply costs considerably below the wholesale market prices.
- 8.2 However, as a result of the sharp spike in energy prices the Council experienced substantial increases, during the period 2022 – 2024, in the cost of gas and electric. For gas, costs increased on average increase by 70% in April 2022 and by a further 180% in April 2023. For electricity, costs increased by 100% in October 2022 and by a further 20% in October 2023.
- 8.3 Following these exceptional increases, as a result of the downward trend of market prices, supply costs reduced by c25% for gas from April 2024 and c35% for electricity from October 2024. Beyond this, costs are for gas are expected to decrease by a further 20% from April 2025 with electricity costs plateauing with a possible increase of between 0-5%.
- 8.4 On the basis of the latest forecast decreases/increases in costs provided from the framework provider, the reduction in costs for both gas and electricity are estimated to be:

	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
General Fund	(195)	(193)	(191)	(189)
Housing Revenue Account	(121)	(119)	(118)	(118)

Further updates are expected from the Framework provider in November 2024, which will inform the final estimates to be included in the MTFS.

## 9. Pay

- 9.1 In May 2024, the National Employers for local government services put forward a pay offer to increase salaries by £1,290 for 2024/25 for all salaries on the National Joint Committee (NJC) pay scales, with an increase of 2.5% on all other pay points. This equates to a 5.77% pay rise for the lowest-paid workers. This pay offer was applicable to all 'Green Book' and 'Red Book' (craft workers) employees, along with Chief Officers and Chief Executive's whose pay offer was based on the 2.5% increase.
- 9.2 While this pay offer has now been accepted for all 'Green Book' employees, Chief Officers and Chief Executives, an agreement is still to be agreed for 'Red Book' employees.
- 9.3 The current MTFS assumed a pay increase of 2% p.a. from 2024/25 onwards. The nationally agreed pay award is in excess of this assumption for 2024/25, with the majority of the council's workforce set to receive pay rises of between 5.7% and 2.5%. Based on the latest pay offer, but still assuming a 2% p.a. pay award from 2025/26 onwards, the additional costs to the MTFS, over and above the budget assumptions are as follows:

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
General Fund	229	230	236	241
HRA	120	122	124	127

Any pay award above the 2% assumed for 2025/26, would equate to the following additional costs for every additional 1%:

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
General Fund	168	172	176	179
HRA	102	104	110	107

- 9.4 In addition, the Council remains committed to paying its lowest paid workers at the level of the Living Wage, as recommended by the Living Wage Foundation as opposed to the Government's National Living Wage. An assumption of annual increases of 3%, in line with RPI projections, are currently built into the MTFS to reflect this commitment to maintain the Living Wage. The latest increase in the Living Wage Foundation has been announced at 5% from January 2025. These additional costs are included in the additional pay costs above. Beyond 2024/56, the annual increases will be assumed to be in line with RPI, at 3%.

- 9.5 As part of it's Autumn Budget 2024 the Government announced that from April 2025 there would be an increase in the rate of employer National Insurance contributions from 13.8% to 15% and a reduction in the per-employee threshold at which employers become liable to pay National Insurance from £9,100 to £5,000. The estimated cost to the Council of the increase in Employers NIC's is as follows:

	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
General Fund	354	355	360	366
HRA	214	215	221	221

It was also announced that the Government intends to compensate departments and other public sector employers for the increased cost of the contributions. As yet no further detail of this compensation has been announced, but given the scale of the additional cost burden urgent clarification from Government is needed.

## **10. Local Government Pension Scheme**

- 10.1 The latest triennial revaluation of the Council's Pension Fund took place at 31 March 2022, and the results identified that there has been a significant improvement in the funding position since the last actuarial review from a 83.9% funding level to 92.7%. The improved funding position had a positive outcome on contribution rates, reducing secondary payments considerably. However, the cost of accruing future pensions had increased, particularly given the increase in inflation, and that drove up primary rates from 17.3% of pensionable pay to 23.4%. The increase in the primary contribution rates, for the existing staff establishment, is though offset by the reduction in secondary contribution rates, generating an overall reduction in costs which is reflected in the current MTFS,
- 10.2 A further actuarial review will take place in April 2025, which will inform the employer contributions from 2026/27 onwards. While it is currently anticipated that the funding position on the Fund will continued to have improved since the last valuation, which could lead to a further positive impact on contribution rates, until the actuarial review is undertaken, the MTFS will continue to be prepared on this basis of no further increase/decreases in annual contributions rates.

## **11. Fees and Charges**

- 11.1 Fees and charges income budgets are increased by a set percentage per annum based on their total yield. This increase does not preclude individual fees and charges being increased by more or less than this percentage.
- 11.2 From 2025/26 onwards the current MTFS assumes an increase of 3% p.a. in the total yield from fees and charges, on the basis of annual increases of CPI+1%. This assumption will remain in place for the revised MTFS period.

- 11.3 Although an average increase of 3% will be applied to income budgets, current economic conditions and cost of living pressures are impacting on income levels in some service areas. An assessment of each service's overall yields will be undertaken as part of the development of the budget to identify any specific pressures of this proposed increase.

## 12. Investment Interest and Borrowing Costs

- 12.1 As set out in the main body of the report, following a 16-year high the Bank of England base rate saw its first drop in more than 4-years August 2024, with further rates dropped expected as inflation reduces and begins to stabilise.
- 12.2 The Council's sensitivity to these changes in interest rates is linked more markedly to investments rather than to the portfolio of borrowing as all borrowing is at fixed interest rates and borrowing costs incurred on any short-term borrowings are minimal. There may however be a revenue impact from future, planned, borrowing where actual rates at the time the borrowing differs from the budget assumptions.
- 12.3 Although interest rates are expected to drop further in 2024 and 2025, there is still a level of uncertainty surrounding about the specific timing and level of reductions. This makes assessing the impact on the Council's investment income difficult, however based on the latest assumptions the forecasts in comparison to those assumed in the current MTFS, are as follows:

	2025/26	2026/27	2027/28	2028/29
Revised Average Investment Rate	3.30%	2.92%	2.98%	2.98%
Current MTFS	3.11%	2.92%	2.92%	2.92%
<b>General Fund</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Current MTFS 2024-2029	(210)	(201)	(279)	(309)
Latest forecast	(167)	(245)	(283)	(328)
<b>Change in resources</b>	<b>43</b>	<b>(43)</b>	<b>(4)</b>	<b>(19)</b>
<b>HRA</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Current MTFS 2024-2029	(312)	(281)	(373)	(410)
Latest forecast	(349)	(444)	(490)	(581)
<b>Change in resources</b>	<b>(37)</b>	<b>(162)</b>	<b>(117)</b>	<b>(171)</b>

- 12.4 As a result of the current high level of interest rates, internal balances are currently being used to fund existing borrowing requirements, reducing the amount of interest that would have been payable on new debt, although this is partially offset by a reduction in interest receivable. However, it will be necessary to undertake some new borrowing over the period of the MTFS. The latest forecasts for borrowing costs in comparison to those in the MTFS are set out in the table below. The reduction in borrowing costs is as a result of the

repayment of two higher rate market loans which we replaced by lower rate PWLB funding or funded through internal balances. In addition, a temporary borrowing requirement in the General Fund is now being funded through internal balances.

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
<b>General Fund</b>				
Current MTFS 2024-2029	1,581	1,294	1,283	1,309
Latest forecast	1,254	1,242	1,226	1,248
<b>Change in resources</b>	<b>(328)</b>	<b>(52)</b>	<b>(56)</b>	<b>(60)</b>
<b>HRA</b>				
Current MTFS 2024-2029	2,452	2,452	2,631	2,693
Latest forecast	2,312	2,346	2,533	2,588
<b>Change in resources</b>	<b>(140)</b>	<b>(106)</b>	<b>(98)</b>	<b>(105)</b>

Work on assessing the impact on the Council's investments and future borrowing requirements will continue during the development of the budget.

### 13. Housing Rents

- 13.1 The current MTFS and Housing Business Plan 2024-2054 were prepared on the basis that the Government's existing Rent Guidelines (due to end in April 2025), which dictate that social rents should increase by a maximum of CPI+1%, would continue. In October 2024, the Government announced that it will consult on a new 5-year social housing rent settlement, with the intention of capping rent increases at CPI+1% on an annual basis. In light of this latest announcement the MTFS will continue to assume social rent increases of CPI+1% p.a.,
- 13.2 Included in the Council's housing stock are a number of properties that were partly funded by Homes England grants on the condition that they are to be let on the basis of an affordable rent rather than on social rents. In addition, there are a number of other dwellings that are let on the basis of an affordable rather than social rent. Affordable rents are not subject to Government Rent Restructuring Policies and are let at 80% of market rent levels in the local area. The current MTFS assumes rental increases in line with social rents for its affordable rents and will continue to be developed on this basis.
- 13.3 As the current MTFS had assumed CPI of 2% p.a. for 2025/26 onwards, the level of rent increase is currently assumed at 3% p.a. The applicable date of the CPI increase is as at September each year, as CPI at September 2024 was 1.7% the maximum rent increase that can be applied for 2025/26 is 2.7%, leading to a reduction in assumed income of c£0.035m p.a. However, this loss of income has been compensated for by changes in assumptions on stock numbers, increasing the overall rental yield.
- 13.4 At the end of 2023/24 rent collection levels were at 97.50%, with overall rent arrears of 2.88% of the net debit. This outturn represented a significant

achievement in terms of income collection considering the cost-of-living pressures that tenants are facing. In monetary terms rent arrears at the end of the year was £1,009,9501 compared to £1,031,048 at the end of March 2023, a reduction of £21,098. The in-year collection rate at the end of September 2024 was 96.42% compared to 97.24% at September 2023. Rent collection is closely monitored and Tenancy Services continue to support tenants through DHP's and general advice and guidance. The current MTFS assumes a collection rate of 99% p.a., whilst at this stage this will remain the assumption, this will be considered further as part of the development of the MTFS, dependent on final level of rent increases.

- 13.5 Based on the assumptions as set out above, estimated rental yields are set out in the table below.

	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>
Current MTFS 2024-29	(35,720)	(36,635)	(37,574)	(38,535)
Latest forecast	(35,884)	(36,795)	(37,848)	(38,684)
<b>Change in resources</b>	<b>(164)</b>	<b>(160)</b>	<b>(274)</b>	<b>(149)</b>

14. **Level of Revenue Reserves** - The prudent minimum level of reserves for the General Fund has been increased in recent years, in light of the increased level of volatility in funding and the level of the increased risk to which the Council is now exposed, to between £1.5m-£2m. This increase has allowed the Council to cushion the impact inflationary pressures has had on its finances and will continue to do so in future years, as well as now responding to increased service demands. Whilst the overall level of balances are budgeted to be maintained over the period of the MTFS there are planned use of balances in 2025/26 – 2027/28, with a positive contribution forecasted in 2028/29. In light of the changes in assumptions set out in this report the use of/contribution to balances will be assessed as part of the budget development. However, the overriding principle of maintaining a balance between £1.5m-£2m and seeking to make positive contribution in the medium term will remain. In terms of the HRA it is currently assumed that the optimum level of reserve holdings will be maintained at c£1m.

## BUDGET AND FINANCIAL PLANNING TIMETABLE 2025/26

No.	Target Date	Group	Deliverable	Responsible Officer
<b>1.</b>	<b>Member Briefing Sessions</b>			
1.1	27 <sup>th</sup> Jan 25	All Members	All member workshop presenting the draft budget proposal for 2025/26 and Medium Term Financial Strategy 2025-2030.	CFO
<b>2.</b>	<b>Base Budget Preparation</b>			
2.1	20 <sup>th</sup> Sept 24	AD's/ Service Managers	Budget guidance and working papers circulated to Assistant Directors and Service Managers for preparation of base budgets, including notification of Directorate Cash Limits.	Finance Team
2.2	30 <sup>th</sup> Oct 24	AD's/ Service Managers	Completion of service cash limit budgets by budget managers.	Finance Team
2.3	8 <sup>th</sup> Nov 24	DMT's	Review of summary cash limit budgets and appropriate revisions made with AD's and DMT's.	Finance Team
2.4	26 <sup>th</sup> Nov 24	CMT	Review of summary cash limit budgets and consideration of unfunded budget items.  Review of funding assumptions of capital programme.	FSM
2.5	26 <sup>th</sup> Nov 24	CMT	Review of Fees & Charges Schedules for 2025/26	FSM
2.6	20 <sup>th</sup> Dec 24	Financial Services	Completion of consolidated base budgets and capital programmes.	Finance Team
2.7	24 <sup>th</sup> Dec 24	CMT	Review of draft budget proposals for 2025/26 and Medium Term Financial Strategy 2025-2030.	CFO
<b>3.</b>	<b>Vision 2030/Service Planning Preparation</b>			
3.1	May 24	CMT	Horizon Scanning	CMT
3.2	May 24 Jun 24	CMT Executive	Review and approve the City Profile. This is a key evidence base.	Corporate Policy
3.3	May 24	CLT	Review and development of initial Vision 2030 proposals and impact assessment document by CLT.	CLT
3.4	Aug 24	Portfolio Holders	Discussions to have taken place with Portfolio Holders to review impact assessment, review Vision Priorities, aspirations and key actions.	Directors and ADs



## APPENDIX B

No.	Target Date	Group	Deliverable	Responsible Officer
3.5	Oct 24	Portfolio Holders	To review and refine draft priorities, aspirations and key actions for the first 12-18 months of Vision 2030.	CMT
3.6	20 <sup>th</sup> Nov 24	CLT	Review draft priority actions for first 12-18 months of Vision 2030 for cross cutting projects.	Corporate Policy
3.7	Dec 24	DMTs	Draft Service Plans developed based on proposed priorities, aspirations and 12-18 month priority actions	ADs
3.8	Mar 25	CMT	Following agreement of Vision 2030 proposals by Council, final service plans for first 12-18 months to reviewed and then published.	CLT
<b>4.</b>	<b>Consultation and Scrutiny</b>			
4.1	Nov-Dec 24	General Public Stakeholders	Vision 2030, incorporating Budget/Council Tax, consultation/engagement activities	CFO Corporate Policy
4.2	4 <sup>th</sup> Feb 25	Audit Committee	Consider and review: <ul style="list-style-type: none"> <li>Prudential Indicators 2025/26-2028/29</li> <li>Treasury Management Strategy 2025/26 with responses to the Executive</li> </ul>	FSM
4.3	5 <sup>th</sup> Feb 25	Budget Scrutiny Review Group	Consider and review the draft budget proposal for 2025/26 and Medium Term Financial Strategy 2025-2030, making any recommendations to the Executive.	CFO
4.4	20 <sup>th</sup> Feb 25	Performance Scrutiny Committee	Performance Scrutiny Committee – Consider response from Budget Review Group and refer to the Executive.	CFO
<b>5.</b>	<b>Committee Approval Process</b>			
5.1	18 <sup>th</sup> Nov 24	Executive	Consideration of the budget strategy to be adopted for the 2025/26 process, including; <ul style="list-style-type: none"> <li>Update on economy and financial environment,</li> <li>A revision of MTFS assumptions</li> <li>Consultation proposals (both public and with Members)</li> </ul>	CFO
5.2	2 <sup>nd</sup> Dec 24	Portfolio Holders	Assessment of Fees & Charges Schedules for 2025/26	FSM

## APPENDIX B

No.	Target Date	Group	Deliverable	Responsible Officer
5.3	6 <sup>th</sup> /13 <sup>th</sup> Jan 25	Portfolio Holders	Assessment of overall capital and revenue budgets	CFO
5.4	6 <sup>th</sup> Jan 25	Executive	Approval of Council Tax Base for 2025/26, Council Tax Support Scheme 2025/26 and Estimated Collection Fund Balance for 2024/25 for Council Tax.	FSM/HSRB
5.6	6 <sup>th</sup> Jan 25	Executive	Consideration and recommendation to Council for approval of the Housing Rent Levels for 2024/25.	AD-H
5.7	20 <sup>th</sup> Jan 25	Executive	Approval of a draft budget proposal for 2025/26 and Medium Term Financial Strategy 2025-2030 for formal consultation.	CFO
5.8	20 <sup>th</sup> Jan 25	Executive	Approval of Estimated Collection Fund Balance for 2024/25 for Business Rates.	FSM/HSRB
5.9	6 <sup>h</sup> Jan 25	Executive	Consideration and recommendation to Council for approval of the Housing Rent Levels for 2024/25.	AD-H
5.10	21 <sup>st</sup> Jan 25	Council	Approval of Council Tax Base for 2025/26 and Council Tax Support Scheme 2025/26.	FSM/HSRB
5.11	21 <sup>st</sup> Jan 25	Council	Approval of the Housing Rent Levels for 2025/26	AD-H
5.12	24 <sup>th</sup> Feb 25	Executive	Approval for referral to Council of: <ul style="list-style-type: none"> <li>• Final budget proposals for 2025/26</li> <li>• Medium Term Financial Strategy 2025-2030</li> <li>• Treasury Management Strategy 2025/26 &amp; Prudential Indicators</li> <li>• Council Tax levels for 2025/26</li> <li>• Fees and Charges levels for 2025/28</li> </ul>	CFO
5.13	24 <sup>th</sup> Feb 25	Executive	Approval of Vision 2030	ADSDT
5.14	4 <sup>th</sup> Mar 25	Council	Approval of; <ul style="list-style-type: none"> <li>• Final budget proposals for 2025/26</li> <li>• Medium Term Financial Strategy 2025-2030</li> <li>• Treasury Management Strategy 2025/26 &amp; Prudential Indicators</li> <li>• Council Tax levels for 2025/26</li> <li>• Fees and Charges levels for 2025/28</li> </ul>	CFO
5.15	4 <sup>th</sup> Mar 25	Council	Approval of Vision 2030	ADSDT

**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 the second quarter 2024/25.

## **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 August 2024 and contained fifteen strategic risks.
- 2.2 Since reporting to Members in August, the Strategic Risk Register has been refreshed and updated by the Risk Owners and Corporate Management Team. This update has reviewed each risk in terms of the level of assessed risk, control measures in place and mitigating actions required, and has identified that there have been some positive movement in the Risk Register. It has also considered whether there are new risks that need to be assessed.
- 2.3 This updated register is contained with Part B of this agenda, it contains fifteen strategic risks which are listed below, along with details of relevant mitigations.

## **3. Strategic Risks**

- 3.1 The Strategic Risk Register contains fifteen risks, as follows:
- 1) Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against the Council's new Vision 2030.
  - 2) Failure to deliver a sustainable Medium-Term Financial Strategy that supports delivery of the Council's Vision (specifically in relation to the General Fund).
  - 3) Failure to deliver the Towards Financial Sustainability Programme.
  - 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 to the Council.
- 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 policies on migration policy, asylum dispersal, early prison release etc on the Council's service delivery, capacity and MTFS as well as the impacts on housing, communities and the economic vitality of the City Centre.
- 14) Failure to deliver critical services in an emergency situation.
- 15) Failure of service delivery leading to reputational impacts on the Council and adverse financial implications.

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 13 has decreased from Red: Almost Certain/Critical to Amber: Probable/Major.

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

Risk No.	Risk Rating	Likelihood	Impact
1.	Medium	Probable	Major
2.	High	Almost Certain	Critical
3.	Medium	Probable	Major

4.	Medium	Probable	Major
5.	Medium	Probable	Major
6.	Medium	Possible	Major
7.	High	Almost Certain	Critical
8.	High	Almost Certain	Critical
9.	Medium	Probable	Major
10.	High	Almost Certain	Major
11.	Medium	Possible	Critical
12.	High	Probable	Critical
13.	Medium	Probable	Major
14.	Medium	Probable	Major
15.	High	Almost Certain	Critical

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 registers that support these are also being reviewed in light of the current financial challenges the Council is facing.

##### 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 of quarter 2 2024/25.

**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

**Lead Officer:** Jaclyn Gibson, Chief Finance Officer  
[Jaclyn.gibson@lincoln.gov.uk](mailto:Jaclyn.gibson@lincoln.gov.uk)

<b>SUBJECT:</b>	<b>EXCLUSION OF THE PRESS AND PUBLIC</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>CAROLYN WHEATER, MONITORING OFFICER</b>

**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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