BUDGET REVIEW GROUP

Wednesday, 5 February 2025	5.30 pm	Committee Room 1, City Hall

Membership: Councillors Gary Hewson (Chair), James Brown, Chris Burke, Annie Currier, Thomas Dyer, Lucinda Preston, Anita Pritchard, Clare Smalley, Rachel Storer and Pat Vaughan

Substitute member(s): Councillors None.

Officers attending: Angela Andrews, Democratic Services and Jaclyn Gibson

A G E N D A

MEMBERS ARE INVITED TO SUBMIT QUESTIONS IN ADVANCE OF THE MEETING. PLEASE SEND THEM TO JACLYN GIBSON BY 5PM ON FRIDAY 31 JANUARY 2025.

SECTION A **Page(s)**

1. 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.

2. Draft Medium Term Financial Strategy 2025-30 **3 - 172**

   (Please note: Appendix C: Member Presentation - All Member Workshop 27 Jan 2025 To Follow)

This page is intentionally blank.

Item No. 2

BUDGET REVIEW GROUP **5 FEBRUARY 2025**

SUBJECT:	**DRAFT MEDIUM TERM FINANCIAL STRATEGY 2025-30**
DIRECTORATE:	**CHIEF EXECUTIVE & TOWN CLERK**
REPORT AUTHOR:	**JACLYN GIBSON, CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 To present the draft Medium Term Financial Strategy 2025-2030, and provisional 2025/26 budget and Council Tax proposals for consideration; and to seek the Budget Review Group‘s comments and recommendations to the Executive prior to referral of the final budget proposals to the Council on 24th February 2025.

2. Executive Summary

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

2.2 The Council's scrutiny function should have an important role to play in providing a challenge during the development of the MTFS questioning the assumptions behind the budget and examining the principles and planning process that underlie its development.

3. Background

3.1 The timetable for budget scrutiny process is as follows:

Executive – Approve draft budget proposals for 2025/26 and Medium Term Financial Strategy	20th January 2025
All Member Briefing • Current financial climate • Latest developments in local government finance • Impact on the Council and the Council's strategy for responding	27th January 2025
Budget Review Group – presentation of the MTFS 2025-2030 and the proposed budget and Council Tax for 2025/26.	5th February 2025

Performance Scrutiny Committee – Consider response from Budget Review Group and refer to the Executive	20th February 2025
Executive – Consider response from the Performance Scrutiny Committee and approve for referral to Council the final budget proposals for 2025/26 and Medium Term Financial Strategy	24th February 2025
Council – Approval of budget proposals and Council Tax for 2025/26 and Medium Term Financial Strategy	4th March 2025

3.2 As its meeting on the 14th November 2024 the Performance Scrutiny Committee agreed that the main objective of the Budget Review Group will be to examine the principles and planning process that underlie the proposed budget and Council Tax to be recommended by the Executive for the 2025/26 financial year. In general the Group's aim will be to establish that at each stage the budget;

- is clear, focused, achievable, realistic and based on sound financial practices;
- has clear linkages with corporate and other plans that form the Policy Framework to establish that they are identifiable and designed to improve services in the Council's strategic priority areas

3.3 The projected outcomes of the budget scrutiny process are:

- To have scrutinised the Executive's Budget proposal;
- To have examined the proposed budget as a whole;
- To have held the appropriate Executive Members and Senior Managers to account over their budget proposals; and
- To formulate evidence based reasoned recommendations to the Executive on the effectiveness of their Budget proposal

4. Budget Review

4.1 In advance of the Review Group Session, the following information is appended to this report;

- Executive Report 20th January 2025 – Appendix 1 with appended draft MTFS and Capital Strategy (Appendix A and B)

- Copies of the presentations from the all Member briefing sessions on the 27th January 2025 – Appendix 2 (to be sent to follow after the session).

4.2 In order to ensure that the Budget Review Group session is used to best effect, questions from Members in advance of the session have also been sought. The relevant information and responses will be provided at this meeting on the 31st January.

5. Strategic Priorities

5.1 The budget process sets the resources in support of the Council's Strategic Priorities and determines the Service Plans for the year ahead. Effective scrutiny of the budget process should support the Executive in reaching the right decisions with regard to finances.

6. Organisational Impacts

6.1 Finance (including whole life costs where applicable)

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

6.2 Legal Implications including Procurement Rules

There are no direct legal or procurement implications arising 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.

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

7. Risk Implications

7.1 There are no specific risks associated with this report.

8. Recommendation

8.1 The Budget Review Group is asked to consider the Draft MTFS 2025-30 and 2025/26 budget and Council Tax proposals and provide any comments and recommendations to the Executive prior to referral of the final budget proposals to the Council on 4th March 2025.

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 – Executive Report including, Draft MTFS 2025-30 and Draft Capital Strategy 2025-30 Member workshop presentation
List of Background Papers:	None
Lead Officer:	Jaclyn Gibson, Chief Finance Officer Jaclyn.gibson@lincoln.gov.uk

.

APPENDIX ONE

EXECUTIVE **20 JANUARY 2025**

SUBJECT:	**DRAFT MEDIUM TERM FINANCIAL STRATEGY 2025-2030**
DIRECTORATE:	**CHIEF EXECUTIVE AND TOWN CLERK**
REPORT AUTHOR:	**JACLYN GIBSON, CHIEF FINANCE OFFICER**

1. Purpose of Report

1.1 To recommend to the Executive the draft Medium-Term Financial Strategy for the period 2025-2030 and the draft budget and council tax proposal for 2025/26 for further consultation and scrutiny.

1.2 To present the draft Capital Strategy 2025-2030 for consideration.

2. Executive Summary

2.1 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 implementation of a Business Rates Reset, are as yet unknown but all of which have the potential to fundamentally affect the Council's funding trajectory and MTFS.

2.2 In addition, the announcement of the English Devolution White Paper, which sets out the Government's plans to widen and deepen devolution in England and reform local government structures, could have fundamental implications for all tiers of local government.

2.3 Furthermore, the Council continues to face cost and demand pressures, along with pressures on income streams and new statutory requirements. Inflation, pay awards, national insurance contribution increases, higher maintenance and construction costs, higher borrowing costs and reductions in local income streams all have a significant impact on the Council's cost base. The Council also 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. In addition, new regulatory and statutory requirements add further cost pressures particularly in relation to recycling and housing standards/building safety.

2.4 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, which makes financial planning, and the subsequent impact on service delivery, in this climate extremely challenging.

2.5 Set against this backdrop and in line with the Council's overall financial objectives, the key elements of the 2025/26 budget, Medium-Term Financial Strategy 2025-30 and Capital Strategy are as follows:

- Facilitating capital investment in the City of c£100m over the 5 year MTFS, supporting the local economy by providing opportunities for business, providing employment opportunities, encouraging inward investment in the city, promoting growth and the overall attractiveness of Lincoln as a place to live, work and visit, all of which should result in increased revenue streams to the Council in future years.

- Reprioritising and reallocating resources to the strategic priorities, including the development of the new Vision 2030 and initial priorities and actions that the Council will focus on during the first 12-18 months.

- Balancing the need to increase levels of Council Tax and Housing Rents to reflect the Council's increased operating costs, whilst ensuring increases are kept at an acceptable level and that support is provided to the most vulnerable. Council Tax increases of 2.95% and Housing Rent increases of 2.7% are proposed for 2025/26.

- Delivery of a phased savings target, requiring total annual savings of £1.75m, to be achieved by 2027/28, in order to ensure the Council meets it's overriding objective of driving down it's net cost base to ensure a sound and sustainable financial position is maintained.

- Continuing with the One Council approach to service transformation, for instance, making new use of technology and improving how these systems operate, continuing with progress to enable access to more services electronically online and self- service by customers, while supporting those who are digitally excluded. Also by continuing to review the use of the Council's buildings and assets championing shared facilities and co-location.

- The use of additional 'one-off' resource and reserves to bridge gaps in the finances and to smooth the level of savings required, over the first two years pending the outcome of local authority funding reforms and further clarity in relation to the Devolution White Paper. This is a short-term measure only.

2.6 Following the natural conclusion of the Council's strategic plan, Vision 2025, work is now underway 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, implementation of local authority funding reforms and to reflect on any implications for the Council arising from the Devolution White Paper. Further details of the schemes/projects under Vision 2030 will be included in the final version of the MTFS.

2.7 The Council will continue to build on it's successful financial planning to date, driving down the net cost of services by implementing changes in the way in which it operates and delivers services, while continuing to prioritise investment in the City and its economy to grow future tax bases. Adopting this approach will ensure that the Council carefully balances the allocation of resources to it's vision and strategic priorities, whilst ensuring it maintains a sustainable financial position and delivers the required reductions in its net cost base.

2.8 Prior to submission of the final MTFS 2025-2030 and the budget and council tax proposal for 2025/26 to Full Council, on 4th March 2025, the budget proposals will be subject to further consultation and scrutiny.

3. Background

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

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

3.3 In light of the uncertainty the Council faces in it's financial planning assumptions and the forthcoming reforms to local authority funding mechanisms, which are likely to result in reduced resources for the Council, the existing objectives of the MTFS have been reviewed to ensure they remain relevant. As a result, the key overriding objective continues to be;

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

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

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

- To seek to maximise income levels, through growth in the Council Tax and Business Rates tax bases, whilst ensuring that Council Tax rate increases are kept an acceptable level;

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

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

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

3.5 Despite the significant reduction in income and increasing expenditure, the Council has, in recent years, been successful in protecting core services most needed by local residents and businesses, while still delivering plans for growth and maintaining a sound financial position. Although, given the scale of the savings delivered, this has required the Council to take some difficult decisions in terms of which services it continues to provide. This is an approach that has served the Council well and allowed savings of nearly £10.5m to be delivered over the last decade and half.

3.6 Looking ahead, the financial and operational landscape for local government continues to pose a high level of uncertainty, with a number of significant unknowns in relation to; the level of overall resources for local government following the Spending Review, the distribution of these resources to individual authorities following implementation of local authority funding reforms and the potential for local government re-organisation. Therefore, in order to ensure that the Council maintains a robust and sustainable financial position and is able to respond to the impact of external events and increased financial risks that it faces, the MTFS needs to remain flexible, the council's reserves resilient and the sound track record of delivering savings needs to be sustained, whilst ensuring that resources are directed towards it's vision and strategic priorities.

4. The General Fund

4.1 The Council's General Fund budget covers the day to day running cost of providing all of it's services with the exception of Council Housing. Excluding the cost of Housing Benefit payments, the gross expenditure budget of the General Fund is c£46m per year. After allowing for service income through fees and charges, contributions and grants etc, the net budget for the General Fund in 2025/26 will be £14.859m. This net budget is then funded through Business Rates and Council Tax.

4.2 Spending Pressures

Over the past twelve months the Council has continued to face cost and demand pressures, along with pressures on income streams and new statutory requirements. Inflation, pay awards, national insurance contribution increases, increased maintenance and construction costs, higher 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. In total these pressures have increased the Council's cost base by an average of £0.500m p.a.

4.3 **Spending Plans**

Despite these additional cost pressures, the Council continues to ensure that it's limited resources are directed towards it's strategic plan. As set out above the Council's current strategic plan, Vision 2025 comes to a natural conclusion in March 2025 and a new plan, Vision 2030, is now being developed and is currently subject to public consultation. As per the current vision, Vision 2030 will include new investment, primarily of a capital nature, aimed at supporting the economic prosperity of the city and largely funded through external grant funding. In addition, one-off revenue resources of £1m have been allocated to support new schemes/bolster existing services. These additional resources have been released as a result of previous years underspends and from additional 'one-off' resources allocated in the Finance Settlement for 2025/26 and from the continuation of business rates pooling in 2025/26. This £1m allocation is to be released in phases over the 5-year period of Vision 2030. Further details of the schemes/projects will be set out in the final version of the MTFS, once the new Vision 2030 has been finalised.

4.4 Alongside the delivery of schemes and projects that form part of Vision 2030, the Council also continues to deliver it's day to day services in support of it's strategic priorities. Key highlights for annual service delivery against each of the five strategic priorities, include:

- Let's drive inclusive economic growth
    - Provision of a small business support team and workspaces for start-up and small businesses costing £0.240m per year.

- Let's reduce all kinds of inequality
    - Provision of a Welfare Advice and Welfare Reform Support Services costing £310k per year enabling just under c£1.6m of additional benefits entitlement to be claimed within the City and administrating cost-of-living support schemes, financial inclusion projects and welfare advice.
    - Maintaining a no change scheme in respect of Local Council Tax Support. The scheme still provides a maximum entitlement of 100% and costs the Council c£1.3m per year.
    - Undertaking neighbourhood working, focusing on the Sincil Bank revitalisation, working in partnership and with the community to make it a better place to live and work, with a dedicated team and community chest funding of £0.218m per year.

- Let's deliver quality housing
    - Delivery of Homelessness & Rough Sleeping Initiatives totalling £1.87m in 2025/26.

- Let's enhance our remarkable place
    - Annual spend of c£2.3m on street cleansing covering 350km of roads/paths and 30,000sqm of pedestrian areas, including a new annual City Centre Spring Clean.
    - Annual spend of c£3.7m on refuse and recycling, collecting from

around 46,000 domestic properties.
  - Annual spend of £1.6m on providing and maintaining parks and open spaces within the City, including Hartsholme County Park, Boultham Park, the Arboretum and the Lawn, recreational grounds and commons and Hope Wood.
  - Provision of a range of public protection, regulatory and anti-social behaviour services focussed on ensuring community and environmental safety and protection of the built environment, totalling £1.8m per year, including delivery of a range of new measures designed to maintain a safe and vibrant city centre.

- Let's address the challenge of climate change
  - Facilitating and delivering a range of climate change initiatives, through a dedicated Climate Change Manager.

4.5 **Resources**

Provisional Local Government Finance Settlement 2025/26

The 2025/26 Settlement is for one year only (the seventh consecutive one-year settlement) and is effectively a 'stopgap settlement'. Published in parallel with the Settlement, was a consultation paper on future finance reform, confirming the Government's intention to deliver a multi-year settlement next year, aligned to the time horizon of the planned Spending Review, and embodying a broad reform of the system for allocating resources.

4.6 The Settlement sets out the Council's Core Spending Power which consists of; it's Settlement Funding Assessment (SFA) made up of Revenue Support Grant (RSG) and Business Rates (BRR) baselines figures; along with other specific grant allocations; and an assumed level of Council Tax. Overall, the Council's Core Spending Power (CSP) has increased by 0% in comparison to an increase of 6% across all English local authorities and a 0.3% increase for Shire Districts. Across District Councils, 134 out of 164 have received a flat increase in CSP, and this assumes that they use the full Council Tax flexibility available (i.e. higher of 3% or £5 increase). However, additional funding outside of CSP, through Extended Producer Responsibility payments (see para 4.14) will result in many Districts receiving a real-terms increase in overall funding, as is the case for the Council.

4.7 Revenue Support Grant

In terms of the Council's RSG element of the SFA, the figure for 2025/26 announced in the Settlement was at the same level as the 2024/25 allocations uplifted by 1.7% in line with CPI inflation. There have also been a number of smaller grants rolled in, e.g. Tenant Satisfaction Measures, Election Integrity Programme etc. The Council's allocation for 2025/26 is £0.226m and the MTFS assumes that the grant will continue at this level thereafter.

4.8 Business Rates Retention (BRR)

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

4.9 The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2025/26, based on this and after allowing for the allocation of resources to Central Government and to the County Council it is estimated that £7.144m of the £35.525m of business rates generated within the City will be retained by the Council.

4.10 Beyond 2025/26 forecasting the level of Business Rates income to be retained is extremely challenging due to a lack of detail around the proposed reset of baselines and changes to the level of underlying need. These reforms, have the potential to wipe out the majority of the accumulated gains the Council has achieved since the launch of the current system in 2013/14 and return income to the Council's baseline levels. In 2025/26 the accumulated growth to the Council is c£2.2m p.a. The assumptions forecasts will continue to be assessed as further information regarding the design and implementation of the reforms, including any transitional arrangements, are made available.

4.11 The level of retained business rates is calculated on the basis that the Council participates in the Lincolnshire Business Rate Pool in 2025/26. The pool consists of this Council, Lincolnshire County Council and the six other Lincolnshire District Councils. Membership of this pool allows the Council to retain an element of growth that would have otherwise been payable via a levy to the Government, this equates to retained resources of £0.674m in 2025/26. As the business rates reset is set to be implemented in 2026/27, it is assumed that pooling will not continue beyond 2025/26.

4.12 Forecast business rates in the draft MTFS 2025-30 are based on the most recent available estimates of Lincoln's business rates base. However, until the business rates base for 2025/26 is finalised at the end of January 2025 the estimates in the draft MTFS are subject to change.

4.13 <u>Other Specific Grants</u>

In addition to RSG the Council also receives a number of other specific grants as part of it's CSP, these include:

- Recovery Grant - a new grant worth £600 million was announced as part of the 2025/26 Settlement. This has been distributed to places with greater need and demand for services (using deprivation as a proxy for this), and which are least able to fund their own services locally. The grant has allocated funding where the numbers of vulnerable people who rely on council services are highest, and the ability to fund need locally is weakest. This is intended to correct the inefficiency of the current system and put councils in the most deprived areas on a more stable footing. The Council's allocation for 2025/26 is £0.414m. The MTFS assumes an ongoing grant allocation beyond 2025/26 of £0.414m p.a.

- New Homes Bonus – an allocation of £0.027m has been awarded for 2025/26. Beyond 2025/26, the future of NHB is unclear, therefore the MTFS does not assume any grant beyond 2025/26.

- National Insurance – total new funding of £515m of new funding to support councils with the costs associated with the NIC increases. Individual allocations will be published as part of the Final Finance Settlement, however the methodology for calculating the allocations was announced. Using this methodology, it is estimated that the allocation the Council could receive is c£0.140m, this is significantly below the costs to be incurred which are c£0.390m p.a.

- Land Drainage Levies – the Council has in 2023/24 and 2024/25 received grant allocations to support local authorities that pay Internal Drainage Board Levies, on a one-off basis. While a further £3m of funding was announced as part of the Settlement, the distribution of this has not yet been confirmed. While the Council expects to receive an allocation, the MTFS does not assume any funding in 2025/26 or future years.

4.14 Extended Producer Responsibility (EPR) Payments

EPR is a new scheme that requires producers of packaging to pay for the cost of recycling that packaging. The Government's intention is 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. Additional income of c£1.1bn p.a. is expected to be received by authorities through implementation of the scheme.

4.15 The Autumn Budget stated that for 2025/26 this will be treated as 'new money', but it may be netted off in the Settlement in future years. This is an important 'one-off' boost, particularly for District Councils in light of their lower-than-average increases in CSP and will provide a 1.6% real terms increase in funding in 2025/26. The Council's provisional allocation for 2025/26 is £1.424m.

4.16 Until the Government sets out how this significant funding stream will affect the wider local government finance system beyond 2025/26, i.e. it plans to assess the impact of additional EPR income on the relative needs and resources of individual local authorities, and how it factors it into it's measurement of local authority spending power, then it isn't possible to assess whether this will be ongoing, additional funding for local authorities. The MTFS does not therefore assume any allocations beyond 2025/26.

4.17 Council Tax

The Localism Act 2011 introduced a power for residents to approve or veto excessive council tax increases. This means that any local authority setting an excessive increase, as set by the Secretary of State, would trigger a referendum of all registered electors in their area. The Government confirmed in the Provisional Local Government Finance Settlement that the referendum principles for 2025/26 will be same as the previous two years, i.e. for core council tax (3%), shire districts (3% or £5, whichever is higher), and the adult social care precept (2%). This will give local authorities greater flexibility to set Council Tax levels based on the needs, resources and priorities of their area, while protecting local taxpayers.

4.18 In view of this and taking into consideration the Council's need to protect its financial position from further decline and maintain its local income streams, the MTFS for consideration proposes a 2.95% rise in Council Tax for 2025/26, and a further 1.9% p.a. in each of the subsequent years. An increase of 2.95% in 2025/26 equates to an additional 12p per week for a Band A property and 14p per week for a Band B property (80% of properties fall within Band A and B), with a Band D equivalent of £317.07.

4.19 Fees & Charges

The MTFS assumes that the Council will raise £12.672m from fees and charges in 2025/26. The mean average overall increase in the non-statutory fees and charges is 3.4%, with a modal increase of 0%.

Bridging the Funding Gap

4.20 Whilst there are a number of key uncertainties and variables in the Council's financial planning assumptions, what is certain is that the Council continues to face a significant financial challenge, one which it must address if it is to remain financially sustainable in the medium term.

4.21 In the short term, primarily as a result of additional resources one-off being available in 2025/26, through EPR funding and the continuation of Business Rates pool, this has provided the financial capacity to cushion the impact of the cost pressures and allow a lower level of savings targets to be set. However, beyond this, with a cliff edge reduction in business rates resources and due to the unavoidable cost and demand pressures the Council still faces a significant and widening gap between it's spending requirements and the level of resources it estimates to receive. The underlying need to deliver annual reductions in the net cost base of £1.75m by 2027/28 has not changed.

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

2025/26 £'000	**2026/27 £'000**	**2027/28 £'000**	**2028/29 £'000**	**2029/30 £'000**
250	500	1,750	1,750	1,750

The lower targets in the short term will ensure that fundamental decisions around the depth and breadth of savings programme and subsequent impact on service delivery are not taken until the Council is in a more informed position. This will allow the impacts of the Spending Review and the reforms to local authority funding to be fully understand and the level of resources, through a multi-year settlement, to be known with more certainty and will also ensure any implications for the Council arising from the Devolution White Paper are taken into consideration. The Council will then be able to set future years targets with more certainty - it is though highly likely that the savings targets beyond 2026/27 will change (positively or negatively) in the next refresh of the MTFS.

4.23 Despite this potential for change, the Council will continue to develop and implement a savings programme in order to; deliver the savings required in the short term; and to also ensure it is fully prepared to be able to deliver against the longer-term targets. The key mechanism for delivering the required budget savings is through the Towards Financial Sustainability (TFS) Programme, which seeks to bring net service costs in line with available funding. Over the last decade and half, it is through the TFS Programme and precursor programmes that the Council has delivered the annual savings of nearly £10.5m.

4.24 The Council will continue to adopt this approach, driving down the net cost of services by implementing changes in the way in which it operates and delivers services, minimising where possible the impact on service delivery. Fundamentally though, it still believes that the longer-term approach to closing the funding gap is through economic growth and investment. Through Vision 2025, and the forthcoming Vision 2030, the Council continues to seek ways to maximise it's tax bases by creating the right conditions for the economy to recover and grow, and through it's own direct interventions, to increase Business Rates income, and to encourage housebuilding to meet growing demand, generating additional Council Tax.

4.25 While the Council will focus a range of measures and there is sufficient 'lead in time' to the need to deliver the longer-term savings, given the scale of savings required it cannot rule out the need to face further difficult decisions about the services it continues to provide. As set out in this report, the impacts of the local authority funding reforms and any implications for the Council arising from the Devolution White Paper are likely to influence the future savings programme and the size and scope of services it provides in the future.

Robustness and Adequacy of the Budget and Reserves – General Fund

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

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

4.28 Based on an assessment of the estimated exposure, likelihood and possible mitigation of the financial risks that the Council faces, it is deemed prudent to hold general reserves around £1.5m-£2m. Over the MTFS period, general reserves are maintained in line with this prudent minimum and show an estimated balance, in excess of the prudent level, of £2.126m by the end of 2029/30.

4.29 While the overall level of balances will still be maintained within the prudent minimum, over the period of the MTFS, there are planned uses of balances in the General Fund of £0.589m in 2026/27, £0.276m for 2027/28 and £0.019m for 2028/29. The higher use in 2026/27 is as a result of the forthcoming funding reforms and the assumption that the accumulated gains on Business Rate income will be reset, leaving the Council at a significant financial detriment. Whilst the Council has assumed a substantial level of savings will be required to mitigate the ongoing impacts of this income loss, in the short term the use of a combination of additional 'one-off' resources along with balances and earmarked reserves allows the Council the flexibility to make more informed decisions about the size, scale and scope of the savings programme once there is further clarity around key uncertainties. Based on the current trajectory of savings targets the General Fund will be in the position of making positive contributions to balances by 2029/30, with forecasted contributions of £0.304m.

4.30 The careful use of balances and reserves, in the supporting the General Fund is seen as a short-term measure only to ensure a balanced budget position is maintained while the Council awaits the outcome of the local authority funding reforms and implications arising from the Devolution White Paper. The use of reserves is not foreseen as a long-term solution and the Council is clear that it will need to deliver substantial, ongoing, reductions in it's net cost base.

4.31 Further details on the Council's approach to the management of the General Fund's balances and reserves and the Chief Finance Officer's assessment of the robustness and adequacy of the budgets and reserves is set out in Section 7 of the MTFS.

5. The Housing Revenue Account

5.1 The Housing Revenue Account (HRA) is a ring-fenced account separate from the Council's General Fund that contains the income and expenditure relating to the management and maintenance of it's housing stock. The gross expenditure budget of the HRA is c£34m per year, this is funded primarily from housing dwelling rents.

5.2 Spending Plans

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 Revenue Account Business Plan 2024-2054 was approved in November 2023, following a fundamental review of resources, investment requirements and priorities.

The Business plan describes the Council's long-term commitment to deliver real improvements in it's housing stock and surrounding neighbourhoods, based on four main objectives:

- Core Housing Services – Tenants consistently place core housing services such as repairs, caretaking and landscaping as their number one priority and the Council will work to ensure that Lincoln is ranked amongst the top performing social landlords.

- New Homes – The Council plans to build, acquire and enable the development of 1,700 additional homes over 30 years, which will reduce homelessness and provide a greater choice of places for people to live.

- Estate Regeneration – Plans to regenerate estates means that the Council will tackle problems like parking, crime and antisocial behaviour by improving the urban landscapes (the look and feel) of streets and neighbourhoods.

- Decarbonisation – The Council plans to achieve an energy performance rating of C for all of it's housing properties by 2030, which means that it will protect the environment by reducing it's carbon footprint and making homes cheaper to run for residents.

The Business Plans acts as guide to the development of the Housing Revenue Account budgets, with a focus on growing surpluses that will enable sustainable investment in homes and neighbourhoods.

5.3 **Spending Pressures**

Like the General Fund, the HRA continues to face cost and demand pressures, along with new statutory requirements. Inflation, pay awards, national insurance contribution increases, higher maintenance and constructions costs including material and labour prices, and higher borrowing costs, continue to impact on the Housing Revenue Account's net cost base. Given the level of annual repairs and maintenance and planned capital maintenance to the Council's housing stock the impact of these creates significant cost increases for the HRA. In total these pressures have increased the HRA's cost base by an average of £430k p.a.

5.4 **Financing the capital programme**

Within the HRA the greatest cost demands arise from the day-to-day repairs and maintenance to the housing stock and the requirement to resource the capital investment in existing stock and new housing. Under HRA self-financing, the primary sources of funding for capital investment in the Council's housing stock is from the revenue account through asset depreciation charges and direct revenue contributions. Whilst this reliance has been lessened to some extent, by the removal of the HRA borrowing cap allowing a greater level of prudential borrowing, £66.124m of revenue support is still required to be set aside for capital investment over the period of this MTFS. With increased regulatory requirements, investment needs of existing stock, priorities from Vision 2030 and the Housing Business Plan driving the capital investment needed and the increased cost of maintenance and construction works, the HRA needs to ensure that it maintains it's sound revenue position in order to allow the required contributions to be released.

5.5 **Housing Rents**

In line with the Housing Business Plan and Government Rent Guidelines, which announced that from April 2020 social rents should increase by a maximum of CPI+1% for 5 years, the MTFS has historically been based on this assumption. In 2023/24 however the Government, in light of record inflation levels, imposed a cap on rent increases of 7%, as CPI +1% would have allowed rent increases of up to 11.1%. No such cap was imposed for 2024/25, and the maximum increase reverted to CPI+1%. In April 2024, the Government extended the existing rent settlement for another year, meaning that the existing policy would remain in place until April 2026, and in the 2024 Autumn Budget, the Chancellor announced a consultation on a new Social Housing Rent policy, which proposed that the rent policy should remain in place for at least 5 years, from 1 April 2026 to 31 March 2031**.**

5.6 With the exception of 2022/23 and 2023/24, the Council has historically set the rent levels in line with Government Rent Guidelines for general purpose accommodation, and also increased sheltered accommodation and affordable rents, by the same. In 2022/23 the Council opted to increase rent by 3.6%, rather than the maximum 4.1% allowable and in 2023/24 the Council opted to increase rent by 6.5%, rather than the maximum 7%. Careful to strike a balance between the pressures that household incomes are facing, particularly the most vulnerable in the community, with the increased costs of service delivery, it is proposed that the 2025/26 rent increase is in line with Government Rent Guidelines. The CPI rate for September 2024 was 1.7%, as such the Council are proposing to increase rents by 2.7% from April 2025. The average 52-week rent for general purpose and sheltered accommodation will be £86.76 per week, and £140.30 for affordable rents. The assumption in the MTFS from 2025/26 onwards maintains CPI+1%.

Robustness and Adequacy of the Budget and Reserves – HRA

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

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

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

6. The General Investment Programme

6.1 The General Investment Programme (GIP) for the period 2025/26 – 2029/230 is included within the MTFS at Appendix 3. The total allocated capital programme over the next five years is £25.730m of which £17.957m is estimated to be spent in 2025/26.

6.2 The capital spending plans for the next five years include the delivery of key legacy schemes from Vision 2025, schemes emerging through the development of Vision 2030 where they are sufficiently progressed, and funding is in place (with a continued focus on supporting the City's economy and key One Council projects) and essential investment in existing assets to either maintain service delivery or existing income streams.

- Charterholme Bridges - £9.827m
- Charterholme Phase1a Homes - £9.549m
- Disabled Facilities Grants - £4.260m
- Planned asset maintenance - £1.000m

6.3 The largest scheme in the GIP is the Charterholme (previously Western Growth Corridor) sustainable urban extension, this totals £19.376m over the period of the MTFS (although significant expenditure has already been incurred) in order to resource the infrastructure to open up the eastern access to site and deliver the first 52 homes, developed by the Council. The capital receipts from the sale of these new homes are expected to be received from 2025/26 onwards.

6.4 Further schemes in support of Vision 2030 will be included in the GIP at the relevant stage in their development e.g. grant funding secure, design stage completed etc.

7. The Housing Investment Programme

7.1 The Housing Investment Programme (HIP) for the period 2025/26 – 2029/30 is included within the MTFS at Appendix 4. The total allocated capital programme over the next five years is £72.530m of which £19.757m is estimated to be spent in 2025/26.

7.2 The 5-year HIP is based on the new 30-year Housing Business Plan, approved in November 2023. The key elements of the HIP are split into housing strategy and housing investment. In terms of housing strategy, the focus continues to be on the delivery of additional affordable housing, by maximising the use of 1-4-1 retained right to buy receipts, assessing the use of prudential borrowing and seeking government grant funding for new build schemes or purchase & repair schemes that generate a rental stream. In relation to housing investment, the HIP will continue to focus on the 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.

7.3 As set out in paragraph 5.4 above, the primary sources of financing for the HIP are from depreciation, with financing of £44.143m over the 5-year period and from revenue contributions, totaling £18.977m over the 5-year period. In addition, the HIP is set to utilise £3.769m of prudential borrowing to fund the additional affordable homes programme this is further supported by capital receipts (including Right-to-Buy receipts) of £5.640m. In light of the changes to the Right to Buy scheme, that were announced as part of the Autumn Budget, despite a surge in RTB applications, before the immediate changes were implemented, it is anticipated that the level of RTB's will significantly reduce over the period of the MTFS, resulting in a reduction in RTB receipts. There will though be a benefit to the HRA through increased rental income arising from higher stock numbers.

8. Capital Strategy

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

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

8.2 The Capital Strategy should complement other key documents such as the MTFS, the Asset Management Plan, the Council's Strategic Plan (Vision 2030), and Treasury Management Strategy, etc. by defining the approach, structure and governance for the effective management of the Council's capital investment needs and ambitions.

8.3 A draft Capital Strategy is attached at Appendix B.

9. Consultation and Scrutiny

9.1 Local authorities have a statutory duty to consult externally on Council Tax setting. For the 2025/26 budget, consultation and engagement activities designed to gather feedback from residents and stakeholders in a meaningful way are being undertaken alongside the public consultation on Vision 2030. This allows consideration of the Council's plans for growth and investment to be considered alongside the financial position of the Council, demonstrating how it is intends to use it's limited resources to support the priority areas. These engagement activities will also provide an opportunity to explain to local residents the breadth of council services provided in the city raising awareness of how public money is spent by the Council and seeks views on Council Tax increases.

9.2 Consultation activities include, a public survey, use of the Citizens Panel, targeted workshops for specialist groups (similar to the budget consultation in 2024), direct engagement with key stakeholders, including the business community and local partners, and staff engagement.

9.3 In terms of member budget scrutiny an all-member workshop will be undertaken during January 2025, to ensure that as large a number of members as possible have the opportunity to fully understand the financial position of the Council. This will be followed by a Budget Review Group who will focus on the detail of the draft MTFS, proposed budget and Council Tax recommendation.

9.4 Consultation and scrutiny comments and responses will be considered when the Executive makes its final budget recommendations on 20th February 2025.

10. Strategic Priorities

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

11. Organisational Impacts

11.1 Finance - There are no direct financial implications arising from the approval of the Draft MTFS 2025-2030 for consultation and scrutiny. The strategy provides information on the Council's spending, income and key financial challenges.

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

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

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

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

11.5 Equality, Diversity and Human Rights

This report provides a summary of the financial planning activities across the Council. As a consequence of the approval of the MTFS and budget for 2024/25 there may be an impact on certain council services which will be subject to review. Planning work undertaken to develop the Towards Financial Sustainability Programme and strands and investment in the Vision 2030 and strategic priorities, set out above, involves taking an overview of the potential cumulative impact. This is further expanded and built upon as the specific reviews and projects are developed and so detailed equalities implications will be assessed at the individual service level.

12. Risk Implications

12.1 The Council has a very proactive approach to managing risk and there are effective arrangements for financial control already in place. That said, there is always a risk that the Council will become liable for expenditure that it has not budgeted for or face a reduction in resources available, the impact of which must be mitigated by holding reserves. Due to the current economic conditions, the forthcoming Spending Review local authority funding reforms, and new statutory requirements in relation to recycling, the level of volatility and risk to which the Council is exposed has increased, the MTFS therefore needs to remain flexible and the council's reserves resilient.

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

13. Recommendation

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

- The Draft Medium Term Financial Strategy 2025-2030, and.
- The Draft Capital Strategy 2025-2030

Including the following specific elements:

- A proposed council tax Increase of 2.95% for 2025/26.
- A proposed housing rent increase of 2.7% for 2025/26.
- The Council is member of the Lincolnshire Business Rates Pool in 2025/26.
- The Draft General Fund Revenue Forecast 2025/26-2029/30 as shown in Appendix 1 and the main basis on which this budget has been calculated (as set out in paragraph 4).
- The Draft Housing Revenue Account Forecast 2025/26-2029/30 as shown in Appendix 2 and the main basis on which this budget has been calculated (as set out in paragraph 5).
- The Draft General Investment Programme 2025/26-2029/30 as shown in Appendix 3, and the main basis on which the programme has been calculated (as set out in paragraph 6).
- The Draft Housing Investment Programme 2025/26-2029/30 as shown in Appendix 4, and the main basis on which the programme has been calculated (as set out in paragraph 7).

13.2 That Executive agree to delegate to the Chief Finance Officer approval of the final Business Rates Base for the financial year commencing 1st April 2025 and ending 31st March 2026 and submission of the base (via the NNDR1 return) to the MHCLG by 31st January 2025. All changes to the base estimated in the Draft MTFS 2025-30 will be reported to the Executive as part of the Final MTFS 2025-20 on 20th February 2025.

Is this a Key Decision?	No – Draft proposals only
Do the Exempt Information Categories Apply?	No
Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?	No
How many appendices does the report contain?	Two
List of Background Papers:	Medium Term Financial Strategy 2023-28 – Executive 19th February 2024 Setting the 2025/26 Budget and Medium Term Financial Strategy 2025-30 – Executive 18th November 2024
Lead Officer:	Jaclyn Gibson, Chief Finance Officer Jaclyn.gibson@lincoln.gov.uk

APPENDIX A

CITY OF Lincoln COUNCIL

DRAFT

MEDIUM TERM FINANCIAL STRATEGY

2025-2030

Contents **Page No**

Foreword

Welcome to this latest version of the City Council's Medium Term Financial Strategy covering the period 2025-2030.

The City of Lincoln Council is a high-performing and innovative organisation, focussed on providing quality services and delivering outcomes that matter. It's current Vision 2025 and emerging, new, Vision 2030 is an ambitious strategic plan that is helping to transform both the Council and the City through it's five strategic priorities.

This Strategy sets out how the Council will use it's financial resources to underpin it's new Vision 2030 and strategic priorities. It is the Council's commitment to use the financial resources it employs over the coming years to make a positive difference to the city and its residents.

The refresh of the MTFS needs to be seen in the context of significant financial uncertainty for the Council in relation to future Government funding levels. Significant changes to public sector departmental spending through Phase II of the Spending Review, the allocation of this funding to individual authorities through reforms to the distribution methodologies, and the implementation of a full 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.

Alongside this financial uncertainty are the potential implications for the Council arising from the English Devolution White Paper. The White Paper announced in December 2024, which sets out the Government's plans to widen and deepen devolution in England and reform local government structures, could have fundamental implications for all tiers of local government.

Furthermore, the Council continues to face cost and demand pressures, along with pressures on income streams and new statutory requirements. Cost pressures arising from inflation, pay awards, national insurance contributions, maintenance and construction costs, borrowing costs and reductions in local income streams all have a significant impact on the Council's net cost base. The Council also 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. Due to Lincoln's specific set of local socio-economic factors, this places a greater demand on key services and resource allocation than in most other places. In addition, new regulatory and statutory requirements add further cost pressures, particularly in relation to recycling and housing standards/building safety.

These pressures come after a decade of austerity measures and grant reductions, after a shift to reliance on local taxation as the primary funding source for all councils (which creates a particular problem for places like Lincoln, with a predominantly low council tax base) and following budget pressures created as a result of Covid 19 and spiking inflation in recent years.

While the new Government has stated that it is committed to delivering change, including a comprehensive set of reforms to return the local government sector to a sustainable position, and giving 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. It is a long time since the Council had any stability and certainty beyond a one-year timeframe when setting it's MTFS (the 2025/26 Local Government Finance Settlement being the seventh consecutive on-year settlement). Only with greater funding certainty through multi-year settlements and more clarity on financial reform, can the Council undertake effective financial planning, protect services and meet the needs of residents.

Despite this significant level of uncertainty, based on what is currently known, or can be reasonably assumed at this stage, the Council continues to face a significant and widening gap between it's spending requirements and the level of resources it estimates to receive.

While the Finance Settlement announced a much-welcomed boost to the Council's finances in 2025/26, this is of a 'one-off' nature and does not address the ongoing cost and demand pressures that the Council faces and does not provide sufficient additional funding to close future budget gaps.

These additional one-off resources have provided some financial capacity to; support the delivery of new schemes and projects as part of Vision 2030; cushion the impact of short-term cost pressures; and allow the flexibility to reduce the immediate level of savings required. However, there is still an underlying need to reduce the net cost base by £1.750m by 2027/28, if the Council is to remain sustainable in the medium term.

The ability to deliver these further, significant, reductions in the net cost base must be set in the context of the Council having already delivered, over the last decade and a half, annual revenue savings of nearly £10.5m. This has already involved the Council having to take difficult decisions in terms of which services it can continue to provide, whilst minimising the impact on services most needed by local residents and businesses, and with each year the challenge gets much harder.

The Council will though continue to build on it's successful financial planning to date, driving down the net cost of services by implementing changes in the way in which it operates and delivers services, minimising where possible the impact on service delivery. Fundamentally though, the Council still believes that the longer-term approach to closing the funding gap is through economic growth and investment. Through it's strategic priorities the Council continues to seek ways to maximise it's tax bases by creating the right conditions for the economy to grow, to increase Business Rates income, and to encourage housebuilding to meet growing demand, generating additional Council Tax. As well as continuing to support this the Council will also seek through direct interventions, such as the Additional Affordable Homes Programme; Charterholme SUE etc, to enhance the economic prosperity of the City.

While closing a projected budget gap of this size is a challenge for the Council, it has confidence in it's track record of delivering strong financial discipline and that it can continue to rise to the challenge. It's successful financial planning to date, has enabled the protection of core services for the people of Lincoln, whilst at the same time allowing for significant investment in the City and its economy, and delivery of the Council's Vision. A significant number of projects, schemes and initiatives have been implemented and will continue to be as the Council begins the next stage in it's vision to deliver Lincoln's ambitious future, through it's Vision 2030.

The Council will continue to adopt this successful approach of, carefully balancing the allocation of resources towards it's Vision and future investment plans, whilst ensuring it maintains a sustainable financial position and delivers the required reductions in its net cost base.

Jaclyn Gibson, FCCA
Chief Finance Officer

Section 1 – Introduction

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

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

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

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

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

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

Objectives

In light of the uncertainty the Council faces in it's financial planning assumptions and the forthcoming national reforms to funding mechanisms, which are likely to result in reduced resources for the Council the the existing objectives of the MTFS have been reviewed to ensure they remain relevant. As a result, the key overriding objective continues to be;

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

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

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

- To seek to maximise income levels, through growth in the Council Tax and Business Rates tax bases, whilst ensuring that Council Tax rate increases are kept an acceptable level;

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

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

Policy and Financial Planning Framework

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

The Vision 2025, and emerging new Vision 2030, promotes a clear view of the Council's strategic focus and in particular its key priorities. These priorities are a commitment by the Council to use the resources it employs over the coming years to a make a positive difference to the city and its residents.

Section 2 – Context

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

Economic Climate

Since late 2021 the UK economy has faced face a volatile and uncertain path, dominated by rising cost of living pressures for UK households, surging energy costs, high inflation, weak growth and rising interest rates. However, when the new Labour Government took over the economy in July 2024, it was at a turning point, benefitting from the natural swings of the economic cycle with the worst of the crisis, that had persisted for the last three years, behind it.

- Having stagnated in 2023 with a mild recession over the second half of the year, momentum in the UK economy picked up since the start of 2024 with strong growth in the first two quarters. GDP increased by 0.7% in quarter 1 and by 0.5% in quarter 2, the fastest pace in two years and by more than any other G7 economy.

- In terms of inflation, CPI has now normalised 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.

- After 14 consecutive increases in the Bank of England base rate, in response to rampant inflation 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. This was subsequently followed by a second cut of 0.25% to 4.75% in November.

Despite this upturn in the economy, in July, the new Labour Government published an audit of public spending which set out £22bn of in-year spending pressures, the vast majority of which were recuring costs. The Government's first Budget and Phase 1 of Spending Review 2025, announced in October, were set in the context of these funding pressures (further details are set out under National Priorities below) and announced a large, sustained increase in spending, taxation and borrowing aimed at boosting investment and long-term economic growth. As a result, the Budget was the largest fiscal loosening in decades with the consequences being a temporary burst of economic growth, but higher inflation and a slower fall in interest rates in the near term.

- Despite the initial strong growth, the economy slowed to a near standstill in quarter 3, with growth of 0.1%, as uncertainty surrounding the new Labour Government's first Budget and high interest rates contributed to a loss of the momentum. While the uncertainty of the Budget will have eased in quarter 4 and the economy is expected to return to a path of modest growth, the downside risks to the outlook have increased. Total growth for 2024 is now expected to be just over 1%, 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 to 2029/30.

- With household energy bills increasing again after the energy cap went up in October and the impact of policies announced in the Budget, CPI went back up by 2.3% in October. The Office of Budget Responsibility (OBR) expects CPI to rise again in the near term resulting in a projected rise to 2.6% in 2025. Despite this potential for a short-term rise, the OBR anticipates CPI gradually falling back from late 2025, remaining close to the 2% target throughout the remaining 3-years of the OBR forecast.

- The Bank of England have subsequently warned that inflation will creep higher because of the Budget measures, although not to previous highs – meaning interest rates will fall a bit slower and not as far as previously expected. The OBR's mid-term forecast anticipates that rates are expected to fall to around 3.5% by 2027.

National Priorities

As set out above the most recent major fiscal event was the new Labour Government's Budget and Phase 1 Spending Review 2025, announced in October.

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.

In total public spending is set to increase as a share of the economy in 2024 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.

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 Budget are intended to boost investment and drive a higher level of output in the long run. The Budget aims to:

- Putt the public finances on a sustainable path by strengthening the fiscal framework, including announcing new fiscal rules, and taking difficult decisions on tax, welfare and spending.
- Grow day-to-day departmental spending at an average of 2.0% per year in real terms between 2023/24 and 2029/30 to support public services, including to deliver 40,000 extra elective appointments a week and reduce NHS waiting lists.
- Boost capital investment by over £100 billion over the next five years, including in transport, housing and research and development (R&D), with a greater focus on value for money and delivery to help unlock long term growth.

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% 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.

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.

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.

The Chancellor launched Phase 2 of the Spending Review on 12 December. This confirms line-by-line reviews of all expenditure as part of a "zero-based review" and will prioritise delivering the government's missions. As part of this departments will be expected to make better use of technology and seek to reform public services, to support delivery of the government's plans for a decade of national renewal.

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 local authority funding reforms, volatile economic factors, and fears of a new round of austerity measures. While the Budget and Phase 1 of the 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.

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.

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 reminder 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.

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 has started 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 have also announced, the in the Local Government Finance Policy Statement, that it intends to reset the Business Rates System, with implementation to begin in 2026/27.

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 and has set out further details of the planned funding reforms in the Finance Policy Statement, the sector is still in the position of a highly uncertain financial planning period. 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.

Only with greater funding certainty through multi-year settlements and more clarity on financial reforms, can councils undertake effective financial planning, protect services and meet the needs of residents.

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.
- 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.

Fair Funding Review and Business Rates Reset

As set out above the Government intends to reform the approach to funding allocations within the Local Government Finance Settlement and also intends to reset the business rates system. These are two fundamental reforms to the mechanisms of local government funding, which will have significant impacts on the level of resources for each council.

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.

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 has started with a deprivation-based approach in 2025/26 with additional funding targeted to the places that need it most through the new Recovery Grant.

From 2026/27, the Local Government Finance Policy Statement set out the Government's intentions to fundamentally improve the way councils are funded and direct funding to where it is most needed. The reforms will build on the proposals set out in the previous Government's review of Relative Needs and Resources (the Fair Funding Review), using the best available evidence to inform local authority funding allocations. This will be based on an up-to-date assessment of need and local resources, targeting money towards areas with greater need and demand for services and less ability to raise income locally.

A reset of the business rates system will also be introduced alongside the assessment of needs and resources. The Government intends to implement a full reset the business rates retention system, to better reflect how much local authorities are actually collecting in business rates, as was originally intended when the previous government established the system. 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.

An initial consultation on the objectives and principles of the Government's proposed approach was launched alongside the provisional Local Government Finance Settlement 2025/26. The consultation focusses on the objectives and principles for the review. There are no numbers throughout. The aim is to establish consensus around the approach to the review, which will govern later steps and also narrow the scope for debate.

The proposals are set in a broader context of a planned shift of power away from the centre towards people and communities, including through the English Devolution White Paper, and efforts to set out and measure progress on key services and outcomes and to secure the highest standards in local government. There are further references to simplifying and consolidating the funding landscape; more emphasis on prevention, through place-based plans; identifying excessively burdensome activities and streamlining and rationalising reporting and evaluation requirements; and increasing flexibilities for fees and charges.

The move towards an updated system will be gradual and the Government will invite views on possible transitional arrangements to determine how local authorities reach their new funding allocations.

Further consultation on the technical detail on the planned reset of accumulated business rates retention growth is planned for early 2025. The Government will then develop, publish and consult on a detailed plan for reform ahead of the provisional Settlement for 2026/27. Implementation of these reforms will begin through the multi-year Settlement in 2026/27.

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 and wage costs 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.

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 or 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.

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.

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.

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.

In it's 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."

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".

More recently, in December 2024, the Housing, Communities and Local Government Committee has launched an inquiry looking at whether the local government finance system in England is fit for purpose. The inquiry will examine the significant funding pressures in local government and will also look at the level of control which local authorities have over both the funding they receive and their costs for providing services.

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, these 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.

English Devolution White Paper

In December 2024, the Ministry of Housing, Communities and Local Government (MHCLG) published its English Devolution White Paper.

The White Paper sets out the government's plans to widen and deepen devolution in England and reform local government structures. Central to the proposals is the ambition to extend devolution to all parts of the country, enhancing powers for mayors and replacing two-tier local government with single-tier unitary authorities.

This is a wide-ranging document and includes the following proposals:

- The Government has stated its aim that all parts of England should have a Strategic Authority (a Combined Authority of some shape or form). It will legislate for a ministerial directive to help achieve this where local proposals are not forthcoming within a set time period.

- The Government wants to see all of England benefit from devolution. By completing the map, the Government will oversee the rebalancing of power from central government so that local leaders can take back control and increase prosperity for local people. It is the government's strong preference that in filling the map, places do so with a Mayor over a strategic geography.

- A legal framework will set out the powers which go with each type of authority, with the most far-reaching and flexible powers going to Mayoral Strategic Authorities. Mayoral Strategic Authorities will move to simple majority voting where possible.

- Established Mayoral Strategic Authorities will become eligible for the Integrated Settlement, which will commence at the following Spending Review provided a sufficient preparation period has passed.

- The Government will facilitate a programme of reorganisation for two-tier areas and unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver sustainable and high-quality public services. This is a longer-term programme, with a target of an ambitious first wave in this Parliament. The target size of new unitaries is 500,000 residents or more, but decisions will be taken on a case-by-case basis.

- The Government will fundamentally reform the local audit system, rebuilding the vital early warning system to recover a key part of assurance mechanisms, restore local government standards, and ensure transparency, and avoid returning to a bloated Audit Commission or allow mission creep to expand the remit of government bodies in the sector. As a first step, the Government will close the Office for Local Government.

- The Government will pursue an ambition to realign public authority boundaries, so that over time, public services are delivered over the same areas as Strategic Authority boundaries. The Government's long-term aim is for public service boundaries – including those of police, probation, fire and health services – and those of Strategic Authorities, to align.

This is the first major policy statement on local government since the White Paper 'Strong and Prosperous Communities' in 2006. Reforms in this White Paper will have a significant impact on every council and poses a particular threat to district councils and the frontline services they deliver.

The potential creation of unitary authorities would impact all of the Councils in Lincolnshire, which currently operates in a two-tier system with a County and 7 District Councils. As further details are announced in the forthcoming months, the impact on the Council is set to become clearer.

In advance of the publication of the White Paper, Greater Lincolnshire (incorporating Lincolnshire County Council and North and North East Lincolnshire Unitaries) had secured a devolution deal for the creation of a Mayoral Combined Authority from May 2025. While the devolution deal provides funding and some more localised decision making via an elected Mayor and as such could create opportunities for such as housing provision, with dedicated funding to increase delivery, the creation of the MCA also brings some financial risks to the Council. Currently there are a number of funding streams i.e UKSPF, Homes England, Affordable Homes Programme, that are allocated directly to the Council, with the creation of the MCA there is a high likelihood that funding will instead be channelled through there and will be subject to allocation in line with it's priorities. UKSPF allocations for 2025/26 have already been announced at the strategic authority level. This creates a risk that the Council will no longer be able to access funding opportunities and ensure they are used in accordance with the needs of the City, it's residents and businesses and could also limit funding to take forward key projects in support of Vision 2030.

Planning Reforms

In December 2024, the Government published its response to the National Planning Policy Framework (NPPF) consultation. As part of its plan to significantly reform the planning system, the Government has introduced new immediate mandatory housing targets for councils to deliver growth in housebuilding, with councils required to adopt up-to-date local plans or develop new plans that work for their communities. These housing targets, aimed to deliver 1.5 million new homes by 2029, will require councils across country to build 370,000 homes annually, with higher targets set for areas facing severe affordability issues.

For the Central Lincolnshire Partnership, which consists of Lincoln, West Lindsey District Council and North Kesteven District Council the housing targets have increased by 40% from 1,102 to 1,552, allocated as: Lincoln 413; West Lindsey 487 and North Kesteven 652 per year. These are extremely ambitious targets.

The updated NPPF encourage development on brownfield sites first and reviewing "grey belt" land for potential use while ensuring greenbelt protections remain strict. Additionally, developers will face new “golden rules,” requiring infrastructure and affordable housing as part of any new projects. To support the changes, councils will receive £100 million in funding to hire staff and conduct technical studies, with an aim to recruit an additional 300 planning officers nationwide. The government has also introduced measures like a New Homes Accelerator and increased housing guarantees to unblock stalled developments and support small-scale builders.

A consultation will take place in early 2025 to explore further updates to the planning system, aiming to simplify processes and ensure local authorities adopt up-to-date plans within clear timelines.

In response to the changes, the LGA have said that there must be a collaborative approach between Government and councils to tackle local housing challenges, with councils and communities best placed to make decisions on how to manage competing demand for land use through the local plan-led system. Planning reform also needs to be supported by further work to tackle workforce challenges, and government must work with councils to ensure there is a suitable pipeline of sustainable sites, which once allocated in a Local Plan or given planning permission, are built out.

The implications for the Council of the new NPPF are broad, ranging from direct impacts on the planning team and committee, to direct delivery of new homes by the Council through the Housing Revenue Account and market housing e.g Charterholme, but also through it’s influence in the City with other house builders and the identification and development of suitable sites in order to achieve the ambitious, mandatory, housing targets.

Local Priorities

City Profile

Lincoln is a cathedral city, and is one of the oldest cities in Britain, with an estimated population of around 102,545 taken from the Office for National Statistics (ONS) mid-year population estimate for 2022. Lincoln also ranked the seventh most densely populated local authority area out of 16 CIPFA nearest neighbours, taken from the Office for National Statistics (ONS) mid-year population estimate for 2022.

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

Based on the mid-year estimates, in the ten years, from 2012 to 2022, Lincoln has seen 11.2% increase in the number of people who live here and subsequently the number of usual residents in Lincoln per square kilometre increased to 2,873 between 2012 and 2022.

As expected, a high level of the population continues to fall within the younger age bracket. In 2021-2022, there were 17,975 students at the University of Lincoln and 2,370 students at Bishop Grosseteste University.

Lincoln remains a young City with 35.3% of the population in the 15-34 age bracket.
In Lincoln as a whole, the most common age group shown in the Office for National Statistics (ONS) mid-year population estimate for 2022 was 20-24, 12.6% of the population.

The largest change in population in Lincoln as shown in the Census 2021 was in the age group 70-74, which saw an increase of 33.2% in population (996 people) between 2011 and 2021. The age groups 5-9 (+25.4%), 20-24 (+21.4%), 30-34 (+20.4%) and 55-59 (+26.8%) also saw relatively large increases.

In comparison, the age group 45-49 saw the largest decrease in population in Lincoln by 8.9% (549 people) during the ten-year-period. The age groups 0-4 (-7.2%), 40-44 (-1.2%), 80-84 (-2.2%) and 85-89 (-3.1%) also saw decreases in population between these years.

In terms of the economy, the city continues to face a number of challenges. Before the pandemic the City's business base had been growing consistently for some years, with almost 95% of new businesses surviving their first year in 2020. In 2021, Lincoln had 335 business births with 325 (97%) of those surviving their first year, an increase of 1.8% on the previous year, this follows a continuous upward trend since 2018.
Lincoln had the highest survival rate of businesses in their first year of trading compared to CIPFA nearest neighbours. Throughout the pandemic the Council worked hard to mitigate business failure and unemployment rates, distributing grants to businesses, working with partners across the City to support the High Street, through direct investment in the City and progression of the Towns Fund bid as well as other measures.

Nevertheless, lockdowns and Covid restrictions have had a major impact on the local economy with many businesses forced to close or make staff redundant. As of October 2023, 11,717 residents within the city were claiming Universal Credit, of which 6,982 were not in employment and 4,735 were in employment. Lincoln has the 7th highest number of Universal Credit claimants when compared with it's nearest neighbours, with a total figure of 2,900 claimants in March 2024 (NOMIS 2024).

However, during 2023, we have seen median gross annual pay rate rise for part-time and full-time workers. We have 81.6% of 16-64 year-olds who are economically active, and a ‘job density’ (the level of jobs per resident) of 0.88, which is higher than both the East Midlands and England rates.

Lincoln’s job density increased to 0.95 in 2022, alongside increasing rates in both England and the East midlands for 2022. Job density in Lincoln remains higher than the regional average of 0.81 and national average 0.87.

The number of Local Council Tax Support claimants had reduced year-on-year since 2013, but for the first time in 2020 we saw a rise in claimants, though this has subsequently continued to fall since. As of April 2024, we had 8,281 claimants.

As of December 2023, 0.4% of properties fall within council tax bands G and H, and 80% fall within the lowest bands A or B. The remaining 19.6% of properties fell within the remaining council tax bands C, D, E and F.

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

Both male and female life expectancies continue to be lower than national averages between 2020-2022 with male life expectancy decreasing to 75.8 years, a decrease of 0.3 years compared to 76.1 years reported in 2018-2020.

However, female life expectancy increased slightly from the 2018-20 figure of 80.9 years to 81 years in 2020-2022, an increase of 0.1 years. Under 75 mortality rates of heart disease and cancer have seen an increase and Lincoln still ranks high amongst our nearest neighbours.

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

The ongoing cost-of-living crisis, compounded by the residual impact of Covid19, is being felt, and will continue to be felt hardest, by the most vulnerable members of the City. Those who are the most economically disadvantaged have experienced these crises differently as they interlink with existing health inequalities and social conditions and increase existing adversity: financial difficulties, unemployment, loneliness, social isolation, all of which have been intensified since the pandemic.

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

Vision 2025 and Vision 2030

The Council's Vision 2025, launched in March 2020, sets out its vision for the future of the City, strategic priorities and core values.

A mid-term review of the proposals in the vision was undertaken in 2022. This review was an opportunity to repurpose Vision 2025, following the Covid19 pandemic and to ensure that the actions taken to meet the priorities will help tackle the needs of the City's residents and businesses. As part of this work, the effect of Covid19 on the physical and mental health of residents was considered – and as a result resources were refocused towards prevention and addressing those areas, including health inequalities, that will be needed most in the final three-year period.

The Council's current vision for 2025 is;

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

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

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

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

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

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

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

- Let's be approachable
- Let's be innovative

- Let’s be trusted to deliver

Vision 2025, and it’s supporting delivery plans comes to a natural conclusion in March 2025, while the Council is proud of all it has achieved with Vision 2025 there is much more to do to make Lincoln achieve its potential, while improving the lives of it’s 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 national funding reforms, and in light of any implications arising from the Devolution White Paper.

The action and projects within the new Vision 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.

In developing Vision 2030 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; 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.

Despite the challenges posed to the Council’s financial position it remains committed to seeking to deliver against it’s strategic priorities and longer term vision.

Section 3 – Revenue (General Fund)

Spending Pressures

Local Authorities continue to face cost and demand pressures, along with pressures on income streams and new statutory requirements. The Council's own financial position is no different to this; inflation, pay awards, national insurance contribution increases, 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. Due to Lincoln's specific set of local socio-economic factors this places a greater demand on key services and resource allocation than in most other places.

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.

These escalating cost, demand and income pressures have arisen across a number of key areas:

- 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, street cleansing, grounds maintenance, housing repairs etc, 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. While the Council can reclaim an element of these costs through the housing subsidy system, the amount that can be reclaimed is limited to 90% of the Local Housing Allowance (LHA) rates from January 2011. The gap between actual rents and the LHA rates becomes wider and less reflective each year and leaves the Council in the position of having to 'make up' significant shortfalls between housing benefit subsidy and the cost of 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. If the supported accommodation is provided by a voluntary organisation or a registered charity that is not a housing association, the subsidy rules mean that the council does not receive 100% subsidy on the rent paid. With an increase in this type of accommodation, the Council is left bridging the gap between rent paid and amount it can recover via the subsidy system.

- Wage inflation: staff costs make up a significant percentage of council expenditure. Recent pay agreements, negotiated by the National Employers side, whilst recognising the below inflation pay increases of local government workers in recent years, have placed a significant additional burden on local authorities. In addition, the announcement in the Autumn Budget to increase

Employer National Insurance contributions from April 2025 has also significantly increased the Council's salary costs. While nationally, additional funding of £515m has been announced, the Council's estimated allocation is significantly lower than the actual increased costs it will incur. Funding is estimated to be only c36% of the actual increased costs.

- 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 it's 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.

In addition to the cost and demand pressures for existing services, over recent years there have been more and more new burdens placed on councils with little or no additional funding. A key risk that the Council currently faces is in relation to new statutory requirements under the Governments Simpler Recycling in England Policy. From April 2026 the Council will be required to implement a weekly food waste collection service, this will be the largest change to waste collection services in Lincoln since the introduction of wheeled bins, as well as separately collecting paper and cardboard from other dry recycling. The costs of implementing weekly food waste collections will have both significant transitional and ongoing operating cost implications for the Council. While the Government have committed to providing additional funding for the cost of transition and ongoing service delivery through the new burdens regime, as yet there has been no confirmation of revenue funding allocations and no public timeline for when this will be announced. 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 it's service delivery and as such the revenue costs it incurs include the cost of vehicle provision, whereas other council's outright purchase the refuse vehicles and do not pay for these as a revenue cost. Initial estimates indicate that this new service may 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. Until such time as the Government announces the level of new burdens funding, this remains a significant risk to the Council.

While assumptions were made in the previous MTFS, as a result of further developments over the last 12 months and to address the impact of new and emerging challenges, further, permanent, increases in the Council's net cost base have been required in this MTFS. This only widens the gap between the cost of providing the Council's services and income it receives from local taxation and government funding.

Spending Plans

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

In developing the new Vision 2030 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.

The MTFS provides for the allocation of £1m of revenue resources to support the Council's the new Vision 2030, this is a one-off allocation. These additional resources have been released as a result of previous years underspends and from additional resources allocated in the Finance Settlement 2025/26 and the continuation of business rates pooling in 2025/26.

Details of the projects supporting the vision and strategic priorities will be included within the new Vision 2030, which is currently subject to public consultation, and in the final version of this MTFS.

In light of the financial challenges the Council continues to face the key to delivery of the new Vision will be the ability to continue to attract external funding, work in partnership with others and reallocate/repurpose existing, limited, resources.

Spending Assumptions

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

Inflation – Pay and Prices

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

	2025/26 % per year	**2026/27 % per year**	**2027/28 % per year**	**2028/29 % per year**	**2029/30 % per year**
Pay	2.0%	2.0%	2.0%	2.0%	2.0%
CPI	2.0%	2.0%	2.0%	2.0%	2.0%
RPI	3.0%	3.0%	3.0%	3.0%	3.0%
Gas	(15.0%)	2.0%	2.0%	2.0%	2.0%
Electricity	(15.0%)	2.0%	2.0%	2.0%	2.0%
Vehicle Running Costs	2.5%	2.0%	2.0%	2.0%	2.0%
Insurance Premiums	5.0%	2.5%	2.5%	2.5%	2.5%
Internal Drainage Levies	5.0%	2.0%	2.0%	2.0%	2.0%
Non domestic rates – std	1.6%	2.0%	2.0%	2.0%	2.0%
Non domestic rates – small	0.0%	2.0%	2.0%	2.0%	2.0%

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

Land Drainage Levies

A small number of local authorities are required to make payments of Special Levies to Internal Drainage Boards (IDB's) for the specific use of managing the maintenance and operation of drainage, water levels and flood risk, which is required to manage water resources and reduce flood risk to people, businesses, communities and the environment. These Special Levies represent a significant proportion of the Councils' net budget at £1.333m p.a., equating to 16% of the Council Tax Requirement. Local Authorities have no control over the sum levied.

The annual increase in levies is ordinarily in line with CPI projections, however due to the current economic climate and the significant cost increases borne by the IDB's, particularly in relation to the impacts of weather-related incidents in recent years, average inflationary increases of 20% and 16% were applied in 2023/24 and 2024/25 respectively. For 2025/26 the inflationary increase is expected to be c5%

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. A further one-off grant of £30m has been announced for 2025/26, although the specific allocations to individual authorities are not yet available.

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.

Employer's Pension Fund Contributions

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

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

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

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

Net Interest Receipts

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

Historically investment income, which is heavily dependent on how the Council uses its reserves and the prevailing interest rates, was an important source of income for supporting the Council's service expenditure. Over the last decade the average interest rate achieved was barely above base rate, however, in recent years interest rates have increased in the Bank of England's attempt to reduce inflation, resulting in a significant increase in investment income. The start of the 24/25 financial year saw interest rates at 5.25%, this has since seen two reductions to the current rate of 4.75% (Dec 2024) off the back of falling inflation rates. Economists are forecasting a further 25bps reduction in interest rates at the end of this financial and further staged reductions throughout 2025/26.

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

Interest rates are forecast to fall incrementally to 3.5% towards the end of the 25/26 financial year according to the Councils Treasury Management advisors. This is reflected in investment income forecasts in the MTFS.

Whilst the council does not anticipate any short term borrowing, if any should be required it should be minimal. The Council’s portfolio of long-term borrowings currently includes four loans that are due to be repaid during the five year MTFS 2025-30 period. The council currently has one short term loans which is due to mature in 2025. In recent years the council has taken out reborrowing in the form of Equal Instalment of Principal (EIP) loans of which enables the council to pay down principal over a 10 year period and reduce interest expense. Four of the councils loans have lender options to vary their terms at six monthly intervals.

Sensitivity to changes in interest rates is linked more markedly to investments rather than to the portfolio of borrowing as all borrowing is at fixed interest rates. As an indication, a change in interest rates achievable on investments of +/- 0.5% the interest receivable would have an estimated combined impact of approximately £0.653m over the 5 year MTFS. A rise of 0.5% in the Bank of England base rate would not translate into a 0.5% increase in investment rates available.

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

	2025/26 %	**2026/27 %**	**2027/28 %**	**2028/29 %**	**2029/30 %**
Interest Rate	3.30	2.92	2.98	2.98	2.98

Based on the current forecasts for interest payable on new borrowing (averaging around 4.27%) and receivable on investments (averaging around 3.03% over the MTFS), and the estimated level of balances available for investment, it is currently anticipated that new borrowing will be taken to fund the borrowing requirement for the General Fund over the 5-year strategy. Internal balances will be used to fund the existing borrowing requirement where it remains financially advantageous to do so, reducing the amount of interest that would have been payable on new debt, partially offset by a reduction in interest receivable (due to reduced balances available for investments).

Provision for Debt Repayment

A review of the Council’s Minimum Revenue Provision Policy (MRP) was undertaken during 2022/23. MRP is a statutory charge to the Council's revenue account to make provision for the repayment of the outstanding capital debt liabilities. The Council is required by law to set aside an amount for this provision which it considers to be prudent. Statutory Guidance which accompanies the Regulations provides options for the calculation of MRP and gives Council's significant discretion in determining the level of MRP. The Guidance states that 'the broad aim of prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant'.

As a result of the review the Council's Treasury Management Strategy the council implemented an annuity based calculation rather than the previous straight line method. The annuity method is seen as being equally as prudent as the straight line method because the time over which the debt liability will be repaid is not being extended, in addition the annuity method provides a fairer charge than the straight-line method since it results in a consistent charge over the asset's life, considering the time value of money.

Resource Assumptions

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

The Local Government Finance Settlement for 2025/26 sets out the distribution of centrally allocated resources for local authorities and provides authorities with a combination of grant allocations and their baseline figures within the BRR scheme.

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

This is the seventh consecutive one-year local government finance settlement - which is effectively a 'stopgap settlement'. The consultation paper on future finance reform, published in parallel, confirms the Government's intention to deliver a multi-year settlement next year, aligned to the time horizon of the planned Spending Review, and embodying a broad reform of the system for allocating resources. This whole timetable is driven by the Spending Review timing horizon and the length of time necessary to work-up and consult on the new reform package.

The 2025/26 Settlement is based on the Autumn Budget and Spending Review 2024 amounts and the 28th November Finance Policy Statement.

Core Spending Power

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

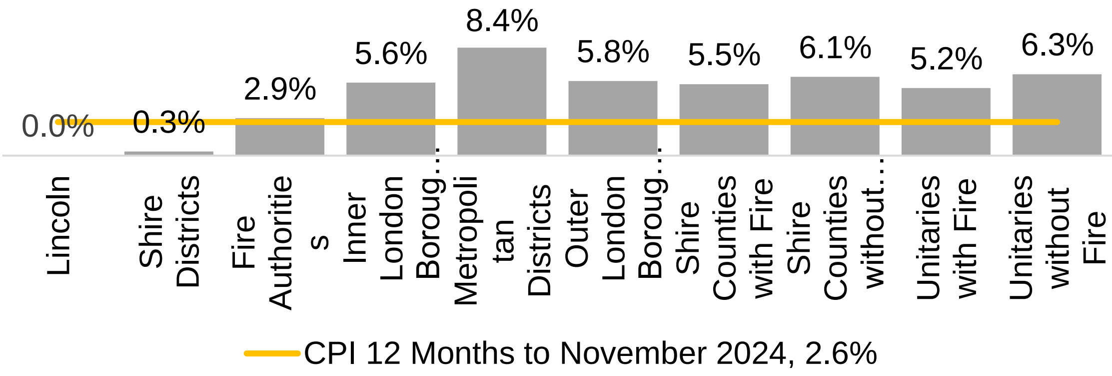
The table below shows the national changes to Core Spending Power between 2020/21 and 2025/26 and the breakdown across the various funding sources. Overall, spending power will increase by £3.902bn, 6%, from £64.982bn to £68.884bn.

England	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£bn	£bn	£bn	£bn	£bn	£bn
Settlement Funding Assessment	14.797	14.810	14.882	15.671	16.563	16.841
Under-indexing business rates multiplier	0.500	0.650	1.275	2.205	2.581	2.696
Council Tax	29.227	30.308	31.922	33.984	36.154	38.312
Improved Better Care Fund	2.077	2.077	2.140	2.140	2.140	2.640
New Homes Bonus	0.907	0.622	0.556	0.291	0.291	0.290
Rural Services Delivery Grant	0.081	0.085	0.085	0.095	0.110	0
Lower Tier Services Grant	0	0.111	0.111	0	0	0
Social Care Grant	1.410	1.710	2.346	3.852	5.044	5.924
Services Grant	0	0	0.822	0.483	0.087	0
Market Sustainability & Fair Cost of Care Fund	0	0	0.162	0	0	0
ASC Market Sustainability and Improvement Fund	0	0	0	0.562	1.050	1.050
ASC Discharge Fund	0	0	0	0.300	0.500	0
Domestic Abuse Safe Accommodation Grant	0	0.125	0.124	0.127	0.130	0.160
Grants Rolled In	0.380	0.394	0.309	0.538	0.064	0
Recovery Grant	0	0	0	0	0	0.600
Children’s Social Care Prevention Grant	0	0	0	0	0	0.250
Funding Floor	0	0	0	0	0	0.121
Funding Guarantee	0	0	0	0.133	0.269	0
Core Spending Power	**49.379**	**50.891**	**54.834**	**60.382**	**64.982**	**68.884**
Change %		**3.1%**	**7.7%**	**10.1%**	**7.6%**	**6.0%**

Although the national level of Core Spending Power is forecast to increase by 6.0% there will be a variation between individual authorities and types of authority. The calculation also contains assumptions around council taxbase changes and increases which may not be reflected in local projections.

Shire Districts, including Lincoln have historically experienced the worst reductions or lowest increases in core spending power, due to changes in distribution methodologies and a redirection of resources towards social care pressures and the allocation of other specific grants towards upper tier or rural authorities. Shire Districts have once again fared the worst of the authority types with an average increase of 0.3%, 134 out of 164 district councils have received a flat cash increase in Core Spending Power, assuming they use full council tax flexibility However, some districts may receive a real-terms increase in funding overall but this will be entirely dependent on Extended Producer Responsibility (EPR) income.

Average increases across the authority types are set out below:



Lincoln's increase in CSP for 2025/25 is 0%, this is significantly below the average for all authority types at 6% and lower than average for Shire Districts at 0.3%. Lincoln's position is as set out in the table below:

Lincoln	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
SFA	3.837	3.837	3.838	4.132	4.322	4.409
Council Tax;	6.915	6.956	7.360	7.556	7.906	8.222
Other grants	1.072	1.137	1.645	1.444	1.705	1.306
Core Spending Power	**11.824**	**11.929**	**12.843**	**13.132**	**13.933**	**13.937**
Change (%)						**0.0%**

Settlement Funding Assessment

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

	2020/21	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Revenue Support Grant	0.023	0.023	0.024	0.175	0.187	0.226
Baseline BR Funding Level	3.814	3.814	3.814	3.957	4.135	4.182
SFA	**3.837**	**3.837**	**3.838**	**4.132**	**4.322**	**4.409**

Revenue Support Grant

In terms of the Council's RSG element of the SFA, the figure for 2025/26 has been determined using 2024/25 amounts, plus 1.7% CPI inflation initially. There have also been a number of smaller grants rolled in, e.g. Tenant Satisfaction Measures, Election Integrity Programme etc. The Council's allocation is as follows:

	2020/21 £m	**2021/22 £m**	**2022/23 £m**	**2023/24 £m**		**2024/25 £m**	**2025/26 £m**
RSG	0.023	0.023	0.024	0.175*		0.187	0.226

* Local Council Tax Administration Support Grant rolled in.

The MTFS assumes an ongoing grant allocation beyond 2025/26 of £0.226m p.a.

Business Rates Retention

The Council has undertaken an assessment of the amount of business rates that it expects to collect during 2025/26 and based on the principles of the current 50% Business Rates Retention scheme the estimated level of NDR to be retained is set out in the table below.

The level of outstanding appeals continues to create a level of uncertainty, 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 MTFS assumes a £1.246m p.a. reduction in retained rates due to outstanding appeals, this is c3% of the total net rents payable. This assessment has been made taking into consideration the level of checks, challenges and appeals received during the first year of the new ratings list along with national assumptions.

For 2025/26 the Council along with the County Council, who are a top up authority, and the six other Lincolnshire District Councils have received designation to act as a BR pool. The benefit of pooling is that the authorities in the pool can be better off collectively through a reduction in the amount of levy paid to the Government. The arrangements for the current pool are that this retained levy is allocated 40% to the County Council and 60% allocated to the District Council that has generated the business rates growth. The estimated benefit of this to the Council is £0.674m in 2025/26. As the BR Reset is set to be implemented in 2026/27, it is assumed that the BR pool not continue beyond 2025/26.

Beyond 2025/26 forecasting the level of Business Rates income to be retained is extremely challenging due to a lack of detail around the proposed reset of baselines and changes to the level of underlying need. These reforms, have the potential to wipe out the majority of the accumulated gains the Council has achieved since the launch of the current system in 2013/14 and return income to the Council's baseline levels. In 2025/26 the accumulated growth to the Council is c£2.2m p.a.

Until further announcements are made, the MTFS is based on a continuation of the existing retention scheme and pooling arrangements in 2025/26 and then, prudently, from 2026/27 assumes a full reset of baselines with only a small element of assumed redistribution of the national pot to reflect changes in the Council's underlying level of need. These forecasts will continue to be assessed as further information regarding the design and implementation of the reforms, including any transitional arrangements, are made available.

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

Income Forecast	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Forecast retained Income	7,144	5,440	5,530	5,644	5,644

As set out throughout this MTFS, the potential funding reforms to be implemented from 2026/27 onwards will have the potential to significantly affect the level of business rates retained by the Council, whilst assumptions have been made in the MTFS regarding the potential impacts the actual impact remains a high risk to the Council's future financial sustainability.

New Homes Bonus

Historically the New Homes Bonus (NHB) grant was a significant source of funding for District Council's, with the Council receiving average annual allocations of £0.975m, but subsequent amendments to the scheme parameters and funding envelope reduced the levels of grant allocations.

The Local Government Finance Policy Statement 2025/26 announced that there would be a new round of NHB payments in 2025/26, allocated by applying the same calculation process. However, it also stated that having a portion of the Settlement allocated on a payments-by-results basis negatively interacts with the remainder of the Settlement and that a consultation on proposals for reforming the NHB beyond 2025/26 would be undertaken in due course. The consultation will propose that 2025/26 will be the final year of the NHB in its current format and councils should consider this in their financial planning.

The Council's allocation for 2025/26 is £0.027m.

The MTFS does not assume any grant allocations beyond that announced for 2025/26.

Recovery Grant

A new one-year 'Recovery Grant', worth £600 million was announced as part of the 2025/26 Settlement. This has been distributed to places with greater need and demand for services (using deprivation as a proxy for this), and which are least able to fund their own services locally. The grant has allocated funding where the numbers of vulnerable people who rely on council services are highest, and the ability to fund need locally is weakest. This is intended to correct the inefficiency of the current system and put councils in the most deprived areas on a more stable footing. The grant is intended to be highly targeted, meaning that not all authorities have received an allocation.

The Council's allocation for 2025/26 is £0.414m. The MTFS assumes an ongoing grant allocation beyond 2025/26 of £0.414m p.a.

Extended Producer Responsibility/ Recycling Reforms

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 is 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.

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.

The Autumn Budget stated that for 2025/26 this will be treated as 'new money', but it may be netted off in the Settlement in future years. This is an important 'one-off' boost, particularly for District Councils, in light of their lower than average increases in CSP. However, until the Government sets out how this significant funding stream will affect the wider local government finance system beyond 2025/26, i.e. it plans to assess the impact of additional EPR income on the relative needs and resources of individual local authorities, and how it factors it into it's measurement of local authority spending power, ahead of the 2026/27 Settlement, 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.

The Council's provisional allocation for 2025/26 is £1.424m.

The MTFS therefore does not assume any allocations beyond 2025/26.

National Insurance Contributions Compensation

As announced in the Autumn Budget, from April 2025 all employers will incur additional National Insurance Contributions (NIC's). For the public sector, the Government also announced that it intended to fully fund the additional cost borne as a result of these changes.

Included in the Local Government Finance Settlement was an allocation of £515m of new funding to support councils with the costs associated with the NIC increases. Individual allocations will be published as part of the Final Finance Settlement, however the methodology for calculating the allocations was announced. Using this methodology, it is estimated that the allocation the Council could receive is c£0.140m, this is significantly below the costs to be incurred which are c£0.390m p.a.

The MTFS assumes an ongoing grant allocation beyond 2025/26 of £0.140m p.a.

Council Tax

The Localism Act 2011 introduced a power for residents to approve or veto excessive council tax increases. This means that any local authority setting an excessive increase as set by the Secretary of State would trigger a referendum of all registered electors in their area. The Government confirmed in the Local Government Finance Settlement that the referendum principles for 2025/26 will be same as the previous two years, i.e. for core council tax (3%), shire districts (3% or £5, whichever is higher), and the adult social care precept (2%). This will strike a balance between giving local authorities flexibility to set Council Tax levels based on the needs, resources and priorities of their area, including adult social care, while protecting local taxpayers.

In light of the financial position of the Council and in accordance with the referendum thresholds to be applied for 2025/26, the MTFS assumes the following indicative council tax increases and subsequent overall yields:

	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**
% Increase	2.95%	1.89%	1.89%	1.90%	1.91%
Council Tax Base	25,764	26,176	26,660	27,187	27,653
Council Tax Yield	£8.169m	£8.457m	£8.775m	£9.119m	£9.452m
Band D	£317.07	£323.07	£3329.16	£335.43	£341.82

Band D £ Increase	£9.09	£6.00	£6.09	£6.27	£6.39

For 2025/26 the Council Tax amount for a Band D property (excluding County Council and Police Authority precepts) is £317.07, a 2.95%/£9.09 increase from 2024/25.

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.

	Lincoln	Nearest Neighbour	England Average
Support for pensioners	4.5%	4.4%	3.7%
Support for working-age	9.6%	7.0%	5.1%
Total Council Tax Support	**14.1%**	**11.4%**	**8.8%**

Despite the cost-of-living challenges experienced in recent years, the number of LCTS claimants has continued to reduce, with total claimants of 8,080 at November 2024 compared with 8,491 in March 2020. The 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.

Fees and Charges

The fees and charges levied by the Council are an important source of income, however, whilst Covid19 had a significant detrimental impact on income levels over the last few years, many of the discretionary income areas have subsequently recovered from this. In some cases these pressures have been replaced, or further compounded, by the more recent cost of living crisis and a result of inflationary shocks and higher rates of interest.

Although inflation has now reduced, the expectation is that interest rates will remain at elevated levels beyond the next financial year, and this coupled with the legacy increase in baseline costs as a result of the inflationary increases continues to have a detrimental impact on services and the Council continues to experience reductions in income levels in areas such as Building Regulations, Development Control and Land Charges. These reductions are expected to continue throughout 2025/26 before any significant recovery is seen.

As part of the normal, annual, budget cycle fees and charges income budgets are usually increased by 3% per annum for their total yield, as such this is the base assumption for 2025/26. However, this increase of 3% does not preclude individual fees and charges being increased by more or less than 3%.

The MTFS assumes that the Council will raise £12.672m from fees and charges in 2025/26. The mean average overall increase in the non-statutory fees and charges is

3.4%, however this includes some fees that have been increased by higher and lower percentages, the modal increase is 0%

Bridging the Gap

The previous MTFS 2024-29 was based on a medium-term savings target of £1.75m, to be delivered by 2027/28. The scale of this target was driven by the anticipated funding reforms, which are likely to see the Council face a cliff edge reduction in business rates resources, along with the unavoidable cost and demand pressures the Council faces, resulting in a significant and widening gap between it's spending requirements and the level of resources it estimates to receive.

The target was phased in over the period of the MTFS to provide a manageable position from a capacity perspective, over an initial two-year period, with the higher levels of savings needed towards the end of the MTFS period. It also mirrored the potential timing of a full Spending Review and implementation of national funding reforms from 2026/27 onwards, providing the ability to adjust the target levels subject to the outcome of these.

Since then, work has continued on implementing the programme for the initial two-year period, with progress against the targets as follows:

	2024/25 £'000	**2025/26 £'000**	**2026/27 £'000**	**2027/28 £'000**	**2028/29 £'000**
Savings Target MTFS 2024-29	125	250	1,500	1,750	1,750
Savings secured	(89)	0	0	0	0
Savings subject to business case	(25)	(131)	(134)	(137)	(141)
New savings required	**11**	**119**	**1,366**	**1,613**	**1,609**

As a result of additional resources one-off being available in 2025/26, through EPR funding and continuation of Business Rates pool, this has provided the financial capacity to cushion the impact of the cost pressures in the short term and the flexibility to adjust the immediate level of savings required. The ongoing requirement to deliver savings of £1.75m by 2027/28 has not changed.

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

2025/26 £'000	**2026/27 £'000**	**2027/28 £'000**	**2028/29 £'000**	**2029/30 £'000**
250	500	1,750	1,750	1,750

The reduction of the target in 2026/27 has been made on the basis that it will allow the impacts of the national funding reforms to be fully understand and the level of resources to be known with more certainty. It will also allow capacity within the Council to focus on it's response to the Devolution White Paper and understand the implications for the Council. The Council will then be in a more informed position to set future years targets and assess the depth and breadth of savings programme, and impact on service delivery, that it will need to deliver. It is highly likely that the savings targets beyond 2026/27 will change (positively or negatively) in the next refresh of the MTFS.

Despite this potential for change, the Council is still in the position of having to underpin the MTFS on the same level of significant savings target over the medium term, challenge which it must address this challenge if it is to remain financially sustainable in the medium term. The Council will therefore still continue to develop and implement a savings programme in order to ensure it is fully prepared to be able to deliver against these targets.

The ability to deliver these further, significant, budget reductions must be set in the context of the Council having already delivered, over the last decade 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.

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

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, embracing digital technology to improve service delivery across the organisation and instilling a website first culture, to make the council more efficient,
- Considering the benefits of increasing Council Tax in line with referendum limits, to protect service provision, whilst ensuring increases are kept at an acceptable level and that support is provided to the most vulnerable.
- Assessing opportunities to find alternative ways of providing services more efficiently and effectively by working jointly with partner organisations, such as other local councils, the voluntary sector, local businesses.
- Considering community asset transfer opportunities whereby our physical and natural assets can be transferred to voluntary & community groups and charities, bringing much needed resources to enhance and maintain those assets.
- Reviewing financial support provided to third sector organisations to ensure resources are being effectively utilised for the benefit of council taxpayers.
- Seeking to generate additional income by reviewing sales, fees and charges and ensuring that these reflect increasing operating costs.
- Seeking to maximise income opportunities from property investments.
- Maximise grant funding opportunities and prioritising capital investment in line with the capital strategy to reduce the revenue cost of borrowing. To also

continue to review treasury management and capital financing approaches to maximise benefits.

- Making the best use of the Council's assets, developing multi-agency hubs where possible and ensuring those spaces are low carbon producers and sustainable.
- Continuing to use the Council's influence, and direct investment in the city (such as through; the Town Deal; the Additional Affordable Housing Programme; and Western Growth Corridor), to create the right conditions for the city's economy to recover and grow, leading to longer term increased revenue streams for the council.

While the Council will focus on the above range of measures and there is sufficient 'lead in time' to the need to deliver these savings, given the scale of savings required it cannot rule out the need to face further difficult decisions about the services it continues to provide. As set out above, the impacts of the national funding reforms and any implications for the Council following the Devolution White Paper are likely to influence the future savings programme and the size and scope of services it provides in the future.

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

Revenue Forecast

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

Risks to the Revenue Budget

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

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

- Fluctuations in fees and charges income and commercial income, particularly due to current economic conditions
- Uncertainty regarding the outcomes of the Spending Review 2025 and allocation of funding to Local Government
- Fluctuations in the Business Rates Tax base
- Implementation of a Business Rates Reset and transitional arrangements
- Future levels of Central Government funding e.g. review of needs and resources redistribution of funding allocations within the Local Government Finance Settlement.

- Fluctuations in key economic assumptions e.g. inflation, interest rates
- Implications of the Government's fiscal policy on the economy, in particular at a local level
- Delivery of challenging savings targets
- Impact of economic climate on demand for services, particularly from those most vulnerable in the City e.g. temporary and supported accommodation
- Cost implications arising from a range of Government policy initiatives in relation to waste and recycling i.e. implementation of a weekly food waste service.
- Changes to other key assumptions within the MTFS
- Financial and budget management issues

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

Section 4 – General Investment Programme

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

Capital Spending Plans

The capital spending plans for the next five years include the delivery of key legacy schemes from Vision 2025, schemes emerging through the development of Vision 2030 where they are sufficiently progressed and funding is in place (with a continued focus on supporting the City's economy and key One Council projects) and essential investment in existing assets to either maintain service delivery or existing income streams.

Total planned expenditure over the 5-year programme is estimated to be £25.730m, the main projects and schemes detailed below:

- Charterholme Bridges - £9.827m
- Charterholme Phase1a Homes - £9.549m
- Disabled Facilities Grants - £4.260m
- Planned asset maintenance - £1.000m

The most significant of schemes within the GIP is the development of Western Growth Corridor, now known as the Charterholme Development, with the delivery of the first 52 homes and opening up of the eastern access with a new bridge over the railway. Work continues on securing further external funding to bring forward delivery of the spine road and land parcels.

Further schemes in support of Vision 2030 will be included in the GIP at the relevant stage in their development e.g. grant funding secure, design stage completed etc. Further details of the investment plans are provided in the Capital Strategy.

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

Spending Pressures

Construction Costs

Across the GIP the cost of capital projects have been impacted as a result of; inflationary pressures, escalating the costs of material and labour, and also due to availability of a skilled labour supply and certain materials. In addition, the higher cost of borrowing has also affected the viability of schemes. All schemes in the GIP, that have not yet started will be re-evaluated as they come forward for delivery. This will ensure that they still demonstrate value for money and remain affordable. Given the importance of investment in the City, to support the local economy, all opportunities to contain costs and/or seek alternative funding to ensure schemes are delivered will be undertaken.

Asset Management

The Council's corporate property portfolio comprises operational properties and investment properties with a combined asset value of £151 million.

The Council's Asset Management Plan, which is due to be refreshed in 2025, identified the need for significant investment to ensure that its assets are properly maintained and safe for use. Additional resources have previously been allocated, including works to income earning assets e.g. car parks, leisure centres, crematorium. There does however remain a legacy of outstanding investment required in the Council's assets, with a number of maintenance liabilities now arising. These are mainly in relation to operational assets, which will require investment in order to remain in service delivery, but the liabilities also extend to some of the Council's heritage assets.

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

Resources

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

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

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

External grant funding is enabling the delivery of a considerable number of capital schemes for the Council e.g. Lincoln Town Deal Programme, Heritage Lottery Fund for Greyfriars and Levelling Up Funding 2 for Western Growth Corridor eastern access.

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

Capital Receipts

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

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

Whilst there are no specific capital receipts forecast from land/property disposals as part of the Better Use of Assets pillar, there are significant capital receipts forecast from the sale of market homes built as part of the Western Growth Corridor project. Income will be received from house sales via a development agreement, with a minimum land value return for the Council along with a profit share. The development is forecasted to generate net receipts of £1.008m which will be retained within the scheme to contribute towards the capital costs of the development.

In addition, there remains current unallocated capital receipts of £1.158m.

Prudential Borrowing

The basic principle of the Prudential System is that local authorities are free to invest so long as their capital spending plans are affordable, prudent and sustainable. The Council will need to meet the whole of the capital financing costs associated with any level of extra borrowing through its revenue account.

The MTFS includes an unsupported prudential borrowing requirement of £1.413m over the period 2025/26-2029/30.

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

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

Capital Grants

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

Over the 5 year planning period of the MTFS the council is forecasting to utilise £14.217m of capital grants as part of the General Investment Programme, the main projects being Levelling Up Fund 2 for the Western Growth Corridor eastern access bridge £9.345m and Disabled Facilities Grants £4.260m.

Projected Capital Resources

Resources to fund the General Investment Programme 2025/26-2029/30 are estimated to be approximately £25.730m, as follows:

	£'000
Capital Grants	14,217
Capital Receipts	10,032
Prudential borrowing	1,361
Revenue Contribution	121
TOTAL	**25,730**

General Investment Programme Forecast

Based on the spending requirements and resource assumptions, Appendix 3 provides a summary five-year GIP for the Council.

Risks to the General Investment Programme

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

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

- Loss of anticipated external resources,
- Inability to secure further external funding.
- Impact of the Government's Devolution White Paper and reforms to grant funding pots, allocating resources to the new Mayoral Combined Authority.
- Increased project costs, particularly in light of inflationary increases in recent years and the current challenges in the construction sector
- Higher interest rates impacting on future borrowing costs
- Sustainability of contractors in construction industry, particularly in light of current economic factors
- Unplanned emergency maintenance to Council's corporate properties.

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

Section 5 – Housing Revenue Account (HRA)

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

Housing Revenue Account Business Planning

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

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

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

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

Spending Pressures

Like the General Fund, the HRA continues to face cost and demand pressures, along with new statutory requirements. Inflation, pay awards, national insurance contribution increases, higher maintenance and constructions costs including material and labour prices, and higher borrowing costs, continue to impact on the Housing Revenue Account's net cost base. Given the level of annual repairs and maintenance and planned capital maintenance to the Council's housing stock the impact of these creates significant cost increases for the HRA.

These escalating cost, demand and income pressures have arisen across a number of key areas:

- Increased use of sub-contractors – the Housing Repairs Service (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 local sub-contractors to ensure that service demands are met. However, subcontractors and supply chain partners are experiencing the same labour shortages and are struggling to meet the demands and any contracts awarded to help alleviate the system are now at inflated prices. 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.

- Wage inflation – in line with the General Fund recent pay agreements, negotiated by the National Employers side, whilst recognising the below inflation pay increases of local government workers in recent years, have placed a significant additional burden on the HRA. In addition, the announcement in the Autumn Budget to increase Employer National Insurance contributions from April 2025 has also significantly increased the HRA's salary costs. Unlike the General Fund where compensation for these increased costs has been provided through an additional grant, there is no direction compensation for the HRA.

- Contractual commitments - in addition to an increased need to use sub-contractors (at inflated prices) the HRA has also experienced inflationary costs as contracts have expired and have been re-tendered as well as higher material prices. These contract prices have been affected by the recent high inflation levels but also due to the increase in national insurance contributions that all employers have to pay, with the increased cost being passed on through increased prices.

- Capital costs - although the HRA can borrow from the PWLB at a concessionary rate, the sustained higher interest rates still affects the cost of borrowing to fund capital schemes and is increasingly impacting on the affordability of projects and the costs borne by the revenue account.

Furthermore, in terms of service demands the UK is currently experiencing a housing crisis, with an acute shortage of affordable housing. This housing crisis includes the City of Lincoln and is a challenging situation.

Although the Council has been successful in delivering additional housing, the local housing market has worsened in terms of demand versus supply over the last few years. Whilst it can only be used as a proxy indicator the Council's own housing register now has around 2,109 (at December 2024) active applicants seeking homes, which is an increase of 18.5% since March 2023 and a 46% increase in the period from March 2020. Over the same period (March 2020 to December 2024) band 1 applicants (the highest need band), meaning "customers requiring urgent rehousing where the council has a legal duty to consider them for accommodation, increased from 100 to 300 a rise of 200%.

Although this demand primarily increases the pressure on the Housing Investment Programme to deliver and enable new homes, it also places pressure on housing services, housing allocations and the voids services. It also impacts on the General Fund, increasing demand for temporary accommodation when the HRA is unable to provide suitable accommodation from within it's own stock.

As set out in Section 2 above, the Government have recently published the final version of change to the National Planning Policy Framework (NPPF), which include giving councils mandatory targets for the delivery of new homes. While these won't all be required to be affordable homes and the Council will not be required to directly deliver the target, there will be an expectation that the HRA will contribute towards the targets. Councils will also need to give greater consideration to social rent when building new homes.

In addition, in November 2024 the Government announced immediate reforms to the Right to Buy (RTB) Scheme, with a reduction in cash discounts and an increase in the cost-floor protection period. A consultation on further reforms was also announced. Together these reforms are intended to better protect social housing stock, boost council capacity and build more social homes than are lost. Despite a surge in RTB applications, before the immediate changes were implemented, it is anticipated that the level of RTB's will significantly reduce over the period of the MTFS, resulting in higher housing stock numbers.

While assumptions were made in the previous MTFS, as a result of further developments over the last 12 months and to address the impact of new and emerging challenges, further, permanent, increases in the HRA's net cost base have been required in this MTFS. In the absence of any other funding source these increased costs can only be funded through the housing rental income.

Spending Plans

The HRA Business Plan

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 Revenue Account 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 Plan is the Council's strategic plan for managing and maintaining Lincoln's council housing properties and estates. It also sets out how the Council will provide housing services to support it's tenants, and their families, to live in well maintained and sustainable homes, which will be safe, secure, and of a high quality. It sets out short to medium term plans and priorities for the housing service. The strategic objectives set out within the plan, will influence the longer-term (30 year) plans for financial planning and investment into existing council housing and for the provision of new homes.

The Business plan describes the Council's long-term commitment to deliver real improvements in it's housing stock and surrounding neighbourhoods, based on four main objectives:

- Core Housing Services – Tenants consistently place core housing services such as repairs, caretaking and landscaping as their number one priority and the Council will work to ensure that Lincoln is ranked amongst the top performing social landlords.

- New Homes – The Council plans to build, acquire and enable the development of 1,700 additional homes over 30 years, which will reduce homelessness and provide a greater choice of places for people to live.

- Estate Regeneration – Plans to regenerate estates means that the Council will tackle problems like parking, crime and antisocial behaviour by improving the urban landscapes (the look and feel) of streets and neighbourhoods.

- Decarbonisation – The Council plans to achieve an energy performance rating of C for all of it's housing properties by 2030, which means that it will protect the environment by reducing it's carbon footprint and making homes cheaper to run for residents.

The Business Plans acts as guide to the development of the Housing Revenue Account budgets, with a focus on growing surpluses that will enable sustainable investment in homes and neighbourhoods.

Spending Assumptions

A review of the financial planning assumptions the Council over the period of the MTFS has been undertaken, this information has been drawn from the 30 Year Housing Business Plan, experience in previous years, the advice of Directors and Assistant Directors, the current economic climate and other local and national issues that are likely to influence the financial outcomes. The HRA includes a number of assumptions in line with the General Fund, primarily inflation, pay inflation, pension contributions and interest rate forecasts. Set out below are expenditure and income assumptions specific to the HRA.

Repairs and Maintenance

Repairs and maintenance is an essential part of the asset management of the Council's housing stock. As set out in spending pressures section above, the cost of repairs and maintenance to the housing stock is increasing due to labour shortages, and increased contractor and material prices. These additional costs have been reflected in the HRA with annual increases of c£0.260m. Work continues within the service to drive down costs and deliver efficiencies were possible in order to reduce repairs costs, however the cost increases that the HRA is experiencing outstrip any efficiencies that can be delivered.

Funding the Capital Programme

Under the HRA self-financing system the primary source of funding for capital investment in the Council's housing stock will be from the revenue account through asset depreciation charges and revenue contributions to capital outlay (RCCO) via the Major Repairs Reserve.

There is a reliance on the HRA to support the capital programme to the value of £63.120m over the 5-year MTFS period through depreciation and revenue contributions to capital outlay.

Resource Assumptions

Rents

In line with the Housing Business Plan and Government Rent Guidelines, which announced that from April 2020 social rents should increase by a maximum of CPI+1% for 5 years, the MTFS has historically been based on this assumption. In 2023/24 however the Government, in light of record inflation levels, imposed a cap on rent increases of 7%, as CPI +1% would have allowed rent increases of up to 11.1%. No such cap was imposed for 2024/25, and the maximum increase reverted to CPI+1%.

In April 2024, the Government extended the existing rent settlement for another year, meaning that the existing policy would remain in place until April 2026, and in the 2024 Autumn Budget, the Chancellor announced a consultation on a new Social Housing Rent policy, which proposed that the rent policy should remain in place for at least 5 years, from 1 April 2026 to 31 March 2031. The consultation also noted the Government were seeking views on possible variations to this approach that could potentially improve the stability of rent policy, such as confirming the policy for a longer period (e.g. 10 years) or on a rolling basis.

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

With the exception of 2022/23 and 2023/24, the Council has historically set the rent levels in line with the requirement to increase rents by CPI+1% (CPI being as at September each year) for general purpose accommodation, and also increased sheltered accommodation and affordable rents, by the same. In 2022/23 the Council opted to increase rent by 3.6%, rather than the maximum 4.1% allowable and in 2023/24 the Council opted to increase rent by 6.5%, rather than the maximum 7%. In order to maintain a position that allowed for investment in current, and new housing stock, an increase of 7.7% was agreed for 2024/25, being CPI+1% as at September 2023.

The CPI rate for September 2024 was 1.7%, as such the Council are proposing to increase rents by 2.7% from April 2025. The average 52-week rent for general purpose and sheltered accommodation will be £86.76 per week, and £140.30 for affordable rents. The assumption in the MTFS from 2025/26 onwards maintains CPI+1%.

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

Average rent increase per property by number of bedrooms per week as at 23/12/2024		
No. of beds	Increase per week for Affordable Housing	Increase per week for Social Housing
	£	£
1 & bedsits	3.38	2.08
2	3.59	2.32
3	3.87	2.56
4	4.41	2.73
5	6.18	2.84
6+	-	3.15

Whilst rent collection is currently performing below target, this is as a result of a number of contributing factors; such as the continued increase in the cost of living along with a large number of our tenants migrating from legacy benefits to Universal Credit. Whilst the Council will continue to support tenants through Discretionary Housing Payments, the establishment of the new Tenancy Sustainment Team and through general advice and guidance it is likely that there will be an impact on collection rates.

Net Interest Receipts

The HRA receives investment interest on the balances it holds (HRA balances are made up of General Balances, capital receipts, earmarked reserves and the Major Repairs Reserve). The MTFS 2025-30 includes interest income into the HRA based on the level of HRA balances assumed in the MTFS 2025-30. The HRA is sensitive to changes in interest rates linked to its investments, as an indication a change in interest rates available on investments of +/- 0.5% would have an estimated impact of approximately £0.653m. A rise of 0.5% in the Bank of England base rate would not translate into a 0.5% increase in investment rates available.

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

Releasing Resources

The HRA Business plan 2024-2054 focuses on growing surplus in the revenue account to be released to support priority capital investment in council house new builds and investment in existing stock. Although there is no specific savings target in the HRA the Council will continue to pursue the strands of its Towards Financial Sustainability Programme, where there are financial benefits for the HRA, releasing further resources for re-investment, it will also continue to ensure it's costs are contained so that expenditure levels do not put pressure on the required revenue contributions to the capital programme.

Housing Revenue Account Forecast

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

Risks to the Housing Revenue Account Budget

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

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

- Risk of further government interventions limiting the flexibilities and freedoms offered by the HRA Self -Financing regime particularly housing rent levels
- Fluctuations in rental income and arrears, particularly as a result of any impact on collection rates due to the impact of the cost-of- living-crisis etc
- Increased cost of repairs and maintenance to housing stock.
- Implications arising from the Government's NPPF and mandatory housing targets
- Fluctuations in key economic assumptions e.g. inflation, interest rates.
- Impact of economic climate on demand for services, particularly from those most vulnerable in the City e.g. housing waiting lists
- Implications of Government policies on demand for services e.g. asylum dispersal, early prison release
- Changes to key assumptions within the MTFS.
- Financial and budget management issues.

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

Section 6 – The Housing Investment Programme

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

Capital Spending Plans

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

The 5-year housing programme amounts to £72.530m and comprises the following main areas of work:

- Housing Investment £63.092m:
    - Developing and improving core housing services (focusing on the allocation of resources to the key elements of decent homes, in line with the most recent stock condition surveys, and supporting the Lincoln Standard.
    - Regeneration estates and neighbourhoods
    - Reducing carbon emissions

- Housing Strategy £9.438m*:
    - Additional affordable housing (focusing on continuing to maximise the use of 1-4-1 retained right to buy receipts, assessing the use of prudential borrowing and seeking government grant funding for new build schemes or purchase & repair schemes that generate a positive net rental stream).

* this includes the use of retained 1-4-1 right to buy receipts which are not yet allocated to specific schemes and will be dependent on approvals of individual business cases)

As set out in the Section 5 above the 30-year HRA Business Plan was fully reviewed during 2023/24, to reflect the changes to the local, regional and national operating environment and to reflect the Councils current aims and ambitions in the current Vision 2025. The 30-year financial model that supports the Business Plan is updated each year to reflect the revised financial planning assumptions and new schemes. Key changes for the latest update will focus on the impact of the Government's announcements on the Right to Buy scheme.

Spending Pressures

Impacts of current economic factors/construction industry

Similar to the GIP the HIP the cost of capital projects have been impacted as a result of; inflationary pressures, escalating the costs of material and labour, and also due to availability of a skilled labour supply and certain materials. In addition, the higher cost of borrowing has also affected the viability of schemes.

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

Resources

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

Major Repairs Reserve

The Major Repairs Reserve (MRR) is the main source of capital funding and the mechanism by which timing differences between resources becoming available and being applied are managed. The MRR may be used to fund capital expenditure and to repay existing debt. Depreciation is a real charge on the HRA and is paid into the MRR from the Housing Revenue Account to fund capital expenditure. The total charge to the revenue account over the 5-year MTFS period through depreciation is £42.563m, and £44.143m is planned to be utilised (this includes balances bought forward).

Revenue Contributions to Capital Outlay

The 5-year MTFS includes contributions of £23.561m of revenue contributions over the five-year period of which £18.977m is planned to be utilised (including balances brought forward).

Grants and Contributions

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

Capital Receipts

Housing capital receipts fall within the Governments pooling regime. Under these arrangements capital receipts from Right-to-Buy (RTB) sales are pooled until a pre-set limit for government share of the income generated has been achieved. Once the target for the government share of the RTB receipts has been reached, the Council may retain 100% of the receipts from any additional Right-to-Buy sales. These are subject to a formal retention agreement between the Council and MHCLG and must be used for replacement of the council housing sold, within an agreed timeframe (currently 5-years).

For the financial years 2022/23 and 2023/24, local authorities were permitted to retain the Treasurys share of right to buy receipts under the same conditions as above, being that they are used to replace council housing and must be spent within a set timeframe. The Government's Autumn Budget 2024 announced immediate reforms to the RTB scheme, which including continuing this arrangement indefinitely, with ongoing monitoring to assess how effectively this additional resource is being used.

Previously up to 50% of the cost of a new build home or acquisition could be funded through RTB receipts, however for 2024/25 and 2025/26, the Government has removed this percentage cap increasing the amount that can be funded from RTB receipts to 100%. The intention being that it will make it easier for local authorities to undertake longer term planning and fund replacement homes using Right to Buy receipts.

To help drive the supply of new homes a cap was previously introduced on the use of RTB receipts being used towards property acquisitions, this cap has also been removed for 2024/25 and 2025/26.

The proceeds of dwelling sales under the RTB scheme provide a regular source of capital receipts income to the Council, with the number of sales increasing in recent years. Under the immediate reforms announced in the Autumn Budget, the Government drastically reduced the amount of cash discount a council tenant can receive should they wish to purchase their home under the scheme. Despite a surge in RTB applications, before the immediate changes were implemented, it is anticipated that the level of RTB's will significantly reduce over the period of the MTFS, resulting in a reduction in RTB receipts (although as set out above), Councils can now retain 100% of these receipts. Previously the MTFS had assumed around 50 sales per year, but this has now been reduced by half in the 2025-30 MTFS period. Total receipts of £10.764m are assumed over the MTFS period.

Non-RTB sales i.e sale of HRA land, are excluded from the pooling arrangement and are retained in full by the Council for use as the Council sees fit. There are no targets in the MTFS for non-RTB sales.

Prudential Borrowing

The Prudential Code allows the Council to take borrowing if it can demonstrate that such borrowing is affordable, sustainable and prudent in its Prudential Indicators (detailed in the Treasury Management Strategy). Although PWLB lending terms prohibits borrowing from it to finance assets for yield it does still allow access to the PWLB for land release, housing delivery, or subsidising affordable housing. This follows on from the removal of the housing borrowing cap in 2018 and continues to allow significant opportunities for the Council to invest in new house building programmes and the potential redevelopment of areas of existing housing stock. In addition, the PWLB provides preferential borrowing rates for HRA expenditure, intended primarily for new housing delivery. The Autumn Budget confirmed the availability of this rate had been extended to March 2026.

The Capital Financing Requirement (CFR) is forecast to rise to £82.3m by the final year of the MTFS with additional borrowing included in the MTFS and no allowance made for the repayment of existing debt. Actual borrowing forecast to be utilised during the MTFS is £3.769m, to fund the new build & acquisition programme alongside 1:4:1 receipts.

Projected Capital Resources

Resources to finance the proposed £72.530m Housing Investment Programme 2025/26 – 2029/30, are currently estimated to be as follows:

	£000
Major Repairs Reserve (depreciation & revenue contribution)	63,121
Capital Receipts (inc RTBs)	5,640
Borrowing	3,769
TOTAL	**72,530**

Housing Investment Programme Forecast

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

Risks to the Housing Investment Programme

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

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

- Generation of sufficient revenue surpluses to resource required investment
- Achievement of capital receipts i.e. RTB targets, particularly in light of the recent forms to the RTB system.
- Increased project costs, particularly in light of inflationary increases in recent years and the current challenges in the construction sector
- Condition of existing stock
- Sustainability of contractors in construction industry, particularly in light of current economic factors
- Higher interest rates impacting on future borrowing costs
- Implications of Government Regulations e.g. the Building Safety Act & Fire Safety Act, and any new requirements arising in relation in mould/damp conditions
- Implications arising from the Council's Radon Management Plan.

- Impact of the Government's Devolution White Paper and reforms to grant funding pots, allocating resources for Housing to the new Mayoral Combined Authority.

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

Section 7 – Financial Resilience

The chartered Institute of Public Finance and Accountancy (CIPFA) defines Financial Resilience for local councils as "the ability, from a financial perspective, to respond to changes in delivery or demand without placing the organisation at risk of financial failure". "This means having the agility and flexibility to forecast and manage both expenditure and income to meet requirements as they change while delivering a balanced budget".

It further describes financial resilience as "the ability of local authorities to remain viable, stable and effective in the medium to long term in the face of pressures from growing demand, tightening funding and an increasingly complex and unpredictable financial environment".

Financial Metrics

Financial Resilience Index

CIPFA have developed a Financial Resilience Index (FRI), which is a comparative analytical tool designed to support good financial management and shows the Council's position on a range of measures associated with financial risks. CIPFA's index centres mainly on the position of Useable Reserves for councils and looks back on how these have changed. It also reviews the General Fund's sources of income as a percentage of the Net Revenue Expenditure Requirement. The key items are shown in the following table.

CIPFA Financial Resilience Index	2023/24	Stress Compared to other Councils
Level of Reserves/Net expenditure	82.80%	
Change In Reserves	(53.03)%	
Interest Payable/ Net Revenue Expenditure	26.15%	
Gross External Debt	£107.742m	
Unallocated Reserves/ Net Revenue Expenditure	16.13%	
Earmarked Reserves/ Net Revenue Expenditure	66.67%	
Change in Unallocated Reserves	(46.18)% *	
Change in Earmarked Reserves	(54.43)% *	
Change in HRA Reserves	39.94%	

* due to an error in submission of data there was a misclassification of reserves between unallocated and earmarked. Had the correct amounts been submitted unallocated reserves would have changed by (16)% and earmarked reserves would have changed by (57%). The change in unallocated reserves would be classified as Amber rather than Red.

Whilst full data is not available through the FRI and it is very much a backward-looking review, it does highlight areas of potential financial risk where additional scrutiny should take place to provide additional assurance.

Office for Local Government (Oflog)

In 2023 the Government established a new local government performance body for England, the Office for Local Government (Oflog). The aim of which is to increase "transparency" within the sector and identify councils "at risk of potential failure".

Its main function was to provide authoritative and accessible data as well as analysis of the performance of councils and support their improvement. It planned to do this by publishing data in a clear and accessible way in the new Local Authority Data Explorer.

Initially, this includes a subset of service areas for data – adult skills, adult social care, finance, and waste management. These service areas were planned to be expanded to cover the breadth of what local authorities do.

The finance subset was intended to provide a range of indicators of council's financial sustainability, intended to identify early warning signs of potential serious failure and allow these to be addressed as soon as possible.

While initial data was published in 2023, based on the financial year 2021/22, there were no further datasets published in relation in 2022/23. Subsequently, in December 2024 the Government announced that it would be closing Oflog but that the Local Authority Data Explorer would continue to be maintained by the MHCLG.

Data for 2023/24 was then published in December 2024.

The published data for the finance subset is set out in the following table:

	Year	**Lincoln**	**Median of Lincoln's CIPFA Nearest Neighbours**	**England median (Districts)**
Non-ringfenced reserves as percentage of net revenue expenditure	23/24	82.80%	108.80%	135.30%
Non-ringfenced reserves as percentage of service expenditure	23/24	64.60%	83.90%	124.00%
Total core spending power per dwelling	23/24	£274.99	£269.85	£261.87
Level of Band D council tax rates	23/24	£299.25	£246.43	£201.99
Council tax revenue per dwelling	23/24	£1,219.85	£1,397.91	£1,716.89
Debt servicing as a percentage of core spending power	23/24	34.50%	33.40%	11.00%
Total debt as a percentage of core spending power	23/24	1084.30%	1140.70%	458.50%

Summary of Financial Resilience Index and Financial Metrics

Whilst both the FRI and Metrics provide comparable data on key financial sustainability measures, there are drawbacks to both on the basis that they are backward looking in nature and more importantly they do not take into account local factors/circumstances.

Nonetheless there are a number of common factors between them both that highlight:

- The level of the Council's reserves (unallocated and earmarked), which are comparatively low compared to nearest neighbours/similar authorities and to all district councils.

- High levels of capital financing

- The impact of an above average local council tax support scheme on Council income and a relatively low council tax base

Reserves

The Oflog headline that 'unringfenced reserves' are below average hides two specific factors once that measure is disaggregated, as this includes unallocated 'general' reserves and earmarked reserves.

- Earmarked reserves are defined as being kept for a specific purpose or plan. By virtue of being earmarked, they cannot contribute to covering financial shortfalls without this having an impact on previous plans; and some cannot be used for anything other than the intended purpose at all. The Council's Earmarked reserves as at 31 March 2024 (expressed as % of net revenue expenditure) were significantly below median for both the CIPFA FRI nearest neighbour cohort and the national median, as was the change in these reserves since 31 March 2020. However, what the data does not collect is whether the earmarked reserves have specific purposes, i.e are set aside for specific items or more generic risk-based reserves.

- Unallocated reserves are normally kept to manage general financial risks and can be used flexibly. At 16.13% of 2023/24 net revenue expenditure, the level of unallocated reserves on 31 March 2024 was just below the median for the CIPFA FRI nearest neighbour cohort and below the national median.

Capital Financing

The CIPFA FRI only uses a cash value Gross External Debt measure to compare councils against each other. There's no weighting by local authority size, nor does it take into account the medium-term borrowing requirements which can be teased out using the capital financing requirement (CFR) metric. Oflog focusses on CFR, calling it 'total debt'.

- According to Oflog data, the Council's CFR was more than 10 times its core spending power. If this measure were rebased to look at net revenue expenditure, as it is a better proxy of council budgets, encompassing more factors than the strict selection of grants within core spending power, then on this basis, the Council's CFR remains at 10 times its net revenue expenditure in 2024. This is about 2.4 times higher than the national district median, but lower than the Oflog nearest neighbour cohort median.

- The CFR measure normally includes Housing Revenue Account capital financing. Stripping out the HRA element, it is estimated that the remaining CFR is 5.1 times its net revenue expenditure for 2023/24. Clearly the HRA has an impact, but stripping it out of all district councils still sees the Council above the national district median and pushes it above the nearest neighbour cohort median too.

- CIPFA FRI suggests that the Council's interest payments in 2023/24 amounted to 26.15% of its net revenue expenditure, above the national median. Given the differences in the size of the CFR, then higher interest payments would be expected.

<u>Council Tax</u>

- Oflog's data explorer identifies that the Council's Band D council tax rate in 2021/22 (£299.25) was 4th highest among the nearest neighbour group used by Oflog, outpacing the English average of £201.99 as well.

- However, despite the comparatively large Band D council tax level, council tax revenue per dwelling is below both the national and cohort median.

- This is a signal that the Council has a weaker council taxbase than the average English district council, which means that Band D council tax has to be higher to raise the same cash amount.

- Indeed, analysis suggests that the ratio of Band D equivalent households (i.e. dwellings weighted by their Band) to unadjusted total dwellings is significantly lower than the national median among districts.

- This can be driven by the mix of council tax bands in the area compared to other councils, but also that, according to taxbase statistics, Lincoln was among the councils within its nearest neighbour cohort which have foregone the most council tax revenue due to local council tax support schemes. This is the case across both pensioner and working age elements, but in the case of the working age scheme where more local flexibility is afforded by regulations, the share of revenue foregone is 1.9 times the national median among districts.

As set out above while both the FRI and Oflog's data provide comparable data on key financial sustainability measures, there are backward looking and more importantly they do not take into account local factors/circumstances. Local context should be an important thread in any analysis.

Taking into account the local context, while reserve levels are considered low when compared to other local councils, the Council's level of reserves is planned, with balances held for both the General Fund and the Housing Revenue Account (HRA) being in line with prudently assessed minimum levels. While there are a range of earmarked reserves held for specific purposes there are also a significant portion, c49%, that are held as either risk-based reserves or budget stabilisation reserves and are used to manage budget risks. There is a balance to be made between money held in reserves and balances and money used for the delivery of corporate priorities. The Council's policy is to keep reserves and balances low but prudent to ensure money is not left as dormant and inaccessible for the delivery of corporate priorities.

As reserves can only be increased by the setting aside of revenue resources, any attempts to increase reserves would impact on both the General Fund and HRA and reduce service budgets/increase the level of savings required.

In relation to high levels of capital financing, while the Council has an historic high level of capital financing requirement, it does adopt a prudent approach to the need to borrow and seeks to finance capital expenditure from alternative sources whether possible.

In terms of the General Fund the use of long-term prudential borrowing will only be used as a funding mechanism for key projects following a full financial assessment, with priority for income generating/sustaining schemes. It may however be used as a short-term measure to fund capital expenditure prior to a capital receipt being received, or in the absence of any other funding source. In terms of the HRA, financing of new builds or acquisitions will be funded through borrowing on the basis that investments are made where projected income offsets the cost including borrowing.
Over the past decade the levels of the Council's capital finance requirement has significantly increased, (in 2012/13 the CFR was £57m, in 2023/24 it was £150m) due to funding decisions taken in relation to:

- Investment in Lincoln Central Car Park, resulting in significant additional revenue income.
- Acquisition of investment properties: Travelodge, NCP Car Parks and Deacon Road Retail Units.
- Investment at the Crematorium to maintain existing income streams.
- 'Buy-out' under HRA Self-Financing reforms.
- Significant investment in new builds and buyback, e.g De Wint Court, Rookery Lane, Markham House, buy back programme, LAHF homes etc, resulting in significant additional rental income

The use of prudential borrowing in relation to both the General Fund and HRA has resulted in significant additional income, in excess of annual revenue cost of borrowing. This use of borrowing has been undertaken in accordance with the principles of being prudent and affordable to do so and has ensured the financial sustainability of the General Fund. In the absence of the revenue income generated by these investments, significant reductions in services would have been required.

The Council has also taken the decision to amend it's Minimum Revenue Provision (MRP) policy on two occasions in the last ten years. This has the consequence of reducing the annual revenue charge (and as such supporting the General Fund), but does however mean that the capital financing requirement does not reduce as quickly.

These decisions have been taken in order to maintain the financial sustainability of the General Fund and with the implications for the CFR being fully set out.

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

In terms of Council Tax, the Council has a low council tax base due to 80% of properties being in Band A and B, this limits the level of overall council tax that can be raised. One of the Council's five strategic priorities is "Let's reduce all kinds of inequality", maintaining a maximum entitlement to Council Tax support is currently a key initiative under this priority, with the Council understanding the impact this has on it's council tax raising ability (further details of the amount of Council Tax revenue forgone through the Council Tax support scheme is set out in section 3).

Management of Risk

The Council has always maintained a very proactive approach to managing risk and there are effective arrangements for financial control already in place. However, as a result of the significant changes to local government funding, which saw a shift towards self –sufficiency and dependence on local funding sources, levels of volatility and risk significantly increased, this was reflected in an increase in the prudent minimum level of general reserves to be held.

The financial risks, in Appendix 5, have been identified and an assessment of the estimated exposure, likelihood and mitigations has been made in the context of the Council's overall approach to risk management and internal financial controls.

Reserves and Balances

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

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

In order to ensure the adequacy of the Council's reserves and balances (i.e. their robustness) it is essential to determine if the Councils they are sufficient to meet the assessed risks over the MTFS period.

Using the risk register, as set out in Appendix 5, a sensitivity analysis has been undertaken to determine an optimum level of reserve holdings needed to meet the requirements of a working balance and contingency to provide in-year resilience. The conclusion of this risk assessment is that it is deemed prudent that General Fund reserves should continue to be maintained at around £1.5m - £2m, and that Housing Revenue Account reserves should maintained at around £1m - £1.5m.

The general reserves at the end of each year for 2025/26 to 2029/30 are summarised in the table below.

	2025/26 £'000	**2026/27 £'000**	**2027/28 £'000**	**2028/29 £'000**	**2029/30 £'000**
General Fund	2,706	2,118	1,841	1,822	2,126
Housing Revenue Account	1,191	1,192	1,192	1,194	1,195

The overall levels of General Fund and Housing Revenue Account balances in 2029/30 are in line with the prudently assessed minimum level of balances.

Earmarked reserves are sums specifically held to enable funds to be built up to meet known or predicted liabilities. A review of reserves and balances has been undertaken as part of the budget process and a schedule presenting the estimated closing balances at the end of each of the next five financial years is contained within Appendix 6.

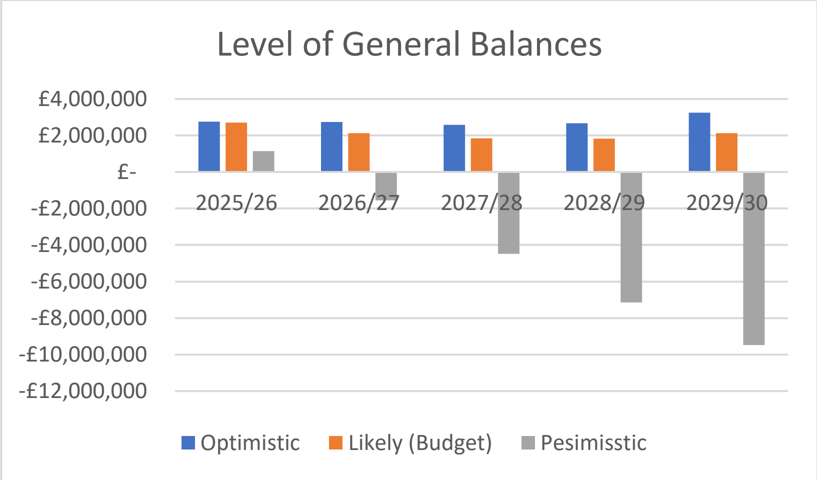
Scenario Planning and Tests of Financial Resilience

While the above assessment of a prudent level of reserves focuses on ensuring reserves are sufficient to respond to in-year fluctuations, some of these variables may have ongoing impacts and a longer time frame for assessing the Council's financial resilience should be undertaken.

Using the above sensitivity analysis and extrapolating it over the period of the MTFS allows the modelling of an optimistic, most likely (the MTFS) and pessimistic set of scenarios to assess against two tests of financial resilience. These financial resilience tests assess the impact of the "modelled risks" in two stages:

- Stage 1, the primary test of financial resilience, which compares the likelihood of risk against the General Fund 'General Balance' only.
- Stage 2, the secondary test of financial resilience, which compares the likelihood of risk against the General Balance and some Earmarked Reserves.

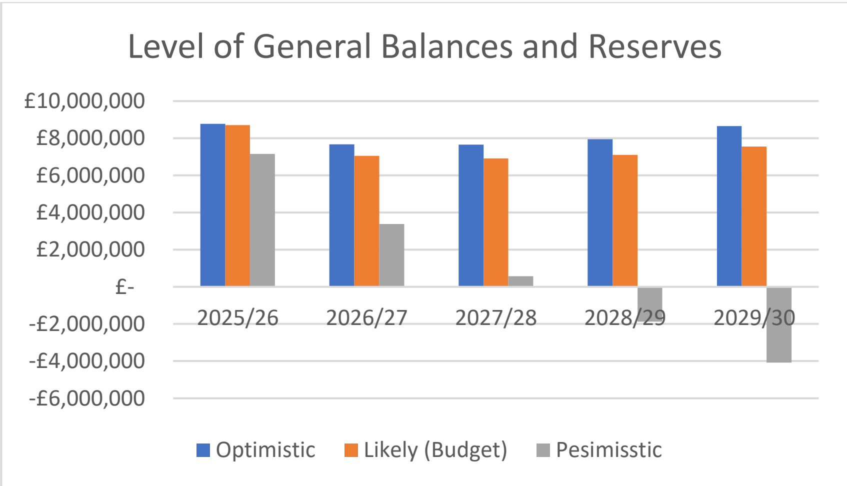
Stage 1 – The Primary Test of Financial Resilience



- When only the General Balances are considered, the reserves are sufficient to meet the pessimistic, likely and optimistic scenarios for 2025/26, which means that Council can be assured that it has sufficient revenue contingency.
- From 2026/27 onwards only the optimistic and likely options can be resourced from General Balances.

Stage 2 – The Secondary Test of Financial Resilience

The Stage 2 assessment is a 'complete' test, in that it also brings into the assessment the use of the Council's Earmarked Reserves to supplement General Balances (except specific reserves that are set aside in relation to capital, contracts, projects and third parties, as these reserves are in place to meet specific commitments).



- This test shows that the Council would have sufficient reserves to meet all modelled risks until through to 2028/29; from here the assessment is showing that only the pessimistic risk would not be financed.

The pessimistic scenario demonstrates a further significant financial challenge for the Council, primarily based on local authority funding reforms, higher than budgeted inflationary increases, as well increased costs from as key service contracts and leases are due to end and new legislative service requirements are set to be introduced.

The optimistic scenario is based on the key assumption that that there are significant transitional arrangements implemented for the business rates reset and that a sufficient level of funding is provided for new statutory burdens. additional resourced to local authorities. Under this scenario the significant level of savings underpinning the MTFS are still likely to be required.

It should be noted however that it is unlikely that all these risks modelled would occur at the same time and that some of them may only incur in one financial year rather than being annual impacts.

It is fair to say that in considering the sensitivity analysis and scenario planning, with the use of General Balances and some of the Earmarked Reserves the Council should be able to absorb considerable additional financial risk.

The Council should though, when drawing down from reserves in future years be cognisant that this will reduce the available funds to meet potential financial stresses.

Planned Use and Contribution to Reserves

While the overall level of balances will still be maintained within the prudent minimum, over the period of the MTFS, there are planned uses of balances in the General Fund of £0.589m in 2026/27, £0.276m for 2027/28 and £0.019m for 2028/29. The higher use in 2026/27 is as a result of the forthcoming funding reforms and the assumption that the accumulated gains on Business Rate income will be reset, leaving the Council at a significant financial detriment. Whilst the Council has assumed an increased level of savings will be required to mitigate the ongoing impacts of this income loss, in the short term the use of a combination of additional 'one-off' resources along with balances and earmarked reserves allows the Council to make more informed decisions about the size, scale and scope of the savings programme once there is further clarity around key uncertainties. Based on the current trajectory of savings targets the General Fund will be in the position of making positive contributions to balances by 2029/30, with forecasted contributions of £0.304m.

The careful use of balances, along with earmarked reserves, in the supporting the General Fund is seen as a short-term measure only to ensure a balanced budget position is maintained while the Council awaits the outcome of the local authority funding reforms and implications arising from the Devolution White Paper. The use of reserves is not foreseen as a long-term solution and the Council is clear that it will need to deliver substantial, ongoing, reductions in it's net cost base.

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

Housing Revenue Account

In relation to the HRA, the scenario planning is undertaken over the period of the full 30-year business plan. This is based on variables to key assumptions, primarily the level of CPI which drives the rental income e.g. a 1% increase in the 2025/26 assumption of CPI at 2% equates to increased resources in the HRA of £1.1m over the 5-year period and c£16m over the 30-year period. The Business Plan model is regularly used to model new developments and investments required in the existing housing stock.

GENERAL FUND BUDGET SUMMARY 2025/26 – 2029/30

	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £	2028/29 Estimate £	2029/30 Estimate £
Chief Executive & Town Clerk	5,369,400	5,600,810	5,705,890	5,709,770	5,779,920
Communities & Environmental Services	4,243,460	5,184,130	5,107,700	5,135,500	5,079,970
Major Developments	283,770	567,730	566,710	566,060	570,580
Housing & Investment	986,270	970,600	1,053,440	1,062,240	1,069,870
Corporate	1,504,000	1,526,170	1,550,830	1,576,160	1,594,410
	12,386,900	**13,849,440**	**13,984,570**	**14,049,730**	**14,094,750**
Capital Accounting Adjustment	3,529,960	3,148,390	3,168,090	3,225,690	3,267,890
Base Requirement	**15,916,860**	**16,997,830**	**17,152,660**	**17,275,420**	**17,362,640**
Specific Grants	(580,810)	(554,000)	(554,000)	(554,000)	(554,000)
Contingencies	(266,200)	(264,420)	(254,570)	(242,610)	(226,960)
Savings Targets	(250,000)	(500,000)	(1,750,000)	(1,750,000)	(1,750,000)
Transfers to/(from) earmarked reserves	(158,980)	(987,000)	211,960	297,510	226,930
Transfers to/(from) insurance reserve	30,610	19,140	1,990	(16,820)	(39,260)
Total Budget	**14,691,480)**	**14,711,550**	**14,808,040**	**15,009,500**	**15,019,350**
Use of Balances	167,570	(588,570)	(276,320)	(19,300)	303,990
NET REQUIREMENT	**14,859,050**	**14,122,980**	**14,531,720**	**14,990,200**	**15,323,340**
Business Rates	7,144,090	5,439,770	5,529,900	5,644,450	5,644,450
Business Rates Surplus/(Deficit)	(624,230)	0	0	0	0
Revenue Support Grant	226,480	226,480	226,480	226,480	226,480
Council Tax Surplus/(Deficit)	(56,360)	0	0	0	0
Council Tax	8,169,070	8,456,730	8,775,340	9,119,270	9,452,410
Total Resources	**14,859,050**	**14,122,980**	**14,531,720**	**14,990,200**	**15,323,340**
Balances b/f @ 1st April	**2,538,799**	**2,706,369**	**2,117,799**	**1,841,479**	**1,822,179**
Increase/(Decrease) in Balances	167,570	(588,570)	(276,320)	(19,300)	303,990
Balances c/f @ 31st March	**2,706,369**	**2,117,799**	**1,841,479**	**1,822,179**	**2,126,169**

Appendix 2

HOUSING REVENUE ACCOUNT SUMMARY 2025/26 – 2029/30

	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £	2028/29 Estimate £	2029/30 Estimate £
Income					
Gross Rental Income					
- Dwellings rents	(35,891,940)	(36,901,680)	(38,074,100)	(39,061,570)	(40,188,390)
- Non-Dwelling rents	(486,700)	(501,320)	(516,360)	(531,840)	(547,800)
Charges for Services & Facilities	(668,410)	(701,220)	(722,020)	(742,300)	(762,980)
Repairs Account Income	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)
General Income	(928,020)	(893,190)	(911,150)	(927,970)	(944,490)
Special Income	(187,400)	(88,630)	(93,070)	(98,530)	(104,320)
Contributions towards Expenditure	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Total Income	**(38,267,470)**	**(39,191,040)**	**(40,421,700)**	**(41,467,210)**	**(42,652,980)**
Expenditure					
Repairs Account Expenditure	12,237,560	12,426,920	12,675,150	12,945,990	13,220,990
Supervision & Management - General:	7,870,900	7,979,710	8,132,460	8,274,660	8,415,090
Supervision & Management – Special:	2,438,920	2,436,900	2,473,180	2,524,960	2,577,910
Contingencies	287,240	287,400	286,860	286,680	286,410
Rents, Rates and Other Premises	784,390	800,780	838,090	872,220	906,960
Insurance Claims Contingency	494,400	513,890	529,840	546,750	564,660
Depreciation of Fixed Assets	8,512,500	8,512,500	8,512,500	8,512,500	8,512,500
Increase in Bad Debt Provisions	251,450	252,090	252,760	259,370	264,560
Total Expenditure	**32,892,180**	**33,220,300**	**33,172,600**	**34,236,610**	**34,764,340**
Net cost of service	**(5,375,290)**	**(5,970,740)**	**(6,709,100)**	**(7,230,600)**	**(7,888,640)**
Loan Charges Interest	2,350,400	2,370,400	2,575,300	2,626,900	2,640,800
- Investment Interest	(391,600)	(487,300)	(515,500)	(595,100)	(663,400)
- Mortgages Interest	0	0	0	0	0
Surplus on HRA for the year	**(3,416,490)**	**(4,087,640)**	**(4,649,300)**	**(5,198,800)**	**(5,911,240)**
Revenue Contributions to Capital Outlay	2,904,400	4,020,400	4,583,400	5,146,300	5,881,300
Contribs to/(from) Reserves:					
- Insurance Reserve	600	(13,890)	(29,840)	(46,750)	(64,660)
- HRA Strategic Priorities Reserve	150,000	0	0	0	0
- Disrepair Management Reserve	(19,180)	0	0	0	0
- HRA I.T. Reserve	11,780	21,000	35,000	35,000	35,000
- HRA Business Plan Reserve	150,000	0	0	0	0
- NSAP/RSAP Sinking Fund Reserve	9,000	9,000	9,000	9,000	9,000
- De Wint Sinking Fund Reserve	11,260	11,600	11,950	12,310	12,680
- Smoke & CO Detector Replacement	37,640	38,730	39,850	41,010	36,990
(Surplus)/deficit in year	**(160,990)**	**(800)**	**60**	**(1,930)**	**(930)**
Balance b/f at 1 April	(1,030,024)	(1,191,014)	(1,191,814)	(1,191,754)	(1,193,684)
Balance c/f at 31 March	**(1,191,014)**	**(1,191,814)**	**(1,191,754)**	**(1,193,684)**	**(1,194,614)**

GENERAL INVESTMENT PROGRAMME - 2025/26 to 2029/30

	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £	2028/29 Estimate £	2029/30 Estimate £
Expenditure Programme					
Chief Executives	211,910	200,000	200,000	200,000	200,000
Directorate of Communities and Environmental Services	1,403,380	851,990	851,990	851,990	851,990
Directorate of Major Developments	16,341,807	3,565,065	0	0	0
Directorate of Housing	0	0	0	0	0
Externally Delivered Town Deal Schemes	0	0	0	0	0
Total Programme Expenditure	**17,957,097**	**4,617,055**	**1,051,990**	**1,051,990**	**1,051,990**
Capital Funding					
Contributions from Revenue					
Opening balance	121,159	(0)	(0)	(0)	0
Received in year	0	0	0	0	0
Used in financing	(121,159)	0	0	0	0
Closing balance	**0**	**(0)**	**(0)**	**(0)**	**0**
Capital receipts					
Opening balance	1,588,750	1,158,629	2,166,989	2,166,989	2,166,989
Received in year	6,713,060	7,831,940	0	0	0
Used in financing	(6,414,161)	(3,565,065)	0	0	0
Used to repay temporary borrowing	(729,020)	(3,258,515)	0	0	0
Closing balance	**1,158,629**	**2,166,989**	**2,166,989**	**2,166,989**	**2,166,989**
Grants & contributions					
Opening balance	6,810,166	0	0	0	0
Received in year	3,998,405	851,990	851,990	851,990	851,990
Used in financing	(10,808,571)	(851,990)	(851,990)	(851,990)	(851,990)
Closing balance	**0**	**0**	**0**	**0**	**0**
Unsupported borrowing					
Opening balance	0	0	0	0	0
Received in year	613,206	200,000	200,000	200,000	200,000
Used in financing	(613,206)	(200,000)	(200,000)	(200,000)	(200,000)
Closing balance	0	0	0	0	0
Total Capital Funding Utilised	**(17,957,097)**	**(4,617,055)**	**(1,051,990)**	**(1,051,990)**	**(1,051,990)**
Available Resources c/f	**1,158,629**	**2,166,989**	**2,166,989**	**2,166,989**	**2,166,989**

HOUSING INVESTMENT PROGRAMME - 2025/26 - 2029/30

	2025/26 Estimate £	2026/27 Estimate £	2027/28 Estimate £	2028/29 Estimate £	2029/30 Estimate £
Capital Programme					
Decent Homes	11,649,128	11,518,319	10,413,093	8,823,720	9,005,322
Health and Safety	599,088	616,543	634,870	634,870	634,870
New build programme	5,231,887	1,048,850	1,051,293	1,052,320	1,053,270
Lincoln Standard	150,000	150,000	150,000	150,000	150,000
IT/Infrastructure	102,720	0	0	0	0
Other Current Developments	2,023,970	1,446,419	1,448,990	1,395,000	1,395,000
Total Programme Expenditure	19,756,793	14,780,131	13,698,246	12,055,910	12,238,462
Capital funding					
Major Repairs Reserve					
Opening balance	21,793,548	19,550,698	18,680,088	19,383,805	22,180,885
Depreciation received in year	8,512,521	8,512,521	8,512,521	8,512,521	8,512,521
Depreciation used in financing	(11,649,128)	(10,350,858)	(7,187,009)	(7,387,264)	(7,568,866)
DRF received in year	3,798,150	4,348,150	4,838,150	5,288,150	5,288,150
DRF used in financing	(2,904,393)	(3,380,422)	(5,459,944)	(3,616,326)	(3,616,326)
Closing balance	19,550,698	18,680,088	19,383,805	22,180,885	24,796,363
Capital receipts					
Opening balance	3,215,206	3,027,656	3,542,793	4,061,127	4,584,130
Received in year	1,478,422	563,987	569,626	575,323	581,076
Used in financing	(1,665,972)	(48,850)	(51,293)	(52,320)	(53,270)
Closing balance	3,027,656	3,542,793	4,061,127	4,584,130	5,111,936
1-4-1 receipts					
Opening balance	5,130,562	6,183,793	6,686,996	7,216,552	7,773,046
Received in year	2,821,881	1,003,203	1,029,556	1,056,494	1,084,027
Used in financing	(1,768,650)	(500,000)	(500,000)	(500,000)	(500,000)
Closing balance	6,183,793	6,686,996	7,216,552	7,773,046	8,357,073
Grants & contributions					
Opening balance	(0)	(0)	(0)	(0)	(0)
Grants & contributions received in year	0	0	0	0	0
Used in financing	0	0	0	0	0
Closing balance	(0)	(0)	(0)	(0)	(0)
Borrowing					
Opening balance	0	0	0	0	0
Borrowing taken in year	1,768,650	500,000	500,000	500,000	500,000
Used in financing	(1,768,650)	(500,000)	(500,000)	(500,000)	(500,000)
Closing balance	0	0	0	0	0
Total Capital funding utilised	(19,756,793)	(14,780,131)	(13,698,246)	(12,055,910)	(12,238,462)
Available Resources c/f	**28,762,147**	**28,909,876**	**30,661,483**	**34,538,060**	**38,265,371**

Appendix 5

BUDGET RISK ASSESSMENT

No.	Budget Item	Risk	2025/26	2026/27-2029/30	Containment
			Risk Score	Risk Score	
1	Capital Expenditure	Project slippage Inflationary and NIC impacts/increased costs materials and labour Failure of contractor i.e. contractor goes into liquidation. Demand for improvement grants. Sunk costs of aborted schemes Achieving levels of projected costs in the HRA Business plan	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Regular budget monitoring and reporting to Project Boards, DMT's and CMT. • Ensure correct project management procedures followed (Lincoln Model) • Quarterly budget monitoring and reporting to Performance Scrutiny and the Executive • Financial procedure rules are followed, including financially vetting of all contractors • Use of collaborative contracts/framework agreements where possible e.g. Pagabo • Support from Procurement engaged at an early stage • Carry out post implementation reviews • Ensure risk assessments completed for all significant schemes before commencing and regularly updated • Value engineering used to contain project costs • Cost estimates obtained ahead of procurement exercises. • Consideration of Fixed Price Contracts and/or Risk Sharing • Consideration of alternative/cheaper materials • PGC's/Bonds to be obtained on key contracts • Use of external PM's, cost consultants and QS where required. • Effective contract mgmt.
2	Income from Fees & Charges/ Rents: • Car Parking	Reduction in the usage of the service/activity levels due to	**Total Score: 9**	**Total Score: 9**	• Updated Car Parking Strategy in place.

BUDGET RISK ASSESSMENT

	• Crematorium / Cemeteries • Development Control • Building Control • Land Charges • Control Centre • Lincoln Properties • Industrial Estates • Central Market	economic factors and cost of living crisis Over optimistic income targets Reputational issues Increasing reliance on income within the MTFS New competitors entering the market Increased fees and charges levels reduces demand Changes in treatment of VAT status of individual fees and charges. Impact of wider policy changes on demand for services e.g. Lincoln Transport Strategy impact on car usage	Likelihood: 3 Impact: 3	Likelihood: 3 Impact: 3	• Regular monitoring statements for major income sources which are reported monthly to Corporate Management Team. • Identify reasons for any income reductions and take corrective action where possible • Report quarterly to the Executive and Performance Scrutiny Committee on forecast for key income streams • Specific projects/business plans in progress to sustain income streams. • Investment in key income generating assets • Delegated powers to portfolio holder to make responsive changes to fees and charges • Rebase income budgets to reflect current trends and impact of economic factors • Active void management • Watching brief on CIPFA Committee/HMRC discussions
3	Demand for services	Impact of cost-of-living crisis on service demands, e.g. homelessness (temp accommodation), revenues and benefits, customer services, council housing etc – Impact of national housing crisis and shortage of affordable homes, including Govt policies	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Identification and drawdown of additional funding made available from Government and others to support additional demand e.g. Affordable Homes, Homes England etc • Collaboration and joint working arrangement opportunities identified with local partners to help meet additional service demands • Consistent monitoring of service demands and needs of the city through data analysis and key indicators

BUDGET RISK ASSESSMENT

		around asylum dispersal, early prison release etc, on housing services. The increase in property numbers and development of the City Centre results in additional cost pressures within the Services that have not been built into the budget. Increasing demands for housing tenant support as other providers withdraw services.			• Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee and key service performance indicators • Interventions, as part of housing supply, to be developed to respond to temporary accommodation shortages. • Council house new build schemes to increase supply of affordable housing. • Key housing developments in the City, e.g. Charterholme to be factored into operational service budgets as homes bought forward. • Cross directorate cost-of-living group established with a dedicated officer resource and a range of interventions to be implemented, including delivery of Government initiatives. • Continue to work with public sector partners, particularly across Central Lincolnshire around housing issues. • Continue to lobby Government, alongside other LA's, in respect of costs of and funding for temporary and support/exempt accommodation. • Support to housing providers to gain Registered Social Landlord status.
4	General Budget Assumptions	CPI and RPI inflation exceed rates assumed in the budget Actual establishment exceeds 98.25%	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 12** Likelihood: 4 Impact: 3	• Set prudent but realistic projections based on analysis of economic commentators and Bank of England predictions – projections reviewed in latest MTFS • Monthly monitoring of RPI and CPI index changes

Appendix 5

BUDGET RISK ASSESSMENT

		Implications from Government Policy in response to economic factors. Increased pension contributions as a result of triennial valuation (next valuation in 2025) Pay inflation exceeds rates assumed in the budget			• Make use of expert forecasts of future RPI and CPI trends • Participate in consultations via regional pay briefings. • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Monitor significant changes in economic indicators • Monitor the pension fund position through discussions with Lincolnshire County Council and Lincolnshire Finance Officers • Pension Fund Stabilisation Approach adopted
5	HRA Repairs and Maintenance Costs	Reduced ability to recruit and retain skilled workforce in HRS, increased reliance on sub-contractors Sub-contractors prices significantly increasing (impacted by inflation and NIC's) Sub-contractor unable to meet demands. Increased cost of materials Failure of contractor i.e. contractor goes into liquidation. Increased demands due to high levels of voids.	**Total Score: 12** Likelihood: 4 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Produce regular budget monitoring reports and HRA revenue and capital budgets reported and monitored together • Report quarterly to Departmental Management Team, Corporate Management Team, Executive and Performance Scrutiny Committee • Results of recent stock condition surveys informing future maintenance requirements • Significant increased costs factored into latest MTFS • Disrepair working group established, new Remedies Policy introduced. • Consider alternative recruitment options – recruitment strategies being reviewed. • Use of collaborative contracts/framework agreements where possible • Seek efficiencies within HRS i.e telematics • Active void management mitigations in place.

BUDGET RISK ASSESSMENT

		Increased demands due to damp and mould remediation. Continued increase in number of housing disrepair claims.			• Significant rebasing of the budget has taken place in light of the current economic factors. • Property standards and operating standards updated in 2023 in respect of damp/mould. • Increased scrutiny from the Regulator of Social Housing.
6	Business Rates Base	In year variations to budget not containable within Collection Fund balances. Reduction and/or fluctuations in income against budget variation in: – Recovery/growth compared to forecasts – Changes in the NNDR base – Changes in rateable values (e.g. appeals, economic downturn, changes in use, material change in circumstances) – Collection rates – Ongoing impact on the NNDR base of successful appeals - Estimates of appeals provision higher/lower than actually required – Changes nationally to the valuation assessments of certain property/infrastructure	**Total Score: 4** Likelihood: 4 Impact: 1	**Total Score: 12** Likelihood: 4 Impact: 3	• In year monitoring of the NNDR base, Collection Fund, collection rates, growth assumptions and rateable value appeals. • Produce monthly collection rate statements – monitored via the Revenues and Benefits Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • A Business Rate Volatility Reserve is maintained to provide a degree of protection from fluctuations in Business Rate Income • Quarterly monitoring of the Lincs NNDR Pool by Lincs Finance Officers • Independent specialist assessment made of the required level of NNDR appeals provision • Specialist advice sought to assist in budgeting assumptions and assessment of implications of changes to the funding system • Delivery of key schemes in Vision 2025 to support recovery of the High Street, City and

BUDGET RISK ASSESSMENT

		Impact of the reset of the Business Rates Retention system and review of baseline needs and resources distribution from 2026/27, affecting levels of baseline need and income baseline (as part of SFA), including transitional arrangements.			the economy, including direct investment by the Council. • Assess and respond to consultations on design of new BRR system. • Lobby for transitional arrangements. • MTFS assumes full reset
7	Housing Investment Requirements	Implications arising from updated Decent Homes Standard as determined by Govt along with refresh of Lincoln Standard. Actions arising from Building & Fire Safety Acts. Any implications arising from Awaabs Law (damp and mould regulations). Implications arising from the Council's net zero carbon 2030 commitment. Necessity to undertake any remedial works as a result of the Radon Management Plan. Implications arising from NPPF and mandatory housing targets.	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 12** Likelihood: 3 Impact: 4	• Assessment of new Decent Homes Standards when published (due in early 2025) • Revised Lincoln Standard to be developed following Decent Homes Standards • Assessment of Building and Fire Safety Acts implications undertaken. • Assessment of Awaab's Law. • Fire Safety assessments of stock (High Rise, Sheltered and Low Rise) nearly complete. • Latest stock condition surveys used to develop new 30-year Housing Business Plan • Retrofit assessment of housing stock to be undertaken • Strategy for developing Net Carbon Neutral to be developed • Building Safety Compliance reported regularly to Housing Scrutiny. • Radon testing regime commenced. • Seek and identify alternative funding sources and models and make appropriate grant applications for decarbonisation works. • New HRA Business Plan for 2024- 2055 in place and MTFS updated.

Appendix 5

BUDGET RISK ASSESSMENT

					• Use of collaborative contracts/framework agreements where possible. • Significant surpluses and available resources within Housing Business Plan. • Ensure risk assessments completed for all significant schemes before commencing • Value engineering used to contain project costs • Cost estimates obtained ahead of procurement exercises.
8	Housing Rents and Property Voids	Increased arrears due to impact of cost-of-living crisis and the rent increase on household incomes More Council House disposals than anticipated and/or slower than anticipated progress on the council house new build programme. Void properties exceeding the allowance included in the budget (particularly due resourcing /contractor issues in HRS). CPI inflation less than budgeted rate (from 2026/27) – reducing rental income Impact of future interventions by Govt to alter Social Rent Policy, particularly any rent caps (though current consultation	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Produce regular budget monitoring reports • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Directorate ongoing monitoring is a performance indicator • Monthly monitoring of CPI index changes • Make use of expert forecasts of future CPI trends and the impact on housing rents • Maintain new 30-year Business Plan to ensure it is up to date with latest MTFS/Outturn position. • Continual monitoring of arrears and void positions. • Work closely with Benefits Team to consider use of DHP's where appropriate. • Monthly New Homes Board meeting of cross directorate officers monitoring progress of New Build programme and capital & revenue funding • Subcontractors engaged to support the void process

BUDGET RISK ASSESSMENT

		covers the period to March 2031).			• RTB disposals reduced following changes to scheme parameters. • Respond to consultations on social rent policy.
9	Repairs & Maintenance on Corporate Properties	Unplanned emergency maintenance is required on the Council's Corporate Properties Increase in demands to meet statutory requirements and to minimise risks of adverse claims. Increase in demands to maintain operational service assets Increased investment required in natural assets. Impact of works on income and service delivery.	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Updated stock condition surveys for all corporate properties to be undertaken in 2025. • Asset management planning in place (including identifying assets with large repairs and maintenance liabilities for disposal) • Produce regular budget monitoring reports – report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee • Properties with large maintenance liabilities are reviewed for potential disposal • New capital schemes allow for whole life costing. • Responsible Officer system in place. • Seek and identify external funding opportunities e.g, decarbonisation grants to improve corporate buildings • Explore CAT or other alternative lease/MOU arrangements to transfer assets to the third sector. • Assessments of impact of RAAC undertaken, with no required remediation.
10	External Funding of Capital Programme	Inability to attract/gain further external grant funding/partner contributions to deliver schemes priorities in Vision 2030 and future investment plans – potential impact of resources being allocated through Mayoral	**Total Score: 12** **Likelihood: 3** **Impact: 4**	**Total Score: 16** **Likelihood: 4** **Impact: 4**	• Ensure grant conditions are complied with throughout scheme • Continue to seek and identify alternative funding sources and make appropriate grant applications. • Continue to work with partner organisations to secure additional funding opportunities.

BUDGET RISK ASSESSMENT

		Combined Authority (i.e UKSPF, Homes England funding) Loss of anticipated external resource to support the capital programme. Changes to the allocation of grant funding for Disabled Facilities Grants (DFG) from the City Council to County Council, while the City Council retains statutory duty to provide services.			• Produce regular grant monitoring statements • Regular budget monitoring and reporting to Capital Programme Board • Ongoing discussions with the County Council to ensure the provision of DFG's meet the Council's funding requirements. • Continue discussions/participation with County Council regarding various funding streams. • Council Leader is a Non-Constituent Member on Greater Lincs Combined County Authority • Council to be actively involved in the development of the Housing Strategy/Needs Assessment by the MCA to ensure it's priorities are reflected, to be used to guide future funding allocations. • New schemes not approved until external funding secured.
11	Capital Financing - Long Term Borrowing	Balances unavailable for internal borrowing (particularly due to under borrowing against CFR and and with large capital underway with deferred receipts receivable) External borrowing costs above interest rates in MTFS	**Total Score: 6** Likelihood: 2 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Continue to monitor the cost effectiveness of utilising internal balances instead of taking external borrowing • Actively monitor the achievement of the capital receipts target and potential additional borrowing requirement • Actively monitor the cost effectiveness of asset disposals compared to Prudential Borrowing • Ongoing monitoring of cashflows from major sources of income • Regular review of current and future predicted borrowing rates to inform timing of borrowing decisions • Actively monitoring the cash flow on a daily basis.

BUDGET RISK ASSESSMENT

12	Housing Benefits/Subsidy	Increase in payments that do not attract 100% subsidy i.e. overpayments and local authority errors Failure to comply with complex legislative requirements Lack of audit trail to substantiate grant claim Backlog of work Pressures from customer demands and complex enquiries due to welfare changes Issues arising from increased use of Bed and Breakfast Accommodation which is capped at LHA levels. Increased usage/provision of supported/exempt accommodation above Rent Officer levels.	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 12** Likelihood: 3 Impact: 4	• Regular monitoring of claims being processed • Undertake staff training and sample accuracy checks • Ensure system backups are carried out and historic information is recoverable • Continue to lobby/raise awareness with Government of issues arising from use of temporary and support/exempt accommodation and levels of LHA rates for subsidy reimbursement. • Close monitoring of temporary accommodation between Housing and Benefits Team. • Links to wider issue around the availability of temporary accommodation within the City and interventions that are being sought – see service demands re affordable housing and interventions to be undertaken • MTFS budgets refreshed to reflect increased demand in short term.
13	Council Tax Base & Council Tax Support Scheme	In year variations to budget not containable within Collection Fund balances Reduction in income/declared deficits (including impact of cost-of-living crisis) due to:	**Total Score: 3** Likelihood: 3 Impact: 1	**Total Score: 6** Likelihood: 3 Impact: 2	• Monthly monitoring of the Collection Fund - collection rates, CT discount caseload, council tax base. • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee

BUDGET RISK ASSESSMENT

		– Actual CT base different to estimate – Collection rates/bad debt provisions – Increase in LCTS caseload or reduction not as anticipated. – Referendum rate of CT increases below budgeted rate			• Produce quarterly collection rate statements – monitored via the Revenues and Benefits Operational Board, and Revenues and Benefits Management Team. Also report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee if targets are not being met, increased recovery action or further initiatives to increase collection • Annual increases in Council Tax considered alongside national expected increases. • Council Tax Support scheme still provides for a maximum of 100% of support, with no changes proposed for 2025/26. • Council Tax Hardship Fund in place. • Monitor impact of adoption of new legislation allowing 100% CT premiums on second homes and long term empties.
14	Cashflow Management (Investments and short-term borrowing)	Available cash flow surpluses less than anticipated and/or interest rates lower than forecast Reduction in cash flow results in deficits and/or rising interest rates Impact of major sources of income not being received when expected – particularly given level of under borrowing and number of large capital schemes to cash flow.	**Total Score: 4** Likelihood: 2 Impact: 2	**Total Score: 6** Likelihood: 3 Impact: 2	• Monitor the average interest rate being achieved against the budget target and the level of balances available for investment • Actively monitoring the cash flow on a daily basis • Ongoing monitoring of cashflows from Business rates • Quarterly monitoring of Collection Fund forecast balances • Take account of economic analysts and Bank of England predictions and advice from Treasury Management Consultants • Hold regular Treasury Management meetings • Report quarterly to Corporate Management Team, Executive and Performance Scrutiny Committee

BUDGET RISK ASSESSMENT

15	Revenue Savings Targets	The required savings targets are not achieved nor required efficiencies delivered	**Total Score: 4** Likelihood: 1 Impact: 4	**Total Score: 12** Likelihood: 3 Impact: 4	• Existing TFS programme to be delivered • TFS remains a priority in Vision 2025 and will be key to Vision 2030 development • Report Quarterly to CMT and quarterly to Executive and Performance Scrutiny Committee • Further work to be undertaken to develop programme of reviews beyond 2025/26 and to achieve higher savings targets.
16	Capital Funding	Shortfall in the actual amount of Capital Receipts (i.e. Council House Sales following the changes to RTB discounts in 2024/25 and house sales at Charterholme) against the targets set within the HIP & GIP Revenue contributions are not sustainable in the revenue accounts of the HRA or General Fund Increase in borrowing costs (covered in separate risk – see no. 11) Reductions in grant funding (covered in separate risk – see no.10).	**Total Score: 9** Likelihood: 3 Impact: 3	**Total Score: 9** Likelihood: 3 Impact: 3	• Undertake regular monitoring of the capital receipts position • Capital Receipts targets incorporated in the Capital Strategy • Property Section fully informed of current targets within the GIP & HIP (no specific target set for the GIP for general disposals) • Specific capital receipts target in place for WGC Phase 1a 52 market homes – development agreement in place with minimum land value agreed with remainder subject to profit share. • Active monitoring of local housing market, using specialist external advice. • Review of the most cost-effective funding options (e.g. capital receipts compared to prudential borrowing) • Monitor and report on the revenue and capital budgets together to ensure both capital and revenue impacts are identified • HRA Business plan includes allowance for full funding of capital requirements over 30 years, including revenue contributions.

BUDGET RISK ASSESSMENT

					• Maximise where possible housing rent increases to maintain base and ensure resources available for future investment,
17	Sundry Debtors and Housing Benefit Overpayments	The Council's existing Bad Debt provision proves insufficient to meet any increase in the value of debts written off.	**Total Score: 2** Likelihood: 2 Impact: 1	**Total Score: 6** Likelihood: 3 Impact: 2	• Follow established debt recovery and write off procedures • Specific monitoring in place for key rentals/leases • Monitor age debt profile of debts against bad debt provision
18	Government legislation/ regulations	Impact of Government Policy on Simpler Recycling Reforms e.g. Weekly, food waste collection, paper & card collections, deposit return scheme and Extended Producer Responsibility Implications arising from NPPF and mandatory housing targets.	**Total Score: 2** **Likelihood: 1** **Impact: 1**	**Total Score: 12** **Likelihood: 4** **Impact: 4**	• Continue to monitor national developments and assess both the service and financial implications of new statutory duties. • Actively participate in any Government consultations. • Work alongside other local authorities to lobby Government for additional resource (if not provided for under New Burdens). • Work with Lincolnshire local authorities on joint approaches to resourcing new systems and development of options for implementation, including work as part of the CLJSPC • Work with contractors to implement new requirements. • Set aside of resources in earmarked reserves.
19	Key Service Delivery Contracts	Increase in cost of Waste Collection, Street Cleansing and Grounds Maintenance contracts which are due for renewal in 2026	**Total Score: 2** Likelihood: 1 Impact: 1	**Total Score: 6** Likelihood: 3 Impact: 2	• Project Management in place • Extensive work undertaken on design of specifications and management of expectations • Pre-market engagement undertaken

Appendix 5

BUDGET RISK ASSESSMENT

					• Sufficient lead in time allowed – Waste/Street Cleansing awarded – prices subject to inflationary clauses prior to commencement.
20	Government Grants (including RSG, Services Grant, New Homes Bonus, Recovery Grant, NIC funding)	Impact of the review of baseline needs and resources distribution from 2026/27, affecting levels of baseline need (as part of SFA), resulting in cash reductions in Government Grant which differ to the levels assumed in the MTFS. Impact of Spending Review 2025 on overall Departmental Expenditure Limits, reducing funding to local government.	**Total Score: 2** Likelihood: 1 Impact: 1	**Total Score: 12** Likelihood: 4 Impact: 3	• Regular review of grant figures and distribution mechanisms. • Lobby through national groups, respond to national consultations • Work with Association of Lincolnshire Finance Officers and the Society of District Treasures • Budget assumptions assume increase in some grant funding beyond 2025/26

Appendix 6

GENERAL FUND EARMARKED RESERVES FORECAST 2024/25 – 2029/30

Description	Balance @ 31.03.25	Balance @ 31.03.26	Balance @ 31.03.27	Balance @ 31.03.28	Balance @ 31.03.29	Balance @ 31.03.30
Carry Forwards	333,300	269,520	269,520	269,520	269,520	269,520
Active Nation Bond	100,000	100,000	100,000	100,000	100,000	100,000
AGP Sinking Fund	152,440	202,440	252,440	302,440	352,440	402,440
Air Quality Initiatives	21,590	21,590	21,590	21,590	21,590	21,590
Birchwood Leisure Centre	125,970	145,970	165,970	185,970	205,970	225,970
Business Rates Volatility	969,130	344,910	344,910	344,910	344,910	344,910
Christmas Decorations	13,870	13,870	13,870	13,870	13,870	13,870
City Centre Masterplan	75,000	75,000	75,000	75,000	75,000	75,000
City Hall Improvement Works	50,000	50,000	50,000	50,000	50,000	50,000
City Hall Sinking Fund	60,460	60,460	60,460	60,460	60,460	60,460
Climate Change Initiatives	0	20,000	40,000	60,000	80,000	100,000
Commons Parking	42,760	42,760	42,760	42,760	42,760	42,760
Control Centre Volatility	30,940	30,940	30,940	30,940	30,940	30,940
Corporate Maintenance	100,000	100,000	100,000	100,000	100,000	100,000
Corporate Training	45,160	45,160	45,160	45,160	45,160	45,160
Council Tax Hardship Fund	0	0	0	0	0	0
Countywide Devolution Work	14,460	100,000	100,000	100,000	100,000	100,000
Covid-19 Recovery	847,230	847,230	0	0	0	0
Covid-19 Response	353,650	353,650	0	0	0	0
Electric Van replacement	35,480	39,910	44,340	48,770	53,200	57,630
HiMO CPN Appeals	111,360	111,360	111,360	111,360	111,360	111,360
Grants & Contributions	1,084,470	1,041,760	996,930	953,730	982,090	1,010,450
Income Volatility Reserve	350,000	230,000	230,000	230,000	230,000	230,000
Inflation Volatility Reserve	282,300	0	0	0	0	0
Invest to Save	349,720	500,000	500,000	500,000	500,000	500,000
IT Reserve	457,720	547,720	637,720	727,720	817,720	907,720
Lincoln Lottery	8,830	8,830	8,830	8,830	8,830	8,830
Mayoral Car	7,100	7,100	7,100	7,100	7,100	7,100
MSCP & Bus Station Sinking Fund	242,030	289,840	338,610	388,360	439,110	490,880
Private Sector Stock Condition Survey	11,300	25,300	39,300	53,300	67,300	9,700
Professional Trainee Scheme	90,000	90,000	90,000	90,000	90,000	90,000
Residents Parking Scheme	4,730	22,070	34,300	41,270	61,240	81,210
Revenues & Benefits Community Fund	54,180	54,180	54,180	54,180	54,180	54,180
Section 106 interest	31,570	31,570	31,570	31,570	31,570	31,570
Staff Wellbeing	28,260	28,260	28,260	28,260	28,260	28,260
Tank Memorial	10,000	10,000	10,000	10,000	10,000	10,000
Tree Risk Assessment	60,380	51,280	55,100	55,100	55,100	55,100
Unused DRF	121,160	0	0	0	0	0
Vision 2025/2030	399,630	1,004,530	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL GENERAL FUND	**7,076,180**	**6,917,210**	**5,930,220**	**6,142,170**	**6,439,680**	**6,666,610**

HOUSING REVENUE ACCOUNT EARMARKED RESERVES FORECAST 2024/25 to 2029/30

Description	**Forecast Balance 31.03.25 £**	**Forecast Balance 31.03.26 £**	**Forecast Balance 31.03.27 £**	**Forecast Balance 31.03.28 £**	**Forecast Balance 31.03.29 £**	**Forecast Balance 31.03.30 £**
Capital Fees Equalisation	110,030	110,030	110,030	110,030	110,030	110,030
Cyclical Smok Alarm/CO2 Detector Testing	0	37,640	76,370	116,220	157,230	194,220
De Wint Court Reserve	73,480	73,480	73,480	73,480	73,480	73,480
De Wint Court Sinking Fund	147,200	158,460	170,060	182,010	194,320	207,000
Disrepairs Management	256,190	237,010	237,010	237,010	237,010	237,010
Housing Business Plan	461,320	611,320	611,320	611,320	611,320	611,320
Housing Repairs Service	75,710	75,710	75,710	75,710	75,710	75,710
HRA IT	535,000	546,780	567,780	602,780	637,780	672,780
HRA Repairs Account	1,313,500	1,313,500	1,313,500	1,313,500	1,313,500	1,313,500
HRA Strategic Priority Reserve	763,840	913,840	913,840	913,840	913,840	913,840
HRA Invest to Save	331,100	331,100	331,100	331,100	331,100	331,100
HRS Social Value	111,320	111,320	111,320	111,320	111,320	111,320
NSAP/RSAP Sinking Fund	27,000	36,000	45,000	54,000	63,000	72,000
Strategic Growth Reserve (WGC)	4,870	4,870	4,870	4,870	4,870	4,870
Tenant Satisfaction Survey	39,080	39,080	39,080	39,080	39,080	39,080
TOTAL HOUSING REVENUE ACCOUNT	**4,376,560**	**4,727,060**	**4,807,390**	**4,903,190**	**5,000,510**	**5,094,180**

This page is intentionally blank.

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £	
GUILDHALL						3.02%		
ROOM HIRE:								
Guildhall Room Hire Fee	218.40	218.40	6.55	0.05	6.60	3.02%	**225.00**	
Private & Specialist Tours (Charge per person)								
- Classification 1 - during normal working hours (minimum booking of 10 people) *								
Monday to Saturday 60-90 minutes	4.67	4.67	0.14	0.03	0.17	3.64%		
Monday to Saturday 120-180 minutes	8.25	8.25	0.25		0.25	3.03%		
Monday to Saturday							**4.83**	**plus VAT**
- Classification 2 - out-of-hours (minimum booking for 15 people)**								
Monday to Sunday 60-90 minutes	6.83	6.83	0.21	0.04	0.25	3.66%		
Monday to Sunday 120-180 minutes	7.17	7.17	0.22	0.03	0.25	3.49%		
Monday to Sunday 120-180 minutes							**7.08**	**plus VAT**
- Classification 3 - specialised tour (per person)								
Monday to Sunday							**8.75**	**plus VAT**
Guildhall - General Admission							**4.50**	**plus VAT**
CITY HALL						3.02%		
ROOM HIRE:								
Charities & organisations with Council representation (per half day)								
- City Hall (Large Committee rooms, 1 and 2)	32.50	33.33	1.00		1.00	3.00%	**34.33**	**plus VAT**
- City Hall (Small Committee rooms, 3 and 4)	22.92	23.75	0.71	0.04	0.75	3.16%	**24.50**	**plus VAT**
Lincs non-profit making organisations (per half day)								
- City Hall (Large Committee rooms, 1 and 2)	54.58	56.25	1.69	(0.02)	1.67	2.97%	**57.92**	**plus VAT**
- City Hall (Small Committee rooms, 3 and 4)	32.50	33.33	1.00		1.00	3.00%	**34.33**	**plus VAT**
Other users including Government and Court use (per half day)								
- City Hall (Large Committee rooms, 1 and 2)	127.08	130.83	3.93	(0.01)	3.92	3.00%	**134.75**	**plus VAT**
- City Hall (Small Committee rooms, 3 and 4)	85.83	88.33	2.65	0.02	2.67	3.02%	**91.00**	**plus VAT**
Supplement for evening use	50%	50%					**50%**	
Drinks (per delegate per half day)	2.67	2.75	0.08		0.08	2.91%	**2.83**	**plus VAT**
Cancellation Fee	12.50	13.00	0.39	0.01	0.40	3.08%	**13.40**	
COMMITTEE SERVICES								
- Supplying a copy of or extract from a document (excluding site plans or planning decision notices) (plus postage)	7.17	7.42						**plus VAT**

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

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other**	**INCREASE £**	**%**	**PROPOSED 2025/26 £**
ELECTORAL SERVICES						#DIV/0!	
STATUTORY:							
Public Sales							
- Sale of Electoral Register per 1000 names, or part							
(plus cost postage & packing)							
Paper copy							
- initial fee	10.00	10.00					**10.00**
- per 1000 names, or part	5.00	5.00					**5.00**
Data							
- initial fee	20.00	20.00					**20.00**
- per 1000 names, or part	1.50	1.50					**1.50**
- Sale of Marked Register per 1000 names, or part							
(plus cost postage & packing)							
Paper copy							
- initial fee	10.00	10.00					**10.00**
- per 1000 names, or part	2.00	2.00					**2.00**
Data							
- initial fee	10.00	10.00					**10.00**
- per 1000 names, or part	1.00	1.00					**1.00**
- Copies of Candidate's Expenses (per side)	0.20	0.20					**0.20**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £	
HACKNEY CARRIAGES						0.20%		
- Vehicle Licence/Renewal (one year)	149.00	154.00	4.62	- 3.62	1.00	0.65%	**155.00**	
- Plates Deposit (refundable)	13.00	13.00	0.39	- 0.39	-	0.00%	**13.00**	
- Replacement Plate(s)	20.00	20.00	0.60	- 0.60	-	0.00%	**20.00**	
-Test Certificate admin fee	19.00	20.00	0.60	- 0.60	-	0.00%	**20.00**	
- Change of Vehicle/HV/Reg	75.00	77.00	2.31	- 1.31	1.00	1.30%	**78.00**	
-Change of Owner (Previously in above)	51.00	53.00	1.59	- 0.59	1.00	1.89%	**54.00**	
- Driver Licence (one year)	139.00	141.00	4.23	- 1.03	3.20	2.27%	**144.20**	
- Driver Licence (three year)	257.00	263.00	7.89	- 3.79	4.10	1.56%	**267.10**	
- Drivers Knowledge Test	41.00	40.00	1.20	- 4.20	- 3.00	-7.50%	**37.00**	
-DBS check (enhanced)	Recharged at cost	Recharged at cost					**Recharged at cost**	
-DBS check (standard)	Recharged at cost	Recharged at cost					**Recharged at cost**	
-DVLA Check	Recharged at cost	Recharged at cost					**Recharged at cost**	**plus VAT**
-DVLA Check - (Non UK driving licences)	Recharged at cost	Recharged at cost					**Recharged at cost**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	0.18	- 0.18	-	0.00%	**6.00**	
- Badge Replacement (previously in above)	15.00	15.00	0.45	- 0.45	-	0.00%	**15.00**	
PRIVATE HIRE								
- Vehicle Licence/Renewal (one year)	122.00	125.00	3.75	- 2.75	1.00	0.80%	**126.00**	
- Plates Deposit (refundable)	13.00	13.00	0.39	- 0.39	-	0.00%	**13.00**	
- Replacement Plate(s)	20.00	20.00	0.60	- 0.60	-	0.00%	**20.00**	
-Test Certificate admin fee	19.00	20.00	0.60	- 0.60	-	0.00%	**20.00**	
- Change of Vehicle/Operator/HV/Reg	75.00	77.00	2.31	- 1.31	1.00	1.30%	**78.00**	
-Change of Owner (Previously in above)	51.00	53.00	1.59	- 0.59	1.00	1.89%	**54.00**	
- Driver Licence (one year)	106.00	112.00	3.36	- 0.16	3.20	2.86%	**115.20**	
- Driver Licence (three year)	228.00	242.00	7.26	- 0.16	7.10	2.93%	**249.10**	
- Drivers Knowledge Test	41.00	40.00	1.20	- 4.20	- 3.00	-7.50%	**37.00**	
-DBS check (enhanced)	Recharged at cost	Recharged at cost					**Recharged at cost**	
-DBS check (standard)	Recharged at cost	Recharged at cost					**Recharged at cost**	
-DVLA Check	Recharged at cost	Recharged at cost					**Recharged at cost**	**plus VAT**
-DVLA Check - (Non UK driving licences)	Recharged at cost	Recharged at cost					**Recharged at cost**	**plus VAT**
- Badge Deposit (refundable)	6.00	6.00	0.18	- 0.18	-	0.00%	**6.00**	
- Badge Replacement (previously in above)	15.00	15.00	0.45	- 0.45	-	0.00%	**15.00**	
- Operators Licence (five years) 10 Vehicles or More	1,171.00	1,214.00	36.42	- 24.42	12.00	0.99%	**1,226.00**	
- Operators Licence (five years) less than 10 Vehicles	381.00	403.00	12.09	- 6.09	6.00	1.49%	**409.00**	

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £		INCREASE £	%	PROPOSED 2025/26 £	
LICENCES AND CERTIFICATES							1.26%		
Dangerous Wild Animals	523.00	573.00	17.19	-	11.19	6.00	1.05%	**579.00**	
Dangerous Wild Animals Renewal	220.00	245.00	7.35	-	7.35	-	0.00%	**254.00**	
Horse Registration Fee	68.00	72.00	2.16	-	1.16	1.00	1.39%	**73.00**	
Sex Establishment New Licence Application Fee	539.00	557.00	16.71	-	12.71	4.00	0.72%	**561.00**	
Sex Establishment New Licence Issue Fee	229.00	236.00	7.08	-	7.08	-	0.00%	**236.00**	
Sex Establishment Renewal Application Fee	220.00	226.00	6.78	-	2.78	4.00	1.77%	**230.00**	
Sex Establishment Renewal Issue Fee	203.00	207.00	6.21	-	4.21	2.00	0.97%	**209.00**	
Sex Establishment Transfer Application Fee	93.00	94.00	2.82	-	2.82	-	0.00%	**94.00**	
Sex Establishment Transfer Issue Fee	220.00	226.00	6.78	-	5.78	1.00	0.44%	**227.00**	
Sex Establishment Variation Application Fee	370.00	378.00	11.34	-	9.34	2.00	0.53%	**380.00**	
Sex Establishment Variation Issue Fee	34.00	38.00	1.14	-	0.14	1.00	2.63%	**39.00**	
STREET TRADING									
Street Trading Consent - Initial Application									
- Initial Administration Fee	336.00	366.00	10.98	-	6.98	4.00	1.09%	**370.00**	
- Initial Annual Consent Fee	34.00	35.00	1.05	-	0.05	1.00	2.86%	**36.00**	
Renewal Consent Fee									
- Renewable Annual Administration Fee	34.00	38.00	1.14	-	0.14	1.00	2.63%	**39.00**	
- Renewable Annual Consent Fee	34.00	35.00	1.05	-	0.05	1.00	2.86%	**36.00**	
ANIMAL ACTIVITIES LICENCE							0.00%		
Animal Activities Licence	315.00	315.00	9.45	-	9.45	-	0.00%	**315.00**	plus Vet Fees
Request Re-Inspection for Star Review	137.00	142.00	4.26	-	4.26	-	0.00%	**142.00**	
Requesting Variation of the Licence	124.00	128.00	3.84	-	3.84	-	0.00%	**128.00**	
Performing Animals Licence*	268.00	276.00	8.28	-	8.28	-	0.00%	**276.00**	plus Vet Fees

* 10% Discount for Charities

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £		INCREASE £	%	PROPOSED 2025/26 £
LICENCES AND CERTIFICATES							0.00%	
Scrap Metal Dealers & Motor Salvage Operators								
New Application	1,016.00	1,056.00	31.68	-	31.68	-	0.00%	**1,056.00**
Site Renewal	813.00	848.00	25.44	-	25.44	-	0.00%	**848.00**
Collectors Licence	288.00	302.00	9.06	-	9.06	-	0.00%	**302.00**
Variations								
- Add New Site Manager (Existing within LA area)	10.50	10.50	0.32	-	0.32	-	0.00%	**10.50**
- Add New Site Manager (Not Existing within LA area)	69.00	69.00	2.07	-	2.07	-	0.00%	**69.00**
- Remove Site Manager (Existing within LA area)	10.50	10.50	0.32	-	0.32	-	0.00%	**10.50**
- Duplicate Licence	10.50	10.50	0.32	-	0.32	-	0.00%	**10.50**
- Change of Trading Name	10.50	10.50	0.32	-	0.32	-	0.00%	**10.50**
Remove a Site								
- Refund In Year 1**	313.00	352.00	10.56	-	10.56	-	0.00%	**352.00**
- Refund In Year 2**	144.00	163.00	4.89	-	4.89	-	0.00%	**163.00**
- In Year 3	15.00	15.00	0.45	-	0.45	-	0.00%	**15.00**
Add a Site								
- In Year 1	542.00	566.00	16.98	-	16.98	-	0.00%	**566.00**
- In Year 2	372.00	377.00	11.31	-	11.31	-	0.00%	**377.00**
- In Year 3	203.00	189.00	5.67	-	5.67	-	0.00%	**189.00**
Collectors Licence to Site Licence								
- In Year 1	688.00	708.00	21.24	-	21.24	-	0.00%	**708.00**
- In Year 2	535.00	538.00	16.14	-	16.14	-	0.00%	**538.00**
- In Year 3	383.00	369.00	11.07	-	11.07	-	0.00%	**369.00**
Site Licence to Collectors Licence								
- Refund In Year 1**	25.00	50.00	1.50	-	1.50	-	0.00%	**50.00**
- In Year 2**	144.00	139.00	4.17	-	4.17	-	0.00%	**139.00**
- In Year 3	288.00	302.00	9.06	-	9.06	-	0.00%	**302.00**
Surrender Collectors Licence								
- Refund In Year 1**	135.00	151.00	4.53	-	4.53	-	0.00%	**151.00**
- Refund In Year 2**	68.00	75.00	2.25	-	2.25	-	0.00%	**75.00**

**** This is a Refund**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	INCREASE Other £	INCREASE £	%	PROPOSED 2025/26 £
LICENCES AND CERTIFICATES						0.00%	
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)							
- NDRV £0 - £4,300	100.00	100.00	-		-	0.00%	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	-		-	0.00%	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	-		-	0.00%	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	-		-	0.00%	**450.00**
- NDRV £125,001 and over	635.00	635.00	-		-	0.00%	**635.00**
Premises Licence - Annual							
- NDRV £0 - £4,300	70.00	70.00	-		-	0.00%	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	-		-	0.00%	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	-		-	0.00%	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	-		-	0.00%	**320.00**
- NDRV £125,001 and over	350.00	350.00	-		-	0.00%	**350.00**
Premises Licence - Variation Fee in Transition							
- NDRV £0 - £4,300	20.00	20.00	-		-	0.00%	**20.00**
- NDRV £4,301 - £33,000	60.00	60.00	-		-	0.00%	**60.00**
- NDRV £33,001 - £87,000	80.00	80.00	-		-	0.00%	**80.00**
- NDRV £87,001 - £125,000	100.00	100.00	-		-	0.00%	**100.00**
- NDRV £125,001 and over	120.00	120.00	-		-	0.00%	**120.00**
For premises used exclusively or primarily in the business of selling alcohol for consumption on the premises and within bands D & E - the following multiplier applies - Band D x 2, Band E x 3							
Premises Licence - Grant/Variation (Not change of name/address or premises supervisor)							
- NDRV £87,001 - £125,000	900.00	900.00	-		-	0.00%	**900.00**
- NDRV £125,001 and over	1,905.00	1,905.00	-		-	0.00%	**1,905.00**
Premises Licence - Annual							
- NDRV £87,001 - £125,000	640.00	640.00	-		-	0.00%	**640.00**
- NDRV £125,001 and over	1,050.00	1,050.00	-		-	0.00%	**1,050.00**
Club Premises Certificates -Grant/Variation (Not change of name, alteration of club rules or registered address)							
- NDRV £0 - £4,300	100.00	100.00	-		-	0.00%	**100.00**
- NDRV £4,301 - £33,000	190.00	190.00	-		-	0.00%	**190.00**
- NDRV £33,001 - £87,000	315.00	315.00	-		-	0.00%	**315.00**
- NDRV £87,001 - £125,000	450.00	450.00	-		-	0.00%	**450.00**
- NDRV £125,001 and over	635.00	635.00	-		-	0.00%	**635.00**
Club Premises Certificates - Annual							
- NDRV £0 - £4,300	70.00	70.00	-		-	0.00%	**70.00**
- NDRV £4,301 - £33,000	180.00	180.00	-		-	0.00%	**180.00**
- NDRV £33,001 - £87,000	295.00	295.00	-		-	0.00%	**295.00**
- NDRV £87,001 - £125,000	320.00	320.00	-		-	0.00%	**320.00**
- NDRV £125,001 and over	350.00	350.00	-		-	0.00%	**350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £
LICENCES AND CERTIFICATES						0.00%	
Copy of Licence/Certificate/Notice or Summary on theft or loss of:							
- Premises Licence or Summary	10.50	10.50	-		-	0.00%	**10.50**
- Club Premises Certificate or Summary	10.50	10.50	-		-	0.00%	**10.50**
- Personal Licence	10.50	10.50	-		-	0.00%	**10.50**
- Temporary Events Notice	10.50	10.50	-		-	0.00%	**10.50**
Change of name or address							
- Holder of Premises Licence	10.50	10.50	-		-	0.00%	**10.50**
- Personal Licence	10.50	10.50	-		-	0.00%	**10.50**
Change of name or alteration to club rules	10.50	10.50	-		-	0.00%	**10.50**
Change of relevant registered address of club	10.50	10.50	-		-	0.00%	**10.50**
Vary specific individual as premises supervisor	23.00	23.00	-		-	0.00%	**23.00**
Transfer Premises Licence	23.00	23.00	-		-	0.00%	**23.00**
Interim Authority Notice	23.00	23.00	-		-	0.00%	**23.00**
Provisional Statement	315.00	315.00	-		-	0.00%	**315.00**
Temporary Events Notice	21.00	21.00	-		-	0.00%	**21.00**
Personal Licences							
- Grant/Renewal	37.00	37.00	-		-	0.00%	**37.00**
Minor Variation of a Premises Licence/Club Premises Certificate	89.00	89.00	-		-	0.00%	**89.00**
Notification of Interest	21.00	21.00	-		-	0.00%	**21.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £
GAMBLING ACT - PERMIT FEES						0.00%	
FEC Gaming Machine -							
- Application Fee	300.00	300.00			-	0.00%	**300.00**
- Renewal Fee	300.00	300.00			-	0.00%	**300.00**
Prize Gaming -							
- Application Fee	300.00	300.00			-	0.00%	**300.00**
- Renewal Fee	300.00	300.00			-	0.00%	**300.00**
Alcohol Licences Premises - Notification of 2 or less Machines							
- Application Fee	50.00	50.00			-	0.00%	**50.00**
Alcohol Licences Premises - More than 2 Machines							
- Application Fee	150.00	150.00			-	0.00%	**150.00**
- Annual Fee	50.00	50.00			-	0.00%	**50.00**
- Transitional Application Fee	100.00	100.00			-	0.00%	**100.00**
Club Gaming Permit -							
- Application Fee	200.00	200.00			-	0.00%	**200.00**
- Annual Fee	50.00	50.00			-	0.00%	**50.00**
- Renewal Fee	200.00	200.00			-	0.00%	**200.00**
- Transitional Application Fee	100.00	100.00			-	0.00%	**100.00**
Club Gaming Machine Permit -							
- Application Fee	200.00	200.00			-	0.00%	**200.00**
- Annual Fee	50.00	50.00			-	0.00%	**50.00**
- Renewal Fee	200.00	200.00			-	0.00%	**200.00**
- Transitional Application Fee	100.00	100.00			-	0.00%	**100.00**
Club Fast-track for Gaming Permit or Gaming Machine Permit -							
- Application Fee	100.00	100.00			-	0.00%	**100.00**
- Annual Fee	50.00	50.00			-	0.00%	**50.00**
- Renewal Fee	100.00	100.00			-	0.00%	**100.00**
- Transitional Application Fee							
Small Society Lottery Registration -							
- Application Fee	40.00	40.00			-	0.00%	**40.00**
- Annual Fee	20.00	20.00			-	0.00%	**20.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other £**	**INCREASE £**	**%**	**PROPOSED 2025/26 £**
GAMBLING ACT - PERMIT FEES cont.						0.00%	
FEC Permits -							
· Change of Name	25.00	25.00			-	0.00%	**25.00**
· Copy of Permit	15.00	15.00			-	0.00%	**15.00**
Prize Gaming Permits -							
· Change of Name	25.00	25.00			-	0.00%	**25.00**
· Copy of Permit	15.00	15.00			-	0.00%	**15.00**
Alcohol Licences Premises - Notification of More than 2 Machines -							
· Change of Name	25.00	25.00			-	0.00%	**25.00**
· Copy of permit	15.00	15.00			-	0.00%	**15.00**
· Variation	100.00	100.00			-	0.00%	**100.00**
· Transfer	25.00	25.00			-	0.00%	**25.00**
Club Gaming Permit -							
· Copy of Permit	15.00	15.00			-	0.00%	**15.00**
· Variation	100.00	100.00			-	0.00%	**100.00**
Club Gaming Machine Permit							
· Copy of Permit	15.00	15.00			-	0.00%	**15.00**
· Variation	100.00	100.00			-	0.00%	**100.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £
GAMBLING ACT - APPLICATION FEES						0.00%	
Classes of Premises Licence -							
Regional Casino Premises Licence -							
· Application Fee in respect of Provisional statement premises	8,000.00	8,000.00			-	0.00%	**8,000.00**
· Fee in respect of other premises	15,000.00	15,000.00			-	0.00%	**15,000.00**
· Annual Fee	15,000.00	15,000.00			-	0.00%	**15,000.00**
· Application to vary licence	7,500.00	7,500.00			-	0.00%	**7,500.00**
· Application to transfer a licence	6,500.00	6,500.00			-	0.00%	**6,500.00**
· Application for reinstatement of a licence	6,500.00	6,500.00			-	0.00%	**6,500.00**
- Application for provisional statement	15,000.00	15,000.00			-	0.00%	**15,000.00**
Large Casino Premises Licence -							
· Application Fee in respect of Provisional statement premises	5,000.00	5,000.00			-	0.00%	**5,000.00**
· Fee in respect of other premises	10,000.00	10,000.00			-	0.00%	**10,000.00**
· Annual Fee	10,000.00	10,000.00			-	0.00%	**10,000.00**
· Application to vary licence	5,000.00	5,000.00			-	0.00%	**5,000.00**
· Application to transfer a licence	2,150.00	2,150.00			-	0.00%	**2,150.00**
· Application for reinstatement of a licence	2,150.00	2,150.00			-	0.00%	**2,150.00**
- Application for provisional statement	10,000.00	10,000.00			-	0.00%	**10,000.00**
Small Casino Premises Licence -							
· Application Fee in respect of Provisional statement premises	3,000.00	3,000.00			-	0.00%	**3,000.00**
· Fee in respect of other premises	8,000.00	8,000.00			-	0.00%	**8,000.00**
· Annual Fee	5,000.00	5,000.00			-	0.00%	**5,000.00**
· Application to vary licence	4,000.00	4,000.00			-	0.00%	**4,000.00**
· Application to transfer a licence	1,800.00	1,800.00			-	0.00%	**1,800.00**
· Application for reinstatement of a licence	1,800.00	1,800.00			-	0.00%	**1,800.00**
- Application for provisional statement	8,000.00	8,000.00			-	0.00%	**8,000.00**
Converted Casino premises licence -							
· Annual Fee	3,000.00	3,000.00			-	0.00%	**3,000.00**
· Application to vary licence	2,000.00	2,000.00			-	0.00%	**2,000.00**
· Application to transfer a licence	1,350.00	1,350.00			-	0.00%	**1,350.00**
· Application for reinstatement of a licence	1,350.00	1,350.00			-	0.00%	**1,350.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	INCREASE Other £	INCREASE £	INCREASE %	PROPOSED 2025/26 £
GAMBLING ACT - APPLICATION FEES						0.00%	
Bingo Premises Licence -							
· Application Fee in respect of Provisional statement premises	1,200.00	1,200.00			-	0.00%	**1,200.00**
· Fee in respect of other premises	3,500.00	3,500.00			-	0.00%	**3,500.00**
· Annual Fee	1,000.00	1,000.00			-	0.00%	**1,000.00**
· Application to vary licence	1,750.00	1,750.00			-	0.00%	**1,750.00**
· Application to transfer a licence	1,200.00	1,200.00			-	0.00%	**1,200.00**
· Application for reinstatement of a licence	1,200.00	1,200.00			-	0.00%	**1,200.00**
- Application for provisional statement	3,500.00	3,500.00			-	0.00%	**3,500.00**
Adult Gaming centre Premises Licence -							
· Application Fee in respect of Provisional statement premises	1,200.00	1,200.00			-	0.00%	**1,200.00**
· Fee in respect of other premises	2,000.00	2,000.00			-	0.00%	**2,000.00**
· Annual Fee	1,000.00	1,000.00			-	0.00%	**1,000.00**
· Application to vary licence	1,000.00	1,000.00			-	0.00%	**1,000.00**
· Application to transfer a licence	1,200.00	1,200.00			-	0.00%	**1,200.00**
· Application for reinstatement of a licence	1,200.00	1,200.00			-	0.00%	**1,200.00**
- Application for provisional statement	2,000.00	2,000.00			-	0.00%	**2,000.00**
Betting premises (track) Licence -							
- Application Fee in respect of Provisional statement premises	950.00	950.00			-	0.00%	**950.00**
- Fee in respect of other premises	2,500.00	2,500.00			-	0.00%	**2,500.00**
- Annual Fee	1,000.00	1,000.00			-	0.00%	**1,000.00**
- Application to vary licence	1,250.00	1,250.00			-	0.00%	**1,250.00**
- Application to transfer a licence	950.00	950.00			-	0.00%	**950.00**
- Application for reinstatement of a licence	950.00	950.00			-	0.00%	**950.00**
- Application for provisional statement	2,500.00	2,500.00			-	0.00%	**2,500.00**
Family Entertainment centre premises licence:							
- Application Fee in respect of Provisional statement premises	950.00	950.00			-	0.00%	**950.00**
- Fee in respect of other premises	2,000.00	2,000.00			-	0.00%	**2,000.00**
- Annual Fee	750.00	750.00			-	0.00%	**750.00**
- Application to vary licence	1,000.00	1,000.00			-	0.00%	**1,000.00**
- Application to transfer a licence	950.00	950.00			-	0.00%	**950.00**
- Application for reinstatement of a licence	950.00	950.00			-	0.00%	**950.00**
- Application for provisional statement	2,000.00	2,000.00			- -	0.00%	**2,000.00**

CORPORATE ISSUES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LICENSING (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £
GAMBLING ACT - APPLICATION FEES						0.00%	
Betting premises (other) Licence							
- Application Fee in respect of Provisional statement premises	1,200.00	1,200.00			-	0.00%	**1,200.00**
- Fee in respect of other premises	3,000.00	3,000.00			-	0.00%	**3,000.00**
- Annual Fee	600.00	600.00			-	0.00%	**600.00**
- Application to vary licence	1,500.00	1,500.00			-	0.00%	**1,500.00**
- Application to transfer a licence	1,200.00	1,200.00			-	0.00%	**1,200.00**
- Application for reinstatement of a licence	1,200.00	1,200.00			-	0.00%	**1,200.00**
- Application for provisional statement	3,000.00	3,000.00			-	0.00%	**3,000.00**
Change of Circumstance fee	50.00	50.00			-	0.00%	**50.00**
Copy of Licence Fee	25.00	25.00			-	0.00%	**25.00**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **CEMETERIES (DCE)**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN **3.17%**

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £	
INTERMENTS								
Child up to sixteen years	No Charge	No Charge					**No Charge**	
Person over sixteen years	1,270.00	1,310.00	39.30	0.70	40.00	3.05%	**1,350.00**	
Preparation for Exhumation	2,375.00	2,450.00	73.50	0.50	74.00	3.02%	**2,524.00**	
Grave Purchase (50 Year Lease)**	1,240.00	1,280.00	38.40	- 0.40	38.00	2.97%	**1,318.00**	
Grave Purchase (Baby)	325.00	335.00	10.05	- 0.05	10.00	2.99%	**345.00**	
Interments of cremated remains:								
- From Lincoln Crematorium*	95.00	100.00	3.00		3.00	3.00%	**103.00**	
- From Other Crematorium*	135.00	140.00	4.20	0.30	4.50	3.21%	**144.50**	
Preparation for Exhumation of Ashes	340.00	350.00	10.50	- 0.50	10.00	2.86%	**360.00**	
Cremation Plot Purchase	320.00	335.00	10.05	- 0.05	10.00	2.99%	**345.00**	
Body Parts/blocks/slides*	82.00	85.00	2.55	- 0.05	2.50	2.94%	**87.50**	
MONUMENTS, GRAVE STONES, TABLETS & INSCRIPTIONS								
Monumental Mason Headstone	104.17	108.33	3.25	0.08	3.33	3.07%	**111.66**	**plus VAT**
MISCELLANEOUS								
Levelling and re-turfing of graves	45.00	45.83	1.38	0.29	1.67	3.64%	**47.50**	**plus VAT**
Burial records search fee where appropriate	5.83	6.25	0.19	0.23	0.42	6.72%	**6.67**	**plus VAT**

50% Discount for City of Lincoln Residents (Excluding those marked with *)

**Fee is non-transferable to anyone other than the purchasee/designated person.

If the intention is to transfer onto a non-city resident then charge will be doubled.

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £
INTERMENTS							
Child up to sixteen years	No Charge	No Charge					**No Charge**
Person over sixteen years							
- Resident	820.00	845.00	25.35	- 0.35	25.00	2.96%	**870.00**
- Non-resident	1,640.00	1,690.00	50.70	- 0.70	50.00	2.96%	**1,740.00**
Interments of cremated remains							
- From Lincoln Crematorium *	115.00	120.00	3.60	- 0.60	3.00	2.50%	**123.00**
- From Other Crematorium *	145.00	150.00	4.50	(0.50)	4.00	2.67%	**154.00**
PURCHASE OF GRAVE PLOT							
Grave Purchase (50 Year Lease) **							
- Resident	715.00	735.00	22.05	- 0.05	22.00	2.99%	**757.00**
- Non-resident	1,430.00	1,470.00	44.10	- 0.10	44.00	2.99%	**1,514.00**
Grave Purchase (Baby)							
- Resident	175.00	180.00	5.40	0.10	5.50	3.06%	**185.50**
- Non-resident	350.00	360.00	10.80	0.20	11.00	3.06%	**371.00**
Cremation Plot Purchase							
- Resident	175.00	180.00	5.40	0.10	5.50	3.06%	**185.50**
- Non-resident	350.00	360.00	10.80	0.20	11.00	3.06%	**371.00**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24	**CURRENT 2024/25**	**INCREASE BASIC**	**Other**	**INCREASE**		**PROPOSED 2025/26**	
	£	**£**	**£**	**£**	**£**	**%**	**£**	
CREMATION FEES						**2.77%**		
Body Parts/Slides/Blocks	98.00	100.00	3.00	- 3.00	-	0.00%	**100.00**	
Child up to eighteen years	No Charge	No Charge					**No Charge**	
Person over eighteen years	960.00	990.00	29.70	- 29.70	-	0.00%	**990.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)								
Early Start Service (9:00 - 9:20 & 9:30 - 9:50 Monday to Friday)		650.00	19.50	0.50	20.00	3.08%	**670.00**	
Charge for non-city residents :								
Person over eighteen years	960.00	990.00	29.70	- 29.70	-	0.00%	**990.00**	
(Fee inclusive of Urn, Medical Refs Fee & Cremation Certificate)								
MEMORIALS AND INSCRIPTIONS								
Book of Remembrance								
2 Lines	95.83	100.00	3.00	0.33	3.33	3.33%	**103.33**	**plus VAT**
5 Lines	120.83	125.00	3.75		3.75	3.00%	**128.75**	**plus VAT**
8 Lines	145.83	150.00	4.50	0.08	4.58	3.05%	**154.58**	**plus VAT**
Miniature Books								
2 Lines	104.17	108.33	3.25	0.08	3.33	3.07%	**111.66**	**plus VAT**
5 Lines	112.50	116.67	3.50	- 0.17	3.33	2.85%	**120.00**	**plus VAT**
8 lines	125.00	129.17	3.88	- 0.13	3.75	2.90%	**132.92**	**plus VAT**
Remembrance cards								
2 Lines	62.50	66.67	2.00	0.08	2.08	3.12%	**68.75**	**plus VAT**
5 Lines	70.83	75.00	2.25	0.25	2.50	3.33%	**77.50**	**plus VAT**
8 Lines	83.33	87.50	2.63	- 0.13	2.50	2.86%	**90.00**	**plus VAT**
Additional lines to existing books and cards per line	16.67	17.50	0.53	0.30	0.83	4.74%	**18.33**	**plus VAT**
MEMORIAL SERVICE/USE OF CHAPEL FOR UP TO 1HR								
- Caskets	62.00	65.00	1.95	0.05	2.00	3.08%	**67.00**	
- Extract from Register of Cremations	13.00	14.00	0.42	0.08	0.50	3.57%	**14.50**	
Memorial Service (when space available)	400.00	420.00	12.60	0.40	13.00	3.10%	**433.00**	
DEPOSIT OF ASHES								
- Temporary deposit of ashes per month after one month	17.00	17.50	0.53	- 0.03	0.50	2.86%	**18.00**	
- For burying of ashes in Garden of Remembrance where cremation carried out at other crematorium	87.50	91.67	2.75	- 0.25	2.50	2.73%	**94.17**	**plus VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other £**	**INCREASE £**	**%**	**PROPOSED 2025/26 £**	
MEMORIAL GARDEN								
Wall Tablet (10 year lease)	262.50	270.83	8.12	0.05	8.17	3.02%	**279.00**	**plus VAT**
Bench Tablet (10 year lease)	358.34	370.83	11.12	0.05	11.17	3.01%	**382.00**	**plus VAT**
Kerb Tablet (10 year lease)	383.34	395.83	11.87	0.30	12.17	3.07%	**408.00**	**plus VAT**
Vault Tablet (20 year lease)	858.34	883.33	26.50	0.17	26.67	3.02%	**910.00**	**plus VAT**
Designer images on plaques - from	133.34	137.50	4.13	0.37	4.50	3.27%	**142.00**	**plus VAT**
Ceramic Photo Plaques								
4cm x 3cm	125.00	129.17	3.88	- 0.05	3.83	2.97%	**133.00**	**plus VAT**
7cm x 5cm	166.67	175.00	5.25	- 0.25	5.00	2.86%	**180.00**	**plus VAT**
Renewal of Wall Tablet (10 year lease)	158.34	162.50	4.88	0.12	5.00	3.08%	**167.50**	**plus VAT**
Renewal of Bench Tablet (10 year lease)	245.84	254.17	7.63	0.20	7.83	3.08%	**262.00**	**plus VAT**
Renewal of Kerb Tablet (10 year lease)	262.50	270.83	8.12	0.05	8.17	3.02%	**279.00**	**plus VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other £**	**INCREASE £**	**%**	**PROPOSED 2025/26 £**	
BREAVEMENT SERVICES						**2.79%**		
Witnessed scattering in the Garden of Remembrance		20.00	0.60	- 0.10	0.50	2.50%	**20.50**	
Witnessed burial in the Garden of Remembrance	35.00	36.00	1.08	- 0.08	1.00	2.78%	**37.00**	
Direct Cremation Service	520.00	535.00	16.05	- 0.05	16.00	2.99%	**551.00**	
Change of fees for a memorial permit to make it a clear price	125.00	130.00	3.90	0.10	4.00	3.08%	**134.00**	
Extra Cremated Remains Bio Box		10.00	0.30	0.20	0.50	5.00%	**10.50**	
WESLEY SYSTEM								
Audio recording supplied on CD - 1st Copy	54.17	58.33	1.75	- 0.08	1.67	2.86%	**60.00**	**plus VAT**
Audio recording supplied on CD - subsequent copies	26.67	29.17	0.88	- 0.05	0.83	2.85%	**30.00**	**plus VAT**
Video recording supplied on DVD - 1st copy	54.17	58.33	1.75	- 0.08	1.67	2.86%	**60.00**	**plus VAT**
Video recording supplied on DVD - subsequent copies	26.67	29.17	0.88	- 0.05	0.83	2.85%	**30.00**	**plus VAT**
Video recording supplied on download	25.00	25.00	0.75	0.08	0.83	3.32%	**25.83**	**plus VAT**
VISUAL TRIBUTES								
Visual tribute - 1 photograph	22.50	23.33	0.70	0.13	0.83	3.56%	**24.16**	**plus VAT**
Visual tribute - 2-5 photographs	31.67	33.33	1.00	- 0.17	0.83	2.49%	**34.16**	**plus VAT**
Visual tribute - 6-10 photographs	41.67	43.33	1.30	- 0.47	0.83	1.92%	**44.16**	**plus VAT**
Visual tribute – 10+ photographs subsequent per photograph)	2.50	2.50	0.08	- 0.08	-	0.00%	**2.50**	**plus VAT**
Video tribute - up to 2 minutes	31.67	33.33	1.00	- 0.17	0.83	2.49%	**34.16**	**plus VAT**
Video tribute - over 2 minutes to 5 minutes	41.67	43.33	1.30	- 0.47	0.83	1.92%	**44.16**	**plus VAT**
DVD containing the tribute - 1st copy	31.67	33.33	1.00	- 0.17	0.83	2.49%	**34.16**	**plus VAT**
DVD containing the tribute - subsequent copies	26.67	27.50	0.83		0.83	3.02%	**28.33**	**plus VAT**
Tribute embedded into video of the service	71.67	75.00	2.25	0.25	2.50	3.33%	**77.50**	**plus VAT**
WEBCASTING								
Webcasting of Service	54.17	58.33	1.75	- 0.08	1.67	2.86%	**60.00**	**plus VAT**
MEMORIAL TREE								
Memorial Leaf (Name Only)*	170.84	175.00	5.25	- 0.25	5.00	2.86%	**180.00**	**plus VAT**
Memorial Leaf (Name & Inscription)*	195.84	200.00	6.00		6.00	3.00%	**206.00**	**plus VAT**

*Subject to a 10 year lease

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	INCREASE Other £	INCREASE £	%	PROPOSED 2025/26 £
LICENCES, CERTIFICATES AND AUTHORISATIONS						3.15%	
Food Certificates							
- Condemned food	48.50	50.00	1.50		1.50	3.00%	**51.50**
(No charge for single items)							
- Consignments for Export	85.50	88.10	2.64	0.26	2.90	3.29%	**91.00**
Authorisations *- Prescribed Processes (All subject to notification by DEFRA) :							
- Application Fees							
- Standard	1,579.00	1,579.00			-	0.00%	**1,579.00**
- Additional Fee for Operating without a Permit	1,137.00	1,137.00			-	0.00%	**1,137.00**
- PVRI, SWOB's and Dry Cleaners	148.00	148.00			-	0.00%	**148.00**
- PVR Combinded I & II	246.00	246.00			-	0.00%	**246.00**
- VR & other Reduced Fee Activities	346.00	346.00			-	0.00%	**346.00**
- RFA Additional Fee for no Permit	68.00	68.00			-	0.00%	**68.00**
- Mobile Plant **	1,579.00	1,579.00			-	0.00%	**1,579.00**
- for 3rd to 7th Applications	943.00	943.00			-	0.00%	**943.00**
- for 8th & Subsequent Applications	477.00	477.00			-	0.00%	**477.00**
Where an Application for any of the above is for a combined Part B and Waste Application add extra £297 to Amount shown							
- Subsistence charges							
- Standard - Low	739.00	739.00			-	0.00%	**739.00**
- Standard - Med	1,111.00	1,111.00			-	0.00%	**1,111.00**
- Standard - High	1,672.00	1,672.00			-	0.00%	**1,672.00**
- PVRI, SWOB's and Dry Cleaners Low	76.00	76.00			-	0.00%	**76.00**
- PVRI, SWOB's and Dry Cleaners Med	151.00	151.00			-	0.00%	**151.00**
- PVRI, SWOB's and Dry Cleaners High	227.00	227.00			-	0.00%	**227.00**
- PVR I & II Combined Low	108.00	108.00			-	0.00%	**108.00**
- PVR I & II Combined Med	216.00	216.00			-	0.00%	**216.00**
- PVR I & II Combined High	326.00	326.00			-	0.00%	**326.00**
- VRs & other Reduced Fees Low	218.00	218.00			-	0.00%	**218.00**
- VRs & other Reduced Fees Med	349.00	349.00			-	0.00%	**349.00**
- VRs & other Reduced Fees High	524.00	524.00			-	0.00%	**524.00**
- Mobile Plants for 1st & 2nd Permits Low **	618.00	618.00			-	0.00%	**618.00**
- Mobile Plants for 1st & 2nd Permits Med **	989.00	989.00			-	0.00%	**989.00**
- Mobile Plants for 1st & 2nd Permits High **	1,484.00	1,484.00			-	0.00%	**1,484.00**
- For the 3rd to 7th Permits Low	368.00	368.00			-	0.00%	**368.00**
- For the 3rd to 7th Permits Med	590.00	590.00			-	0.00%	**590.00**
- For the 3rd to 7th Permits High	884.00	884.00			-	0.00%	**884.00**
- For the 8th and Subsequent Permits Low	189.00	189.00			-	0.00%	**189.00**
- For the 8th and Subsequent Permits Med	302.00	302.00			-	0.00%	**302.00**
- For the 8th and Subsequent Permits High	453.00	453.00			-	0.00%	**453.00**
- Late Payment Fee	50.00	50.00			-	0.00%	**50.00**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	INCREASE Other £	INCREASE £	%	PROPOSED 2025/26 £	
LICENCES, CERTIFICATES AND AUTHORISATIONS								
- Transfer & Surrender								
- Standard Process Transfer	162.00	162.00			-	0.00%	**162.00**	
- Standard Process Partial Transfer	476.00	476.00			-	0.00%	**476.00**	
- New Operator - Low risk Fee	75.00	75.00			-	0.00%	**75.00**	
- Reduced Fee Activities Partial Transfer	45.00	45.00			-	0.00%	**45.00**	
- Temporary Transfer for Mobiles								
- First Transfer	51.00	51.00			-	0.00%	**51.00**	
- Repeat following Enforcement or Warning	51.00	51.00			-	0.00%	**51.00**	
- Substantial Change								
- Standard Process	1,005.00	1,005.00			-	0.00%	**1,005.00**	
- Standard Process where result in a new PPC Activity	1,579.00	1,579.00			-	0.00%	**1,579.00**	
- Reduced Fee Activities	98.00	98.00			-	0.00%	**98.00**	
Local Government Misc Provisions- Skin Piercers (including Tattooing & Acupuncture)								
- Premises	187.30	193.00	5.79	0.21	6.00	3.11%	**199.00**	
- Persons	36.50	38.00	1.14	0.86	2.00	5.26%	**40.00**	
Re-issue of Skin Piercers Registration Certificate	30.00	30.00	0.90	0.10	1.00	3.33%	**31.00**	
* 10% discount for registered charities								
PUBLIC CONVENIENICES								
Castle Hill	0.20	0.20	0.01	-0.01	-	0.00%	**0.20**	
Tentercroft Street	0.20	0.20	0.01	-0.01	-	0.00%	**0.20**	
Westgate	0.20	0.20	0.01	-0.01	-	0.00%	**0.20**	
Bus Station	0.20	0.20	0.01	-0.01	-	0.00%	**0.20**	
Lucy Tower	0.20	0.20	0.01	-0.01	-	0.00%	**0.20**	
E-Access Card	4.17	4.17	0.13	-0.13	-	0.00%	**4.17**	**plus VAT**

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS	**CURRENT**	**INCREASE**		**INCREASE**		**PROPOSED**	
	2023/24	**2024/25**	**BASIC**	**Other**			**2025/26**	
	£	**£**	**£**	**£**	**£**	**%**	**£**	
						3.30%		
Dogs :								
- Penalty for Strays *(Set by EPA	25.00	25.00	0.75	- 0.75	-	0.00%	**25.00**	
& charged on 2nd continuing offence.)								
- Housing of Strays	11.58	12.08	0.36	0.06	0.42	3.48%	**12.50**	**plus VAT**
(Kennel fee per day)								
(Cost + Handling Charge)								
- Acceptance of, for Destruction	93.00	96.00	2.88	0.12	3.00	3.13%	**99.00**	
OTHER								
Provision of Information								
- Photograph (Each additional photo £1.30)	13.17	14.17	0.43	- 0.01	0.43	3.00%	**14.59**	**plus VAT**
- Documents	12.08	12.50	0.38	- 0.01	0.38	3.00%	**12.88**	**plus VAT**
- Factual Statement & Report of Investigations	131.67	137.50	4.13	- 0.01	4.13	3.00%	**141.63**	**plus VAT**
- Food Safety Act Register (25 enteries or part)	4.58	5.00	0.15		0.15	3.00%	**5.15**	**plus VAT**
- Information on Former Use of Land (Charge per hour, or part thereof)	94.50	98.00	2.94		2.94	3.00%	**100.94**	
- Provision of Information - Outstanding Notices Admin Charge	47.30	48.72	1.46		1.46	3.00%	**50.18**	
- Default Works (incl Intruder Alarm Disconnection)	Cost + 10%	Cost + 10%					**Cost + 10%**	
Safer Food Better Business Management System	10.00	10.30	0.31	0.39	0.70	6.80%	**11.00**	
Safer Food Better Business Daily Diary	7.00	7.50	0.23	0.27	0.50	6.67%	**8.00**	
Re-inspection of Food Business	171.50	180.00	5.40	0.60	6.00	3.33%	**186.00**	
- Graffiti Busting per hour	48.70	50.20	1.51		1.51	3.01%	**51.71**	**plus VAT**

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

ENVIRONMENT- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £	
ENFORCEMENT OFFICER						0.00%		
Fixed Penalty Notices								
- Littering	75.00	150.00	4.50	- 4.50	-	0.00%	**150.00**	**Discount of £50 if paid within 10 days**
- Dog Fouling	50.00	50.00	1.50	- 1.50	-	0.00%	**50.00**	
- Breach of Community Protection	75.00	75.00	2.25	- 2.25	-	0.00%	**75.00**	**Discount of £25 if paid within 10 days**
- Breach of a Public Space Protection Order	75.00	75.00	2.25	- 2.25	-	0.00%	**75.00**	**Discount of £25 if paid within 10 days**
- Breach of S46 Notice (Presentation of Waste)	75.00	75.00	2.25	- 2.25	-	0.00%	**75.00**	**Discount of £25 if paid within 10 days**
- Fly Tipping	200.00	400.00	12.00	- 12.00	-	0.00%	**400.00**	**Discount of £100 if paid within 10 days**
- Duty of Care	200.00	400.00	12.00	- 12.00	-	0.00%	**400.00**	**Discount of £100 if paid within 10 days**
GREEN WASTE						7.23%		
Green Waste Bin Collection								
- Annual Fee - paid by DD	39.00	39.00	1.17	- 1.17	-	0.00%	**39.00**	
- Annual Fee - not paid by DD	39.00	39.00	1.17	3.83	5.00	12.82%	**44.00**	
- Additional Bin - paid by DD	15.00	15.00	0.45	- 0.45	-	0.00%	**15.00**	
- Additional Bin - not paid by DD	15.00	15.00	0.45	2.55	3.00	20.00%	**18.00**	
- Delivery Fee	15.00	15.00	0.45	0.05	0.50	3.33%	**15.50**	
DEVELOPER BIN CHARGES						3.12%		
Charges per bin								
- 140 Litre Bin	24.60	25.30	0.76	- 0.06	0.70	2.77%	**26.00**	**plus VAT**
- 240 Litre Bin	29.00	29.90	0.90	0.20	1.10	3.68%	**31.00**	**plus VAT**
- Communal Bin (Usually 660l or 1100l)	166.00	171.00	5.13	- 0.13	5.00	2.92%	**176.00**	**plus VAT**
- Delivery Charge	11.10	11.40	0.34	0.06	0.40	3.51%	**11.80**	**plus VAT**
Admin Charge							**10% of total charge**	

This page is intentionally blank.

HOUSING- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other**	**INCREASE £**	**%**	**PROPOSED 2025/26 £**	
HOUSING ADVANCES						3.02%		
- Second mortgage enquiry fee	96.83	99.75	2.99	0.01	3.00	3.01%	**102.75**	**plus VAT**
- Transfer of mortgage fee	173.00	178.20	5.35	0.05	5.40	3.03%	**183.60**	
- Business rate enquiry fee	37.60	38.70	1.16	0.04	1.20	3.10%	**39.90**	
- Council Tax enquiry fee	29.70	30.60	0.92	- 0.02	0.90	2.94%	**31.50**	
- Right to Buy leaseholders repair loan	225.80	232.60	6.98	0.02	7.00	3.01%	**239.60**	
HOUSES IN MULTIPLE OCCUPATION						2.48%		
Premises Licence Fee (5 year licence)*								
- Basic (up to 5 Bedrooms) - New Application	1,010.00	1,400.00	42.00	28.00	70.00	5.00%	**1,470.00**	
- Basic (up to 5 Bedrooms) - Renewal Application**	1,010.00	1,210.00	36.30	23.70	60.00	4.96%	**1,270.00**	
- 6 to 10 Bedrooms	Basic + 10%	Basic + 10%					**Basic + 10%**	
- 11 to 15 Bedrooms	Basic + 20%	Basic + 20%					**Basic + 20%**	
- 16 to 20 Bedrooms	Basic + 30%	Basic + 30%					**Basic + 30%**	
- For every 5, or part thereof, over 20	Additional 10%	Additional 10%					**Additional 10%**	
Variation to Licence								
Trusted Landlord Scheme Discount (must be accredited on the date of the completed application)	100.00	100.00	3.00	- 3.00	-	0.00%	**100.00**	
GARAGES						3.08%		
Garage transfer fees	20.42	21.00	0.63	0.04	0.67	3.19%	**21.67**	**plus VAT**
Garage sites	72.08	74.25	2.23	0.02	2.25	3.03%	**76.50**	**plus VAT**
Garage access fees	72.08	74.25	2.23	0.02	2.25	3.03%	**76.50**	**plus VAT**
PARKING BAY CHARGES								
Council Tenants (Hermit Mews/Street and those living in Park Ward)	-							
Licence Fee to Parking Services		124.17	3.73		3.73	3.00%	127.90	**VAT Exempt**
Service charge (Sinking fund) -£1per week		-					52.00	**VAT Exempt**
Admin management fee (10%)		-					17.99	**VAT Exempt**
Total Annual Charge for Hermit Mews Parking Bay							**197.89**	**VAT Exempt**
Non Council Tenants (whose sole/main residence is in Park Ward)								
Licence Fee to Parking Services		124.17	3.73		3.73	3.00%	127.90	**plus VAT**
Service charge (Sinking fund) -£1per week		-					52.00	**plus VAT**
Admin management fee (10%)		-					17.99	**plus VAT**
Total Annual Charge for Hermit Mews Parking Bay							**197.89**	**plus VAT**
Commuters - Council Tenants (who live outside of Park Ward)								
Licence Fee to Parking Services		124.17	3.73		3.73	3.00%	127.90	**VAT Exempt**
Service charge (Sinking fund) -£1per week		-					52.00	**VAT Exempt**
Non-resident premium (£3.87 per week)		-					149.00	**VAT Exempt**
Admin management fee (10%)		-					35.00	**VAT Exempt**
Total Annual Charge for Hermit Mews Parking Bay							**363.90**	**VAT Exempt**
Commuters - Non Council Tenants (who live outside Park Ward)								
Licence Fee to Parking Services		124.17	3.73		3.73	3.00%	127.90	**plus VAT**
Service charge (Sinking fund) -£1per week		-					52.00	**plus VAT**
Non-resident premium (£3.87 per week)		-					149.00	**plus VAT**
Admin management fee (10%)		-					35.00	**plus VAT**
Total Annual Charge for Hermit Mews Parking Bay							**363.90**	**plus VAT**

* The premises licence fee comprises of two elements. 60% of the total fee due will be payable on application as an application fee, and if the application is successful, the remaining 40% will be payable as a licence fee when the licence is granted.
** Renewal applications must be made at least 30 days before the expiry of the current licence to benefit from the reduced rate

HOUSING- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £
HOUSING ACT 2004							
Health & Environment Enforcement Policy - Charge for enforcement activity	336.63	336.63					**336.63***
* Minimum fine for a 1/2 bedroom property with one hazard identified The charge will vary upwards depending on the number of bedrooms and the number of hazards identified at the property							
- Civil Penalty Notice * Maximum fine of £30,000 - will be dependant on individual circumstances	30,000.00	30,000.00					**30,000.00***
- Penalty Charge Notice for Smoke & Carbon Monoxide Alarms * £5,000 for first breach discounted to £2,500 if paid within 14 days. Repeat Breaches £5,000 with no discount for early payment	5,000.00	5,000.00					**5,000.00***

HOUSING- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £	
SUPPORTED HOUSING - CONTROL CENTRE						3.23%		
Community Alarms Service	168.00	173.00	5.19	3.81	9.00	5.20%	**182.00**	
Alarm monitoring only and SIM	110.00	113.30	3.40	0.30	3.70	3.27%	**117.00**	
Digital Alarm plus sim	216.00	221.00	6.63	2.37	9.00	4.07%	**230.00**	
Wellbeing Lincs Response Service*	130.00	130.00	3.90	10.10	14.00	10.77%	**144.00**	
District Council Transfer*	168.00	173.00	5.19	3.81	9.00	5.20%	**182.00**	
**increase as a result of externally driven cost factors*								
Alarm Monitoring - 1 unit	67.05	69.06	2.07		2.07	3.00%	**71.13**	**plus VAT**
Alarm Monitoring - 2-99 units	50.29	54.39	1.63		1.63	3.00%	**56.02**	**plus VAT**
Alarm Monitoring - 100-499 units	43.81	47.38	1.42		1.42	3.00%	**48.80**	**plus VAT**
Alarm Monitoring - 500-999 units	42.18	45.62	1.37		1.37	3.00%	**46.99**	**plus VAT**
Alarm Monitoring - 1000-1749 units	41.10	44.45	1.33		1.33	2.99%	**45.78**	**plus VAT**
Alarm Monitoring - 1750-2499 units	38.93	42.10	1.26		1.26	2.99%	**43.36**	**plus VAT**
Alarm Monitoring - 2500+ units	30.93	33.45	1.00		1.00	2.99%	**34.45**	**plus VAT**
Bogus Caller/Panic Button	11.90	11.90	0.36	0.04	0.40	3.36%	**12.30**	
Bed Occupancy Sensor Mat (over mattress)	60.00	60.00	1.80	-	1.80	3.00%	**61.80**	
Canary Care system	207.00	207.00	6.21	- 0.01	6.20	3.00%	**213.20**	
Chiptech Go GPS Device	200.00	206.00	6.18	0.02	6.20	3.01%	**212.20**	
Key Safe	15.00	15.00	0.45	0.05	0.50	3.33%	**15.50**	
Medication Dispenser - PivoTell	45.00	45.00	1.35	0.05	1.40	3.11%	**46.40**	
Medication reminders/welfare checks - per call	0.10	0.10	-	-	-	0.00%	**0.10**	
Absorbent Enuresis Sensor	97.50	97.50	2.93	- 0.03	2.90	2.97%	**100.40**	
Cotton Enuresis Sensor	82.50	82.50	2.48	0.02	2.50	3.03%	**85.00**	
Epilepsy Sensor	84.00	84.00	2.52	- 0.02	2.50	2.98%	**86.50**	
Exit Sensor	32.70	32.70	0.98	0.02	1.00	3.06%	**33.70**	
Temperature Extremes Sensor	16.60	16.60	0.50	-	-	0.00%	**16.60**	
Universal Sensor	18.00	18.00	0.54	- 0.04	0.50	2.78%	**18.50**	
Pressure Mat	6.30	6.30	0.19	0.01	0.20	3.17%	**6.50**	
Pillow Shaker	65.00	65.00	1.95	0.05	2.00	3.08%	**67.00**	
Ivi Intelligent Pendant	32.50	32.50	0.98	0.02	1.00	3.08%		
Smoke Detector (wireless)	16.00	16.00	0.48	0.02	0.50	3.13%		
Flood Detector	20.40	20.40	0.61	- 0.01	0.60	2.94%	**21.00**	
Passive Infra Red Detector	14.60	14.60	0.44	- 0.04	0.40	2.74%	**15.00**	
Extra Rental - Carbon	27.90	27.90	0.84	- 0.04	0.80	2.87%	**28.70**	
Extra Rental - Falls	32.50	32.50	0.98	0.02	1.00	3.08%	**33.50**	
Extra Rental - Pendant	11.20	11.20	0.34	- 0.04	0.30	2.68%	**11.50**	
Extra Rental - Smoke Alarm	16.00	16.00	0.48	0.02	0.50	3.13%	**16.50**	
Extra Purchase - Carbon	90.00	90.00	2.70	-	2.70	3.00%		
Extra Purchase - Falls	85.00	85.00	2.55	0.05	2.60	3.06%		
Extra Purchase - Pendant	45.00	45.00	1.35	0.05	1.40	3.11%		
Extra Purchase - Smoke Alarm	45.00	45.00	1.35	0.05	1.40	3.11%		

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

		PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other**	**INCREASE £**	**%**	**PROPOSED 2025/26 £**	
SHELTERED ACCOMMODATION							1.83%		
Service charges, per rent week (50 weeks) - residents :									
- 1 person flat									
	Derek Miller Ct	9.90	10.20	0.31	- 0.01	0.30	2.94%	**10.50**	
	St.Botolphs	9.90	10.20	0.31	- 0.01	0.30	2.94%	**10.50**	
- 2 person flat									
	Derek Miller Ct	14.00	14.40	0.43	- 0.03	0.40	2.78%	**14.80**	
	St.Botolphs	14.00	14.40	0.43	- 0.03	0.40	2.78%	**14.80**	
- Electricity									
	Derek Miller Court (only)	4.70	4.80	0.14	- 0.04	0.10	2.08%	**4.90**	
Service charges, per rent week (50 weeks) - wardens :									
- 2 bed accommodation		11.10	11.40	0.34	- 0.04	0.30	2.63%	**11.70**	
- 3 bed accommodation									
	Lenton Green	13.60	14.00	0.42	- 0.02	0.40	2.86%	**14.40**	
	Others	13.30	13.70	0.41	- 0.01	0.40	2.92%	**14.10**	
De Wint Court									
- Service charge		95.88	102.43	3.07	- 10.13	- 7.06	-6.89%	**95.37**	
- Guest Room		21.92	22.58	0.68	- 0.01	0.67	2.97%	**23.25**	**plus VAT**
- Key Fob		4.17	4.33	0.13	0.04	0.17	3.92%	**4.50**	**plus VAT**
- Electric (based on sub metered usage)		Variable	Variable					**Variable**	
- Water & Heating (based on apportioned variable cost)		Variable	Variable					**Variable**	
Concessionary TV Licences		7.50	7.50	0.23	- 0.23	-	0.00%	**7.50**	
Next Steps Accommodation Programme (NSAP) – Service Charge			£5,670**					**£5,670****	
Rough Sleeping Accommodation Programme (RSAP) – Service Charge			£5,670**					**£5,670****	
MISCELLANEOUS							3.09%		
Additional keys for door entry		12.92	13.33	0.40	0.02	0.42	3.15%	**13.75**	**plus VAT**
Building Society enquiry fees		77.33	79.67	2.39	0.03	2.42	3.04%	**82.09**	**plus VAT**

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other**	**INCREASE £**	**INCREASE %**	**PROPOSED 2025/26 £**	
ALLOTMENTS						3.01%		
Standard rent for allotment								
51 to 100 sq yards	50.10	51.60	1.55	0.05	1.60	3.10%	53.20	
101 to 150 sq yards	52.90	54.50	1.64	- 0.04	1.60	2.94%	56.10	
151 to 200 sq yards	56.00	57.70	1.73	- 0.03	1.70	2.95%	59.40	
201 to 250 sq yards	58.90	60.70	1.82	- 0.02	1.80	2.97%	62.50	
251 to 300 sq yards	61.60	63.50	1.91	- 0.01	1.90	2.99%	65.40	
301 to 350 sq tards	64.60	66.50	2.00		2.00	3.01%	68.50	
351 to 400 sq yards	67.90	69.90	2.10		2.10	3.00%	72.00	
401 to 450 sq yards	70.60	72.70	2.18	0.02	2.20	3.03%	74.90	
451 to 500 sq yards	73.40	75.60	2.27	0.03	2.30	3.04%	77.90	
501 to 550 sq yards	76.40	78.70	2.36	0.04	2.40	3.05%	81.10	
551 to 600 sq yards	79.30	81.70	2.45	0.05	2.50	3.06%	84.20	
601 to 650 sq yards	82.20	84.70	2.54	- 0.04	2.50	2.95%	87.20	
651 to 700 sq yards	85.60	88.20	2.65	0.05	2.70	3.06%	90.90	
701 to 750 sq yards	88.20	90.90	2.73	- 0.03	2.70	2.97%	93.60	
751 to 800 sq yards	90.90	93.60	2.81	- 0.01	2.80	2.99%	96.40	
801 to 850 sq yards	94.10	96.90	2.91	- 0.01	2.90	2.99%	99.80	
851 to 900 sq yards	97.00	99.90	3.00	-	3.00	3.00%	102.90	
901to 950 sq yards	100.10	103.10	3.09	0.01	3.10	3.01%	106.20	
951 to 1000 sq yards	102.90	106.00	3.18	0.02	3.20	3.02%	109.20	
Water supply to allotment								
- minimum charge	22.60	23.30	0.70	-	0.70	3.00%	24.00	
Garage site								
- Rents and access charge	40.08	41.25	1.24		1.24	3.01%	42.49	**plus VAT**
Allotment Keys	7.00	7.00	0.21		0.21	3.00%	7.21	
Discounts								
6 - 10 allotments	10%	10%					**10%**	
11+ allotments	20%	20%					**20%**	
Means tested benefits	50%	50%					**50%**	

CONDITIONS

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £	
ALL CENTRES						2.41%		
Room Hire (per hour)								
- Main Hall/Weighing Room								
Commercial	22.10	22.80	0.68	0.02	0.70	3.07%	**23.50**	
Standard	17.90	18.50	0.56	0.04	0.60	3.24%	**19.10**	
Supported	9.50	12.00	0.36	- 0.01	0.35	2.92%	**12.35**	
- Small Meeting Rooms								
Commercial	11.60	12.00	0.36	- 0.01	0.35	2.92%	**12.35**	
Standard	7.40	7.60	0.23	- 0.03	0.20	2.63%	**7.80**	
Supported	4.70	6.00	0.18	0.02	0.20	3.33%	**6.20**	
- Large Meeting Rooms								
Commercial	18.40	19.00	0.57	0.03	0.60	3.16%	**19.60**	
Standard	14.70	15.10	0.45	0.05	0.50	3.31%	**15.60**	
Supported	8.90	10.00	0.30	- 0.30	-	0.00%	**10.00**	
Medium Meeting Room (SDCC Only)								
Commercial							**15.95**	
Standard							**11.70**	
Supported							**8.25**	
Surcharge after 11pm	100%	-					**-**	
Projector/Screen Hire								
- Per Hour	5.30	5.50	0.17	- 0.17	-	0.00%	**5.50**	**plus VAT**
- Per day	26.30	26.50	0.80	- 0.80	-	0.00%	**26.50**	**plus VAT**
Service Charge (Caretaker fee)	Cost	Cost					**Cost**	
Surcharge after 11pm (Caretaker	Cost	Cost					**Cost**	
Call out recharges	Cost	Cost					**Cost**	
Additional Cleaning	Cost	Cost					**Cost**	
Flip chart hire/paper	5.00	5.00	0.15	- 0.15	-	0.00%	**5.00**	**plus VAT**
Storage Charge		Price on application					**Price on application**	
Other Charges								
Activities (per hour)								
- Badminton per court	8.75	9.00	0.27	0.03	0.30	3.33%	**9.30**	
- Table Tennis per table	4.42	6.25	0.19	0.01	0.20	3.20%	**6.45**	
- Carpet Bowls per carpet	5.25	6.25	0.19	0.01	0.20	3.20%	**6.45**	
- Booking Fee**	5.30	5.50	0.17	0.03	0.20	3.64%	**5.70**	
- Amendment Fee	3.20	3.30	0.10		0.10	3.03%	**3.40**	
- PRS	Cost + 50%	Cost + 50%					**Cost + 50%**	**plus VAT**

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £	
COMMONS								
- Impounding of Horses on City Commons	Contract Price + 15%	Contract Price + 15%					**Contract Price + 15%**	**plus VAT**
- Fair Licence	3,000.00	3,000.00	90.00		90.00	3.00%	**3,090.00**	
RECREATION GROUNDS						**3.02%**		
- Cricket, pitch and accommodation								
Weekend match								
Adult teams	36.33	41.67	1.25	0.03	1.28	3.07%	**42.95**	
Youth teams	21.00	25.00	0.75		0.75	3.00%	**25.75**	
Weekday match (evening)								
Adult teams	24.50	33.33	1.00	0.02	1.02	3.06%	**34.35**	
Youth teams	17.50	20.83	0.63	- 0.02	0.62	2.95%	**21.45**	
- Rounders (Per pitch Per match)	Cost	Cost					**Cost**	

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

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £
RECREATION GROUNDS							
- Football (per pitch)							
Per game with attended changing facilities							
Adult teams	61.25	-	-		-		**-**
Youth teams	30.67	-	-		-		**-**
Junior Pitches (9v9)	28.25	-	-		-		**-**
Junior Pitches (7v7)	25.83	-	-		-		**-**
Mini Pitches (5v5)	15.33	-	-		-		**-**
Per game for keyholders							
(Skellingthorpe Rd and King George's Field)							
Adult teams	51.17	52.67	1.58		1.58	3.00%	**54.25**
Youth teams	26.67	27.50	0.83	0.02	0.85	3.09%	**28.35**
Junior Pitches	20.58	21.25	0.64	0.01	0.65	3.06%	**21.90**
Service Charge (Caretaker fee)		Cost					**Cost**
Per season (16 Bookings**) with attended changing facilities							
Adult teams	550.70	-	-		-		**-**
Youth teams	269.30	-	-		-		**-**
Junior Pitches (9v9)	235.80	-	-		-		**-**
Junior Pitches (7v7)	202.10	-	-		-		**-**
Mini Pitches (5v5)	147.00	-	-		-		**-**
Per season (16 Bookings*) for key holders							
(Skellingthorpe Rd and King George's Field)							
Adult teams	428.40	441.50	13.25		13.25	3.00%	**454.75**
Youth teams	214.20	220.60	6.62	0.03	6.65	3.01%	**227.25**
Junior Pitches (9v9)	183.80	190.00	5.70		5.70	3.00%	**195.70**
Junior Pitches (7v7)	153.30	158.00	4.74	0.01	4.75	3.01%	**162.75**
Mini Pitches (5v5)	91.90	95.00	2.85		2.85	3.00%	**97.85**
Additional Cleaning	Cost	Cost					**Cost**
Introductory Football Storage (per week)		5.00	0.15		0.15	3.00%	**5.15**

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **CREATIVE INDUSTRIES MANAGED WORKSPACE** 3.09%

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £	
THE TERRACE								
Boardroom								
Tenants (Inc Post Box Holders) - **SEE FOOTNOTE BELOW**								
Per Hour	7.40	**7.60**	0.23	-0.03	0.20	2.63%	**7.80**	**plus VAT**
Per Day	42.00	**43.30**	1.30		1.30	3.00%	**44.60**	**plus VAT**
Non Tenants								
Per Hour	14.70	**15.20**	0.46	-0.06	0.40	2.63%	**15.60**	**plus VAT**
Per Day	84.00	**86.50**	2.60	-0.10	2.50	2.89%	**89.00**	**plus VAT**
- Laminating								
A4 (Per Sheet)	1.30	**1.30**	0.04		0.04	3.08%	**1.34**	**plus VAT**
A3 (Per Sheet)	2.15	**2.15**	0.06	0.04	0.10	4.65%	**2.25**	**plus VAT**
Telephone Answering Service								
Monthly Rate	15.80	**16.00**	0.48	0.02	0.50	3.13%	**16.50**	**plus VAT**
Price is based on a calendar month and is exclusive to VAT.								
- Virtual Mailbox								
Annual	310.00	**319.00**	9.57	-0.07	9.50	2.98%	**328.50**	**plus VAT**
Replacement keys								
Security Access Key	12.00	**12.30**	0.37	-0.02	0.35	2.85%	**12.65**	**plus VAT**
GREETWELL PLACE								
Large Conference Room/Room 23 & 35								
Tenants								
Per Hour	11.10	11.40	0.34	0.01	0.35	3.07%	**11.75**	**plus VAT**
Per Day	44.40	45.70	1.37	-0.02	1.35	2.95%	**47.05**	**plus VAT**
Non Tenants								
Per Hour	22.20	22.80	0.68	0.02	0.70	3.07%	**23.50**	**plus VAT**
Per Day	66.60	68.60	2.06	-0.06	2.00	2.92%	**70.60**	**plus VAT**
Small Conference Room								
Tenants								
Per Hour	5.60	5.80	0.17	0.03	0.20	3.45%	**6.00**	**plus VAT**
Per Day	28.00	28.80	0.86	0.04	0.90	3.13%	**29.70**	**plus VAT**
Non Tenants								
Per Hour	11.10	11.40	0.34	0.01	0.35	3.07%	**11.75**	**plus VAT**
Per Day	44.40	45.70	1.37	0.03	1.40	3.06%	**47.10**	**plus VAT**
Beverages								
Flask of coffee	3.90	4.00	0.12	0.08	0.20	5.00%	**4.20**	**plus VAT**
Flask of tea	2.80	2.90	0.09	0.01	0.10	3.45%	**3.00**	**plus VAT**
Cup Tea/Coffee	0.56	0.60	0.02	0.03	0.05	8.33%	**0.65**	**plus VAT**
Photocopying (Per Sheet)								
A4 Paper	0.10	0.10	-		-	0.00%	**0.10**	
A3 Paper	0.15	0.15	-		-	0.00%	**0.15**	
A4 Paper - Coloured	0.50	0.50	0.02	-0.02	-	0.00%	**0.50**	
A3 Paper - Coloured	1.00	1.00	0.03	-0.03	-	0.00%	**1.00**	
Bulk Copying (50+)								
Own Paper	0.05	0.05	-		-	0.00%	**0.05**	

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other**	**INCREASE £**	**%**	**CURRENT 2025/26 £**	**PROPOSED 2026/27 £**	
HARTSHOLME COUNTRY PARK						**3.07%**			
- Overnight stay, incl use of showers (per night)									
Standard non-electric price for a pitch in the tent only area (apart from backpack tent).									
- High Season *	16.67	17.50	0.53		0.53	3.03%	**18.00**	**19.17**	**plus VAT**
- Low Season	15.00	16.67	0.50		0.50	3.00%	**17.17**	**18.34**	**plus VAT**
Electric included in pitch price for all other pitches									
Four berth caravan, motorhome or tent and car									
- High Season *	18.75	19.58	0.59		0.59	3.01%	**20.00**	**21.67**	**plus VAT**
- Low Season	17.08	17.92	0.54		0.54	3.01%	**18.75**	**20.00**	**plus VAT**
Dogs (each per stay)	0.83	0.83	0.03		0.03	3.60%	**1.25**	**1.25**	**plus VAT**
Backpack Tent	11.67	12.08	0.36		0.36	2.98%	**12.08**	**12.50**	**plus VAT**
Overflow Pitch	10.00	10.83	0.33		0.33	3.05%	**12.50**	**12.92**	**plus VAT**
Camping Pod Single Night	35.00	35.83	1.08		1.08	3.01%	**35.83**	**36.66**	**plus VAT**
Camping Pod 2 nights or more	30.83	31.67	0.95		0.95	3.00%	**32.50**	**35.00**	**plus VAT**
Non-refundable deposit - (included within price)									
Bank Holiday Weekends only									
Single night	10.00	10.00	0.30		0.30	3.00%	**10.00**	**10.83**	**plus VAT**
Two or more nights	20.83	20.83	0.63		0.63	3.02%	**20.83**	**20.83**	**plus VAT**
Late Stay	2.50	2.50	0.08		0.08	3.20%	**2.50**	**2.50**	**plus VAT**
Full Awning	2.50	2.50	0.08		0.08	3.20%	**2.50**	**2.50**	**plus VAT**
Additional Adult	2.50	2.50	0.08		0.08	3.20%	**2.50**	**3.33**	**plus VAT**
Additional Car parking	2.50	2.50	0.08		0.08	3.20%	**2.50**	**2.50**	**plus VAT**
*** High Season Period:**									
Includes all Weekends, Bank Holidays, and LCC School Holidays.									
Deposits required.									
- Activity/Visit (tier 1)									
Per Person	3.08	3.33	0.10		0.10	3.00%	**3.33**	**3.75**	**plus VAT**
Group of 30 (can be broken down into £40 per hour)	75.83	80.00	2.40		2.40	3.00%	**83.33**	**91.66**	**plus VAT**
- Activity/Visit (tier 2) (Rangers Club per activity)	5.00	5.42	0.16		0.16	2.95%	**5.83**	**6.25**	**plus VAT**
- Activity/Visit (tier 3)	22.75	23.92	0.72		0.72	3.01%	**25.00**	**29.17**	**plus VAT**
- Hire of Activity Box	22.75	23.92	0.72		0.72	3.01%	**25.00**	**29.17**	**plus VAT**
- Wreath Making	22.75	23.92	0.72		0.72	3.01%	**25.00**	**29.17**	**plus VAT**
- Willow Weaving	22.75	23.92	0.72		0.72	3.01%	**25.00**	**29.17**	**plus VAT**
- Meeting Room	9.17	9.58	0.29		0.29	3.03%	**10.00**	**10.83**	**plus VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **CAR PARKS (DCE)** **3.65%**

NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	OTHER £	INCREASE £		PROPOSED 2025/26 £	
- Lucy Tower Street								
1 hour	1.83	1.83	0.06	0.02	0.08	4.36%	**1.91**	**plus VAT**
2 hours	3.25	3.33	0.10	(0.02)	0.08	2.40%	**3.41**	**plus VAT**
3 hours	5.00	5.00	0.15	0.02	0.17	3.40%	**5.17**	**plus VAT**
4 hours	5.83	6.25	0.19	(0.02)	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.50	7.92	0.24	0.01	0.25	3.16%	**8.17**	**plus VAT**
Evening Charge	3.75	3.75	0.11	(0.03)	0.08	2.13%	**3.83**	**plus VAT**
Motorcycles	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**
- City Hall (Season Tickets Prohibited)								
1 hour	1.83	1.83	0.06	0.02	0.08	4.36%	**1.91**	**plus VAT**
2 hours	3.25	3.33	0.10	-0.02	0.08	2.40%	**3.41**	**plus VAT**
3 hours	5.00	5.00	0.15	0.02	0.17	3.40%	**5.17**	**plus VAT**
4 hours	5.83	6.25	0.19	-0.02	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.50	7.92	0.24	0.01	0.25	3.16%	**8.17**	**plus VAT**
Evening Charge	3.75	3.75	0.11	-0.03	0.08	2.13%	**3.83**	**plus VAT**
- Motherby Lane (Season Tickets Prohibited)								
1 hour	1.83	1.83	0.06	0.02	0.08	4.36%	**1.91**	**plus VAT**
2 hours	3.25	3.33	0.10	-0.02	0.08	2.40%	**3.41**	**plus VAT**
3 hours	5.00	5.00	0.15	0.02	0.17	3.40%	**5.17**	**plus VAT**
4 hours	5.83	6.25	0.19	-0.02	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.50	7.92	0.24	0.01	0.25	3.16%	**8.17**	**plus VAT**
Evening Charge	3.75	3.75	0.11	-0.03	0.08	2.13%	**3.83**	**plus VAT**
- Flaxengate								
1 hour	1.83	1.83	0.06	0.02	0.08	4.36%	**1.91**	**plus VAT**
2 hours	3.25	3.33	0.10	(0.02)	0.08	2.40%	**3.41**	**plus VAT**
3 hours	5.00	5.00	0.15	0.02	0.17	3.40%	**5.17**	**plus VAT**
4 hours	5.83	6.25	0.19	(0.02)	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.50	7.92	0.24	0.01	0.25	3.16%	**8.17**	**plus VAT**
Evening Charge	3.75	3.75	0.11	(0.03)	0.08	2.13%	**3.83**	**plus VAT**
- Tentercroft Street								
1 hour	1.83	1.83	0.06	0.02	0.08	4.36%	**1.91**	**plus VAT**
2 hours	3.25	3.33	0.10	(0.02)	0.08	2.40%	**3.41**	**plus VAT**
3 hours	5.00	5.00	0.15	0.02	0.17	3.40%	**5.17**	**plus VAT**
4 hours	5.83	6.25	0.19	(0.02)	0.17	2.72%	**6.42**	**plus VAT**
Savvy shopper	2.92	2.92	0.09	(0.01)	0.08	2.74%	**3.00**	**plus VAT**
Over 4 hours and up to 8am next day	7.50	7.92	0.24	0.01	0.25	3.16%	**8.17**	**plus VAT**
Evening Charge	3.75	3.75	0.11	(0.03)	0.08	2.13%	**3.83**	**plus VAT**
Motorcycles	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**
- Lincoln Central Car Park (subject to portfolio holder approval)								
1 hour	1.83	2.08	0.06	(0.06)	-	0.00%	**2.08**	**plus VAT**
2 hours	3.25	3.33	0.10	0.32	0.42	12.60%	**3.75**	**plus VAT**
3 hours	5.00	5.00	0.15	0.27	0.42	8.40%	**5.42**	**plus VAT**
4 hours	5.83	6.67	0.20	(0.20)	-	0.00%	**6.67**	**plus VAT**
Over 4 hours and up to 12 hours	7.50	7.92	0.24	0.18	0.42	5.31%	**8.34**	**plus VAT**
Over 12 hours and up to 1 day*	7.50	8.75	0.26	0.16	0.42	4.80%	**9.17**	**plus VAT**
Evening Charge	3.75	3.75	0.11	0.31	0.42	11.20%	**4.17**	**plus VAT**
Motorcycles	2.50	2.50	0.08	0.34	0.42	16.80%	**2.92**	**plus VAT**
Lost Chip	8.33	10.00	0.30	0.12	0.42	4.20%	**10.42**	**plus VAT**
- Castle (Season Tickets Prohibited)								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.92	3.17	0.10	-0.02	0.08	2.53%	**3.25**	**plus VAT**
3 hours	5.00	4.58	0.14	0.03	0.17	3.71%	**4.75**	**plus VAT**
4 hours	5.83	6.25	0.19	-0.02	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.92	8.17	0.25	0.00	0.25	3.06%	**8.42**	**plus VAT**
Evening Charge	3.75	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Motorcycles	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**

*All subsequent days are charged at this rate

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	**CURRENT 2024/25 £**	**INCREASE BASIC £**	**Other £**	**INCREASE £**		**PROPOSED 2025/26 £**	
- Westgate (Season Tickets Prohibited)								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.92	3.17	0.10	(0.02)	0.08	2.53%	**3.25**	**plus VAT**
3 hours	5.00	4.58	0.14	0.03	0.17	3.71%	**4.75**	**plus VAT**
4 hours	5.83	6.25	0.19	(0.02)	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.92	8.17	0.25	-	0.25	3.06%	**8.42**	**plus VAT**
Evening Charge	3.75	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Motorcycles	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**
- The Lawn Complex								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.92	3.17	0.10	(0.02)	0.08	2.53%	**3.25**	**plus VAT**
3 hours	5.00	4.58	0.14	0.03	0.17	3.71%	**4.75**	**plus VAT**
4 hours	5.83	6.25	0.19	(0.02)	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.92	8.17	0.25		0.25	3.06%	**8.42**	**plus VAT**
Evening Charge	3.75	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
- Langworthgate								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.92	3.17	0.10	(0.02)	0.08	2.53%	**3.25**	**plus VAT**
3 hours	5.00	4.58	0.14	0.03	0.17	3.71%	**4.75**	**plus VAT**
4 hours	5.83	6.25	0.19	(0.02)	0.17	2.72%	**6.42**	**plus VAT**
Over 4 hours and up to 8am next day	7.92	8.17	0.25	-	0.25	3.06%	**8.42**	**plus VAT**
Evening Charge	3.75	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
- St Pauls (Season Tickets Prohibited)								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.92	3.17	0.10	(0.02)	0.08	2.53%	**3.25**	**plus VAT**
3 hours	5.00	4.58	0.14	0.03	0.17	3.71%	**4.75**	**plus VAT**
Evening Charge	3.75	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
- Broadgate								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.50	2.92	0.09	(0.01)	0.08	2.74%	**3.00**	**plus VAT**
3 hours	4.17	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Over 4 hours and up to 8am next day	5.67	5.83	0.18	(0.01)	0.17	2.91%	**6.00**	**plus VAT**
Evening Charge	2.92	3.33	0.10	(0.02)	0.08	2.40%	**3.41**	**plus VAT**
Weekend 24 hours	4.17	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Motorcycles	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**
- Chaplin Street								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.50	2.92	0.09	(0.01)	0.08	2.74%	**3.00**	**plus VAT**
3 hours	4.17	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Over 4 hours and up to 8am next day	5.67	5.83	0.18	(0.01)	0.17	2.91%	**6.00**	**plus VAT**
Evening Charge	2.92	3.33	0.10	(0.02)	0.08	2.40%	**3.41**	**plus VAT**
- Rosemary Lane (Season Tickets Prohibited)								
1 hour	1.67	1.67	0.05	0.03	0.08	4.80%	**1.75**	**plus VAT**
2 hours	2.50	2.92	0.09	(0.01)	0.08	2.74%	**3.00**	**plus VAT**
3 hours	4.17	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Over 4 hours and up to 8am next day	5.67	5.83	0.18	(0.01)	0.17	2.91%	**6.00**	**plus VAT**
Weekend 24 hours	4.17	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
School's Out	4.17	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Evening Charge	2.92	3.33	0.10	(0.02)	0.08	2.40%	**3.41**	**plus VAT**
- Weekend/Bank Holiday								
Up to 2 Hours	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**
24 hours	4.17	4.17	0.13	0.04	0.17	4.08%	**4.34**	**plus VAT**
Evening Charge	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**
		-						
- Motorcycle parking where available	2.50	2.50	0.08	-	0.08	3.20%	**2.58**	**plus VAT**

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24	CURRENT 2024/25	INCREASE BASIC	Other	INCREASE		PROPOSED 2025/26	
	£	£	£	£	£	%	£	
OTHER								
- Car Park Evening Permit	85.83	85.83	2.58		2.58	3.01%	**88.41**	**plus VAT**
- 7 Day Scratch Cards	37.50	37.50	1.13		1.13	3.01%	**38.63**	**plus VAT**
- Evening Scratch Card (All sites)	20.83	20.83	0.63		0.63	3.02%	**21.46**	**plus VAT**
- Hampton Street Compound	124.17	124.17	3.73		3.73	3.00%	**127.90**	**plus VAT**
- Motorcycle parking where available	2.50	2.50	0.08		0.08	3.20%	**2.58**	**plus VAT**
- Lost Chip	8.33	10.00	0.30	0.12	0.42	4.20%	**10.42**	**plus VAT**

Additional Information:

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

1 hour paid	**1 extra hour**	**(2 hours parking)**
2 hours paid	**2 extra hours**	**(4 hours parking)**
3 hours paid	**3 extra hours**	**(6 hours parking)**
4 hours paid	**4 extra hours**	**(8 hours parking)**
24 hours paid	**To end of day on which ticket expires**	

Special Offer Tariffs

SAVVY SHOPPER
(Applicable to Tentercroft Street Car Park) £3.60 after 3pm for 3 hours parking, plus free evenings to 8am

SCHOOL'S OUT
(Rosemary Lane Only) £5.20 all day during the months of July and August

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

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	INCREASE Other £	INCREASE £	%	PROPOSED 2025/26 £	
OTHER						3.19%		
- Season Tickets and Excess Charge Notices								
Annual (Valid for Broadgate, Lawn, King/Chaplin St/Langworthgate)								
Monday to Sunday	892.50	935.00	28.05	(3.05)	25.00	2.67%	**960.00**	**plus VAT**
Monthly (Valid for Broadgate, Lawn, King/Chaplin St, Langworthgate)								
Monday to Sunday	79.17	83.33	2.50	0.17	2.67	3.20%	**86.00**	**plus VAT**
Annual Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)								
Monday to Sunday	1,137.50	1,192.50	35.78	1.72	37.50	3.14%	**1,230.00**	**plus VAT**
Monthly Premium Rate (Tentercroft St/Lucy Tower/Lincoln Central - max of 60 Annual/Monthly issued)								
Monday to Sunday	100.83	105.83	3.18	0.99	4.17	3.94%	**110.00**	**plus VAT**
Lucy Tower St Long Stay Corporate User								
City Council staff (60 max)	835.00	875.00	26.25	0.75	27.00	3.09%	**902.00**	**plus VAT**
County Council staff (40 max)	835.00	875.00	26.25	0.75	27.00	3.09%	**902.00**	**plus VAT**
Corporate User, 100+ tickets								
Broadgate, King St/Chaplin St, Langworthgate and City Council staff								
	675.00	707.50	21.23	1.27	22.50	3.18%	**730.00**	**plus VAT**
School Drop Off Pass								
Per Term	91.67		-		-		**-**	**plus VAT**
All 3 Terms	261.67		-		-		**-**	**plus VAT**
Admin Charge on Refunds	12.50	12.50	0.38	0.12	0.50	4.00%	**13.00**	**plus VAT**
Replacement of Lost/Stolen Tkts	8.33	8.33	0.25	0.02	0.27	3.24%	**8.60**	**plus VAT**
- Higher rate PCN contravention	58.33	58.33	1.75	(0.08)	1.67	2.86%	**60.00**	**plus VAT**
- Higher rate PCN contravention - Discount	29.17	29.17	0.88	(0.05)	0.83	2.85%	**30.00**	**plus VAT**
- Lower rate PCN contravention	41.67	41.67	1.25	0.08	1.33	3.19%	**43.00**	**plus VAT**
- Lower rate PCN contravention - Discount	20.83	20.83	0.63	0.54	1.17	5.62%	**22.00**	**plus VAT**

Discount only applies if PCN is paid within 14 days

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

PARKING SERVICES - FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24	**CURRENT 2024/25**	**INCREASE BASIC**	**Other**	**INCREASE**		**PROPOSED 2025/26**		
	£	**£**	**£**	**£**	**£**	**%**	**£**		
CITY BUS STATION						3.06%			
- Departure Fees :									
Notified timetable departures									
Departures over 100,000	0.78	0.81	0.02	0.01	0.03	3.09%	**0.83**		**plus VAT**
Departures under 100,000	0.78	0.81	0.02	0.01	0.03	3.09%	**0.83**		**plus VAT**
	-	-							
- Layover Bay Per Bay Per Quarter :	975.00	1,004.17	30.13	(0.01)	30.13	3.00%	**1,034.29**		**plus VAT**
RESIDENTS PARKING SCHEMES						23.37%			
- Private Residents									
1st permit	26.00	26.00	0.78	9.22	10.00	38.46%	**36.00**	*	
2nd permits	52.00	52.00	1.56	18.44	20.00	38.46%	**72.00**	*	
- Houses in Multiple Occupation (HIMO)									
max. of 2 per dwelling (each)	52.00	52.00	1.56	18.44	20.00	38.46%	**72.00**	*	
- Residents Parking Concessions									
permit (each)	No Charge	No Charge					No Charge		
- Business Permits									
max. of 2 per business (only issued to businesses in the residents parking zones with no off-street parking)	52.00	52.00	1.56	18.44	20.00	38.46%	**72.00**	*	
- Business Permits (Support Agencies)	70.00	70.00	2.10	7.90	10.00	14.29%	**80.00**	*	
- Daily Visitor Permits									
per 10	17.00	17.00	0.51		0.51	3.00%	**17.51**	*	
- Replacement Permits									
Change of vehicle registration	5.00	5.00	0.15		0.15	3.00%	**5.15**	*	
Damaged or lost	5.00	5.00	0.15		0.15	3.00%	**5.15**	*	
- Emissions Permit									
Low Emissions 1st Permit	13.00	13.00	0.39	4.61	5.00	38.46%	**18.00**		
Low Emissions Subsequent Permit	26.00	26.00	0.78	9.22	10.00	38.46%	**36.00**		
- Administration Charge on Refunds	5.00	5.00	0.15		0.15	3.00%	**5.15**		

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

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

This page is intentionally blank.

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **TOWN PLANNING & CONSERVATION (DCE)** 8.81%
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	OTHER £	INCREASE £	%	PROPOSED 2025/26 £	
Research and Supply of Information/Questions and Answers (per item)	41.67	43.33	1.30	2.03	3.33	7.68%	46.66	plus VAT
Copies of Approvals, Permissions and associated documents (per item and electronic)								
Microfiche	88.00	90.83	2.73	2.27	5.00	5.50%	95.83	plus VAT
Visit to site to check buildings erected in accordance with Permission								
- minimum charge	88.75	91.67	2.75	1.42	4.17	4.55%	95.84	plus VAT
- or per property	24.67	25.83	0.78	2.55	3.33	12.89%	29.16	plus VAT
Checking compliance with planning permission and/or legal agreement								
- minimum charge	63.58	66.67	2.00	2.17	4.17	6.26%	70.84	plus VAT
- or per property	16.17	16.67	0.50	1.17	1.67	10.02%	18.34	plus VAT
Advertisements erected in accordance with Advertisement Consent	45.33	47.50	1.43	1.07	2.50	5.26%	50.00	plus VAT
Supply of Technical Information/Site visit reports	Cost+25%	Cost+25%					Cost+25%	plus VAT
Copies of Plans								
A4	2.40	2.50	0.08	0.42	0.50	20.00%	3.00	
A3	4.30	5.00	0.15	0.85	1.00	20.00%	6.00	
A2	11.30	12.00	0.36		0.36	3.00%	12.36	
A1	11.30	12.00	0.36		0.36	3.00%	12.36	
A0	11.30	12.00	0.36		0.36	3.00%	12.36	
Document & Advice notes	Cost+25%	Cost+25%					Cost+25%	
Copies of Planning decision notice	40.00	42.00	1.26	1.74	3.00	7.14%	45.00	
Copies of Section 106 Agreement	60.00	62.00	1.86	1.14	3.00	4.84%	65.00	
Copies of Tree Preservation Orders and Planning decision notices (1993 onwards)	20.00	21.00	0.63	3.37	4.00	19.05%	25.00	

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

PLANNING SERVICES- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

SERVICE : **LAND CHARGES , STREET NAMING AND NUMBERING (DCE)** 16.81%
NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other £	INCREASE £	%	PROPOSED 2025/26 £	
Local Authority Land Charges								
- Standard Search Fees								
Con.29R	112.67	141.67	4.25	20.75	25.00	17.65%	166.67	plus VAT
- Con. 29R individual questions								
Administration Fee	13.33	14.17	0.43	0.40	0.83	5.86%	15.00	plus VAT
Question 3.5	2.75	2.92	0.09	0.33	0.42	14.40%	3.34	plus VAT
Question 3.7 a	4.58	5.00	0.15	1.52	1.67	33.40%	6.67	plus VAT
Question 3.7 b, c, f	4.58	5.00	0.15	1.52	1.67	33.40%	6.67	plus VAT
Question 3.7 d	4.58	5.00	0.15	1.52	1.67	33.40%	6.67	plus VAT
Question 3.8	3.25	4.17	0.13	0.70	0.83	19.92%	5.00	plus VAT
Question 3.12	2.75	3.33	0.10	0.73	0.83	24.90%	4.16	plus VAT
Question 3.13	2.75	3.33	0.10	0.73	0.83	24.90%	4.16	plus VAT
- Part II enquiries	22.58	23.33	0.70	0.97	1.67	7.16%	25.00	plus VAT
- Solicitors own enquiries	19.83	20.83	0.63	1.04	1.67	8.02%	22.50	plus VAT
- Extra parcel of land	19.83	20.83	0.63	1.04	1.67	8.02%	22.50	plus VAT
Street Naming and Numbering								
Issue/Change of House Name	17.30	18.00	0.54	1.46	2.00	11.11%	20.00	
- Application Fee	57.30	60.00	1.80	0.20	2.00	3.33%	62.00	
- Per Plot	14.40	15.00	0.45	0.55	1.00	6.67%	16.00	

REGENERATION & TOURISM- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	PREVIOUS 2024/25 £	INCREASE BASIC £	OTHER £	INCREASE £	%	PROPOSED 2025/26	
CENTRAL MARKET								
Daily Lettings	25.50	**25.50**					-	
TEMPORARY MARKETS :								
- Charitable organisations	No Charge	**No Charge**					-	
- Professional traders (per stall)	10.30	**10.30**					-	
PROMOTIONS :								
- Advertising on Council Assets	Price on Application	**Price on Application**						
CORNHILL MARKET								
Daily Lettings								
TEMPORARY MARKETS :								
- Charitable organisations	No Charge						**No Charge**	
- Professional traders (per stall)								
Service charges, per unit, per annum:								
- Café / Food and Beverage - unit 7 m²	-	**5,975.08**	-	-	-		**5,975.08**	**plus VAT**
- Café / Food & Beverage / Brewery - unit 14 m²	-	**11,950.15**	-	-	-		**11,950.15**	**plus VAT**
- Fruit & Veg - unit 9 m²	-	**4,000.32**	-	-	-		**4,000.32**	**plus VAT**
- General Retail - unit 7 m²	-	**4,000.35**	-	-	-		**4,000.35**	**plus VAT**
- General Retail - unit 7.6 m²	-	**4,343.25**	-	-	-		**4,343.25**	**plus VAT**
- Hot Food & Beverage - unit 12.5 m²	-	**9,836.52**	-	-	-		**9,836.52**	**plus VAT**
- Hot Food & Beverage - unit 15.2 m²	-	**11,961.23**	-	-	-		**11,961.23**	**plus VAT**
- Hot Food & Beverage - unit 7.6 m²	-	**5,980.61**	-	-	-		**5,980.61**	**plus VAT**
- Meat / Fish - unit 16.5 m²	-	**8,339.17**	-	-	-		**8,339.17**	**plus VAT**
- Meat / Fish - unit 34 m²	-	**17,183.74**	-	-	-		**17,183.74**	**plus VAT**
- Meat / Fish - unit 35 m²	-	**17,689.15**	-	-	-		**17,689.15**	**plus VAT**
- Pop up - no service charge - unit 7 m²	-	**-**	-	-	-		**-**	
- Retail / Food & Beverage - unit 7 m²	-	**4,381.45**	-	-	-		**4,381.45**	**plus VAT**
MARKET LICENSE CHARGES								
Commercial Food								
-Per Stall	17.00	**17.00**					-	
- Per Table / Car Boot	8.80	**8.80**					-	
Commercial Retail Goods								
-Per Stall	11.75	**11.75**					-	
- Per Table / Car Boot	6.30	**6.30**					-	
Craft items/home made goods								
-Per Stall	6.30	**6.30**					-	
- Per Table / Car Boot	3.40	**3.40**					-	
Second Hand Goods								
-Per Stall	6.30	**6.30**					-	
- Per Table / Car Boot	3.40	**3.40**					-	
Car Boot								
- Per Table / Car Boot	2.90	**2.90**					-	

Per Stall (up to 8 m²)
Per Table/Car boot (up to 2 m²)

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

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

This page is intentionally blank.

SOCIAL INCLUSION- FEES AND CHARGES WEF 01/04/2025 - 31/03/2026

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

	PREVIOUS 2023/24 £	CURRENT 2024/25 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2025/26 £
OTHER						3.19%	
- Housing Benefit Landlord Enquiry per year	182.00	188.00	5.64	0.36	6.00	3.19%	**194.00**

This page is intentionally blank.

APPENDIX B

CITY OF Lincoln COUNCIL

DRAFT

CAPITAL STRATEGY

2025-2030

Contents

Section 1 - Introduction

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

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

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

The strategy reflects the aspirations and priorities identified in Vision 2030. The Strategy considers external influences such as government policy changes and as well as internal influences.

The Council's capital programme consists of two elements:

- The General Investment Programme (GIP) with a budget for 2025-30 of £25.730m

- The Housing Investment Programme (HIP) with a budget for 2025-30 of £72.530m

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

The Council has at 1 April 2024 a diverse asset portfolio including, 7,784 council dwellings, 3,622 car parking spaces, 2 sports and leisure centres, 1,131 acres of parks and recreation grounds, and 5 community centres. There is also a sizable commercial property portfolio including industrial units and shops.

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

31/3/2023 £000		**31/3/2024 £000**
444,141	Property, Plant & Equipment	455,163
2,768	Heritage Assets	2,768
36,578	Investment Property	38,338
88	Intangible Assets	49
1,500	Assets held for sale	380
485,075	**Total assets**	**496,698**

Section 2 - Purpose and Objectives

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

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

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

- Ensure that capital expenditure supports a defined priority of the Council.

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

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

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

Section 3 - Policy and Financial Planning Framework

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

The Council's capital programme and its subsequent revenue implications form part of the Medium Term Financial Strategy (MTFS) 2025-26 and as such is one of a suite of plans and strategies that sit within the Council's Policy and Financial Planning Framework.

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

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

Linkages with other key strategies and plans are identified below:

Vision 2025 and Vision 2030

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

The Council's current vision for 2025 is;

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

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

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

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

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

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

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

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

Vision 2025, and it's supporting delivery plans comes to a natural conclusion in March 2025, while the Council is proud of all it has achieved with Vision 2025 there is much more to do to make Lincoln achieve its potential, while improving the lives of it's 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 national funding reforms, and in light of any implications arising from the Devolution White Paper.

The action and projects within the new Vision 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 and the capital programmes.

Within the initial 12-18th delivery plan, supporting each of the priorities, there will be a number of capital investments set to take shape over the period of the MTFS, this will primarily relate to the delivery of the Charterholme sustainable urban extension, along with continued investment in the Council's existing housing stock and additional affordable housing.

Some of the schemes will require further capital resource from the Council, others will require partner contributions and others will only be possible if the Council is able to attract sufficient external grant contributions. Each of these schemes will be included in the GIP and HIP at their appropriate stages of development and when funding is secured. Further detail, across the five strategic priorities will be set out in the final version of the MTFS on completion of the Vision 2030 public consultation.

Local Plan

The Central Lincolnshire Local Plan has been developed in collaboration with West Lindsey District Council, North Kesteven District Council and Lincolnshire County Council – for Lincoln it is a city-wide planning and regeneration strategy running up to 2040.

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

Specifically, the Local Plan:

- is underpinned by an aspiration for sustainable growth in homes, jobs, services and facilities;
- is aiming to deliver many new homes between now and 2040;
- is seeking to attract new businesses and jobs;
- sets out policies to ensure development is of high quality, sustainable and meets the needs of everyone;
- sets out policies to address challenges relating to climate change and biodiversity;
- sets out policies to ensure all the infrastructure, such as play areas, roads, new schools and upgraded sewage disposal, are provided at the same time as the new homes; and
- is complemented by a separate Policies Map, which sets out where development should take place.

The Plan was formally adopted by the Central Lincolnshire Joint Strategic Planning Committee (CLJSPC) in April 2023.

In December 2024, the Government published its response to the National Planning Policy Framework (NPPF) consultation. As part of its plan to significantly reform the planning system, the Government has introduced new immediate mandatory housing targets for councils to deliver growth in housebuilding, with councils required to adopt up-to-date local plans or develop new plans that work for their communities. These housing targets, aimed to deliver 1.5 million new homes by 2029, will require councils across country to build 370,000 homes annually, with higher targets set for areas facing severe affordability issues.

For the Central Lincolnshire Partnership, which consists of Lincoln, West Lindsey District Council and North Kesteven District Council the housing targets have increased by 40% from 1,102 to 1,552, allocated as: Lincoln 413; West Lindsey 487 and North Kesteven 652 per year. These are extremely ambitious targets.

Further guidance from Government, particularly around plan making, is awaited, following which any revisions/review that may be required to the Local Plan will be assessed.

Devolution/English Devolution White Paper

In advance of the publication of the English Devolution White Paper, Greater Lincolnshire (incorporating Lincolnshire County Council and North and North East Lincolnshire Unitaries) had secured a devolution deal for the creation of a Mayoral Combined Authority from May 2025. While the devolution deal provides funding and some more localised decision making via an elected Mayor and as such could create opportunities for such as housing provision, with dedicated funding to increase delivery, the creation of the MCA also brings some financial risks to the Council. Currently there are a number of funding streams i.e UKSPF, Homes England, Affordable Homes Programme, that are allocated directly to the Council, with the creation of the MCA there is a high likelihood that funding will instead be channelled through there and will be subject to allocation in line with it's priorities. This creates a risk that the Council will no longer be able to access funding opportunities and ensure they are used in accordance with the needs of the City, it's residents and businesses and could also limit funding to take forward key capital projects in support of Vision 2030. Given the reliance on external funding to deliver capital projects this would only create further funding pressures.

Asset Management Plan

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

The MTFS includes capital receipts targets for both the General Investment Programme and the Housing Investment Programme. Currently the level of capital resources required to fund the capital programme in the General Fund is reliant upon property disposals from Phase 1a of the Charterholme development. In the HRA the targets are set in relation to Right-to-Buy sales. There are no general disposal targets, any further asset disposals would be treated as surplus capital receipts in the programme.

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

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

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

HRA Business Plan

The HRA Business Plan is the Council's strategic plan for managing and maintaining Lincoln's council housing properties and estates. It also sets out how the Council will provide housing services to support it's tenants, and their families, to live in well maintained and sustainable homes, which will be safe, secure, and of a high quality.

It also demonstrates that the proposed investment programme is financially viable by indicating that the underlying HRA debt is repayable within the 30-year period of the Business Plan, should the Council choose to do so. There is, however, no obligation to repay debt and the MTFS does not assume this is the case. Further borrowing to fund HRA investment is now limited by prudence rather than the old system of an imposed borrowing cap. Currently the HRA borrowing requirement stands at £78.9m and is expected to increase to £82.8m by the end of the MTFS period. This additional borrowing is being used to fund new build and purchase & repair expenditure.

The capital schemes contained within the Housing Investment Programme and the capital financing that underpins them feed from the HRA Business Plan and any updates to the plan, which will incorporate and new schemes in Vision 2030. The key areas of capital spend identified within the HRA Business Plan and the Housing Investment Programme are based on the results of the investment needs of existing housing stock plus any proposed new build schemes. The main areas of expenditure cover:

- Housing Investment - Decent Homes and Lincoln Standards Programme, estate regeneration and reducing carbon emissions.

- Housing Strategy – Additional affordable housing

The Council's latest Housing Revenue Account 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.

Treasury Management Strategy

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

Section 4 - Financing the Capital Programmes

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

- Capital Receipts – from the sale of Council assets

- Use of Council's own resources – through depreciation charges, other contributions from revenue and use of reserves

- Capital Grants and Contributions – including contributions from developers and grants towards specific schemes

- Prudential Borrowing – the Prudential Code allows borrowing if the Council can demonstrate it is affordable, sustainable and prudent in its Prudential Indicators (detailed in the Treasury Management Strategy)

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

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

The Capital Strategy must continue to identify both the priorities for these external funding regimes and pursue other innovative funding sources to improve its ability to deliver capital investment and deliver the priorities as set out in Vision 2030. Each project appraisal will consider all the internal and external resources available such as Government grants, Section 106 contributions, partner contributions and prudential borrowing.

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

Under the governments pooling regime capital receipts from Right-to-Buy (RTB) sales are pooled until a pre-set limit for government share of the income generated has been achieved. Once the target for the government share of the RTB receipts has been reached the Council may retain 100% of the receipts from any additional

Right-to-Buy sales. This government share was permitted to be retained by councils for financial years 2022/23 and 2023/24, the new government has announced this arrangement will continue to help drive the purchase and building of additional homes. These funds are subject to a formal retention agreement between the Council and the MHCLG and must be used for replacement of the council housing sold, within an agreed timeframe.

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

The City Council's General Investment Programme and Housing Investment Programme for the 5 year period 2025/26 – 2029/30, are set out in the MTFS 2025-30.

Section 5 - Capital Prioritisation

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

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

The five essential steps are as follows:

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

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

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

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

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

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

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

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

Section 6 - Capital and Project Monitoring

The delivery of schemes supporting the delivery of the Vision 2030 is monitored by the individual vision theme groups who report progress on an exception basis to the Executive and Performance Scrutiny on a quarterly basis. In addition, the overall capital programmes are monitored by the Chief Finance Officer, with financial performance reporting to the Executive and Performance Scrutiny on a quarterly basis.

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

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

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

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

Section 7 – Commercial Activity and Investment Property

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

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

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

At 31/3/2024 the council has £38.338m of investment properties on the balance sheet with no further investment planned in the current General Investment Programme. The income from investment properties is predominantly derived from ground rent and land leases. Further details relating to investment properties are given below:

Total value of investment properties	£38.338m
Value of properties held for rental income	£37.708m
Value of properties earning rental income	£36.583m
Income from properties earning rental income	£2.298m
Yield from properties earning rental income	6.28%
Value of properties held for capital appreciation or where the freehold has a market value*	£0.629m

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

For the year 2024/25 the anticipated income from investment properties represents less than 4.3% of the council's gross expenditure (excluding Transfer Payments).

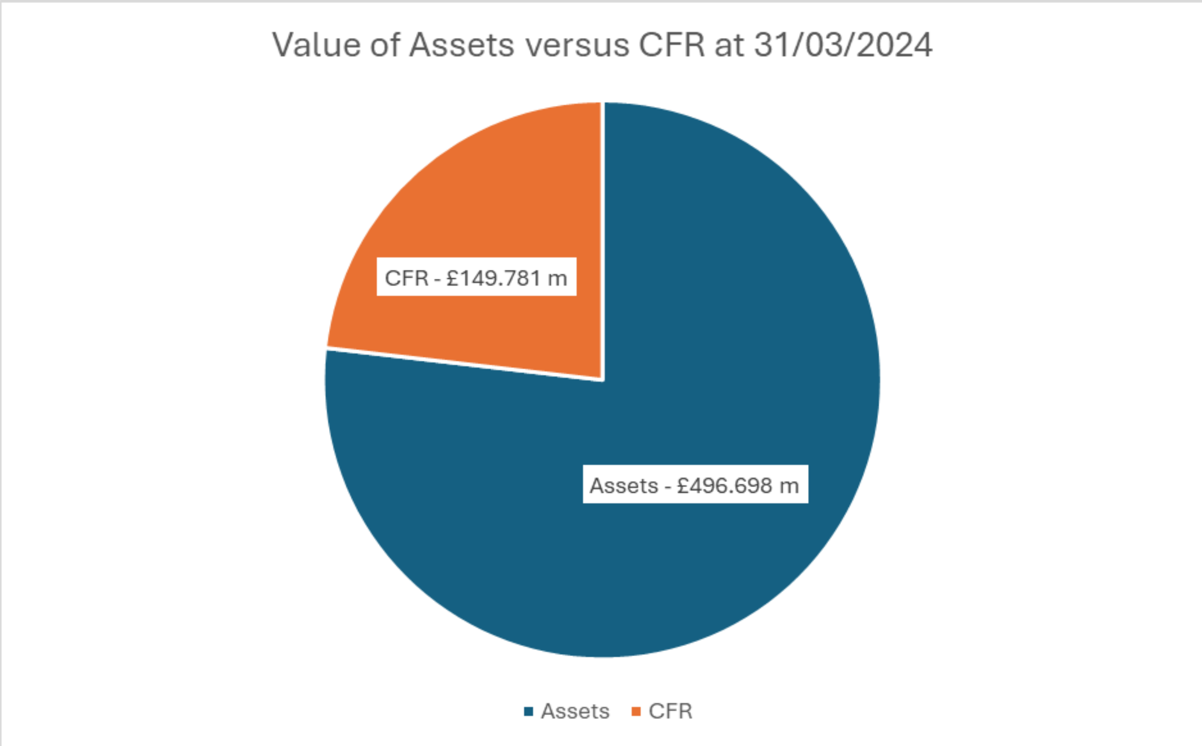
Many of the council's investment properties have been council assets for a number of years. More recently the council has borrowed to fund the purchase of assets. The financial impact of this is shown in the table below (MRP / VRP being the councils provision for the repayment of debt) :

Asset type	**Value as at 31/03/2024**	**Annual income (24/25)**	**Yield on value of assets**	**Borrowing costs**	**MRP / VRP 24/25**	**Annual surplus**
Car Parks	£5,341,000	£398,728	7.47%	£224,287	£61,629	£112,811
Freehold property	£13,021,000	£871,586	6.69%	£272,145	£162,884	£436,557
Retail units	£6,277,750	£445,500	7.10%	£221,718	£63,383	£160,399

A new Prudential Indicator was introduced in the 2021 Prudential Code to show Net Income from Commercial and Service Investment Income to Net Revenue Stream. This indicator shows the financial exposure of the Authority to the loss of its non-treasury investment income.

	2025/26 Estimated %	**2026/27 Estimated %**	**2027/28 Estimated %**	**2028/29 Estimated %**	**2029/30 Estimated %**
Ratio - Net Income from Commercial Investment Income to Net Revenue Stream	11.14%	11.80%	11.57%	11.75%	11.59%

A graph illustrating the value of the council's assets compared to the capital financing requirement (the underlying need to borrow to fund capital investment) at 31 March 2024 is given below:



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

Current budgeted cost of borrowing					
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**
GENF borrowing cost as a % of gross revenue expenditure	2.13%	2.64%	2.56%	2.49%	2.41%
Limit of GENF borrowing cost as a % of gross revenue expenditure	6%	6%	6%	6%	6%
HRA borrowing cost as a % of gross revenue expenditure	5.89%	5.68%	5.31%	5.14%	4.95%
Limit of HRA borrowing cost as a % of gross revenue expenditure	14%	14%	14%	14%	14%

Section 8 – Loans and investments in local businesses and organisations

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

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

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

Section 9 – Knowledge and Skills

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

Section 10 - Conclusion

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