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| SUBJECT: | FINANCIAL PERFORMANCE – OUTTURN 2020/21 |
| REPORT BY: | CORPORATE MANAGEMENT TEAM |
| LEAD OFFICER: | COLLEEN WARREN, FINANCIAL SERVICES MANAGER |

1. Purpose of Report

- 1.1 To present to PSC the provisional 2020/21 financial outturn position on the Council’s revenue and capital budgets, including:
- General Fund
 - Housing Revenue Account
 - Housing Repairs Service
 - Capital Programmes
- 1.2 This report will provide PSC with a summary of actual income and expenditure compared to revised budget and how any surpluses have been allocated to reserves.
- 1.3 PSC should note that the financial outturn is still subject to Audit by Mazars, the Councils external auditors.

2. Executive Summary

- 2.1 This report covers the General Fund Revenue, Housing Revenue Account budgets and Investment Programmes for the current financial year. It sets out the provisional financial outturn position including the financial impact of the Covid19 pandemic on the Council.
- 2.2 Covid19 has taken its toll on the financial resilience of the Council as income streams have plummeted and there has been a requirement to incur costs to ensure services are being provided throughout this difficult period and to respond to consequences of the pandemic. The impacts of this are not simply restricted to the current financial year but will have a significant impact over the period of the MTFS and possibly beyond. In terms of the current financial year, 2020/21, the key challenges faced are in respect of:
- Exceptional costs of dealing with Covid19 and increased service demand
 - Loss of income

The cumulative impact of these challenges has resulted in significant shortfalls on the General Fund prior to the offset of any Government funding.

- 2.3 In response to the financial risks it was exposed to, and in advance of any financial support from Government, the Council took early action in 2020/21 to implement a range of measures to reduce some areas of expenditure. These measures were aimed at ensuring the Council was able to continue to deliver its critical services

and to ensure its balances remained at an adequate level to provide resilience for future years.

- 2.4 Subsequently, and in response to calls from the sector the Government have allocated a total of £4.6bn of general purpose grant funding to support local authorities to cover expenditure related pressures and announced an income compensation scheme to recompense councils for approx. 75p in every £1 of lost sales, fees and charges income. In addition a local tax income guarantee scheme was announced which will see the Government compensate local authorities for 75% of irrecoverable losses in Council Tax and Business Rates. To date the Council has received funding support of £1.877m for COVID19 related pressures and is estimating to receive c£2.989m through the income compensation scheme and a further £0.519m through the local tax income guarantee scheme. There has been no additional financial support provided to the Housing Revenue Account.
- 2.5 Despite this one-off financial support package announced by the Government, the General Fund would still have been unable to maintain a balanced budget position without having taken the measures implemented during quarter one.
- 2.6 The table below sets out a summary of the financial position of the Council for the financial year 2020/21, based on the provisional outturn:

| | 2020/21 | | |
|---|-------------------------|-------------------------|---------------------------|
| | Budget £'000 | Actual £'000 | Variance £'000 |
| Revenue Accounts | | | |
| General Fund – Contribution to/(from balances) | 286 | 434 | 148 |
| Housing Revenue Account (HRA) (Surplus)/Deficit in year | 75 | (0) | (75) |
| Housing Repairs Service (surplus)/deficit | 0 | 322 | 322 |
| Capital Programmes | | | |
| General Fund Investment Programme | 16,430 | 3,212 | (13,218) |
| Housing Investment Programme | 28,505 | 16,377 | (12,128) |
| Capital Receipts | | | |
| General Fund | 1,650 | 100 | (1,550) |
| HRA | 845 | 1,047 | 202 |
| Reserves & Balances | | | |
| General Fund Balances | 2,522 | 2,670 | 148 |
| HRA Balances | 1,000 | 1,075 | 75 |

| | 2020/21 | | |
|---------------------------------|-------------------------|-------------------------|---------------------------|
| | Budget £'000 | Actual £'000 | Variance £'000 |
| HRS Balances | 0 | 0 | 0 |
| General Fund Earmarked Reserves | 6,513 | 12,643 | 19,156 |
| HRA Earmarked Reserves | 1,403 | 1,192 | 2,595 |

- 2.7 The detailed financial position is shown in sections 3-7 and accompanying appendices.
- 2.8 Although both the General Fund and HRA have maintained balanced budget positions in 2020/21 this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget challenges have been addressed. Beyond 2020/21 the Council is set to face ongoing reductions in resources and increased service costs from the legacy of impacts of Covid19. This will require ongoing reductions in the net cost base in order to live within a significantly reduced resources envelope. The Council's MTFs 2021-2026, approved by Full Council in March 2021 sets out the detail of the financial challenge the Council faces.

3. General Fund Revenue Account

- 3.1 For 2020/21 the Council's net General Fund revenue budget was set at £12,963,220, including a planned contribution from balances of £286,310 (resulting in an estimated level of general balances at the year-end of £2,522,188).
- 3.2 The financial performance quarterly monitoring report for the 3rd quarter predicted a underspend against the revised budget of £122,723. The provisional outturn for 2020/21 now indicates that this underspend has increased by £25,658, resulting in an overall budget underspend of £148,381 (including proposed transfers to/from earmarked reserves and carry forward requests). This represents a variance against the revised budget of 0.6%.
- 3.3 There are a significant number of forecast year-end variations in income and expenditure against the approved budget, primarily as a result of Covid19 along with variances arising from measures taken to address the budget pressures and the financial support provided by Government. Full details of the main variances are provided in appendix B while the table below sets out the key variances:

| | Forecast £'000 |
|--|---------------------------|
| Increased expenditure arising as a result of Covid19 | 721 |
| Income losses as a result of Covid19 | 6,242 |
| Income Compensation Scheme | (2,989) |
| Government Grants (Covid19, Rough Sleeping, New Burdens, Test & Trace support and Compliance & Enforcement). | (2,675) |
| Measures approved at Q1 (budget review, furlough, review of capital, increased TFS) | (1,898) |
| Coronavirus Job Retention Scheme (in addition to Q1) | (102) |
| 2020/21 national pay award implications | 110 |

| | |
|--|--------------|
| Covid19 Grant - Contribution to reserves for use in future years (approved at Q2) | 622 |
| Local Tax Income Guarantee scheme | (519) |
| Mutually Agreed Resignation Scheme (MARS) | 193 |
| Housing Benefit overspend as a result of under-recovery of overpayments (offset by a reduction in the HB bad debt provision) | 127 |
| Repairs and Maintenance of corporate assets | (136) |
| Net other variances | 156 |
| Overall Budget Shortfall/(Surplus) | (148) |

3.4 The following paragraphs, 3.5 – 3.7 set out further detail on the key financial challenges arising as result of Covid19 that the Council is facing in 2020/21.

3.5 **Exceptional costs of dealing with Covid19 and increased service demand**

In response to the pandemic, the Council has had to adjust its service provision to meet the needs of its users and residents as well as establish new services/responses cells and meet increased costs through contractual arrangements. This has increased costs across of a range of services including:

- Increased demand on Licensing and Health & Safety Teams
- Supporting compliance and enforcement activities within the City
- Supporting the establishment of local testing sites
- Setting up the civic society and business support cells.
- Moving rough sleepers into temporary accommodation
- Provision of PPE and COVID secure status for Council services and buildings
- Requirements under existing contracts for services
- Increased demand on the Revenues and Benefits Service
- Other service costs

3.6 **Income losses**

The most significant impact of Covid19 has been on the Council's income streams with monthly income levels plummeting across a range of discretionary services as well as through investments and rental streams, as a result of the shutdown of the economy and its likely phased path to recovery. The Council's reliance on local income streams has increased significantly in recent years as Government funding has reduced through austerity measures and new funding mechanisms have been introduced resulting in the Council having to be more self-sufficient and secure its own funding sources. Prior to the implement of new funding mechanisms in 2013 less than 20% of the Council's funding sources were subject to any level of volatility, for 2020/21 90% is now subject to volatility and emphasises the financial risk that the Council faces from its income streams.

3.7 The table below set out the losses incurred during 2020/21, along with the level of compensation provided the Government.

| Income Area | 2020/21 Budget £'000 | 2020/21 Actual £'000 | 2020/21 Variance £'000 | 2020/21 Govt Compensation £'000 |
|----------------------------------|-------------------------------------|-------------------------------------|---------------------------------------|--|
| Car Parks | 5,996 | 1,927 | 4,069 | 2,704 |
| Hartsholme Country Park | 75 | 24 | 51 | 25 |
| Leisure Services | 85 | 0 | 85 | 61 |
| Community Centres & Rec Grounds | 81 | 0 | 81 | 19 |
| Visitor Information Centre | 146 | 32 | 114 | 20 |
| Development Management | 420 | 326 | 94 | 37 |
| Land Charges | 127 | 101 | 26 | 7 |
| Building Control | 211 | 137 | 74 | 47 |
| Licensing | 126 | 112 | 14 | 3 |
| Hackney Carriages & Private Hire | 122 | 93 | 29 | 11 |
| Enforcement Officer | 25 | 2 | 23 | 0 |
| Public Conveniences | 32 | 16 | 16 | 1 |
| Fairs & Circuses | 18 | 0 | 18 | 12 |
| Christmas Market | 651 | 0 | 651 | 14 |
| Bus Station | 133 | 111 | 22 | 11 |
| Markets | 219 | 170 | 49 | 18 |
| Lincoln Properties | 1,988 | 1,477 | 512 | 0 |
| The Terrace | 272 | 228 | 44 | 0 |
| Court Cost Income - CT | 310 | 75 | 236 | 0 |
| Treasury Investment Income | 92 | 54 | 38 | 0 |
| TOTAL | 11,129 | 4,885 | 6,246 | 2,989 |

3.8 MHCLG Financial Support

Financial support received from the Government has been provided through a package of measures:

£4.6bn of un-ringfenced funding to respond to spending pressures – from this allocation of funding the Council has received three allocations totalling £1,876,803.

An income compensation scheme, whereby councils will pay the first 5% of all lost planned sales, fees and charges income, with the government compensating them for 75p in every pound of net loss (after deducting expenditure saving and other funding e.g. CRJS) thereafter. Although commercial and investment income is specifically excluded from the scheme the provisional outturn includes compensation of c. £2.989m.

Targeted grants to cover specific costs pressures and new burdens arising during Covid19, for the Council these include:

- New Burdens: Business Support Grants - £355,300
- New Burdens: Business Rate Reliefs - £25,739
- Rough Sleepers - £82,276 (offsets direct expenditure)
- Compliance and Enforcement (ringfenced) - £58,022 offsets direct expenditure)
- Test & Trace Support Payments Administration - £72,029

A local tax income guarantee scheme whereby the Government will compensate local authorities for 75% of 'irrecoverable losses' in council tax and business rates income in respect of 2020/21. This guarantee covers expected Council Tax and Business Rates liabilities, expected at the time of the 2020/21 budget, that did not materialise. This might be due to an increase in local council tax support costs, unachieved council tax base growth, increase in empty property reliefs, unachieved business rates base growth, etc. The provisional outturn includes compensation of £410k for business rates and £109k for Council Tax.

3.9 **Measures to address budget shortfall**

In response to the financial risks it was exposed to, and in advance of any financial support from Government, the Council took early action in 2020/21 to implement a range of measures aimed at reducing expenditure in the current financial year. These measures, approved at Q1, included:

- Budget Review – A review of all of the Council's revenue budgets undertaken to identify one off budget reductions.
- Coronavirus Job Retention Scheme – a range of staff from primarily income generating areas were placed on furlough.
- Towards Financial Sustainability – in the year savings programme target was increased.
- Direct Revenue Finance (DRF) – a review of capital financing was undertaken.
- Covid19 Reserve – monies allocated as part of the 19/20 closedown process and held in an earmarked reserve.

The total of these measures amounted to £2.194m, although as a result of further government grant allocations the use of the Covid19 reserve is not required in 2020/21, resulting in measures totalling £1.898m.

3.10 As previously reported, although the measures taken were primarily one-off opportunities and not ongoing reductions in services they have, in some circumstances, led to reduced service standards and performance during 2020/21 as recruitment activity was restricted, expenditure budgets reduced and staff were placed on furlough for period of time.

3.11 The measures taken now exceed the remaining impact of Covid19, after Government funding, on the General Fund. This allowed, at quarter 2, the recommendation that the 4th tranche of Covid19 funding from Central Government of £622k to be contributed to an earmarked reserve to be used to offset budget pressures in future years arising from the legacy impacts of Covid19 (subject to the final outturn position).

3.12 **Earmarked Reserves**

The provisional outturn of a £148,381 budget underspend includes a number of proposed transfers to/from earmarked reserves in addition to those transfers to/from earmarked reserves already budgeted for. These further contributions to/from earmarked reserves are set out below:

| Directorate | Reserve | £ |
|------------------------------------|---|--------------|
| Contributions to Reserves | | |
| CX-CFINOFF | Council Tax Hardship Fund – balance of government grant to support hardship payments in 21/22 | (531,441) |
| DCE-ADHENV | Birchwood Leisure Centre – R&M reserve. | (20,000) |
| DCE-ADHENV | Active Nation Bond – additional contribution to reserves in respect of performance bond. | (97,000) |
| DCE-ADHENV | AGP Sinking Fund – contribution to new Sinking Fund reserve for future replacement/maintenance of pitches. | (2,435) |
| DCE-ADPLAN | Towns fund Grant – net contribution of capacity grant funding less in year expenditure. | (24,503) |
| DMD | Unused DRF – DMD Capitalised salaries | (179,594) |
| GF HSG | Flexible Homelessness Grant – residual grant contribution to reserves | (17,500) |
| GF HSG | Preventing Homelessness Grant – residual grant contribution to reserves | (259,137) |
| GF HSG | Rough Sleeping Grant – residual grant contribution to reserves | (200,916) |
| GF HSG | Community Chest – contribution of grant and additional funding to reserves for project planned for 21/22 | (23,373) |
| BRATES | Business Rates Relief Grant & Business Rates Tax Income Guarantee funding – contribution to reserves to fund 3 year spread of deficit | (10,873,862) |
| CTAX | Council Tax Income Guarantee funding – contribution to reserves to fund 3 year spread of deficit | (108,783) |
| Contributions from Reserves | | |
| CX-STRATDEV | Invest to Save Reserve – M365 rollout | 106,232 |
| DCE-ADCOMS | Tree Risk Reserve – 20/21 works carried out less planned contribution | 8,831 |
| DCE-ADCOMS | Commons Parking – 20/21 works carried out | 7,441 |
| DCE-ADPLAN | Brownfield Sites Grant – 20/21 funded expenditure | 1,425 |
| DCE-ADPLAN | Custom Build Grant – 20/21 funded expenditure | 6,000 |
| DCE-ADPLAN | WGC Planning Reserve – 20/21 funded expenditure | 20,228 |
| DMD | Strategic Growth Reserve (WGC) – 20/21 Revenue expenditure | 14,905 |

| | | |
|--------------|--|---------------------|
| | | |
| DMD | Strategic Growth Reserve (WGC) – 20/21 Capital expenditure | 24,685 |
| TOTAL | | (12,147,105) |

All of the above proposed transfers to/from reserves are reflected in the provisional outturn position.

3.13 Carry Forward Requests

Financial Procedure Rules state that Assistant Directors are able to carry forward any budget provision not utilised during the financial year, subject to their Directorate as a whole not being overspent. As at quarter 3 monitoring there were two carry forward proposals:

| Directorate | Reason for Carry Forward | Amount £ |
|----------------------|--|-----------------|
| CX City Solicitor | Municipal Elections – roll over of budget associated with the election now deferred to 21/22 | (49,000) |
| CORP | New Burdens Grant – carry forward funding to support ongoing administration costs in 21/22 | (35,000) |
| | | |
| | Total additional reserve contribution required: | (84,000) |

3.14 Following confirmation of the final cash limited outturn for each Directorate in 2020/21, a further list of requests (which have been transferred from the surplus to earmarked reserves for drawdown in future years) is shown below totalling £466,869:-

| Directorate | Reason for Carry Forward | £ | Requested At Q3? |
|-------------|--|-----------|---------------------|
| Corporate | Invest to Save - to fund further upfront costs of implementing the TFS Programme and provide resources to support the One Council programme of works | (100,000) | N |
| Corporate | Corporate Repairs & Maintenance – to provide resources to meet future R&M demand which were delayed/haven't materialised during 20/21 | (100,000) | N |
| CX-CITYSOL | Staff Wellbeing – to provide resources to maintain ongoing support to staff following pandemic | (15,000) | N |
| CX-CITYSOL | Corporate Training - to provide resources to support ongoing staff training | (15,000) | N |
| CX-CITYSOL | IER Funding Grant – contribution from 20/21 grant funding to support ongoing resource requirements | (20,000) | N |

| | | | |
|--------------|--|------------------|---|
| CX-STRATDEV | Lincoln Lottery – contribution from balance of earmarked lottery income | (69) | N |
| DCE-ADHENV | Outbreak Prevention Funding – carry forward remainder of grant to support Intervention Team in 21/22 | (50,000) | N |
| DMD | Officer resource to support delivery of key schemes, e.g. Central Market, WGC, Tentercroft Street etc. | (166,800) | N |
| TOTAL | | (466,869) | |

- 3.15 All of the above proposed carry forward requests to earmarked reserves are reflected in the provisional outturn.
- 3.16 The remaining underspend of £148,381 will result in a contribution of £434,721 to balances (£286,340 budgeted), with balances as at 31st March 2021 of £2,670,599. This is £148,381 more than the £2,522,218 assumed in the MTFS and is slightly above prudent levels, however given the financial risks the Council faces, this is deemed an appropriate level.
- 3.17 The level of each of the current earmarked reserves, as at 31st March 2021 is attached at Appendix G. The appendix takes account of the contributions to earmarked reserves and the drawdown of funding to cover expenditure as per budget approvals and the additional transfers set out in para. 3.13 and 3.14 above.
- 3.18 **Towards Financial Sustainability Programme** – The savings target included in the MTFS for 2020/21 was originally £500,000, this was increased by £50,000 as part of the budget measures approved at quarter one. Progress against this target, based on the provisional outturn performance shows that secured savings total £559,070. This results in an over achievement of the increased target in 2019/20 by £9,070. A summary of the specific reviews that have contributed to this target are shown in Appendix M.

4. Housing Revenue Account

- 4.1 For 2020/21 the Council's Housing Revenue Account (HRA) net revenue budget was set at (£75,000), resulting in an estimated level of general balances at the year-end of £1,000,141
- 4.2 The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend of £772,391. The provisional outturn for 2020/21 now indicates an underspend of £74,512. This would result in HRA balances at 31 March 2021 of £1,074,653.
- 4.3 Although the forecast position is an underspend there are a number of forecast year-end variations in income and expenditure as a result of Covid19 along with variances arising from measures taken to address the budget pressures. Full details of the main variances are provided in Appendix D while the table below sets out the key variances:

| | |
|--|-----------------|
| | Forecast |
|--|-----------------|

| | £'000 |
|--|--------------|
| Increased expenditure arising as a result of Covid19 | 487 |
| Reduced repairs and maintenance expenditure | (1,385) |
| Budget Review Savings | (257) |
| Coronavirus Job Retention Scheme (Furlough) | (191) |
| Increased rental income arising from Buy-Backs | (235) |
| HRS Repatriation | 458 |
| Reduction in borrowing costs | (104) |
| Contributions to Reserves | 1,143 |
| Gain on sale of assets | (172) |
| Net other variances | 182 |
| Overall forecast budget surplus | (75) |

The significant movement from Q3 to provisional outturn position includes:

- the final outturn position in the HRS, which was previously forecasted to be an underspend – movement £526,758,
- interlinked to this is a reduction in the cost of repairs and maintenance following completion of billing process for HRS – movement £779,492,
- the outturn position on rent arrears was improved resulting in a lower contribution being required to the bad debt position – movement £374,460,
- Contribution to the Repairs Reserve (£750k) and the Strategic Priorities Reserve (£550k), as due to Covid19 there were delays in the delivery of schemes in both of these areas, which will be delivered in future years – movement £1,300,000.

4.4 In line with the General Fund the HRA has also borne the financial impacts of Covid19 resulting in exceptional costs in responding to the pandemic and pressure on income streams. These have included:

Exceptional Expenditure:

- Establishment of Housing Rent Hardship Fund
- Provision of PPE and Covid19 secure status for HRA services and buildings

Income Pressures:

- Housing Rent Arrears
- Housing Voids
- Investment Income
- Court Cost Income

The impacts on the HRA have not however been on the same scale as the General Fund and despite initial early forecasts the overall impact of Covid19 has resulted in a significant underspend primarily due to delays in repairs and maintenance expenditure being incurred and rent arrears performance being in excess of that anticipated.

4.5 As per the General Fund, early action was taken to mitigate the impact of Covid19 on the HRA. The measures taken were similar to those in the General Fund and are summarised as follows:

- **Budget Review** – A review of all of the Council's revenue budgets undertaken to identify one off budget reductions.
- **Coronavirus Job Retention Scheme** – a range of staff from primarily income generating areas were placed on furlough.
- **Savings through Repairs and Maintenance** – further savings in addition to the budget review.
- **Earmarked Reserves** – When announcing the Rent Hardship Fund, as set out above, funding for the initiative was agreed from a specific earmarked reserve.

4.6 The total of these measures along with other income and expenditure variances in year have resulted in a significant underspend for the HRA. In light of this it is therefore proposed that the following contributions are made to earmarked reserves:

- Repairs Reserve - £750,000, to provide resources to meet future repairs and maintenance demand which have been delayed/haven't materialised during 2020/21.
- Strategic Priorities Reserve - £550,000, to enable major improvement works linked to IT and One Council, along with project and other associated costs.

These proposed transfers to/from reserves are reflected in the provisional outturn position.

4.7 Subject to approval of the proposed transfers to earmarked reserves the underspend of £74,512 would result in HRA general balance of £1,074,653 as at 31st March 2021, although higher than assumed in the MTFS, these still remain within prudent levels.

4.8 The level of each of the current earmarked reserves, as at 31st March 2021 is attached at Appendix G. The appendix takes account of the contributions to earmarked reserves agreed as part of the revised budget and the drawdown of funding to cover expenditure and the additional transfers set out in para. 4.6 above.

5. **Housing Repairs Service**

5.1 For 2020/21 the Council's Housing Repairs Service (HRS) net revenue budget was set at zero, reflecting its full cost recovery nature.

5.2 The financial performance quarterly monitoring report for the 3rd quarter predicted a £204,670 surplus outturn for 2020/21. The provisional outturn for 2020/21 shows a trading deficit of £322,088, a movement of £526,758. The movement is as a result of the delay in billing as highlighted at Quarter 3 which made forecasting the outturn position difficult. Now that billing is up to date the full financial impacts of Covid19 have resulted in a loss to HRS.

5.3 The net trading deficit of £322,088 is the result of several year-end variations in income and expenditure against the approved budget. The main over and underspends included within the provisional outturn are detailed in Appendix F, while the key variances are summarised below:

- Reduction of jobs within the year due to Covid19 – reduced income £565,511
- Reduction in material costs due to less jobs being carried out – reduced expenditure (£694,653)
- Staff vacancies not recruited for within the year – reduced expenditure (£217,770)
- Sub-contractor costs have increased due to CoL staff shielding during pandemic – additional expenditure £385,916
- Fleet leasing contract saving – reduced expenditure (£61,819)
- Reduction in labour hours charged out – reduced income £100,340
- Increased hire of equipment costs – additional expenditure £110,083

5.4 The deficit of £322,088 has been recharged to the HRA, which is the major service user. This is reflected in the HRA outturn within this report.

6. Earmarked Reserves

6.1 The details of all the earmarked reserves and their balance as at 31st March 2021 are attached in Appendix G. In summary:

| | Opening Balance | Increase | Decrease | Closing Balance |
|-------------------|-----------------|----------|----------|-----------------|
| | 01/04/20 | | | 31/03/21 |
| | £'000 | £'000 | £'000 | £'000 |
| General Fund | 6,513 | 14,471 | (1,828) | 19,156 |
| HRA | 1,403 | 1,375 | (183) | 2,595 |
| | | | | |
| Capital Resources | 19,538 | 13,949 | (10,961) | 22,526 |

7. Capital Programme

7.1 General Investment Programme

7.2 The last quarterly report approved a General Fund Investment Programme for 2020/21 of £5,117,557. Movements in the programme since revised budget approval decreased actual capital expenditure in 2020/21 to £3,212,056. A summary of the changes is shown below:

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---|---------|---------|---------|---------|---------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Budget Q3 | 5,118 | 14,393 | 1,160 | 948 | 500 |
| Budget changes approved under CFO delegated authority | (1,976) | 1,866 | 0 | 0 | 183 |

| | | | | | |
|---|--------------|---------------|--------------|------------|------------|
| Budget changes in Qtr to be approved by Executive | 0 | 552 | 0 | 0 | 0 |
| Budget changes in Qtr approved by Executive | 70 | 130 | 0 | 22 | 0 |
| Revised Budget | 3,212 | 16,941 | 1,160 | 970 | 683 |

7.3 New projects/changes requiring the approval of the Executive approval are

- **Disabled Facilities Grant** – 2021/22 budget increased by £551,990 to match the grant funding allocation.

The changes that have been approved by either portfolio holders or Executive and included within the final quarter (further details in Appendix I) are:

- **Electric Vehicle Charging points** – Approved in December 2020 under portfolio holder delegation, a grant funded scheme for £70k to support the installation of Electric Vehicle charging points within the council's portfolio of car parks.
- **Whittons Park** – Approved by Executive on 22 February 2021 a £152k scheme to improve a play area funded by S106 contributions.

7.4 Changes in the final quarter approved by the CFO under delegated authority are detailed in Appendix I.

7.5 The table below provides a summary of the provisional outturn position for the General Investment Programme:

| | 20/21 Budget at Q3 | Q4 Change | Revised budget | Outturn | Variance | Re-profiles (to)/from 2021/22 | Released to available resources |
|-------------------------------------|--------------------|-----------|----------------|---------|----------|-------------------------------|---------------------------------|
| Active Programme | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| DCE - Communities & Environment | 1909 | 0 | 1,909 | 834 | (1,075) | (1,075) | 0 |
| DCE - Community Services | 839 | 70 | 909 | 672 | (237) | (235) | 0 |
| DCE - Planning Services | 260 | 0 | 260 | 142 | (118) | (118) | 0 |
| General Fund Housing | 50 | 0 | 50 | 10 | (40) | (40) | 0 |
| Major Developments | 1,400 | 76 | 1,476 | 1220 | (256) | (256) | 0 |
| Chief Executives - Corporate Policy | 22 | 0 | 22 | 0 | (22) | (20) | (2) |

| | | | | | | | |
|--|--------------|------------|--------------|--------------|----------------|----------------|------------|
| Chief Executives - Chief Finance Officer | 566 | 0 | 566 | 332 | (234) | (234) | 0 |
| Total Active schemes | 5,047 | 146 | 5,193 | 3,211 | (1,982) | (1,978) | (2) |
| Schemes Currently Under Review | 71 | 0 | 71 | 1 | (69) | (72) | 0 |
| Total Capital Programme | 5,118 | 146 | 5,263 | 3,212 | (2,051) | (2,049) | (2) |

7.6 The overall spending on the General Investment Programme for 2020/21 was £3,212,056, which is 62% of the revised 2020/21 programme as per the MTFS 2021-26.

Although this would appear to be low, the following points should be taken into consideration: -

- Disabled Facilities Grants of £1m have been reprofiled into 2021/22 this has been due to a reduction in works being undertaken during the pandemic as a result of households not wanting tradesman to attend as well as issues with construction supply chain. Although work has been re-profiled into 2021/22 the issues in the supply chain with materials and labour availability may cause further delays in the delivery of the programme.
- Covid19 has also delayed other capital work programmes, with slippage moved into the next financial year.
- The issues in the construction supply chain have also delayed a number of other smaller schemes, with slippage moved into the next financial year.

7.7 Housing Investment Programme

7.8 The last quarterly report approved a Housing Investment Programme for 2020/21 of £19,960,118. Movements in the programme since approval of the revised budget decreased actual capital expenditure to £16,376,767 in 2020/21.

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---|---------------|---------------|---------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Budget Q3 | 19,960 | 22,491 | 14,959 | 11,504 | 10,802 |
| Budget changes approved under CFO delegated authority | (3,313) | 3,348 | 0 | 0 | 0 |
| Budget changes for Executive approval at Outturn | 0 | 0 | 0 | 1,414 | 0 |
| Revised Budget | 16,377 | 25,839 | 14,959 | 12,918 | 10,802 |

7.9 There is one change to be approved by the executive at Q4 – the increase in budget in 2023/24 reflects the levels of 141 receipts during the 20/21 year and associated borrowing to fund expenditure on new social housing.

Changes in the final quarter approved by the CFO under delegated authority are detailed in Appendix K.

7.10 The table below provides a summary of the final outturn position:

| | 2020/21 Budget | Outturn | Variance | Re-profiles (to)/from 2021/22 |
|--------------------------------|-------------------|---------------|--------------|-------------------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Decent Homes/ Lincoln Standard | 4,406 | 3,474 | (932) | (932) |
| Health and Safety | 314 | 179 | (135) | (135) |
| New Build Programme | 14,310 | 12,382 | (1,928) | (2,012) |
| Land Acquisition Fund | 0 | 0 | 0 | 0 |
| Other Schemes | 370 | 322 | (48) | (48) |
| IT/Infrastructure Schemes | 290 | 20 | (270) | (270) |
| Contingency | 0 | 0 | 0 | 66 |
| Total Capital Programme | 19,690 | 16,377 | 3,313 | (3,349) |

7.11 The overall spending on the Housing Investment Programme for 2020/21 was £16,376,767 which is 83.17% of the revised 2020/21 programme as per MTFS 2020-25.

The following points should be taken into consideration: -

- Due to Covid19 various scheduled work programmes have slipped or been delayed into 2020/21, with the 2020/21 budget impact still being assessed and will be reflected within 2021/22 reports.
- The budgets for DeWint Court have been reprofiled into 21/22 in line with expected expenditure outflows.

8. Strategic Priorities

8.1 The MTFS underpins this policy and financial planning framework and set out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council’s vision and strategic priorities. Vision 2025 identifies the Council’s strategic priorities, setting the vision and direction for the council and the city for the next five years. The proposals in this report allow the Council to maintain a balanced budget position in 2020/21 in order that we can continue to deliver services in support of Vision 2025.

9. Resource Implications

9.1 The financial implications are contained throughout the report.

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

General Balances, on both the General Fund and HRA, are the only resource not earmarked to a particular future need. The prudent minimum level of balance that should be maintained on the General Fund is between £1.5m-£2m and £1m-£1.5m on the HRA. Based on the provisional outturn the level of balances as at 31st March 2021 will be maintained within these ranges with the General Fund level slightly in excess of this.

Although the primary focus of this report has been to set out the financial challenges that the Council has faced in the current financial year and the measures actioned to mitigate the budget shortfalls, this does not mean that the financial issues for the Council are resolved, it simply means that the in-year budget challenges have been addressed. Beyond 2020/21 the Council is set to face ongoing reductions in resources and increased service costs from the legacy of impacts of Covid19. This will require ongoing reductions in the net cost base in order to live within a significantly reduced resources envelope. The Council's MTFS 2021-2026, approved by Full Council in March 2021 sets out the detail of the financial challenge the Council faces.

9.2 Legal Implications including Procurement Rules

There are no legal implications arising from this report.

9.3 Equality, Diversity and Human Rights

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

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

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

10 Risk Implications

- 10.1 As set out in the report a range of measures were actioned during 2020/21 in order to maintain a balanced budget position, these were primarily one-off opportunities and not ongoing reductions in services. However, they have still, in some circumstances limited service standards and performance during 2020/21 as recruitment was initially restricted, expenditure budgets were reduced and staff were furloughed. These interventions were not all 'easy wins' and will have had implications for the Council both now and in future years.

11. Recommendations

PSC are recommended to:

- 11.1 Note the provisional 2020/21 financial outturn for the General Fund, Housing Revenue Account, Housing Repairs Service and Capital Programmes as set out in sections 3 – 7, and in particular the reasons for any variances;
- 11.2 Review the proposed transfer to General Fund and HRA earmarked reserves detailed in paragraphs 3.12 and 4.6 prior to reporting to the Executive;
- 11.3 Review the new General Fund carry forward requests, not requested at Q3, as detailed in paragraph 3.14, prior to reporting to the Executive;
- 11.4 Note the financial changes to both the General Investment Programme and the Housing Investment Programme (paragraphs 7.3 and 7.9) that are above the 10% budget variance limit delegated to the Chief Finance Officer;
- 11.5 Refer the content of this report as a joint report from CMT and PSC to the Executive.

Key Decision No

Key Decision Reference No. N/A

Do the Exempt Information Categories Apply No

Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

Does the report contain Appendices? Yes

List of Background Papers: Medium Term Financial Strategy 2020-2025

Lead Officer: Colleen Warren, Financial Services Manager
Telephone 01522 873361.

GENERAL FUND SUMMARY – OUTTURN 2020/21

| | Ref | Revised Budget £'000 | Outturn £'000 | Variance £'000 |
|--------------------------------------|-----|----------------------------|------------------|-------------------|
| Strategic Development | A | 1,949 | 2,022 | 73 |
| Chief Finance Officer (S.151) | B | (1,234) | (1,441) | (207) |
| Major Developments | C | 218 | 218 | 0 |
| City Solicitor | D | 1,314 | 1,274 | (40) |
| Housing | E | 201 | 202 | 1 |
| Communities and Street Scene | F | 1,694 | 837 | (857) |
| Health & Environmental Services | G | 1,464 | 1,490 | 26 |
| Planning | H | 865 | 932 | 67 |
| | | 6,470 | 5,534 | (936) |
| Corporate Expenditure | I | 1,415 | 1,548 | 133 |
| TOTAL SERVICE EXPENDITURE | | 7,885 | 7,082 | (803) |
| Capital Accounting Adjustment | J | 3,054 | 6,374 | 3,320 |
| Specific Grants | K | (1,393) | (2,668) | (1,275) |
| Contingencies | L | 1,416 | 0 | (1,416) |
| Savings Targets | M | 9 | 0 | (9) |
| Earmarked Reserves | N | 12,643 | 12,643 | 0 |
| Insurance Reserve | O | 45 | 76 | 31 |
| TOTAL EXPENDITURE | | 23,659 | 23,506 | (153) |
| CONTRIBUTION TO BALANCES | | 286 | 434 | 148 |
| NET REQUIREMENT | | 23,945 | 23,941 | (5) |
| Retained Business Rates Income | P | (18,389) | (18,574) | (185) |
| Tariff | Q | 13,094 | 13,094 | 0 |
| Section 31 Grant | R | (12,543) | (12,657) | (114) |
| Levy | S | 1,140 | 1,444 | 304 |
| Revenue Support Grant | T | (23) | (23) | 0 |
| Council Tax | U | (6,915) | (6,973) | (58) |
| Council Tax Section 31 Grant | | (109) | (109) | 0 |
| Council Tax Surplus | V | (58) | 0 | 58 |
| NNDR Deficit | W | (144) | (144) | 0 |
| TOTAL RESOURCES | | (23,947) | (23,942) | 5 |
| BALANCES B/F 1ST APRIL | | (2,236) | (2,236) | 0 |
| (USE OF)/CONTRIBUTION TO BALANCES | | (286) | (434) | (148) |
| BALANCES C/F 31ST MARCH 2021 | | (2,522) | (2,670) | (148) |

General Fund Forecast Variances - Outturn 2020/21

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

| Ref | <u>Additional Expenditure</u> | £ | Reason for variance |
|-----|--------------------------------------|---------|--|
| A | Call Monitoring | 37,064 | Increased costs due to call diversions as a result of remote working. |
| A | Customer Services | 60,063 | Cost pressure due to shortfall on planned TFS savings as a result of reduced attrition during lockdown combined with addition cost of MARS scheme. |
| A | CX Corporate Policy | 38,515 | Increased staffing costs as a result of MARS scheme. |
| B | Buildings Cleaning/City Hall | 49,279 | Additional costs of enhanced cleaning regimes and other Covid19 secure buildings measures (offset by reduced expenditure below). |
| B | Property Management | 92,094 | Agency costs incurred to cover vacant post and consultancy fees for asset appraisals/schemes. |
| B | Financial Services | 34,032 | Agency costs incurred covering vacant posts. |
| C | Representation of People Act | 30,361 | Increased postage/printing costs as a result of Covid19 restrictions. |
| D | Rough Sleeping | 108,962 | Costs incurred in ensuring all rough sleepers are provided accommodation as part of Covid19 measures (net cost after offset of housing benefit). |
| D | Control Centre | 92,859 | Increased expenditure due to MARS payments, additional overtime and increased telephone costs as a result of Covid19. |
| G | Active Nation | 343,101 | Active Nation Covid19 related claims for the lockdown periods. |
| G | Crematorium | 54,825 | Additional live streaming costs and staffing costs due to Covid19. |
| G | Health & Safety | 98,586 | Additional staffing requirements to support testing, tracing, outbreak planning and support to businesses (offset by funding from LCC). |

| Ref | | £ | Reason for variance |
|------------------------------|-------------------------------|-----------|--|
| G | Health & Safety | 58,657 | Additional costs incurred relation to compliance and enforcement (Covid19 Marshalls) (offset by Government grant). |
| M | Annual Vacancy Savings Target | 72,680 | Vacancy savings target offset by vacancies within service areas. |
| N | Earmarked Reserves | 466,869 | Proposed carry forwards to Earmarked Reserves as detailed in paragraph 3.14 above. |
| <u>Reduced Income</u> | | | |
| A | Land Charges | 25,399 | Shortfall in income due reduced demand during lockdown (offset by £6,878 SFC Income Compensation below). |
| B | The Terrace | 56,030 | Reduction in Rental and Fees & Charges income as a result of Covid19 and lower occupancy levels (offset by reduced expenditure below). |
| B | Lincoln Properties | 527,723 | Reduction in rental income as a result of Covid19, including impact of CVA for Travelodge. |
| B | Council Tax | 235,644 | Reduction in court cost income due to closure of courts as a result of Covid19. |
| B | Housing Benefits | 266,286 | Under-recovery of overpayments offset by reduction Bad Debt provision. |
| B | Treasury Investment Income | 38,084 | Reduction in interest received due to lower base rate. |
| C | CX Workbased Learning | 39,341 | Reduced income as a result of year on year drop in apprenticeship courses (offset by reduced expenditure on CoLC Apprentices below). |
| F | Car Parks | 4,066,494 | Reduced income following Covid19 lockdowns and the ongoing impact of local economic recovery (offset by expenditure savings and SFC Income Compensation detailed below). |
| F | Hartsholme Country Park | 58,185 | Reduction in departure fees due to reduction in the service levels during Covid19 and recovery period (offset by reduced expenditure below). |
| F | Bus Station | 21,220 | Reduction in departure fees due to reduction in the service levels during Covid19 and recovery period (offset by reduced expenditure below). |

| Ref | | £ | Reason for variance |
|------------|--------------------------------------|----------|---|
| F | Bus Station | 29,580 | Reduction in Rental income as a result of unoccupied office space (offset by reduced expenditure and SFC Income Compensation detailed below). |
| G | Enforcement Officer | 23,115 | Shortfall of income following Covid19 disruption. |
| G | Yarborough/Birchwood Leisure Centres | 85,030 | Loss of swimming and pitch income due to closure of centres during lockdown and ongoing impact of social distancing (offset by £60,584 SFC Income Compensation detailed below). |
| G | Christmas Market | 653,000 | Loss of income from cancellation of 2020 Xmas Market (offset by reduced expenditure and SFC Income Compensation detailed below). |
| G | Community Centres & Rec Grounds | 81,025 | Loss of income due to ongoing closure of centres and reduction in demand at recreational grounds (offset by expenditures savings and SFC Income Compensation detailed below). |
| G | Visitor Information Centre | 107,921 | Loss of income at VIC due to Covid19 closure and impact on footfall and tourism during recovery (offset by reduced expenditure and SFC Income compensation detailed below). |
| G | Markets | 56,744 | Reduction in stall licence fee income as a result of Covid19 and lower occupancy levels (offset by £18,145 SFC Income Compensation detailed below). |
| H | Development Control | 93,803 | Fees and charges losses anticipated following Covid19 and subsequent impact on local economy and market conditions. |
| H | Building Control | 74,332 | Fees and charges losses anticipated following Covid19 and subsequent impact on local economy and market conditions. |

Reduced Expenditure

| | | | |
|---|-----------------|----------|--|
| A | External Grants | (44,145) | Savings due to reduction in grants paid as a result of closures during Covid19 restrictions. |
| B | City Hall | (37,014) | Reduced premises running costs as a result of lower occupancy during Covid19 restrictions. |

| Ref | | £ | Reason for variance |
|------------|---------------------------------|-----------|---|
| B | The Terrace | (51,504) | Underspend on Direct Business Rates and Running costs as a result of lower occupancy levels due to the ongoing impact of Covid19 restrictions. |
| C | Civic | (32,822) | Underspend due to a reduction in civic activities as a result of ongoing Covid19 restrictions. |
| C | Human Resources & Payroll | (30,295) | Underspend on Corporate & departmental Training Courses as a result of ongoing Covid19 restrictions. |
| C | CoLC Apprentices | (69,140) | Underspend due to a reduced number of Apprentices this year, average 11 out of 20 budgeted FTE. |
| D | Rough Sleepers | (55,422) | Salary savings due to vacant posts. |
| E | Homeless Bed & Breakfast | (68,973) | Reduction in the usage of Bed & Breakfast due to alternative accommodation being used, partly offset by a reduction in HB claims. |
| F | Car Parks | (97,507) | Underspend on repairs and maintenance and cleaning requirements due to reduced car park usage (offsets income losses above). |
| F | Bus Station | (52,990) | Underspend on repairs and maintenance requirements, potential to contribute to Bus Station Sinking Fund subject to year-end outturn. |
| F | Public Conveniences | (37,940) | Underspend due to vacant post and reduced overtime due to closure of toilets and reduced usage during Covid19 restrictions. |
| G | Christmas Market | (602,806) | Savings arising from non-delivery of 2020 Christmas Market (offsets income losses above, net effect £50,194). |
| G | Community Centres & Rec Grounds | (32,446) | Underspend on utilities & cleaning costs due to ongoing closure of centres and reduction in demand at recreational grounds (offsets income losses above). |
| G | Visitor Information Centre | (26,680) | Reduced costs at VIC due to Covid19 closures and impact on footfall and tourism during recovery (offsets income losses above). |
| G | Markets | (34,448) | Vacancy savings and reduced running costs (offsets income losses above). |

| Ref | | £ | Reason for variance |
|------------|---|-------------|--|
| I | Bad Debt Provision - Housing Benefits | (139,518) | Reduction in the required contribution to the bad debt provision for housing benefits. |
| I | Bad Debt Provision - General Fund | (43,309) | Reduction in the required contribution to the bad debt provision for general fund debtor balances. |
| I | Corporate Repairs & Maintenance | (136,972) | Underspend on Corporate R&M expenditure as a result of Covid19 pandemic restrictions. |
| L | Contingencies – Budget measures taken at Q1 | (1,168,170) | A combination of all the budgets measures approved at Q1 to offset the income and expenditure pressures as a result of the national lockdown and subsequent recovery period. |

Additional Income

| | | | |
|---|---------------------------------------|-----------|---|
| B | City Hall | (102,789) | Increased rental and service charge income from existing tenants requirements for out of hours working. |
| B | Test & Trace Support | (72,029) | New Burdens funding to compensate for work associated with administering the Test & Trace Support Payment grants. |
| B | Managed Workspace – CoLC Profit Share | (25,668) | CoLC profit share as a result of cost savings at Greetwell, Managed Workspace. |
| B | Industrial Estates | (50,522) | Increased rental income following in year rent reviews. |
| C | Representation of People Act | (51,435) | IER Funding awarded in Q4. |
| D | Rough Sleepers | (62,026) | Grant received in respect of increased rough sleeping costs as a result of Covid19 measures (additional expenditure set out above). |
| D | Rough Sleepers | (55,028) | Housing Benefit contribution towards Rough Sleeper bed & breakfast costs. |
| G | Health & Safety | (189,470) | Additional funding to resource staffing requirements to support testing, tracing, outbreak planning and support to businesses. |
| G | Health & Safety | (58,020) | Ring fenced Government grant for Local Authority Compliance and Enforcement. |
| G | Crematorium | (66,319) | Additional income from cremations, partly offset by additional staffing costs (see above). |
| G | Cemeteries | (31,454) | Additional income from burials |

| Ref | | £ | Reason for variance |
|------------|--|-------------|---|
| I | Corporates Services | (320,300) | New Burdens funding to compensate for work associated with administering the business support grants (total grant £355.3k less agreed £35k carry forward to 2021/22). |
| L | Contingencies – Income | (38,630) | No asset sales anticipated in year with income losses. |
| L | Contingencies – Job Retention Scheme | (102,340) | Funding through access to Job Retention Scheme, income relates to August to March claims (previous months included in Q1 measures). |
| L | Contingencies - SFC Income Compensation Scheme | (2,989,360) | Income losses arising as result of Covid19 to be compensated for through government scheme. Net income losses, after a 5% deductible and offset for savings arising during period, are compensated for a 75p for each £1 loss (offsets income losses detailed above). See 3.7 for further detail. |
| L | Government Grant | (1,254,690) | Government funding to offset local authority expenditure pressures arising due to Covid19 (total grant £1.877m less agreed £622.1k carry forward to 2021/22). |

HOUSING REVENUE ACCOUNT FUND SUMMARY – OUTTURN 2020/21

| HRA PROVISIONAL OUTTURN - 2020/21 | | | | |
|--|----------|-------------------------------------|--------------------------|---------------------------|
| | | Revised Budget £'000 | Outturn £'000 | Variance £'000 |
| Gross Rental Income | A | (28,666) | (28,761) | (95) |
| Charges for Services & Facilities | B | (306) | (294) | 11 |
| Contribs towards Expenditure | C | (50) | (21) | 29 |
| Repairs & Maintenance | D | 8,959 | 7,575 | (1,385) |
| Supervision & Management: | E | 6,828 | 7,315 | 487 |
| Rents, Rates and Other Premises | G | 95 | 127 | 32 |
| Increase in Bad Debt Provisions | H | 297 | 279 | (18) |
| Insurance Claims Contingency | I | 106 | 2 | (104) |
| Contingencies | J | 516 | 0 | (516) |
| Depreciation | K | 6,637 | 6,700 | 62 |
| Impairments | L | 0 | 0 | 0 |
| Debt Management Expenses | M | 12 | 5 | (7) |
| HRS Trading Deficit/(Surplus) | N | (136) | 322 | 458 |
| Net Cost of Service | O | (5,707) | (6,752) | (1,044) |
| Loan Charges Interest | P | 2,530 | 2,427 | (104) |
| Investment/Mortgage Interest | Q | (43) | (23) | 20 |
| Net Operating Inc/Exp | R | (3,219) | (4,348) | (1,129) |
| | | | | |
| Capital Accounting Adjustments | S | 0 | 0 | 0 |
| Major Repairs Reserve Adjustment | T | 3,184 | 2,940 | (244) |
| Transfers to/from reserves | U | 111 | 1,330 | 1,219 |
| (Surplus)/Deficit in Year | | 75 | (79) | (154) |
| Pension Reserve | W | 0 | 0 | 0 |
| Balances b/f @ 1st April | X | (1,075) | (996) | 79 |
| (Increase)/Decrease in Balances | Y | 75 | (79) | (154) |
| Balances c/f @ 31st March | Z | (1,000) | (1,075) | (75) |

Housing Revenue Account Variances - Outturn 2020/21

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

| Ref | | £ | Reason for variance |
|-------------------------------------|-----------------------------------|-------------|--|
| <u>Increased Expenditure</u> | | | |
| N | HRS Trading Deficit -Repatriation | 458,237 | HRS deficit repatriated to the HRA (see HRS for detail). |
| A | Discretionary Housing Payments | 70,421 | Discretionary housing rent hardship payments as a result of Covid-19. |
| A | Supervision & Management | 486,613 | Increased expenditure largely as a result of void works orders, agency staff payments, disrepair claims and both Pain & Gain share (£46.7k) and redundancy costs for TUPE staff (£82k) on Kiers contract. |
| U | Transfers to/from Reserves | 1,191,860 | Contributions to the Repairs Reserve (£750k) and the Strategic Priorities Reserve (£550k), as due to Covid19 there were delays in the delivery of schemes in both of these areas, which will be delivered in future years, partly offset by reduced drawdown from reserves not required. |
| <u>Increased Income</u> | | | |
| A | Rental Income | (234,462) | Dwelling social & affordable rent higher than budget due to additional properties coming online from NSAP & Purchase and Repair properties. |
| <u>Reduced Expenditure</u> | | | |
| D | Repairs & Maintenance | (1,384,865) | Variance due to Covid19 delaying repairs, with savings incurred during lockdown and recovery period. Majority of underspend on Painting programme within External Decorations. |
| J | Contingencies | (44,050) | Savings attributable to the HRA and HRS arising from savings reviews undertaken in the General Fund as part of the TFS programme. |

Appendix D

| | | | |
|------------------------------|-----------------------|-----------|--|
| J | Contingencies | (257,320) | Budget Review savings as a result of Covid19. |
| J | Contingencies | (190,940) | Additional funding from the Government for Furloughed staff. |
| P | Loan Charges Interest | (103,937) | Reduction in borrowing costs due to a change in financing. |
| <u>Reduced Income</u> | | | |
| A | Dwelling Rents | 65,335 | Increase in void numbers during lockdown and increased length of time voids being relet due to social distancing requirements resulting in lost rental income. |
| C | Reduced Income | 49,188 | Reduction in Court Cost income due to Covid19. |

HOUSING REPAIRS SERVICE SUMMARY - OUTTURN 2020/21

| | Revised Budget £'000 | Outturn £'000 | Variance £'000 |
|--------------------------|-------------------------------------|--------------------------|---------------------------|
| Employees | 3,223 | 3,005 | (218) |
| Premises | 44 | 45 | 1 |
| Transport | 367 | 323 | (44) |
| Materials | 1,415 | 721 | (694) |
| Sub-Contractors | 1,916 | 2,302 | 386 |
| Supplies & Services | 214 | 352 | 138 |
| Central Support Costs | 336 | 522 | 186 |
| Capital Charges | 0 | 2 | 2 |
| Total Expenditure | 7,515 | 7,271 | (244) |
| Income | (7,514) | (6,948) | 566 |
| (Surplus)/Deficit | 0 | 322 | 322 |

Housing Repairs Service Variances - Outturn 2020/21

The table below provides a summary of the provisional outturn position.

| | £ | Reason for Variance |
|-------------------------------------|-----------|--|
| <u>Reduced Income</u> | | |
| Income - Other | 565,511 | Reduced Income due to fewer jobs being carried out within the year as a result of Covid19. |
| HRS Administration | 185,627 | Reduction in income due to reduced labour hours charged as a result of Covid19. |
| <u>Reduced Expenditure</u> | | |
| Transport | (61,819) | Saving on leasing contract due to a 10% reduction on contract price for extending the contract for 1 year. |
| Materials | (694,653) | Reduced material costs due to fewer jobs being carried out, as a result of Covid19. |
| Employees | (217,770) | Due to vacancies within the red book staff, following delays in recruitment due to Covid19. |
| <u>Increased Expenditure</u> | | |
| Supplies & Services | 113,694 | Increase in equipment hire costs due to a change in policy to hire equipment as opposed to purchasing. |
| Sub-Contractors | 385,916 | Increased use of sub-contractors whilst Council officers were required to shield during pandemic. |

EARMARKED RESERVES – OUTTURN 2020/21

| <u>General Fund</u> | Revised Opening Budget £000's | Budgeted Contribution £000's | In Year Movements £000's | Closing Balance £000's |
|--|--|---|---|---------------------------------------|
| Grants & Contributions (see tab for detail) | 987 | (140) | 538 | 1,385 |
| Carry Forwards (see tab for detail) | 81 | 0 | 401 | 482 |
| Active Nation Bond | 0 | 0 | 180 | 180 |
| AGP Sinking Fund | 0 | 0 | 2 | 2 |
| Air Quality Initiatives | 5 | 6 | 0 | 11 |
| Asset Improvement | (0) | 0 | 0 | (0) |
| Backdated rent review | 0 | 0 | 0 | 0 |
| Birchwood Leisure Centre | 26 | 0 | 20 | 46 |
| Boston Audit Contract | 0 | 0 | 0 | 0 |
| Business Rates Volatility | 1,959 | 27 | 10,983 | 12,969 |
| Christmas Decorations | 14 | 0 | 0 | 14 |
| City Hall Sinking Fund | 60 | 0 | 0 | 60 |
| Commons Parking | 27 | 0 | (7) | 20 |
| Corporate Training | 45 | 0 | 15 | 60 |
| Council Tax Hardship Fund | 0 | 0 | 531 | 531 |
| Covid-19 Recovery | 425 | 0 | 622 | 1,047 |
| Covid-19 Response | 354 | 0 | 0 | 354 |
| Crem Income | 0 | 0 | 0 | 0 |
| DRF Unused | 199 | (167) | 309 | 341 |
| Electric Van replacement | 15 | 4 | 0 | 19 |
| Funding for Strategic Priorities | 721 | (276) | (272) | 174 |
| Income Volatility Reserve | 0 | 0 | 0 | 0 |
| Invest to Save (GF) | 336 | 7 | 110 | 453 |
| IT Reserve | 94 | 29 | 0 | 124 |
| Lincoln Lottery | 9 | 0 | 0 | 9 |
| Mayoral car | 27 | 0 | 0 | 27 |
| Mercury Abatement | 371 | (54) | 0 | 317 |
| MSCP & Bus Station Midlife Refurb - Sinking Fund | 60 | 0 | 0 | 60 |
| Organisational Development | 0 | 0 | 0 | 0 |
| Private Sector Stock Condition Survey | 15 | 12 | 0 | 27 |
| Property Searches | 0 | 0 | 0 | 0 |
| Revenues & Benefits shared service | 25 | 0 | (25) | 0 |
| Section 106 interest | 32 | 0 | 0 | 32 |
| Strategic Growth Reserve | 57 | 0 | (40) | 17 |
| Strategic Projects - revenue costs | 131 | (120) | (9) | 2 |
| Tank Memorial | 10 | 0 | 0 | 10 |
| Tree Risk Assessment | 106 | 20 | (29) | 97 |
| Vision 2025 | 220 | 191 | (206) | 204 |
| WGC Planning | 100 | 0 | (20) | 80 |

Appendix G

| | | | | |
|------------------------------------|--------------|--------------|---------------|---------------|
| Yarborough Leisure Centre | 0 | 0 | 0 | 0 |
| | | | | |
| Total General Fund Reserves | 6,513 | (460) | 13,103 | 19,156 |

| <u>HRA</u> | Revised Opening Budget £000's | Budgeted Contribution £000's | In Year Movements £000's | Closing Balance £000's |
|-------------------------------------|--|---|---|---------------------------------------|
| Capital Fees Equalisation Reserve | 140 | (30) | 0 | 110 |
| De Wint Court Reserve | 73 | 0 | 0 | 73 |
| Housing Business Plan Reserve (NEW) | 0 | 77 | 0 | 77 |
| Housing Repairs Service | 126 | 0 | 0 | 126 |
| HRA DRF | 0 | 0 | 0 | 0 |
| HRA Repairs Account | 579 | (79) | 750 | 1,250 |
| HRA Strategic Priority Reserve | 176 | 75 | 550 | 801 |
| HRA Survey Works | 54 | (54) | 0 | 0 |
| Invest to Save (HRA) | 133 | 0 | 0 | 133 |
| Stock Retention Strategy | 22 | (22) | 0 | 0 |
| Strategic Growth Reserve | 101 | 0 | (75) | 26 |
| | | | | |
| Total HRA Reserves | 1,403 | (34) | 1,225 | 2,595 |

| | | | | |
|---------------------------------|--------------|--------------|---------------|---------------|
| Total Earmarked Reserves | 7,916 | (493) | 14,329 | 21,752 |
|---------------------------------|--------------|--------------|---------------|---------------|

CAPITAL RESOURCES – OUTTURN 2020/21

| | Opening Balance 01/04/2020 £'000 | Contributions £'000 | Used in Financing/ Adjustments £'000 | Forecast Balance 31/03/2021 £'000 |
|----------------------------------|---|--------------------------------|---|--|
| Capital Grants/Contributions | 1,298 | 2,895 | (2,452) | 1,741 |
| Capital Receipts | 802 | 100 | (279) | 623 |
| Capital Receipts (HRA) | 4,345 | 1,047 | (1,504) | 3,888 |
| Capital Grants/Contributions HRA | 3,926 | 310 | (2,101) | 2,135 |
| Major Repairs Reserve | 5,109 | 6,698 | (4,044) | 7,763 |
| DRF | 4,058 | 3,184 | (581) | 6,661 |
| Total Capital Resources | 19,538 | 14,234 | (10,961) | 22,811 |

General Investment Programme – Summary of Financial Changes

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|------------------------------|--------------------|------------------|----------------|----------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| 2020/21 MTFS Budget as at Q3 | 5,117,557 | 14,393,118 | 1,160,126 | 948,033 | 500,000 |
| Budget for approval | 3,212,056 | 16,941,404 | 1,160,126 | 970,446 | 683,021 |
| Total changes for Q4 | (1,905,501) | 2,548,286 | 0 | 22,413 | 183,021 |

| | | | | | |
|--|-----------|----------|---|---|---|
| Approved by Chief Finance Officer | | | | | |
| Disabled Facilities Grant | (997,095) | 997,095 | 0 | 0 | 0 |
| AGPs | (88,307) | 88,307 | 0 | 0 | 0 |
| New Software- Crematorium | (2,250) | 2,250 | 0 | 0 | 0 |
| Crematorium refurbishment | 12,450 | (12,450) | 0 | 0 | 0 |
| Boultham Park Masterplan | (49,700) | 49,700 | 0 | 0 | 0 |
| Boultham Park Lake Restoration | (135,105) | 135,105 | 0 | 0 | 0 |
| Car Park Improvements- Ticket Machines | (2,424) | 0 | 0 | 0 | 0 |
| Car Park Improvements- CCTV in MSCPs | (6,142) | 6,142 | 0 | 0 | 0 |
| Electric Vehicle Charging Points | (43,982) | 43,982 | 0 | 0 | 0 |
| Heritage Action Zone | (118,038) | 118,038 | 0 | 0 | 0 |
| Housing Renewal Area Unallocated | (40,015) | 40,015 | 0 | 0 | 0 |
| Western Growth Corridor | (86,908) | 86,908 | 0 | 0 | 0 |
| Town's Fund | (169,010) | 169,010 | 0 | 0 | 0 |
| New Telephony System | (16,066) | 16,066 | 0 | 0 | 0 |
| New Website | (2,240) | 0 | 0 | 0 | 0 |
| Infrastructure Upgrade | (3,772) | 3,772 | 0 | 0 | 0 |
| Compulsory Purchase Orders | 1,473 | (1,473) | 0 | 0 | 0 |
| IT Reserve | (70,562) | 70,562 | 0 | 0 | 0 |
| Planned Capitalised Works | (71,919) | 73,944 | 0 | 0 | 0 |

Appendix I

| | | | | | |
|---|--------------------|------------------|----------|---------------|----------------|
| Guildhall | (609) | 609 | 0 | 0 | 0 |
| Play Area Surfacing Works | (11,639) | 11,639 | 0 | 0 | 0 |
| Long Leys Road Drainage | (10,438) | 10,438 | 0 | 0 | 0 |
| Lucy Tower Lifts | (2,025) | 0 | 0 | 0 | 0 |
| YLC Diving Boards | (39,825) | 39,825 | 0 | 0 | 0 |
| 40 Michaelgate Structural works | (2,283) | 2,283 | 0 | 0 | 0 |
| Brayford Viewing Platform | (8,246) | 8,246 | 0 | 0 | 0 |
| Greyfriars | (42,679) | 42,679 | 0 | 0 | 0 |
| Monks Abbey Bowls Pavilions Externals | (9,061) | 9,061 | 0 | 0 | 0 |
| Guildhall Walkway/ Access Improvements. | (11,219) | 11,219 | 0 | 0 | 0 |
| Grandstand Terracing Improvements | (12,837) | 12,837 | 0 | 0 | 0 |
| West Common External Rendering Improvements | (4,980) | 4,980 | 0 | 0 | 0 |
| City Hall Lightning Protection | (6,104) | 6,104 | 0 | 0 | 0 |
| Skate Park | 0 | (183,021) | 0 | 0 | 183,021 |
| Capital Contingencies | 0 | 2,424 | 0 | 0 | 0 |
| Western Growth Corridor | 75,685 | 0 | 0 | 0 | 0 |
| Available Resources | 0 | 0 | 0 | 0 | 0 |
| To be approved by Executive | | | | | |
| Disabled Facilities Grant | 0 | 551,990 | 0 | 0 | 0 |
| Available Resources | 0 | 0 | 0 | 0 | 0 |
| Approved by Executive | | | | | |
| Electric Vehicle Charging points | 70,371 | 0 | 0 | 0 | 0 |
| Whittons Park | 0 | 130,000 | 0 | 22,413 | 0 |
| Total changes in Quarter 4 | (1,905,501) | 2,548,286 | 0 | 22,413 | 183,021 |

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|-------------------------------------|--------------|---------------|--------------|------------|------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| 2020/21 MTFS Budget as at Q3 | 5,118 | 14,393 | 1,160 | 948 | 500 |

Appendix I

| | | | | | |
|-----------------------------------|---------|--------|-------|-----|-----|
| Approved by Chief Finance Officer | (1,976) | 1,866 | 0 | 0 | 183 |
| To be approved by Executive | 0 | 552 | 0 | 0 | 0 |
| Approved by Executive | 70 | 130 | 0 | 22 | 0 |
| Revised Budget | 3,212 | 16,941 | 1,160 | 970 | 683 |

General Investment Programme – Summary of Expenditure as at 31st March 2021

| | 2020/21 Approved Budget | Changes in Q4 | Revised budget | 2020/21 Actual | 2020/21 Variance | Spend |
|---|-------------------------------|------------------|-------------------|-------------------|---------------------|---------|
| | £ | £ | £ | £ | £ | % |
| <u>ACTIVE SCHEMES</u> | | | | | | |
| <u>DCE - Communities & Environment</u> | | | | | | |
| Disabled Facilities Grant | 1,605,581 | 0 | 1,605,581 | 608,486 | 997,095 | 37.90% |
| Transformation of Birchwood Leisure Centre | 30,000 | 0 | 30,000 | 30,000 | 0 | 100.00% |
| AGPs | 188,301 | 0 | 188,301 | 99,994 | 88,307 | 53.10% |
| New Software- Crematorium | 11,375 | 0 | 11,375 | 9,125 | 2,250 | 80.22% |
| Crematorium refurbishment | 0 | 0 | 0 | 12,450 | (12,450) | 0.00% |
| Swift Gardens Play Area | 74,200 | 0 | 74,200 | 74,200 | 0 | 100.00% |
| | 1,909,457 | | 1,909,457 | 834,254 | 1,075,203 | 43.69% |
| <u>DCE - Community Services</u> | | | | | | |
| Boultham Park Masterplan | 49,700 | 0 | 49,700 | 0 | 49,700 | 0.00% |
| Boultham Park Lake Restoration | 695,026 | 0 | 695,026 | 559,921 | 135,105 | 80.56% |
| Allotment Capital Improvement Programme | 1,059 | 0 | 1,059 | 1,059 | 0 | 100.00% |
| Car Park Improvements- Ticket Machines | 87,360 | 0 | 87,360 | 84,936 | 2,424 | 97.23% |
| Car Park Improvements- CCTV in MSCPs | 6,142 | 0 | 6,142 | 0 | 6,142 | 0.00% |
| Electric Vehicle Charging Points | 0 | 70,371 | 70,371 | 26,389 | 43,982 | 37.50% |
| | 839,287 | 70,371 | 909,658 | 672,305 | 237,353 | 73.91% |
| <u>DCE - Planning Services</u> | | | | | | |
| Heritage Action Zone | 260,000 | 0 | 260,000 | 141,962 | 118,038 | |
| | 260,000 | 0 | 260,000 | 141,962 | 118,038 | 54.60% |
| <u>General Fund Housing</u> | | | | | | |
| Housing Renewal Area Unallocated | 50,000 | 0 | 50,000 | 9,985 | 40,015 | 19.97% |
| | 50,000 | 0 | 50,000 | 9,985 | 40,015 | 19.97% |

Appendix K

Major Developments

| | | | | | | |
|-------------------------|------------------|---------------|------------------|------------------|----------------|---------------|
| Western Growth Corridor | 400,000 | 75,685 | 475,685 | 388,777 | 86,908 | 81.73% |
| Town's Fund | 1,000,000 | 0 | 1,000,000 | 830,990 | 169,010 | 83.10% |
| | 1,400,000 | 75,685 | 1,475,685 | 1,219,767 | 255,918 | 82.66% |

Chief Executives Department - Corporate Policy

| | | | | | | |
|------------------------|---------------|----------|---------------|----------|---------------|--------------|
| New Telephony System | 16,066 | 0 | 16,066 | 0 | 16,066 | 0.00% |
| New Website | 2,240 | 0 | 2,240 | 0 | 2,240 | 0.00% |
| Infrastructure Upgrade | 3,772 | 0 | 3,772 | 0 | 3,772 | 0.00% |
| | 22,078 | 0 | 22,078 | 0 | 22,078 | 0.00% |

Chief Executives - Chief Finance Officer

| | | | | | | |
|---|------------------|----------------|------------------|------------------|------------------|---------------|
| Planned Capitalised Works | 71,919 | 0 | 71,919 | 0 | 71,919 | 0.00% |
| Guildhall | 609 | 0 | 609 | 0 | 609 | 0.00% |
| Play Area Surfacing Works | 11,639 | 0 | 11,639 | 0 | 11,639 | 0.00% |
| Long Leys Road Drainage | 10,438 | 0 | 10,438 | 0 | 10,438 | 0.00% |
| Lucy Tower Lifts | 137,005 | 0 | 137,005 | 134,980 | 2,025 | 98.52% |
| YLC Diving Boards | 42,550 | 0 | 42,550 | 2,725 | 39,825 | 6.41% |
| BLC Roof | 3,267 | 0 | 3,267 | 3,267 | 0 | 100.00% |
| 40 Michaelgate Structural works | 2,283 | 0 | 2,283 | 0 | 2,283 | 0.00% |
| Greetwell Hollow | 150,000 | 0 | 150,000 | 150,000 | 0 | 100.00% |
| Brayford Viewing Platform | 38,900 | 0 | 38,900 | 30,654 | 8,246 | 78.80% |
| Greyfriars | 53,362 | 0 | 53,362 | 10,683 | 42,679 | 20.02% |
| Monks Abbey Bowls Pavilions External Improvements | 9,061 | 0 | 9,061 | 0 | 9,061 | 0.00% |
| Guildhall Walkway/ Access Improvements. | 11,219 | 0 | 11,219 | 0 | 11,219 | 0.00% |
| Grandstand Terracing Improvements | 12,837 | 0 | 12,837 | 0 | 12,837 | 0.00% |
| West Common External Rendering Improvements | 4,980 | 0 | 4,980 | 0 | 4,980 | 0.00% |
| City Hall Lightning Protection | 6,104 | 0 | 6,104 | 0 | 6,104 | 0.00% |
| | 566,173 | 0 | 566,173 | 332,309 | 233,864 | 58.69% |
| TOTAL BUDGET FOR ACTIVE SCHEMES | 5,046,995 | 146,056 | 5,193,051 | 3,210,583 | 1,982,468 | 63.61% |

Appendix K

Schemes Currently Under Review

| | | | | | | |
|--|------------------|----------------|------------------|------------------|------------------|--------|
| Compulsory Purchase Orders | 0 | 0 | 0 | 1,473 | (1,473) | 0.00% |
| IT Reserve | 70,562 | 0 | 70,562 | 0 | 70,562 | 0.00% |
| TOTAL BUDGET FOR SCHEMES UNDER REVIEW | 70,562 | 0 | 70,562 | 1,473 | 69,089 | 2.09% |
| | | | | | | |
| TOTAL GENERAL INVESTMENT PROGRAMME | 5,117,557 | 146,056 | 5,263,613 | 3,212,056 | 2,051,557 | 62.77% |

Housing Investment Programme – Summary of Financial Changes

| Project Name | | | | | | |
|---------------------------------------|-------------------------------------|--------------------------------------|---|--|--|---|
| | Approved Budget Qtr3 | Budget to be Approved | Budget Increase/ (Reduction) | Movements (To)/from Available Resources | Movements Within Financial Year | Reprofile (to) / from future years |
| Decent Homes | £ | £ | £ | £ | £ | £ |
| Bathrooms & WC's | 400,000 | 423,561 | 23,561 | 0 | 0 | 23,561 |
| DH Central Heating Upgrades | 1,625,000 | 1,280,439 | (344,561) | 0 | 0 | (344,561) |
| Thermal Comfort Works | 5,000 | 5,636 | 636 | 0 | 0 | 636 |
| Kitchen Improvements | 550,000 | 753,542 | 203,542 | 0 | 0 | 203,542 |
| Rewiring | 18,791 | 24,716 | 5,925 | 0 | 0 | 5,925 |
| Re-roofing | 60,000 | 68,555 | 8,555 | 0 | 0 | 8,555 |
| Lincoln Standard Windows Replacement | 150,000 | 132,073 | (17,927) | 0 | 0 | (17,927) |
| Structural Defects | 5,000 | 3,580 | (1,420) | 0 | 0 | (1,420) |
| Door Replacement | 80,000 | 139,692 | 59,692 | 0 | 0 | 59,692 |
| New services | 7,964 | 7,843 | (121) | 0 | 0 | (121) |
| Void Capitalised Works | 1,334,628 | 521,043 | (813,585) | 0 | 0 | (813,585) |
| Fire Doors | 50,000 | 2,121 | (47,879) | 0 | 0 | (47,879) |
| Fire Compartment works | 20,000 | 37,005 | 17,005 | 0 | 17,005 | 0 |
| | | | | | | |
| Lincoln Standard | | | | | | |
| Over bath showers (10 year programme) | 100,000 | 74,215 | (25,785) | 0 | 0 | (25,785) |
| | | | | | | |

Appendix K

| | | | | | | |
|---|------------------|------------------|--------------------|----------|-----------------|--------------------|
| Health & Safety | | | | | | |
| Asbestos Removal | 183,816 | 138,326 | (45,490) | 0 | 0 | (45,490) |
| Asbestos Surveys | 89,885 | 40,745 | (49,140) | 0 | 0 | (49,140) |
| Fire Alarms | 40,000 | 0 | (40,000) | 0 | 0 | (40,000) |
| | | | | | | |
| Other | | | | | | |
| Environmental works | 150,000 | 172,503 | 22,503 | 0 | 0 | 22,503 |
| 2 Gunby Avenue | 3,333 | 0 | (3,333) | 0 | 0 | (3,333) |
| Landscaping and Boundaries | 0 | 133,347 | 133,347 | 0 | 0 | 133,347 |
| Communal Electrics | 81,150 | 15,471 | (65,679) | 0 | 0 | (65,679) |
| Garages | 88,778 | 709 | (88,069) | 0 | 0 | (88,069) |
| HRA Assets - Shops/Buildings | 20,000 | 0 | (20,000) | 0 | 0 | (20,000) |
| CCTV | 26,685 | 0 | (26,685) | 0 | 0 | (26,685) |
| | | | | | | |
| Contingency Reserve | 0 | 0 | 0 | 0 | (66,364) | 66,364 |
| | | | | | | |
| Other Schemes | | | | | | |
| Infrastructure Upgrade | 251,633 | 0 | (251,633) | 0 | 0 | (251,633) |
| Operation Rose | 38,611 | 19,495 | (19,116) | 0 | 0 | (19,116) |
| | | | | | | |
| Total Housing Investment Programme | 5,380,274 | 3,994,617 | (1,385,657) | 0 | (49,359) | (1,336,298) |
| | | | | | | |
| Housing Strategy & Investment | | | | | | |
| | | | | | | |
| New Build Programme | | | | | | |
| New Build Site - Searby Road | 62,497 | 0 | (62,497) | 0 | 0 | (62,497) |
| New Build Site - Queen Elizabeth Road | 195,051 | 168,290 | (26,761) | 0 | 0 | (26,761) |
| New Build Site - Rookery Lane | 446,935 | 309,216 | (137,719) | 0 | 0 | (137,719) |

Appendix K

| | | | | | | |
|--|-------------------|-------------------|--------------------|----------------|-----------------|--------------------|
| New Build Capital Salaries | 40,560 | 40,560 | 0 | 0 | 0 | 0 |
| New Build- De Wint Court | 4,982,554 | 3,996,980 | (985,574) | 0 | 0 | (985,574) |
| New Build - Markham House | 526,849 | 526,850 | 1 | 0 | 0 | 0 |
| Western Growth Corridor - Phase 1 | 9,766 | 48,062 | 38,296 | 48,062 | 0 | (9,766) |
| Acquistion Riseholme Road | 1,779,149 | 1,768,185 | (10,964) | 0 | 0 | 0 |
| Acquistion BuyBack Programme | 4,767,233 | 4,661,481 | (105,752) | 71,950 | (35,975) | (141,727) |
| Acquisition NSAP Properties | 1,499,250 | 862,527 | (636,723) | 0 | 0 | (636,723) |
| New Build unallocated | | | | | | (10,964) |
| New Build Programme | 14,309,844 | 12,382,150 | (1,927,694) | 120,012 | (35,957) | (2,011,731) |
| | | | | | | |
| Total Housing Strategy & Investment Programme | 14,309,844 | 12,382,150 | (1,927,694) | 120,012 | (35,957) | (3,348,029) |
| | | | | | | |
| Total Programmes | 19,690,118 | 16,376,767 | (3,313,351) | 120,012 | (85,334) | (3,348,029) |
| | | | | | | |
| | | | | | | |

Housing Investment Programme – Summary of Expenditure as at 31st March 2021

| | 2020/21 Q3 Approved Budget | 2020/21 Actual | 2020/21 Variance | Spend |
|---------------------------------------|----------------------------------|----------------|---------------------|---------|
| | £ | £ | £ | % |
| <u>Decent Homes</u> | | | | |
| Bathrooms & WC's | 400,000 | 423,561 | 23,561 | 105.89% |
| DH Central Heating Upgrades | 1,625,000 | 1,280,439 | (344,561) | 78.80% |
| Thermal Comfort Works | 5,000 | 5,636 | 636 | 112.72% |
| Kitchen Improvements | 550,000 | 753,542 | 203,542 | 137.01% |
| Rewiring | 18,791 | 24,716 | 5,925 | 131.53% |
| Re-roofing | 60,000 | 68,555 | 8,555 | 114.26% |
| Lincoln Standard Windows Replacement | 150,000 | 132,073 | (17,927) | 88.05% |
| Structural Defects | 5,000 | 3,580 | (1,420) | 71.59% |
| Door Replacement | 80,000 | 139,692 | 59,692 | 174.62% |
| New services | 7,964 | 7,843 | (121) | 98.48% |
| Void Capitalised Works | 1,334,628 | 521,043 | (813,585) | 39.04% |
| Fire Doors | 50,000 | 2,121 | (47,879) | 4.24% |
| Fire Compartment works | 20,000 | 37,005 | 17,005 | 185.03% |
| | | | | |
| <u>Lincoln Standard</u> | | | | |
| Over bath showers (10 year programme) | 100,000 | 74,215 | (25,785) | 74.22% |
| | | | | |
| <u>Health & Safety</u> | | | | |
| Asbestos Removal | 183,816 | 138,326 | (45,490) | 75.25% |
| Asbestos Surveys | 89,885 | 40,745 | (49,140) | 45.33% |
| Fire Alarms | 40,000 | - | (40,000) | 0.00% |
| | | | | |

Appendix L

| | | | | |
|--|------------------|------------------|--------------------|---------------|
| <u>Other</u> | | | | |
| Environmental works | 150,000 | 172,503 | 22,503 | 115.00% |
| 2 Gunby Avenue | 3,333 | | (3,333) | 0.00% |
| Landscaping and Boundaries | | 133,347 | 133,347 | 0.00% |
| Communal Electrics | 81,150 | 15,471 | (65,679) | 19.06% |
| Garages | 88,778 | 709 | (88,069) | 0.80% |
| HRA Assets - Shops/Buildings | 20,000 | | (20,000) | 0.00% |
| CCTV | 26,685 | | (26,685) | 0.00% |
| | | | | |
| <u>Other Schemes</u> | | | | |
| Housing Support Services Computer Fund | - | | 0 | 0.00% |
| Infrastructure Upgrade | 251,633 | | (251,633) | 0.00% |
| Operation Rose | 38,611 | 19,495 | (19,116) | 50.49% |
| | | | | |
| <u>Total Housing Investment Programme</u> | 5,380,274 | 3,994,617 | (1,385,657) | 74.25% |
| | | | | |
| <u>Housing Strategy & Investment</u> | | | | |
| | | | | |
| <u>New Build Programme</u> | | | | |
| New Build Site - Searby Road | 62,497 | | (62,497) | 0.00% |
| New Build Site - Queen Elizabeth Road | 195,051 | 168,290 | (26,761) | 158.53% |
| New Build Site - Rookery Lane | 446,935 | 309,216 | (137,719) | 37.65% |
| New Build Capital Salaries | 40,560 | 40,560 | 0 | 100.00% |
| New Build- De Wint Court | 4,982,554 | 3,996,980 | (985,574) | 80.22% |
| New Build - Markham House | 526,849 | 526,850 | 1 | 100.00% |
| Western Growth Corridor - Phase 1 | 9,766 | 48,062 | 38,296 | 492.13% |
| Acquisition Riseholme Road | 1,779,149 | 1,768,185 | (10,964) | 99.38% |
| Acquisition BuyBack Programme | 4,767,233 | 4,661,481 | (105,752) | 97.78% |

Appendix L

| | | | | |
|---|-------------------|-------------------|--------------------|---------------|
| Acquisition NSAP Properties | 1,499,250 | 862,527 | (636,723) | 57.53% |
| New Build Unallocated | - | - | 0 | 0.00% |
| | | | | |
| New Build Programme | 14,309,844 | 12,382,150 | (1,927,694) | 86.53% |
| <u>Total Housing Strategy & Investment Programme</u> | 14,309,844 | 12,382,150 | (1,927,694) | 86.53% |
| <u>Total Programmes</u> | 19,690,118 | 16,376,767 | (3,313,351) | 83.17% |

TFS Phase7 programme: progress at Q4 - 2020/2021

| Service | Summary of project | Dir. | Total savings in 2020/21 £000's | GF savings in 2020/21 £000's | HRA savings in 2020/21 £000's | Comments |
|---|--|------|---------------------------------|------------------------------|-------------------------------|--|
| ACTIONS COMPLETED AS OF END Q3 2020/21 | | | | | | |
| Waste/Street Cleansing Collection Contract | Agree an extension to current contract | DCE | 160 | 160 | 0 | Approved Exec Feb 2020 |
| Drill Hall Grant | Review payment of the current Drill Hall grant | DCE | 0 | 0 | 0 | Approved Exec Aug 2020 - savings from 2021/22 onwards |
| One Council review (Year one: 2020/21 | Review the way in which the council works – how, where, who and when | CX | 101 | 87 | 14 | Part of a programme of reviews, further work to be undertaken in 2021/22 |
| MFD/Post/Mobile Phones | Minimise use and maximise savings options within these service charges | DHI | 31 | 25 | 6 | Action Completed |
| Call Monitoring | Reduction in landline calling | DHI | 10 | 7 | 3 | Action Completed |
| Communities and Street scene (Waste | Remove annual contribution towards a countywide waste officer | DCE | 7 | 7 | 0 | Action Completed |
| Community Leadership & Sustainability | Replacement of community funds through social value element of contracts | DHI | 5 | 5 | 0 | Action Completed |
| Housing regeneration | Review of capital element of existing staffing costs | DCE | 66 | 66 | 0 | Action Completed |
| Property Management | Removal of vacant hours on this service (no longer required | CX | 22 | 19 | 3 | Action Completed |
| CX Work based Learning | Removal of vacant hours on this service (no longer required | CX | 14 | 14 | 0 | Action Completed |
| Human Resources & Payroll | Removal of vacant hours on this | CX | 6 | 4 | 2 | Action Completed |

Appendix M

| | | | | | | |
|--------------------------------------|--|-----|------------|------------|-----------|--|
| | service (no longer required | | | | | |
| Development Control | Removal of vacant hours on this service (no longer required | DCE | 33 | 33 | 0 | Action Completed |
| City Hall | Income levels achieved (higher than budgeted | CX | 11 | 10 | 1 | Action Completed |
| Your Lincoln electronic | Replace printed copies of Your Lincoln with an electronic version | CX | 8 | 6 | 2 | Action Completed |
| Bus station reception desk provision | Temporary contracts not renewed | CX | 20 | 11 | 9 | Action Completed |
| Managed Workspace | Removal of vacant post as a temporary measure in advance of ongoing consideration. | CX | 41 | 41 | 0 | To be further reviewed in 2021/22 for ongoing saving potential |
| CoLC Apprentices | Reduction in apprentices as a temporary measure in advance of a wider review of the service. | CX | 18 | 13 | 5 | To be further reviewed in 2021/22 for ongoing saving potential |
| CX Business Management | Removal of vacant hours on this service (no longer required | CX | 23 | 21 | 2 | Action Completed |
| Democratic Support | Removal of vacant hours on this service (no longer required | CX | 15 | 15 | 0 | Action Completed |
| Post Office Payment Cards | Reduce usage over time of post office payment cards | CX | 6 | 5 | 1 | Action Completed |
| Internal Audit | Removal of vacant hours on this service (no longer required, reduction in audit programme days. | CX | 9 | 7 | 2 | Action Completed |
| DCE Administration | Removal of vacant hours on this service (no longer required | DCE | 3 | 3 | 0 | Action Completed |
| TOTAL SAVINGS | | | 609 | 559 | 50 | |

