

SUBJECT: FINANCIAL PERFORMANCE – QUARTERLY MONITORING

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: COLLEEN WARREN, FINANCIAL SERVICES MANAGER

1. Purpose of Report

1.1 To present to PSC the third quarter's performance (up to 31st December), on the Council's:

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

And to seek approval for changes to both the revenue and capital programmes.

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

2. Executive Summary

2.1 This report covers the General Fund Revenue, Housing Revenue Account budgets and Investment Programmes for the current financial year.

2.2 Following the unprecedented impact of Covid19 on the Council's finances in 2020/21, budgets for 2021/22 were revised as part of the MTFS 2021-26 based on a number of assumptions around the speed and extent of the national and local recoveries particularly in relation to income budgets. Whilst in many cases these assumptions reflect the actual position to date and have in fact exceeded assumptions, there are still some areas where the rate of recovery is impacting adversely on the Council's finances. In addition, the impact of Covid19 is still being felt throughout the authority in relation to service delivery both in terms of backlogs of outstanding work but also due to the current economic operating conditions in terms of supply chain issues, escalating costs and availability of labour etc, whilst these issues are being addressed, they are likely to continue in the medium term and impact on the Council's finances. Close monitoring of the position and ongoing implementation of mitigating actions over quarter 4 will be key to ensuring the Council maintains a balanced budget position for 2021/22.

2.3 Based on a significant number of planning variables, as at the end of the third quarter (up to 31st December), the forecast financial position of the Council for 2021/22 is:

	2021/22		
	Budget £'000	Forecast @ Q3 £'000	Variance @ Q3 £'000
Revenue Accounts			
General Fund – Contribution to/(from) balances	(477)	(420)	(57)
Housing Revenue Account (HRA) (Surplus)/Deficit in year	15	(31)	(46)
Housing Repairs Service (HRS) (Surplus)/Deficit	0	717	717

Capital Programmes				
General Investment Programme		20,398	11,328	0
Housing Investment Programme		30,248	19,668	0

Reserves & Balances				
General Fund Balances		(2,193)	(2,250)	57
HRA Balances		(1,059)	(1,105)	46
HRS Balances		0	0	0
General Fund Earmarked Reserves		(12,384)	(7,375)	4,244
HRA Earmarked Reserves		(177)	(178)	(121)

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

3. General Fund Revenue Account

3.1 For 2021/22 the Council's net General Fund revenue budget was set at £978,410 including a planned contribution from balances of £477,240 (resulting in an estimated level of general balances at the year-end of £2,193,359, after allowing for the 2020/21 outturn position).

3.2 The General Fund Summary is currently projecting a forecast underspend of £57,063 (appendix A provides a forecast General Fund Summary), resulting in general balance at the year-end of £2,250,422.

- 3.3 There are a number of forecast year-end variations in income and expenditure against the approved budget, full details of the main variances are provided in Appendix B while the table below sets out the key variances:

	Forecast £'000
Potential pay award	150
Housing benefit under recovery of overpayments	50
Anticipated in year losses at Yarborough Leisure Centre	142
Proposed additional contribution to reserves for anticipated pressures in 22/23	721
Sales, Fees & Charges income gains	(564)
Government Grants (New Burdens, Test & Trace support)	(273)
Release of Contingencies	(155)
Increase Rent and Service Charge income	(84)
Net other variances	(44)
Overall forecast budget shortfall/(surplus)	(57)

- 3.4 The most significant of the forecast variations is in relation to fees and charges income which is currently forecasting an increase in income of £564,050. This increase has mainly arisen as a result of significant improvements, predominantly within car parking income, with a much quicker than anticipated recovery in quarter three following vastly reduced income levels in the first half of the year. In addition, there is a new income stream from the enforcement of Civil Penalty Notices on HiMO properties.

This increase includes additional income of £66,348, through the Government's Sales, Fees and Charges Income Compensation scheme which provided additional financial support for losses in quarter one only.

The significant improvement in the forecast position since quarter two demonstrates the high volatility of these income streams to the Council, it is therefore proposed that a proportion of this increase be contributed to an earmarked reserve to provide resilience in future years.

All key income budgets are monitored closely and reported to Corporate Management Team on a monthly basis. Officers are responding to, and will continue to do so through quarter 4, to identify and implement appropriate mitigations to ensure the budget remains balanced in 2021/22.

- 3.5 Although the forecast outturn for the General Fund is a surplus of £57,063 at this stage, the forecast outturn remains difficult to predict due to volatility, and uncertainty, particularly around income streams.

3.6 **Contributions to/from Earmarked Reserves**

Included in the forecast outturn underspend of £57,063 is the following proposed additional contributions (to)/from earmarked reserves:

Directorate	Reserve	Amount £
Contributions from Reserves:		
DHI	County Homelessness Partnership – payment of NKDC share of grant	12,270
Contributions to Reserves:		
DCE-ADCOMSS	Income Volatility Reserve – utilise in year over-achievement of income to support volatility of income streams in future years	(320,000)
DCE-ADHENV	YLC - fund to support ongoing impact of YLC pool closures	(200,000)
DCE-ADHENV	Domestic Abuse Grant – carry forward specific grant income in line with planned expenditure	(32,200)
DCE-ADHENV	LOEB Grant – balance of grant to support ongoing outbreak prevention in 22/23	(96,660)
DCE-ADHENV	HiMO Civil Penalty Notice Appeals – hold income on CPN's until potential appeals are concluded	(84,880)
	Total Contribution to Reserves:	(721,470)

- 3.7 PSC should be aware that the forecast underspend of £57,063 does not take into account any requested carry forwards. In addition to the above reserve movements, the following carry forward has been requested to be transferred into earmarked reserves to offset expenditure next financial year:

Directorate	Reason for Carry Forward	Amount £
DMD	The Terrace Roof Repairs – utilise in year underspends to fund R&M required in 22/23	(52,400)
	Total Contribution to Reserves:	(52,400)

- 3.8 The forecast outturn for the General Fund would therefore be an underspend of £4,663 if the above carry forward and the earmarked reserve requests were to be agreed.

PSC are asked to consider the proposed transfers to and from earmarked reserves and the proposed carry forward requests.

- 3.9 Further details of the General Fund earmarked reserves are set out in paragraph 6 and Appendix G.

3.10 Towards Financial Sustainability Programme

The savings target included in the MTFs for 2021/22 was £850,000. Progress against this target, based on quarter 3 performance shows that secured savings total £756,350. A summary of the specific reviews that have contributed to this target are shown in Appendix N.

4. Housing Revenue Account

- 4.1 For 2021/22 the Council's Housing Revenue Account (HRA) net revenue budget was set at a £14,910 use of balances, resulting in an estimated level of general balances at the year-end of £1,059,743, after allowing for the 2020/21 outturn position.
- 4.2 The HRA is currently projecting an in-year variance of a £31,226 underspend, which would increase the General Balances to £1,105,879 at the end of 2021/22.
- 4.3 There are a number of forecast year-end variations in income and expenditure against the approved budget, full details of the main variances are provided in Appendix D while the table below sets out the key variances:

	Forecast £'000
Reduced dwelling rent income for Affordable, Social Housing and Leases	370
Reduced income from Contracts	280
Increased utility and Council Tax charges	150
Reduced repairs and maintenance expenditure	(1,363)
HRS forecast deficit	717
Depreciation	715
Reduced MRR contribution	(715)
Net other variances	(185)
Overall forecast budget (surplus)/deficit	(31)

- 4.4 The financial pressures that the HRA is facing, and the HRS (set out further in section 5), is a direct result of the ongoing impacts of Covid19 and the current economic position in the UK.
- 4.5 The largest variance for HRA is the current forecast underspend on Repairs and Maintenance. This is due to the ongoing impact of Covid19 affecting the ability to carry out repairs, the current reduction in charges from HRS (detailed in section 5 below) and the lack of tradespeople to carry out the repairs required. HRA and HRS are working hard to address these issues and so this underspend may be reduced over the remainder of the year. In part this is offset by large overspend forecast by HRS due to a reduction in rechargeable works and inability to recover the overhead costs of HRS (details of which are contained within section 5.2).
- 4.6 In addition, there is forecast reduction in dwelling rental income of £370,814, this is due to increased voids, a reduction in leasing income and lost rents from RTB sales. Void properties are currently on the increase due to a lack of labour force in the HRS and as a result of the designated Voids contractor entering into administration at short notice leaving the service without a key resource to respond to growing void numbers. Void numbers have increased due to a

backlog created over the last 18 months as national restrictions were imposed. This has then been compounded by a high level of tenancies ending as a result of; people now seeking to move post pandemic, an unprecedented (sadly) number of deaths in Council properties and people leaving due to other more restrictive reasons such as being detained in prison by the courts. In addition, as a result of the successful bids for the Next Steps and Rough Sleeping Accommodation Programmes, the HRA has acquired a number of units of move accommodation across the city to alleviate the pressure on temporary accommodation and negate the use of bed and breakfast facilities. Whilst this has been successful and consequently saved the general fund huge costs the pressure has fallen on HRS to bring these units up to letting standards before they can be occupied. This has added to the numbers being managed through the void process. At budget setting voids are budgeted at 1% of the current housing stock, currently voids are closer to 1.4% of the current housing stock, this is an improvement on quarter 2 when voids were 1.7%.

4.7 Contributions to/from Earmarked Reserves

There are no further contribution (to)/from earmarked reserves requested as at quarter 3.

- 4.8 Further details of the HRA earmarked reserves are set out in paragraph 6 and Appendix G.

5. Housing Repairs Service

- 5.1 For 2021/22 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.

- 5.2 At quarter 3 HRS are forecasting a deficit of £716,516 in 2021/22 (Appendix E provides a forecast HRS Summary), with full details of the main variances provided in appendix F. This is an improvement on the forecast overspend of £811,418 estimated at quarter 2.

- 5.3 The main contributory factor for this deficit is the ongoing impact of Covid19. The loss of one of the main sub-contractors locally (due to administration) and the inability to recruit to the workforce is causing problems with repairs scheduling and void turnarounds. Repairs numbers are down, at a time of high demand, as a result lower recharges are being made to the HRA due to less work being carried out by the Council's workforce. Although the reduction in staffing costs offsets the reduction in income recharged to the HRA, the overhead cost of the repairs service, which is ordinarily charged in addition to the service hourly rate is not being recovered due to the reduction in internal jobs, this is creating the majority of the forecast overspend. In addition, to try and fill the productivity gap, local sub-contractors are being utilised however, they are struggling with the same labour shortages. Any contracts awarded to help alleviate the system are now at hugely inflated prices which reflects the sector as a whole. This use of more expensive subcontractors has increased costs which at this stage are not reflected in the service hourly rate and therefore also contributes to the forecast overspend.

5.4 The forecast overspend reflects the national position in relation the construction industry. A significant number of companies are going into liquidation for many reasons. This is putting huge pressure on the those remaining in the sector, contract prices are increasing significantly reflecting increasing material and labour costs. Qualified and skilled labour is becoming increasingly hard to recruit. Locally, as evidenced in recruitment, the Council is not immune from this environment and HRS are in a difficult “trading position”.

5.5 In response to the financial and service delivery challenges that the HRA/HRS are facing the Housing Management Team have instigated a range of measures aimed at combating the areas and issues that the Council has some control or influence over.

- Engaged four local subcontractors to support the void process
- Instigated different recruitment processes; advertising in different area and using different channels, offering fixed term and variable contracts as well as extolling the benefits of working on the public sector (sick pay, pensions, holiday entitlement, etc.)
- Looked that the data we have on why properties are becoming void to effectively see if we can slow the flow into the void system down.
- Seeking to invest in tenancy sustainment officers to help new tenants, particularly those from vulnerable groups, manage and effectively maintain their tenancy.
- Undertaken detailed analysis of what is driving the void process and now can look to head off any property entering the system if at all possible.
- Using the legal process to access properties where tenants have refused access for gas and electrical testing
- Sourced new contractors to pick up issues such as fire door upgrades that were left outstanding by our previous investment contractor.
- Increased communication in the local media making tenants and the wider public aware of the operating constraints we have.
- Worked with the LTP on messaging through their channels.
- Assessed uplifting recharge rates to reflect the higher construction sector.

In addition, a cross departmental short life working group has been established which is reporting to CMT monthly in order to review the mitigations being undertaken.

Many of the actions taken above have started to have an impact on these issues with the forecast overspend reducing by £94,872 since quarter 2. Work continues on these actions in order to manage in the year financial position. In addition, the budgets for 2022/23 have been revised to reflect some of the more longer-term and structural changes in HRA/HRS income and expenditure.

5.6 It should be noted that consequential costs in the HRA are also greatly reduced (as noted earlier in the report) and therefore financial picture for the directorate is not as unhealthy as the HRS position alone implies, with a forecast underspend anticipated in the HRA. Surpluses from HRS have been repatriated

to the HRA over the last few years and as such healthy reserves remain within the HRA. These reserves were increased at the end of last financial year to allow for HRS to catch up with any back log of repairs that had built up due to Covid19 restrictions.

6. Earmarked Reserves

6.1 The details of all the earmarked reserves and their forecast balance as at 31st March 2022 are attached in Appendix G. In summary:

	Opening Balance	Budgeted Contribution	Actuals Q1-Q3	Forecast Q4	Forecast Balance
	01/04/21				31/03/22
	£'000	£'000	£'000	£'000	£'000
General Fund	19,563	(11,619)	(578)	4,822	12,188
HRA	2,617	(57)	(121)	0	2,439
Capital Resources	22,423	(2,215)	10,595	(12,810)	20,208

7. Capital Programme

7.1 General Investment Programme

7.2 The revised General Investment Programme for 2021/22 amounted to £20.397m following Quarter 2 report. At quarter 3 the programme has decreased by £9.069m to £11.328m, as shown below:

	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000
Revised budget Quarter 2	20,397	7,080	1,872	683	500
Budget changes for approval	(9,069)	12,327	0	0	0
Revised Budget	11,328	19,407	1,872	683	500

7.3 The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. The following changes were approved by the Chief Finance Officer during this quarter.

	2021/22	2022/23
	£'000	£'000
Brayford Viewing Platform – scheme complete	(6)	0
Capital Contingency	(2)	8
Town's Deal – Lincoln Central Market and Vibrant Public Realm	(4)	

Allotments Asbestos Sheds - Reprofile	(34)	34
Compulsory Purchase Orders - Reprofile	(151)	151
Compulsory Purchase Orders - Reprofile	(82)	82
Infrastructure Upgrade - Reprofile	(4)	0
IT Reserve - Reprofile	(71)	75
Planned Capitalised Works- Reprofile	(130)	130
The Terrace Heat Mitigation Works - Reprofile	(247)	247
WGC Phase1a - Reprofile	(8,500)	8,500
Total schemes approved by CFO	(9,231)	9,227

7.4 All changes over the approved limit require approval by the Executive. There was one change requiring Executive approval for the third quarter resulting from notification of additional grant funding:

	2021/22
	£'000
Heritage Action Zone (HAZ) – Additional grant awarded by Historic England: £90,000 for the Barbican and £87,310 for the St Mary's Guildhall Scheme. This change also includes a £4,500 adjustment from Markets.	182

All new projects are subject to Executive approval. During the third quarter the following schemes were added to the GIP, having been considered by the Executive in the third quarter:

	2021/22	2022/23
	£'000	
New Telephony System – approved by Executive 13 th December 2021, funded through existing capital scheme underspend and direct revenue finance.	(20)	73
Local Authority Delivery (LAD) 3 Green Homes Grant – approved by Executive 25 th October 2021, fully funded by external grant.	0	2,203
Flood Alleviation Scheme Hartsholme Park – approved by Executive 17 th January, 2022 funded through prudential borrowing.	0	279
Total Schemes Approved by Executive in Quarter 3	(20)	2,555

In addition, there are two further new projects that require the approval of the Executive. These projects form part of the Local Authority Delivery Green Homes Scheme and result from additional funding awarded:

	2021/22	2022/23
	£'000	
Local Authority Delivery (LAD) 3 Green Homes Top Up Grant, in addition to scheme approved by Executive on 25 th October 2021.	0	440
Home Upgrade Grant (HUG) Scheme. This scheme is part of the LAD Energy Efficiency Award and is additional funding for rural areas that do not have gas	0	105
Total New Schemes to be Approved by Executive	0	545

7.5 The table in 7.7 provides a summary of the projected outturn position for the General Investment Programme.

7.6 The overall cumulative spending on the General Investment Programme for the third quarter of 21/22 is £4.131m, which is 36.47% of the 2021/22 programme and 36.47% of the active programme. This is detailed further at Appendix J.

Although this is a low percentage of expenditure at this stage of the financial year, further expenditure is expected on all schemes showing an underspend in Appendix J.

7.7 General Investment Programme projected outturn

	2021-22 Budget following Q2 report	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000
Active Programme				
Housing & Investment	320	320	320	0
Communities & Environment	5,562	5,744	5,744	0
Chief Executive	1,041	601	1,041	0
Major Developments	11,806	3,301	3,301	0
Externally Delivered Towns Fund Schemes	1,362	1,362	1,362	0
Total Active Schemes	20,091	11,328	11,328	0
Schemes on Hold/Contingencies	306	0	0	0
Total Capital Programme	20,397	11,328	11,328	0

7.8 Housing Investment Programme

7.9 The Housing Investment Programme for 2021/22 following the Quarter 2 report amounted to £30.248m. This has been further adjusted to £19.668m during the third quarter of 2021/22. A summary of the changes are shown below:

	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000
Revised budget following Q2 Report	30,248	18,959	12,918	10,802	11,328
Budget changes to be approved during Q3	(10,580)	2,762	0	1,871	0
Revised Budget	19,668	21,721	12,918	12,673	11,328

7.10 The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. The following changes were approved by the Chief Finance Officer during this quarter.

Project Name	2021/22 Budget following Q2	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from) future years
	£'000	£'000	£'000	£'000
Decent Homes				
Kitchen Improvements	50	(35)	15	35
Re-roofing	20	(10)	10	10
Re-wiring	50	(15)	35	15
Structural Defects	10	(10)	0	10
Fire Doors	48	(43)	5	43
New Services	30	(5)	25	0
Other				
2 Gunby Avenue	3	(3)	0	0
Communal Electrics	37	(27)	10	0
Garages	44	(19)	25	19
Communal TV Aerials	10	(5)	5	0
Total	302	(172)	130	132

7.11 All changes over the approved limit require approval by the Executive. The following changes require Executive approval for the third quarter:

Project Name	2021/22 Budget following Q2	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from) future years
Decent Homes				
Door Replacement	750	(150)	600	150
Other				

Environmental Works	248	(198)	50	0
HRA Assets– Shops/Buildings	60	(60)	0	60
Health and Safety				
Replacement Door Entry Systems	94	(69)	25	69
Other Schemes				
Housing Support Services Computer Fund	180	(130)	50	130
Infrastructure Upgrade	252	(252)	0	166
Contingency Schemes				
Contingency Reserve	4,209	(3,992)	218	0
Land Acquisition				
Land Acquisition Fund	95	(95)	0	0
Housing New Build				
New Build Programme	1,203	(1,203)	0	0
De Wint Court	9,127	(2,000)	7,127	0
Western Growth Corridor	1,260	(1,000)	260	1,000
Property Acquisitions	2,339	76	2,415	0
Rough Sleepers Accommodation Project	1,619	(1,339)	280	0
Total budget movements to be approved by Executive	21,436	(10,412)	11,024	1,575

7.12 All new projects are subject to Executive approval. During the third quarter the following scheme was added to the HIP, having been considered by the Executive during the quarter;

	2021/22	2022/23
	£'000	£'000
New Telephony System – approved by Executive 13 th December 2021, funded through existing HIP budget allocation	4	81
	4	81

7.13 The table below provides a summary of the 2021/22 projected outturn position:

	2021/22 Budget Following Q2 Report	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000
Decent Homes/ Lincoln Standard	4,834	4,566	4,566	0
Health and Safety	507	438	438	0

Contingent Major Repairs/ Works	4,210	218	218	0
New Build Programme	19,640	14,173	14,173	0
Land Acquisition Fund	95	0	0	0
Other Schemes	450	137	137	0
Computer Fund	513	136	136	0
Total Capital Programme	30,248	19,668	19,668	0

- 7.14 Expenditure against the HIP budget to the third quarter was £9.472m, which is 48.17% of the revised programme. A further £0.92m has been spent as at the end of January 2022. The expenditure is detailed further at Appendix L.

Although this is a lower percentage than would be expected at this stage of the financial year, works have been constrained by the ongoing issues arising during the Covid19 pandemic and the availability of contractors to carry out works to properties following the cessation of the planned maintenance contract.

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 2021/22 in order that we can continue to deliver services in support of Vision 2025.

9. Resource Implications

- 9.1 General Balances, on both the General Fund and HRA, are the only resource not ear-marked to a particular future need. The prudent minimum level of balance that should be maintained on the General Fund is between £1.5m-£2m and £1m-£1.5m on the HRA. Based on the latest forecasts of income and expenditure and measures to be applied the level of balances in 2021/22 for the General Fund and the HRA will be maintained within these ranges.

Although the primary focus of this report has been to set out the financial variances being faced in the current financial year, beyond 2021/22 the Council still faces significant financial challenges. Ongoing reductions in resources and increased service costs from the legacy of impacts of Covid19 require ongoing reductions in the net cost base if the Council is to live within a significantly reduced resources envelope. The MTFs 2022-2027, to be considered by Full Council on 1st March 2022 sets out the financial challenges 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

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

10. Risk Implications

- 10.1 A full financial risk assessment is included in the Medium Financial Strategy 2021-26.

11. Recommendations

PSC are recommended to:

- 11.1 Review the financial performance for the period 1st April to 31st December 2021, and the projected outturns for 2021/22.
- 11.2 Note the underlying impact of the pressures and underspends identified in paragraphs 3.3 (and appendix B), 4.3 (and appendix D), and 5.2 (and appendix F).
- 11.3 Review the proposed contributions (to)/from earmarked reserves as set out in paragraph 3.6 and proposed carry forward request as set out in paragraph 3.7.
- 11.4 Review the changes made by the Executive/to be approved by the Executive to the General Investment Programme and the Housing Investment Programme as detailed in paragraphs 7.4, 7.11 and 7.12.
- 11.5 Consider any specific recommendations to be referred to Executive when considering this report.

Is this a key decision?

Yes

Do the exempt information categories apply?

No

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

No

How many appendices does the report contain?

Fourteen

List of Background Papers:

MTFS 2021-2026

Lead Officer:

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GENERAL FUND SUMMARY - AS AT 31 DECEMBER 2021

Service Area	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Strategic Development	A	1,986	1,971	(15)
Chief Finance Officer (S. 151)	B	(498)	(549)	(51)
City Solicitor	C	1,566	1,494	(72)
Housing	D	494	505	11
Director of Major Developments	F	285	207	(78)
Communities and Street Scene	G	4,599	4,548	(51)
Health & Environmental Services	H	128	186	58
Planning	I	927	820	(106)
		9,488	9,183	(305)
Corporate Expenditure	J	2,070	1,974	(96)
TOTAL SERVICE EXPENDITURE		11,558	11,158	(401)
Capital Accounting Adjustment	K	3,170	3,170	0
Specific Grants	L	(1,320)	(1,320)	0
Contingencies	M	(17)	127	144
Savings Targets	N	(94)	(94)	0
Earmarked Reserves	O	(11,364)	(7,375)	3,989
Insurance Reserve	P	(478)	(478)	0
TOTAL EXPENDITURE		1,456	5,188	3,732
CONTRIBUTION FROM BALANCES		(477)	(420)	57
NET REQUIREMENT		978	4,768	3,789
Retained Business Rates Income	Q	5,143	8,932	3,789
<i>Tariff</i>	R	0	0	0
<i>Section 31 grant</i>	S	0	0	0
<i>Levy</i>	T	0	0	0
Collection Fund surplus/ (deficit)	U	(11,143)	(11,143)	0
Revenue Support Grant	V	23	23	0
Council Tax	W	6,956	6,956	0
TOTAL RESOURCES		978	4,768	3,789

General Fund Forecast Variances - Quarter 3

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

Ref	<u>Additional Expenditure</u>	£	Reason for variance
A	Call Monitoring	28,640	Additional telephone systems resulting from current working from home arrangements.
B	Revenues Local Taxation	27,923	Additional costs related to the Empty Homes Review (compensated by additional grant income through the New Homes Bonus in 2022/23).
B	Benefits	28,305	Additional overtime costs for administration of Test and Trace payments (offset by additional grant).
D	Homeless Bed & Breakfast	39,081	Additional costs of unrecoverable Bed & Breakfast expenditure due to increased costs of accommodation.
D	Control Centre	35,134	Additional costs due to supplying digital equipment rather than analogue as a result of Covid restrictions.
F	Car Parks	65,400	Additional costs on overtime, equipment maintenance and deep cleaning at Central car park.
G	Other Housing Issues	72,330	Administrative costs associated with Civil Penalty Notices on HiMO properties.
G	Yarborough Leisure Centre	142,000	Estimated losses as a result of pool closure.
H	Development Control	25,000	Court fees incurred as a result of a planning challenge, less compensation received.
L	Pay Award	150,000	The 2021/22 budget assumed an in year pay freeze in line with the Government Autumn Statement that public sector pay would face a pay freeze. Although the local government pay award has not been agreed a pay increase is now currently forecasted.
M	Vacancy Savings Target	151,500	Vacancy savings target, offset by savings in service areas.

Ref		£	Reason for variance
N	Earmarked Reserves	200,000	Proposed contribution to reserve for anticipated income losses at Yarborough Leisure Centre in 22/23.
<u>Reduced Income</u>			
B	Council Tax	30,533	Reduction in anticipated court cost income as a result of reduced court dates due to covid restrictions.
B	Housing Benefits	50,000	Anticipated reduction in overpayments funded through housing subsidy due to overall reduction in overpayments raised and improved collection of arrears.
B	Housing Benefits	40,816	Funding allocation shortfall, offset by additional New Burdens funding below.
C	CX Work Based Learning	48,010	Reduced income through national scheme due to lower apprentice numbers during Covid19.
E	Managed Workspace	29,620	Deficit on MWS contract following end of existing contract.
G	Xmas Market	71,082	Anticipated shortfall in income from stallholders and park and ride.
G	Community Centre	38,630	Loss of income due to closure of centres due to Covid restrictions during quarter one.
N	Earmarked Reserves	404,880	Proposed transfers to Earmarked reserves for Car Parking Income Volatility and HiMO CPN Appeals.
<u>Reduced Expenditure</u>			
A	Business Dev & IT Manager	(68,020)	Vacancy savings after proposed contribution towards the One Council savings target.
C	CoLC Apprentices	(100,790)	Underspend, after agreed contribution to TFS, as a result of a reduced number of Apprentices in year due to ongoing impact of Covid19.
D	Housing Solutions	(42,060)	Vacancy savings offset against corporate vacancy savings target.
E	DMD Director	(37,550)	Vacancy savings offset against corporate vacancy savings target.
E	The Terrace	(37,780)	Vacancy savings, proposed for carry forward for future years maintenance works.

Ref		£	Reason for variance
E	Major Development Team	(51,360)	Vacancy savings plus underspends on supplies and services, predominantly Consultancy fees.
F	Car Parks	(48,740)	Underspend on specialist maintenance and electric requirements due to reduced car park usage.
F	Bus Station	(45,630)	Underspend on repairs & maintenance and cleaning
G	Health and Safety	(35,888)	Vacancy savings and Outbreak Prevention recharges, offset against corporate vacancy savings target.
G	Food Health and Safety	(84,364)	Vacancy savings and Outbreak Prevention recharges, offset against corporate vacancy savings target.
G	Housing Regeneration	(27,584)	Vacancy savings offset against corporate vacancy savings target.
M	Covid Mitigation	(154,900)	Contingency budget set aside to mitigate in year pressures resulting from in-year impacts of Covid19 on the local recovery.

Additional Income

B	Test & Trace Support	(133,524)	New Burdens funding to compensate for work associated with administering the Test & Trace Support Payment grants.
B	Benefits	(76,358)	Additional New Burdens funding including HBAA, VEP and Welfare Reform.
B	City Hall	(44,150)	Increased income as a result of in year rent and service charges reviews.
B	Lincoln Properties	(40,331)	Increased income as a result of in year rent reviews.
F	Car Parks	(402,410)	Overachievement on Car Parking income as a result of easing of covid restrictions.
G	Other Housing Issues	(84,880)	Income related to Civil Penalty Notices on HiMO properties.
G	Visitor Information Centre	(34,840)	Anticipated over-achievement of income due to increased visitors throughout summer and over the festive period.
H	Development Control	(140,800)	Additional income from major applications received in year, less reduction in SFC Income Compensation.

Ref		£	Reason for variance
I	Covid 19 Business Grants	(104,000)	New Burdens funding to compensate for work associated with administering Business Rate Support grants.

Appendix C

HOUSING REVENUE ACCOUNT FUND SUMMARY - AS AT 31 DECEMBER 2021

	Ref	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
Gross Rental Income	A	(29,433)	(28,918)	515
Charges for Services & Facilities	B	(312)	(304)	8
Contribution towards Expenditure	C	(50)	(11)	39
Supervision & Management Income	D	(912)	(749)	162
Repairs Account Income	D2	0	(9)	(9)
Repairs & Maintenance	E	9,574	8,211	(1,363)
Supervision & Management: Expenditure	F	8,049	7,799	(250)
Rents, Rates and Other Premises	G	334	484	150
Increase in Bad Debt Provisions	H	305	305	0
Insurance Claims Contingency	I	164	164	0
Contingencies	J	(24)	(24)	0
Depreciation	K	6,735	7,450	715
Debt Management Expenses	L	12	12	0
HRS Trading (Surplus) / Deficit	M	0	717	717
Net Cost of Service	M	(5,558)	(4,873)	685
Loan Charges Interest	O	2,650	2,650	0
Investment/Mortgage Interest	-P	(20)	(21)	(1)
Net Operating Inc/Exp		(2,928)	(2,244)	684
Major Repairs Reserve Adjustment	Q	3,042	2,327	(715)
Transfers to/from reserves	R	(92)	(92)	0
(Surplus)/Deficit in Year		22	(9)	(31)

Housing Revenue Account Variances - Quarter 3

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

Ref		£	Reason for variance
<u>Reduced Expenditure</u>			
F	Supervision & Management	(342,308)	Staff vacancies across HRA.
T	Major Repairs Reserve Adjustment	(715,030)	Reduced DRF contribution following revaluation of Council's Housing Stock and subsequent increase in depreciation charge (offset below).
E	Repairs & Maintenance	(1,577,247)	Reduced expenditure on minor works, responsive repairs, voids and external decoration due to Covid19 and current impacts within HRS.
<u>Increased Expenditure</u>			
L	HRS Trading Deficit	716,516	Estimated deficit position for HRS (refer to HRS vacancies).
G	Rent, Rates and Other Premises	149,687	Increased costs for Amenity and Footpath lighting & void Council Tax charge.
E	Repairs & Maintenance	213,560	Increase in expenditure due to HRA electrical testing, skip charges & works to improve community assets.
A	Gross Rental Income	56,555	Payment to HMRC for previous financial years understated private garage rent VAT.
F	Supervision & Management	80,000	Overspend on work on void properties in relation to property clearance.
K	Depreciation	715,030	Increase in depreciation charge within financial year post valuation of Council's Housing Stock (offset above).
<u>Reduced Income</u>			

Ref		£	Reason for variance
A	Gross Rental Income	296,908	Reduction of rental income predominantly due to large number of voids within financial year, and reduction of houses from Housing Stock due to RTB sales, decants to De Wint Court.
C	Contributions towards Expenditure	39,007	Court income reduction due to courts being closed due to Covid19.
D	Supervision & Management	280,000	Lower than budgeted 5% admin fee income for invoice processing – predominantly due to loss of contractor, and reduction of contracted works.
<u>Increased Income</u>			
D	Supervision & Management	(40,000)	Additional income from Garden Voids income.

HOUSING REPAIRS SERVICE SUMMARY - AS AT 31 DECEMBER 2021

	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000
Employees	3,351	2,963	(388)
Premises	55	109	54
Transport	333	333	0
Materials	1,415	1,087	(328)
Sub-Contractors	1,969	2,823	854
Supplies & Services	272	328	56
Central Support Charges	572	572	0
Capital Charges	0	0	0
Total Expenditure	7,967	8,216	249
Income	(7,965)	(7,499)	465
(Surplus)/Deficit	3	717	714

Housing Repairs Service Variances - Quarter 3

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

	£	Reason for Variance
<u>Reduced Expenditure</u>		
Employee Costs	(387,709)	Operative/labourer vacancies, due to current market conditions recruitment to posts has been difficult.
Supplies & Services	(328,400)	Reduction in use of direct materials due to fewer jobs being carried out.
<u>Increased Expenditure</u>		
Supplies & Services	854,058	Additional use of sub-contractors due to current vacancies and the conclusion of the Planned Maintenance contract.
<u>Reduced Income</u>		
Premises	54,082	Reduced rental income for Hamilton House due to the conclusion of Planned Maintenance contract.
Income	465,347	Reduction in income due to a reduction of jobs carried out by CoL operatives and a backlog of jobs due to contractor going into administration. (see paragraph 5.3)

EARMARKED RESERVES – Q3 MONITORING 2021/22

GENERAL FUND	Revised Opening Budget	Budgeted Contribn	Actuals Q1-Q3	Forecast Q4	Closing Balance
Grants & Contributions	1,385	(71)	(69)	584	1,829
Carry Forwards	482	(49)	(43)	(21)	369
Active Nation Bond	180	0	0	200	380
AGP Sinking Fund	2	0	0	41	43
Air Quality Initiatives	11	6	0	0	16
Asset Improvement	0	0	0	0	0
Backdated rent review	0	0	0	0	0
Birchwood Leisure Centre	46	0	0	20	66
Boston Audit Contract	0	0	0	0	0
Business Rates Volatility	13,376	(11,666)	0	3,789	5,499
Christmas Decorations	14	0	0	0	14
City Hall Sinking Fund	60	0	0	0	60
Commons Parking	20	0	0	(20)	0
Corporate Training	60	0	0	0	60
Council Tax Hardship Fund	531	0	0	0	531
Covid-19 Recovery	1,047	0	0	0	1,047
Covid-19 Response	354	0	0	0	354
DRF Unused	341	(129)	(9)	0	202
Electric Van replacement	19	4	0	0	24
Funding for Strategic Priorities	174	(85)	0	0	89
HiMO CPN Appeals	0	0	0	85	85
Income Volatility Reserve	0	0	0	320	320
Invest to Save (GF)	453	15	(319)	(98)	52
IT Reserve	124	28	0	26	178
Lincoln Lottery	9	0	0	0	9
Mayoral car	27	0	0	0	27
Mercury Abatement	317	(317)	0	0	0
MSCP & Bus Station Sinking Fund	60	44	0	0	104
Organisational Development	0	0	0	0	0
Private Sector Stock Condition Survey	27	12	0	0	39
Property Searches	0	0	0	0	0
Revenues & Benefits shared service	0	0	0	0	0
Section 106 interest	32	0	0	0	32
Strategic Growth Reserve	17	0	0	0	17
Strategic Projects - revenue costs	2	0	(2)	0	0
Tank Memorial	10	0	0	0	10
Tree Risk Assessment	97	20	0	(37)	81
Vision 2025	204	568	(136)	(11)	626
WGC Planning	80	0	0	(57)	23
Yarborough Leisure Centre	0	0	0	0	0
	19,563	(11,619)	(578)	4,822	12,188

Appendix G

HRA	Closing Balance	Budgeted Contribn	Actuals Q1-Q3	Forecast Q4	Closing Balance
Capital Fees Equalisation Reserve	110	0	0	0	110
De Wint Court Reserve	73	0	0	0	73
Housing Business Plan Reserve (NEW)	0	77	0	0	77
Housing Repairs Service	126	0	0	0	126
HRA DRF	0	0	0	0	0
HRA Repairs Account	1,351	0	0	0	1,351
HRA Strategic Priority Reserve	722	(57)	(95)	0	571
HRA Survey Works	54	(54)	0	0	0
Invest to Save (HRA)	133	0	(26)	0	106
Stock Retention Strategy	22	(22)	0	0	0
Strategic Growth Reserve	26	0	0	0	26
	2,617	(57)	(121)	0	2,439
Total Earmarked Reserves	22,180	(11,676)	(699)	4,822	14,628

CAPITAL RESOURCES – Q3 MONITORING 2021/22

	Opening balance £'000	Adj to Opening balance £'000	Contributions £'000	Used in financing £'000	Forecast balance 31/03/2022 £'000
Capital Grants/Contributions	3,773	-	10,058	(13,831)	0
Capital receipts General Fund	623	-	30	(623)	30
Capital receipts HRA	1,674	-	1,000	(322)	2,352
Capital receipts 1-4-1	2,214	-	677	(983)	1,908
Major Repairs Reserve	7,763	-	7,450	(5,494)	9,719
HRA DRF	6,661	(285)	3,042	(3,219)	6,199
Total Capital Resources	22,708	(285)	22,257	(24,322)	20,208
As the contributions for 1:4:1 receipts depend upon levels of RTB sales, no budget is set for these receipts. Currently the HIP has schemes planned to facilitate use of all 1:4:1 receipts with no repayment required in 21/22.					

General Investment Programme – Summary of Financial Changes

	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000
Revised budget following Q2 Report	20,397	7,080	1,872	683	500
Budget changes at Q3	(9,069)	12,327	0	0	0
Revised Budget	11,328	19,407	1,872	683	500
Approved by Chief Finance Officer					
Allotments Asbestos Sheds	(34)	34	0	0	0
Brayford Viewing Platform	(6)	0	0	0	0
Capital Contingencies	(2)	8	0	0	0
Infrastructure Upgrade	(4)	0	0	0	0
Town's Deal – Lincoln Central Market and Vibrant Public Realm	(4)	0	0	0	0
Compulsory Purchase Orders	(151)	151	0	0	0
Planned Capitalised Works	(130)	130	0	0	0
IT Reserve	(71)	75	0	0	0
Compulsory Purchase Orders	(82)	82	0	0	0
The Terrace Heat Mitigation Works	(247)	247	0	0	0
WGC Pre-planning	(8,500)	8,500	0	0	0
Approved During the quarter by Executive					
Flood Alleviation Scheme	0	279	0	0	0
LAD 3 – Green Homes Grant Local Authority Delivery Scheme	0	2,203	0	0	0
New Telephony System	(20)	73			
For Approval by Executive:					
Heritage Action Zone	182	0	0	0	0
Home Upgrade Grant	0	105	0	0	0
LAD 3 – Top up BEIS	0	440	0	0	0
Total changes	(9,069)	12,327	0	0	0

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

Scheme	Revised Budget following Q2 report	Budget to be approved	Actuals as at Q3	Variance	Spend
	£	£	£	£	%
ACTIVE SCHEMES					
DCE (Communities & Environment)					
Disabled Facilities Grant	1,849,085	1,849,085	446,931	(1,402,154)	24%
Artificial Grass Pitches (AGP)	88,307	88,307	0	(88,307)	0%
New Software (Crem)	2,250	2,250	0	(2,250)	0%
Crematorium	2,487,550	2,487,550	2,260,462	(227,088)	91%
Whittons Park Play Area	130,000	130,000	0	(130,000)	0%
	4,557,192	4,557,192	2,707,393	(1,849,799)	59%
DCE (Community Services)					
Flood alleviation scheme (Hartsholme Park)	55,415	55,415	2,150	(53,265)	4%
Boultham Park Masterplan	49,700	49,700	9,130	(40,570)	18%
Boultham Park Lake	272,306	272,306	343,230	70,924	126%
Car Park Ticket Machines	0	0	(6,200)	(6,200)	0%
Car Park Improvements (CCTV in MSCPs)	6,142	6,142	4,808	(1,334)	78%
EV Charging Points	43,982	43,982	26,389	(17,593)	60%
Traveller deterrent	30,000	30,000	2,499	(27,501)	8%
Safer Streets	184,126	184,126	0	(184,126)	0%
	641,671	641,671	382,006	(259,665)	60%

Appendix J

Scheme	Revised Budget following Q2 report	Budget to be approved	Actuals as at Q3	Variance	Spend
	£	£	£	£	%
DCE (Planning)					
Heritage Action Zone	254,505	436,315	65,078	(371,237)	15%
St Mary's Guildhall	109,000	109,000	20,673	(88,327)	19%
	363,505	545,315	85,751	(459,564)	23%
DCE Total	5,562,368	5,744,178	3,175,150	(2,569,028)	55%
General Fund Housing					
Housing Renewal Area Unallocated	320,152	320,152	-	(320,152)	0%
	320,152	320,152	-	(320,152)	0%
Major Developments					
LAD 2 Green Homes	479,600	479,600		(479,600)	0%
Lincoln Transport HUB	-	-	(59,202)	(59,202)	0%
Central Markets	163,383	163,383	395	(162,988)	0%
Western Growth Corridor (Phase 1a)	9,339,303	839,303	154,015	(685,288)	18%
Towns Fund	169,010	169,010	452,353	283,343	268%
Lincoln Central Market & Vibrancy Project	1,654,533	1,650,033	244,671	(1,405,362)	15%
Towns Deal Programme Management	-	-	51,237	51,237	0%
Externally delivered Town's Fund Schemes					
Lincoln City FC and Foundation	300,000	300,000	-	(300,000)	0%
Drill Hall	1,000,000	1,000,000	-	(1,000,000)	0%
Wigford Way	29,000	29,000	-	(29,000)	0%
Sincil Bank	33,000	33,000	-	(33,000)	0%
	13,167,829	4,663,329	843,469	(3,819,860)	18%

Appendix J

Scheme	Revised Budget following Q2 report	Budget to be approved	Actuals as at Q3	Variance	Spend
Chief Executives (Corporate Policy)					
New Telephony System	24,099	4,000	-	(4,000)	0%
Infrastructure Upgrade	3,772	-	-	-	0%
	27,871	4,000	-	(4,000)	0%
Chief Executives (Chief Finance Officer)					
Planned Capitalised Works	187,541	57,541	11,125	(46,416)	19%
Allotments Asbestos Sheds	33,795	-	-	-	0%
City Hall Improvements	-	-	-	-	0%
Guildhall Works	17,630	17,630	-	(17,630)	0%
Stamp End Demolition	139,400	139,400	-	(139,400)	0%
Greyfriars Roof Improvements	4,050	4,050	-	(4,050)	0%
City Hall 3rd Floor Fire Works	0	0	-	0	0%
Guildhall	0	0	-	0	0%
Michaelgate Structural Works	2,283	2,283	-	(2,283)	0%
Play Area Surfacing Works	21,446	21,446	-	(21,446)	0%
Long Leys Road Drainage	10,438	10,438	7,163	(3,275)	69%
YLC Diving Boards	39,825	39,825	-	(39,825)	0%
The Terrace	0	0	(2,712)	(2,712)	0%
The Terrace Heat Mitigation Works	246,547	-	-	-	0%
Brayford Viewing Platform	8,246	2,500	1,484	(1,016)	59%
Greyfriars	174,317	174,317	95,364	(78,953)	55%
Monks Abbey Bowls Pavilions External Works	11,125	11,125	-	(11,125)	0%
Guildhall Walkway/ Access Improvements.	11,959	11,959	-	(11,959)	0%
Grandstand Terracing Improvements	15,000	15,000	-	(15,000)	0%

Appendix J

Scheme	Revised Budget following Q2 report	Budget to be approved	Actuals as at Q3	Variance	Spend
West Common External Rendering Improvements	4,980	4,980	-	(4,980)	0%
City Hall Lightning Protection	6,104	6,104	-	(6,104)	0%
High Bridge Cafe	50,000	50,000	-	(50,000)	0%
Broadgate Fire Alarm	7,545	7,545	-	(7,545)	0%
St Nicholas Church Wall	11,125	11,125	-	(11,125)	0%
Canwick Road Cemetery Railings	9,500	9,500	-	(9,500)	0%
	1,012,856	596,768	112,424	(484,344)	19%
TOTAL BUDGET FOR ACTIVE SCHEMES	20,091,076	11,328,427	4,131,043	(7,197,384)	36%
Schemes Currently Under Review					
Capital Contingencies	2,424	-	-	-	0%
IT Reserve	70,562	-	-	-	0%
Compulsory Purchase Orders	233,481	-	-	-	0%
	306,467	-	-	-	0%
TOTAL GENERAL INVESTMENT PROGRAMME	20,397,542	11,328,427	4,131,043	(7,197,384)	36%

Housing Investment Programme – New Build/Acquisitions Programme– Summary of Financial Changes

Project Name	2021/22 MTFS Budget Following Q2 report	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from) future years
Unallocated new build budget	1,203,265	(1,203,265)	0	1,203,265
New Build Programme 60% Match funding	0	0	0	(53,025)
New Build Programme (141 eligible)	0	0	0	(22,725)
New Build Capital Salaries	42,416	0	42,416	0
New Build (De Wint Court)	9,126,588	(2,000,000)	7,126,588	0
New Build (Searby Road)	62,497	0	62,497	0
Western Growth Corridor	1,259,766	(1,000,000)	259,766	1,000,000
New Build (QER)	26,761	0	26,761	0
Rookery Lane	3,369,420	0	3,369,420	0
Next Steps Accommodation Project	591,105	0	591,105	0
Property Acquisitions	2,338,689	75,750	2,414,439	0
Rough Sleepers Accommodation Project	1,619,250	(1,338,793)	280,457	0
New Build Programme	19,639,757	(5,466,308)	14,173,449	2,127,515
Land Acquisition				
Land Acquisition fund	94,689	(94,689)	0	94,689
Land Acquisition	94,689	(94,689)	0	0
Total New Build/Acquisitions	19,734,446	(5,560,997)	14,173,449	2,222,204

Housing Investment Programme – Decent Homes– Summary of Financial Changes

Project Name	2021/22 MTFS Budget Following Q2 Report	Budget increase/ (reduction)	Budget to be Approved	Reprofile to/(from)future years
	£	£	£	£
<u>Decent Homes</u>				
Bathrooms & WC's	15,000	0	15,000	0
DH Central Heating Upgrades	2,060,491	0	2,060,491	0
Thermal Comfort Works	0	0	0	0
Kitchen Improvements	50,000	(35,000)	15,000	35,000
Rewiring	50,000	(15,000)	35,000	15,000
Reroofing	20,000	(10,000)	10,000	10,000
Lincoln Standard Windows Replacement	295,159	0	295,159	0
Structural Defects	10,000	(10,000)	0	10,000
Door Replacement	750,000	(150,000)	600,000	150,000
New services	30,000	(5,000)	25,000	0
Void Capitalised Works	1,500,000	0	1,500,000	0
Fire doors	47,879	(42,879)	5,000	42,879
Fire compartment works	0	0	0	0
Total Decent Homes	4,828,529	(267,879)	4,560,650	262,879
<u>Lincoln Standard</u>				
Over bath showers (10(year programme)	5,000	0	5,000	0
Total Lincoln Standard	5,000	0	5,000	0
<u>Health & Safety</u>				
Asbestos Removal	195,850	0	195,850	0
Asbestos Surveys	167,640	0	167,640	0

Appendix L

Replacement Door Entry Systems	93,740	(68,740)	25,000	68,740
Renew stair structure	10,000	0	10,000	0
Fire Alarms	40,000	0	40,000	0
Total Health & Safety	507,230	(68,740)	438,490	68,740
Other				
Environmental new works	248,293	(198,293)	50,000	198,293
Gunby Avenue	3,333	(3,333)	0	0
Communal Electrics	37,469	(27,469)	10,000	27,469
Garages	44,409	(19,409)	25,000	19,409
HRA Assets (Shops/Buildings)	60,094	(60,094)	0	60,094
CCTV	46,685	0	46,685	0
Communal TV Aerials	10,000	(5,000)	5,000	5,000
Total Other	450,283	(313,598)	136,685	310,265
Contingency Schemes				
Contingency Reserve	4,209,563	(3,991,667)	217,896	0
Total Contingency Schemes	4,209,563	(3,991,667)	217,896	0
Other Schemes				
Housing Support Services Computer Fund	179,602	(129,602)	50,000	129,602
Infrastructure Upgrade	251,633	(251,633)	0	166,383
Operation Rose	81,769	0	81,769	0
Telephony	0	4,000	4,000	81,250
Total Other Schemes	513,004	(377,235)	135,769	377,235
Total Housing Investment	10,513,608	(5,019,119)	5,494,489	1,019,119

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

Housing Investment						
Project Name	2021/22 Budget following Q2 report	Q3 Budget Changes	Revised Budget	Actual expenditure as at Q3	Variance	% Spend
Decent Homes						
Bathrooms & WC's	15,000	0	15,000	(4,447)	(19,447)	0%
DH Central Heating Upgrades	2,060,491	0	2,060,491	1,130,132	(930,359)	55%
Thermal Comfort Works	0	0	0	(822)	(822)	0%
Kitchen Improvements	50,000	(35,000)	15,000	(15,833)	(30,833)	0%
Rewiring	50,000	(15,000)	35,000	21,940	(13,060)	63%
Reroofing	20,000	(10,000)	10,000	(2,290)	(12,290)	0%
Lincoln Standard Windows Replacement	295,159	0	295,159	(1,846)	(297,005)	0%
Structural Defects	10,000	(10,000)	0	(177)	(177)	0%
Door Replacement	750,000	(150,000)	600,000	38,673	(561,327)	6%
New services	30,000	(5,000)	25,000	5,550	(19,450)	22%
Void Capitalised Works	1,500,000	0	1,500,000	322,256	(1,177,743)	21%
Fire Doors	47,879	(42,879)	5,000	(1,499)	(6,499)	0%
Fire Compartment Works	0	0	0	(1,915)	(1,915)	0%
Total Decent Homes	4,828,529	(267,879)	4,560,650	1,489,722	(3,070,928)	33%
Lincoln Standard						
Over bath showers (10 year programme)	5,000	0	5,000	(585)	(5,585)	0%
Total Lincoln Standard	5,000	0	5,000	(585)	(5,585)	0%

Appendix M

Health & Safety						
Asbestos Removal	195,850	0	195,850	66,593	(129,257)	34 %
Asbestos Surveys	167,640	0	167,640	39,254	(128,386)	23%
Replacement Door Entry Systems	93,740	(68,740)	25,000	0	(25,000)	0%
Renew stair structure	10,000	0	10,000	0	(10,000)	0%
Fire Alarms	40,000	0	40,000	33,309	(6,691)	83%
Total Health & Safety	507,230	(68,740)	438,490	139,156	(299,334)	32%
Other						
Environmental works	248,293	(198,293)	50,000	(697)	(50,697)	0%
Landscaping & Boundaries	0	0	0	(6,052)	(6,052)	0%
2 Gunby Avenue	3,333	(3,333)	0	0	0	0%
Communal Electrics	37,469	(27,469)	10,000	(795)	(10,795)	0%
Garages	44,409	(19,409)	25,000	116	(24,884)	0%
HRA Assets (Buildings)	60,094	(60,094)	0	0	0	0%
CCTV	46,685	0	46,685	0	(46,685)	0%
Communal TV Aerials	10,000	(5,000)	5,000	0	(5,000)	0%
Total Other	450,283	(313,598)	136,685	(7,428)	(144,113)	0%
Contingency Schemes						
Contingency Reserve	4,209,563	(3,991,667)	217,896	0	(217,896)	0.00%
Total Contingency Schemes	4,209,563	(3,991,667)	217,896	0	(217,896)	0.00%
Other Schemes						
Housing Support Services Computer Fund	179,602	(129,602)	50,000	0	(50,000)	0%
Operation ROSE	81,769	0	81,769	67,306	(14,463)	82%

Appendix M

IT Infrastructure Upgrade	251,633	(251,633)	0	0	0	0%
Telephony	0	4,000	4,000	0	(4,000)	0%
Other Schemes	513,004	(377,235)	135,769	67,306	(68,463)	50%
Total Housing Investment	10,513,608	(5,019,119)	5,494,489	1,688,170	(3,806,319)	
Housing Strategy						
New Build Programme						
Unallocated New Build	1,203,265	(1,203,265)	0	0	0	0%
New Build Programme	131,674	0	131,674	0	(131,675)	0%
Purchase and repair	2,338,689	75,750	2,414,439	1,204,279	(1,210,160)	50%
Rookery Lane	3,369,420	0	3,369,420	1,601,635	(1,767,785)	48%
Western Growth Corridor	1,259,766	(1,000,000)	259,766	0	(259,766)	0%
NSAP Properties	591,105		591,105	592,567	1,462	100%
De Wint Court	9,126,588	(2,000,000)	7,126,588	4,106,094	(3,020,494)	58%
RSAP Properties	1,619,250	(1,338,793)	280,457	278,938	(1,518)	99%
Total New Build Programme	19,639,758	(5,466,308)	14,173,450	7,783,513	(6,389,936)	55%
Land Acquisition						
Land Acquisition Fund	94,689	(94,689)	0	0	0	0.00%
Total Land Acquisition	94,689	(94,689)	0	0	0	0.00%
Total Housing Strategy	19,734,447	(5,560,997)	14,173,450	7,783,513	(6,389,936)	
Total Housing Investment & Strategy	30,248,055	(10,580,116)	19,667,939	9,471,684	(10,196,255)	48%

TFS Phase7 programme: progress at Q3 - 2021/2022

Service	Summary of project	Dir.	Total savings in 2021/22 £000's	GF savings in 2021/22 £000's	HRA savings in 2021/22 £000's	Comments
ACTIONS COMPLETED AS OF END Q3 2021/22						
Major Developments	Carry forward of new burdens funding	DMD	35	35	0	Complete for 21/22 – future business case required
Revenues & Benefits Shared Service	Deletion of vacant hours/post	CX	35	35	0	Complete
Sports, Leisure & City Services	Review of Recreational Services	DCE	21	21	0	Executive 17.03.21
Development Control	Review of Development Control	DCE	32	32	0	Executive 17.03.21
Development Control	Reinstatement	DCE	(36)	(36)	0	Complete
Business Development & IT	Review of Systems & Info Team	CX	27	26	1	Executive 17.03.21
Council-Wise	Mutually Agreed Resignation Scheme	ALL	254	194	59	Executive 22.02.21
Property Services	Transfer of HRA shops to General Fund	CX	117	117	0	Executive 17.03.21
Corporate	Review of funding support to The Network	CORP	4	4	0	Complete
Facilities Management	Deletion of vacant post	CX	10	10	0	Complete
Community Services	Review or public conveniences	DCE	38	38	0	Executive 26.08.21
Parking Services	Deletion of vacant posts	DCE	39	39	0	Complete
Workbased Learning	Apprentice savings	CX	53	37	16	Complete
CCTV	Transfer to alternative provider	DCE	49	49	0	Executive 26.10.21

Appendix N

BDIT	Business Analyst Vacancy	CX	34	23	11	Complete for 21/22
CX Management	AD Strategic Development (less Transformation Manager)	CX	28	28	0	Complete for 21/22
Policy	Various vacant posts less temp arrangements	CX	65	49	16	Complete for 21/22
Grants to External Bodies	LADAR & CAB grant less loss in Rental Income	CX	55	55	0	Complete
TOTAL			860	756	103	