

<b>SUBJECT:</b>	<b>FINANCIAL PERFORMANCE – QUARTERLY MONITORING</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>JACLYN GIBSON, CHIEF FINANCE OFFICER</b>

## 1. Purpose of Report

1.1. To present to the Executive the second quarter's performance (up to 30<sup>th</sup> September), on the Council's:

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

And to seek approval for changes to the capital programmes.

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

## 2. Executive Summary

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

2.2. The Council approved a balanced budget earlier this year, but much has changed since that point. Spiralling inflation, soaring energy prices and nationally agreed pay agreements are set to add significant cost pressures to the Council's budgets. These are in the main part caused by national issues, beyond the Council's control, and are impacting all Councils. In addition, the current cost of living crisis has the potential to increase demand for the Council's services by those who rely on the safety net provided by local government. These unforeseen and unavoidable pressures have seriously impacted the assumptions that underpin the MTFS. As a result of these pressures, the General Fund is currently forecasting a significant financial shortfall for 2022/23, with cost pressures also in the Housing Revenue Account and Housing Repairs Service.

2.3. The impact of these new financial pressures the Council is facing cannot be underestimated and are not solely related to 2022/23. These inflationary increases will permanently increase the cost base of the Council and will have implications for the Medium-Term Financial Strategy and, in the absence of additional financial

support from Central Government, will have implications for the range and level of services that the Council can continue to provide.

- 2.4. As a result, the Council is developing a range of mitigation actions, as part of a financial recovery programme, to ensure it retains a sustainable financial position in 2022/23 and in the medium-term. Alongside this the Council is continuing to lobby Central Government for funding to support councils through these inflationary pressures, and for long-term sustainable funding settlements for local government.
- 2.5. As in recent years, there will continue to be a need for strong budgetary control in this financial year to balance expenditure and income within budget.
- 2.6. Whilst there are a significant number of planning variables which are subject to unprecedented levels of uncertainty, based on the latest set of assumptions as at the end of the second quarter (up to 30th September) the forecast financial position of the Council for 2022/23 is:

Revenue Accounts	2022/23		
	Budget £'000	Forecast @ Q2 £'000	Variance @ Q2 £'000
General Fund – Contribution (to)/from balances	(61)	852	913
Housing Revenue Account (HRA) – Contribution (to)/from balances	(39)	134	173
Housing Repairs Service	0	0	0

Capital Programmes	2022/23		
	Budget following Q1 Report £'000	Revised Budget @ Q2 £'000	Movement @ Q2 £'000
General Investment Programme	32,342	30,156	(2,186)
Housing Investment Programme	23,247	22,133	(1,114)

Reserves and Balances	2022/23		
	Balance @ 01/04/22 £'000	Forecast Balance @ 31/03/23 £'000	Movement £'000
General Fund Balances	(2,202)	(1,350)	913
Housing Revenue Account Balances	(1,064)	(891)	173
Housing Repairs Service Balances	0	0	0
General Fund Earmarked Reserves	(12,668)	(7,583)	5,085
HRA Earmarked Reserves	(2,876)	(2,703)	173

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

### 3. General Fund Revenue Account

- 3.1. For 2022/23 the Council's net General Fund revenue budget was set at £8,907,490 including a planned contribution to balances of £60,700 resulting in an estimated level of general balances at the year-end of £2,262,761 (after allowing for the 2021/22 outturn position).
- 3.2. The General Fund Summary is currently projecting a forecast overspend of £912,511 (Appendix A provides a forecast General Fund Summary), resulting in general balance at the year-end of £1,350,250. This would result in balances being below the prudent minimum of c£1.5-£2m. The use of earmarked reserves to maintain balances above the prudent minimum will be further considered in the third quarters financial performance report.
- 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:

<b>General Fund</b>	<b>Forecast</b>
<b>Forecast year-end key variances:</b>	<b>£'000</b>
Pay award settlement	585
Release of inflation reserve	(150)
Contractual inflation increases	97
Energy inflation increases	186
Impact of YLC pool closure	308
Interest on Investments	(295)
Net other variances	182
<b>Overall forecast budget deficit/(surplus)</b>	<b>913</b>

- 3.4. These key variances are predominately driven by the rapidly escalating levels of inflation and the impact of external economic factors, which were unforeseen and far exceed the assumptions underpinning the MTFS. The key variances cover:
- Contractual services for key front line service provision, which are linked to annual CPI/RPI price increases at set points in the year. The most significant of these contracts is in relation to waste and street cleansing. These two contracts are linked to inflation as at the previous December and have therefore seen increases of 5.4% for 2022/23.
  - Escalating costs of gas and electric supplies - whilst the Council procures the majority of its energy supplies through a framework agreement, allowing it to benefit from economies of scale, it is still subject to the impacts of fluctuations in wholesale prices. Gas prices for 2022/23 have increased by c70% since April 2022 and electricity prices are estimated to increase between 80-100% from October 2022. Further details of the impact of the Energy Bill Relief Scheme on the Council's energy rates are still awaited. However, this will only be applicable to the Council's electricity supplies as the prices secured for its gas supplies are below the cap level for energy relief support.

- Nationally agreed pay inflation - the pay offer, made by the National Employers for Local Government Services, was accepted by the Trade Unions in early November. The pay deal will see a flat rate increase of £1,925 to all employees, equivalent to a 10.5% increase for the lowest paid members of staff and with the majority of officers set to receive pay rises above 5%.
- Investment income – as a result of the rising Bank of England Base Rate, which has further increased to 3%, the level of interest earned on the Council's cash balances has increased significantly. At present there has been limited consequent impact on the cost of borrowing all debt is at fixed rates and no new borrowing has been undertaken.

Whilst the contractual cost increases and pay settlement are known with certainty, the outcome of electricity cost increases and net treasury management costs are, as yet, unknown and subject to potential change during 2022/23.

- 3.5. In addition, other service costs and income are subject to fluctuation during the year as the cost-of-living crisis and external economic factor impacts both directly and indirectly on households and businesses. This could lead to an increased demand for council services, as the more vulnerable in the City look to the Council for support and a reduction in both income for services and collection rates as household and business incomes become under pressure.
- 3.6. Despite the high level of uncertainty, it is clear that the General Fund is facing a significant financial shortfall for 2022/23. In response to this a range of options and mitigations are currently being developed. These focus on both short-term measures to ensure a balanced budget can be maintained for 2022/23, as well as looking at more medium-term options to ensure the Council's ongoing financial sustainability. Given the timescales in delivering many of these mitigations, it is inevitable that the General Fund will need to draw upon earmarked reserves and general balances in order to maintain a balanced position for 2022/23. The third quarter's financial performance report will set out proposals for which reserves will be called upon. It should be noted though, that the use of earmarked reserves brings financial risks in terms of the depletion of reserves and increased future exposure, etc, in the short term however the Council has little other options.
- 3.7. Alongside the development of these mitigations, the Council will continue to lobby the Government and call upon them to increase local government funding in recognition of the unprecedented and unavoidable pressures that local government are facing. The Council has already written to the Secretary of State setting out the significant financial strain it is facing. The Council will also support sector campaigns/lobbying regarding sustainable funding mechanisms and medium-term financial settlements for local government.
- 3.8. **Earmarked Reserves**

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

### 3.9. Towards Financial Sustainability Programme

The savings target included in the MTFS for 2022/23 was £1,050,000. Total savings secured and brought forward from last financial year are £716,410 leaving an in-year target of £333,590. Progress against this target, based on quarter 2 performance shows that secured savings total £65,190 for the General Fund and plans are in place to achieve the remaining balance.

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

## 4. Housing Revenue Account

4.1. For 2022/23 the Council's Housing Revenue Account (HRA) net revenue budget was set at a £38,670 use of balances, resulting in an estimated level of general balances at the year-end of £1,063,872, after allowing for the 2021/22 outturn position.

4.2. The HRA is currently projecting a forecast overspend of £173,049 (appendix C provides a forecast Housing Revenue Account Summary), which would decrease the General Balances to £890,823 at the end of 2022/23. This would result in balances being below the prudent minimum of c£1m. The use of earmarked reserves to maintain balances around £1m, will be further considered in the third quarter's financial performance report.

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:

<b>Housing Revenue Account Forecast year-end key variances:</b>	<b>Forecast £'000</b>
Pay award settlement	388
Increased Investment Interest	(376)
Energy inflation increases	159
Direct Revenue Financing Adjustment	(556)
Increased depreciation following revaluation of HRA assets	412
Housing Repairs Service Deficit Forecast, partially offset by:	574
Repairs and Maintenance – HRS Responsive Repairs	(539)
Repairs and Maintenance – Void work increase	240
Repairs and Maintenance – Painting and Pre-Painting	(441)
Net Other Variances	312
<b>Overall forecast deficit/(surplus)</b>	<b>173</b>

4.4. The HRA is currently forecasting an overspend at the end of the financial year, with significant variances in relation to repairs and maintenance costs. This is as a direct result of the issues that are currently being experienced in the Housing Repairs Services (HRS), as set out in Section 5 below. This has led to a significant reduction in the level of repairs that are being undertaken and a consequent reduction in expenditure recharged to the HRA. This is in part offset by the large forecast deficit by HRS, as seen in the repatriation variance above, due to a reduction in

rechargeable works. The HRA and HRS are working hard to address these issues, continuing to implement a range of previously agreed actions.

There is also a significant variance in relation to the level of depreciation charged to the HRA as a result of the latest revaluation exercise. This has been offset by a reduction in the amount of direct revenue financing charged to the account.

The other major variances are as a direct result of the inflationary pressures that the Council is facing, which the HRA is also impacted by. These include an estimate of pay inflation, over and above the assumptions included within the MTFs, based on the national pay agreement, alongside an increase in inflation on utilities as a result of the escalating cost of gas and electricity supplies and contract price increases.

4.5. At this stage no additional mitigations, other than those currently being implemented in response to the issues faced by the HRS, are recommended. The use of earmarked reserves to maintain HRA balances in line with the prudent minimum will be considered at quarter three. Strong budgetary control does though remain a focus in this financial year to ensure expenditure and income are balanced within budget.

#### 4.6. **HRA Earmarked Reserves**

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

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

5.1. For 2022/23 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.

5.2. At Quarter 2 HRS are forecasting a deficit of £573,908 in 2022/23 (Appendix E provides a forecast HRS Summary). Full details of the main variances provided in Appendix F, while the key variances are summarised below:

<b>Housing Repairs Service Forecast year-end key variances:</b>	<b>Forecast £'000</b>
Reduction in material costs due to less jobs being carried out by own workforce	(183)
Staff vacancies due to inability to recruit	(113)
Increased use of sub-contractors (due to level of vacancies) and increases in sub-contractor prices	902
Net other variances	(33)
<b>Overall forecast deficit/(surplus)</b>	<b>574</b>

5.3. The main contributory factor for this deficit is still the ongoing recruitment and retention issues, which is being felt across the industry, this results in a reliance on the use of sub-contractors. The cost of subcontractors is more expensive than the HRS's own workforce, due to the ongoing impact of Covid19, the current inflationary crisis and a reduced pool of contractors from which to secure services. These additional costs are therefore not fully offset by the vacancy and material savings achieved by not carrying out the work internally. Furthermore, the increased

subcontractor costs are not reflected in the service hourly rate and result in an under recovery of costs from the HRA, coupled with a reduction in jobs being carried out and the ability to recoup overhead costs.

The forecast deficit also includes an estimate of pay inflation, over and above the assumptions included within the MTFS, based on the latest pay offer made by the National Employers (this has not yet been agreed for Craftworkers), alongside an increase in the hourly rate recharge for the final quarter of the year to reflect this. The forecast also includes increased inflation on utilities as a result of the escalating cost of gas and electricity supplies.

- 5.4. It should be noted that due to the interconnection of the HRS and HRA, the consequential costs in the HRA are also greatly reduced (as noted earlier in the report) and therefore financial picture for the directorate is not unhealthy.

## 6. Earmarked Reserves

- 6.1. The Council holds a number of earmarked revenue reserves over both the General Fund and HRA. These reserves are sums set aside for specific purposes and to mitigate against potential future known or predicted liabilities. Key reserves include income volatility, business rates volatility, IT investment fund, asset sinking funds for future refurbishment etc. A number of these reserves are budgeted for use over the period of the MTFS. The details of all the earmarked reserves and their forecast balance as at 31st March 2023 are attached in Appendix G, with further details in the MTFS 2022-2027. In summary:

<b>Earmarked Reserves</b>	<b>Opening Balance 01/04/22 £'000</b>	<b>Increase £'000</b>	<b>Decrease £'000</b>	<b>Closing Balance 31/03/23 £'000</b>
<b>General Fund</b>	(12,668)	(955)	6,040	(7,583)
<b>Housing Revenue Account</b>	(2,876)	(35)	208	(2,703)

## 7. Capital Programme

### 7.1. General Investment Programme

- 7.2. The revised General Investment Programme for 2022/23 amounted to £32.342m following the quarter 1 report. At quarter 2 the programme has been reduced by £2.186m to £30.156m, as shown below:

<b>General Investment Programme</b>	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>
Revised budget Quarter 1	32,342	5,203	1,343	609	500
Budget changes for approval – Quarter 2	(2,186)	486	1,151	157	0
<b>Revised Budget</b>	<b>30,156</b>	<b>5,689</b>	<b>2,494</b>	<b>766</b>	<b>500</b>

- 7.3. All changes over the approved limit require approval by the Executive. There are no changes requiring Executive approval for the second quarter. However, there have

been changes to projects arising from the Lincoln Town Deal which have been approved by the Town Deal Board, under a separate governance framework, and are now included within the capital programme as the Council is the Accountable Body for the grant funding. The changes are as follows:

<b>GIP Movements Approved by Towns Board</b>	<b>2022/23 £'000</b>
Town Deal Barbican increase	100
Town Deal Lincoln City FC and Foundation increase	39
Town Deal Store of Stories increase	61
<b>Total GIP Movements Approved by Towns Board</b>	<b>200</b>

There has been a new project arising from the Lincoln Town Deal which has been approved by the Town Deal Board, under a separate governance framework, and is now included within the capital programme as the Council is the Accountable Body for the grant funding.

<b>Approved Schemes added to the GIP by Towns Board:</b>	<b>2022/23 £'000</b>
Town Deal Lincoln Science and Innovation Park (LSIP) – new scheme	800
<b>Total Approved Schemes added to the GIP</b>	<b>800</b>

- 7.4. The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. The following changes were approved during Quarter 2:

<b>GIP Movements Approved by the Chief Finance Officer:</b>	<b>2022/23 £'000</b>
Reprofiling – Various Town Deal Schemes between 2023-2026.	(3,093)
Artificial Grass Pitches – Reduction in budget on scheme completion	(88)
Boultham Park Masterplan – Reduction in budget on scheme completion	(22)
St Mary's Guildhall additional grant	17
<b>Total GIP Movements Approved by the CFO</b>	<b>(3,186)</b>

<b>Total GIP Delegated Approvals and Approvals by/for Executive</b>	<b>(2,186)</b>
---	----------------

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

<b>General Investment Programme - Projected Outturn</b>	<b>2022/23</b>			
	<b>Budget following Q1 £'000</b>	<b>Revised Budget Q2 £'000</b>	<b>Forecast Outturn £'000</b>	<b>Variance £'000</b>
<b>Active Programme</b>				
Housing and Investment	338	338	338	0
Communities and Environment	3,343	3,249	3,249	0
Chief Executive	1,857	1,611	1,611	0



Major Developments	20,033	20,040	20,040	0
<b>Total Active Schemes</b>				
Schemes on Hold/Contingencies	316	316	316	0
Externally Delivered Town Deal Schemes	6,455	4,602	4,602	0
<b>Total Capital Programme</b>	<b>32,342</b>	<b>30,156</b>	<b>30,156</b>	<b>0</b>

- 7.6. The overall spending on the General Investment Programme for the second quarter of 22/23 is £2.2m, which is 8.8% of the 2022/23 active programme (excluding externally delivered schemes). This is detailed further at Appendix I.

Although this is a low percentage of expenditure at this stage of the financial year, further expenditure is expected in quarter 3 on Disabled Facilities Grants, Town's Deal Schemes, HAZ, and various capitalised maintenance schemes. There will however be a reprofile of the Western Growth Corridor Phase 1a budgets required, this will be subject to a separate report to the Executive in quarter 4.

### 7.7. Housing Investment Programme

- 7.8. The original Housing Investment Programme for 2022/23 in the MTFS 2022-27 amounted to £21.72m. This was increased to £23.17m following approvals and year end re-profiles as part of the 2021/22 outturn. This had been further adjusted to £23.25m during the first quarter of 2022/23 and then £22.13m in quarter 2. A summary of the changes is shown below:

Housing Investment Programme	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Revised budget Quarter 1	23,247	12,433	14,116	10,832	11,450
Budget changes for approval – Quarter 2	(1,114)	1,114	0	0	0
<b>Revised Budget</b>	<b>22,133</b>	<b>13,546</b>	<b>14,116</b>	<b>10,832</b>	<b>11,450</b>

- 7.9. All changes over the approved limit require approval by the Executive. The following changes require Executive approval for the second quarter:

<b>Changes requiring Executive Approval:</b>	<b>2022/23 £'000</b>
Bathrooms and WC's – Move budget to heating and reprofile to 2023/24	(164)
Kitchen Improvements - Move budget to heating and reprofile to 2023/24	(200)
Re-roofing - Move budget to heating and reprofile to 2023/24	(40)
Over bath showers (10 year programme) - Move budget to heating and reprofile to 2023/24	(50)
Renew stair structure - Move budget to replacement door entry and reprofile to 2023/24	(10)
<b>Total changes requiring Executive Approval</b>	<b>(464)</b>

- 7.10. All new projects are subject to Executive approval. There have been no new projects considered recently by the Executive during Quarter 2.
- 7.11. The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. The following changes were approved during Quarter 2:

<b>HIP Movements Approved by the Chief Finance Officer:</b>	<b>2022/23 £'000</b>
<b>Reprofiling to 2023/24 –</b>	
Thurlby Crescent	(70)
Communal Electrics	(25)
Garages	(65)
HRA Buildings	(70)
Hiab and Mule	(143)
Communal TV Aerials	(40)
Housing Support Services Computer Fund	(237)
<b>Total HIP Movements Approved by the CFO</b>	<b>(650)</b>

<b>Total HIP Delegated Approvals and Approvals by/for Executive</b>	<b>(1,114)</b>
---	----------------

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

<b>Housing Investment Programme - Projected Outturn</b>	<b>2022/23</b>			
	<b>Budget following Q1 £'000</b>	<b>Revised Budget Q2 £'000</b>	<b>Forecast Outturn £'000</b>	<b>Variance £'000</b>
Decent Homes / Lincoln Standard	6,779	6,325	6,325	0
Health and Safety	787	777	777	0
Contingent Major Repairs / Works	544	544	544	0
New Build Programme	12,040	12,040	12,040	0
Other Schemes	2,097	1,684	1,684	0
Computer Fund / IT Schemes	1,000	763	763	0
<b>Total Capital Programme</b>	<b>23,247</b>	<b>22,133</b>	<b>22,133</b>	<b>0</b>

- 7.13. The overall expenditure on the Housing Investment Programme for the second quarter of 22/23 is £3.835m, which is 17% of the 2022/23 revised programme. A further £0.46m has been spent as at the end of October 2022. This is detailed further at Appendix J.

Although this is a low percentage of expenditure at this stage of the financial year, works have been constrained by the availability of contractors and materials however new contracts are in place and spend is expected to increase in future periods.

## **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.

## **9. Resource Implications**

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

Under the Local Government Act 2003 the Chief Finance Officer (S151 Officer) is required to give Council an opinion on the robustness of the budget estimates and the adequacy of reserves. Although there remains some uncertainty around the latest budget estimates based on the information to date on income and expenditure it is evident that without a number of measures being taken the Council is facing a significant budget shortfall in 2022/23. Mitigations are currently being developed to ensure a balanced budget position can be maintained in the current financial year.

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 additional measures and mitigations will need to be applied to ensure that the level of balances in 2022/23 is maintained within these ranges. The close monitoring of these measures and of the Council's overall financial position will remain critical over the course of this financial year. As ever strong budgetary control will be required.

Although the primary focus of this report has been to set out the financial variances being faced in the current financial year, beyond 2022/23 the Council faces, continued, significant financial challenges. Ongoing reductions in resources, increased service costs arising from both inflation and demand for services will require ongoing reductions in the net cost base if the Council is to live within a significantly reduced resources envelope. The MTFS 2022-2027 approved by Full Council in March 2022 sets out the financial challenges the Council faces and has been supplemented by a further report on the likely trajectory for the MTFS 2023-2027, which was presented to the Executive on 17<sup>th</sup> October.

- 9.2. Legal implications including Procurement Rules

There are no legal implications arising from this report.

- 9.3. Equality, Diversity and Human Rights

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

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

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

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

## **10. Risk Implications**

- 10.1. A full financial risk assessment is included in the Medium Financial Strategy 2022-27.

## **11. Recommendations**

Executive are recommended to:

- 11.1. Note the financial performance for the period 1<sup>st</sup> April to 30th September 2022, and the projected outturns for 2022/23.
- 11.2. Assess the underlying impact of the pressures and underspends identified in paragraphs 3.3 (and appendix B), 4.3 (and appendix D), and 5.2 (and appendix F).
- 11.3. Review the changes to the General Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer and Lincoln Town Board as detailed in paragraphs 7.3, 7.4, 7.5 and 7.12.
- 11.4. Approve the changes to the Housing Investment Programme as detailed in paragraph 7.9.

<b>Is this a key decision?</b>	Yes
<b>Do the exempt information categories apply?</b>	No
<b>Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?</b>	No
<b>How many appendices does the report contain?</b>	Eleven
<b>List of Background Papers:</b>	MTFS 2022-27
<b>Lead Officer:</b>	Colleen Warren, Financial Services Manager Telephone: (01522) 873361

**GENERAL FUND SUMMARY – AS AT 30 SEPTEMBER 2022**

<b>Service Area</b>	<b>Ref</b>	<b>Revised Budget £'000</b>	<b>Projected Outturn £'000</b>	<b>Variance £'000</b>
Strategic Development	A	1,885	1,781	(104)
Chief Finance Officer (S151)	B	(546)	(817)	(271)
City Solicitor	C	1,636	1,784	149
Housing	D	317	360	43
Growth and Regeneration	E	0	0	0
Director of Major Developments	F	3,417	3,432	16
Communities and Street Scene	G	7,330	7,396	65
Health and Environmental Services	H	477	871	394
Planning	I	(2,435)	(2,406)	29
		<b>12,080</b>	<b>12,401</b>	<b>320</b>
Corporate Expenditure	J	2,125	2,155	30
<b>TOTAL SERVICE EXPENDITURE</b>		<b>14,206</b>	<b>14,556</b>	<b>350</b>
Capital Accounting Adjustment	K	7,929	7,929	0
Specific Grants	L	(8,131)	(8,131)	0
Contingencies	M	38	600	562
Savings Targets	N	(150)	(150)	0
Earmarked Reserves	O	(5,085)	(5,085)	0
Insurance Reserve	P	40	40	0
<b>TOTAL EXPENDITURE</b>		<b>8,847</b>	<b>9,759</b>	<b>913</b>
<b>CONTRIBUTION FROM BALANCES</b>		<b>61</b>	<b>(852)</b>	<b>(913)</b>
<b>NET REQUIREMENT</b>		<b>8,907</b>	<b>8,907</b>	<b>0</b>
Retained Business Rates Income	Q	5,573	5,573	0
<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	(4,050)	(4,050)	0
Revenue Support Grant	V	24	24	0
Council Tax	W	7,360	7,360	0
<b>TOTAL RESOURCES</b>		<b>8,907</b>	<b>8,907</b>	<b>0</b>

## General Fund Forecast Variances – Quarter 2

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

Ref	<u>Additional Expenditure</u>	£	Reason for variance
B	Property Services	37,690	Local Government as a whole is experiencing a recruitment and retention crisis, this is being felt within a number of service areas in the Council.
B	Financial Services	68,370	In these instances, and where it is not possible to absorb/stop the work of the vacant posts, agency staff have been procured or work has been externalised. This has resulted in cost pressures due to a higher cost of 'buying in' services.
C	Legal Services	70,180	
C	Municipal Elections	47,220	Increased staffing costs and additional room hire charges as a result of increased Covid prevention requirements.
D	Homeless Bed & Breakfast	70,590	Increase due to cost of living crisis and increase in B&B rates.
D	Control Centre	32,020	Additional costs predominantly due to increased costs of overtime to cover staff vacancies.
F	Waste	44,880	Inflationary increase on contract prices over and above MTFS assumptions.
F	Street Cleansing	63,250	Inflationary increase on contract prices over and above MTFS assumptions.
G	Yarborough Leisure Centre	307,950	Additional costs incurred due to pool closure.
H	Car Parks	106,550	Additional unbudgeted costs on supplies & services.
H	Car Parks	73,780	Costs incurred for a system upgrade as current system unsupported.
L	Pay Award	585,000	Impact of nationally agreed pay award above budget assumptions.
L	Energy Inflation	185,560	Anticipated utility price increases.

<b>Ref</b>		<b>£</b>	<b>Reason for variance</b>
L	Annual Vacancy Savings Target	77,410	Quarter 1 & 2 vacancy savings target, offset by savings in service areas.

### **Reduced Income**

B	Housing Benefits	65,530	Reduction in overpayments funded through housing subsidy due to overall reduction in overpayments raised and improved collection of arrears, plus a funding allocation shortfall.
F	Garden Waste	30,090	Net reduction in Garden Waste income as a result of reduced collections, offset by reduction in associated expenditure.
G	Christmas Market	58,770	Anticipated reduction in stallholder and park and ride income.
H	Building Regulations	29,260	Anticipated reduction in income as a result of current economic conditions.
H	Development Control	44,090	Anticipated reduction in income as a result of current economic conditions.

### **Reduced Expenditure**

A	Business Development & IT Manager	(62,460)	Vacancy savings pending implementation of restructure, offset against corporate vacancy savings target.
A	CX Corporate Policy	(36,270)	Vacancy savings pending implementation of restructure, offset against corporate vacancy savings target.
B	CX Management	(62,070)	Vacancy savings offset against corporate vacancy savings target.
D	Housing Solutions	(38,260)	Vacancy savings offset against corporate vacancy savings target.
G	Housing Regeneration	(37,630)	Salary savings as a result of reduction in staff working hours.
H	Development Control	(28,220)	Vacancy savings offset against corporate vacancy savings target.
N	Earmarked Reserves	(150,000)	Release of Inflation Volatility reserve to offset increased expenditure as a result of nationally agreed pay award and energy price increases.

Ref		£	Reason for variance
	<b><u>Additional Income</u></b>		
B	Lincoln Properties	(27,840)	Increased rental income following in year rent reviews plus low level of void properties.
B	Council Tax Rebate Scheme	(59,670)	New Burdens funding to compensate for work associated with administering the CT Energy Rebates (partially offset by IT costs, postage and staff overtime).
B	Other Interest	(295,010)	Increased investment income as a result of higher interest rates and additional dividend income.
H	Car Parks	(305,320)	Increase in season ticket income & forecast increase in pay and display income following price increase in December.



## HOUSING REVENUE ACCOUNT FUND SUMMARY – AS AT 30 SEPTEMBER 2022

	Ref	Revised Budget	Projected Outturn	Variance
		£'000	£'000	£'000
Gross Rental Income	A	(30,433)	(30,365)	67
Charges for Services & Facilities	B	(648)	(634)	14
Contribution towards Expenditure	C	(50)	(50)	0
Repairs Account – Income	D1	0	(5)	(5)
Supervision & Management – General	D2	(659)	(645)	14
Supervision & Management – Special	D3	0	(73)	(73)
Repairs & Maintenance	E	10,022	9,398	(624)
Supervision & Management - General	F1	6,834	6,891	57
Supervision & Management – Special	F2	1,532	1,581	49
Rents, Rates and Other Premises	G	486	787	301
Increase in Bad Debt Provisions	H	250	250	0
Insurance Claims Contingency	I	169	169	0
Contingencies	J	(64)	324	388
Depreciation	K	7,450	7,862	412
Impairments	L	0	0	0
Debt Management Expenses	M	15	15	0
HRS Trading (Surplus) / Deficit	N	0	574	554
<b>Net Cost of Service</b>	<b>O</b>	<b>(5,096)</b>	<b>(3,922)</b>	<b>1,175</b>
Loan Charges Interest	P	2,580	2,580	0
Investment/Mortgage Interest	Q	(66)	(442)	(376)
<b>Net Operating Inc/Exp</b>	<b>R</b>	<b>(2,583)</b>	<b>(1,784)</b>	<b>800</b>
Major Repairs Reserve Adjustment	T	2,559	2,003	(556)
Transfers to/from reserves	U	(15)	(85)	(70)
<b>(Surplus)/Deficit in Year</b>	<b>V</b>	<b>(39)</b>	<b>134</b>	<b>173</b>

## Housing Revenue Account Variances – Quarter 2

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

Ref		£	Reason for variance
<b><u>Reduced Income</u></b>			
A	Gross Rental Income	74,730	Reduction to Social Rental income predominantly due higher level of voids than anticipated.
A	Gross Rental Income	42,560	Non-Dwelling rental income reduced due to increase in garage voids.
A	Gross Rental Income	37,260	Reduction in De Wint Service Charge income due to delay in tenancy start dates.
A	Supervision & Management-General	50,000	Reduced Admin Fee income due to procurement slippage on new contractors.
<b><u>Increased Income</u></b>			
Q	Investment Interest	(375,740)	Increased investment income as a result of higher interest rates.
A	Gross Rental Income	(64,710)	Increase in Affordable rental income as affordable housing stock levels higher than budgeted at start of financial year.
D3	Supervision & Management – Special	(40,000)	Additional income from recoverable Garden Voids works.
D2	Supervision & Management - General	(32,460)	General Fund surplus on NSAP & RSAP properties attributable to HRA.
<b><u>Reduced Expenditure</u></b>			
T	Major Repairs Reserve/Direct Revenue Finance	(556,250)	Reduced contribution to Major Repairs Reserve - £412k re increase in depreciation, £144k re Cloud Licence Fee.
E	Repairs & Maintenance	(539,000)	Reduced HRS expenditure on Responsive Repairs.
E	Repairs & Maintenance	(441,010)	Reduction on Painting & Pre-painting costs due to delays in tendering process. Contracts expected to be agreed in Q3.

Ref		£	Reason for variance
F1	Supervision & Management– General	(224,920)	Reduced expenditure on Employee Costs due to staff vacancies.
E	Repairs & Maintenance	(90,360)	Underspend on Gas Servicing of Central Heating due to lower contractual amount.
F2	Supervision & Management – Special	(43,070)	Reduced expenditure on Employee Costs due to staff vacancies.
<b><u>Increased Expenditure</u></b>			
N	HRS Surplus/Deficit	573,910	Estimated deficit position for HRS (refer to HRS variances).
K	Depreciation	412,250	Increase in depreciation costs following revaluation of housing stock, offset by a Major Repairs reserve.
J	Contingencies – Pay award	387,890	Impact of nationally agreed pay award above budget assumptions
G	Rent, Rates & Other Premises	301,110	Cost of licence fee for new housing I.T system (£144k - offset by a Major Repairs reserve) and anticipated increased costs of utilities (£159k).
E	Repairs & Maintenance	287,070	Increased HRS expenditure on Voids & Aids & Adaptations
E	Repairs & Maintenance	140,350	Unattributable skip charges from HRS.
F1	Supervision & Management – General	118,660	Cost of agency staff to cover staff vacancies within Supervision & Management
F1	Supervision & Management – General	113,130	Additional Void work costs, consultancy fees & overtime costs within Tenancy Services.
F2	Supervision & Management – Special	62,340	Overtime costs in Caretaking & Cleaning, Security Services costs at De Wint Court and CCTV monitoring costs in Shuttleworth House.

**HOUSING REPAIRS SERVICE SUMMARY – AS AT 30 SEPTEMBER 2022**

	<b>Revised Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Employees	3,403	3,290	(113)
Premises	118	144	26
Transport	418	362	(56)
Materials	1,415	1,233	(183)
Sub-Contractors	2,044	2,946	902
Supplies & Services	307	396	89
Central Support Charges	579	579	0
Capital Charges	0	0	0
<b>Total Expenditure</b>	<b>8,283</b>	<b>8,950</b>	<b>667</b>
Income	(8,283)	(8,376)	(93)
<b>(Surplus)/Deficit</b>	<b>0</b>	<b>574</b>	<b>574</b>

## Housing Repairs Service Variances – Quarter 2

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

	£	Reason for Variance
<b><u>Reduced Expenditure</u></b>		
Employee Costs	(291,130)	Vacancies within the Operative staff.
Fleet Charges	(55,780)	Reduction in lease costs due to delay in receiving new vehicles from supplier.
Direct Materials	(182,610)	Reduced levels of materials spend mainly due to use of sub-contractors instead of own workforce due to vacancies.
<b><u>Increased Expenditure</u></b>		
Employee Costs	178,580	Potential pay award settlement based on the latest pay offer made by National Employers (craftworkers not yet agreed).
Sub-Contractors	902,180	Increased use of sub-contractors to cover vacancies within the operative team.
Supplies & Services	89,360	Increased skip and equipment hire costs.
Supplies & Services	25,400	Anticipated utility inflation price increases.
<b><u>Increased Income</u></b>		
Income	(92,670)	Increase in income due to additional void works carried out in the second quarter and increased recovery of admin time.

**EARMARKED RESERVES – Q2 MONITORING 2022/23**

	Revised Opening Balance	Budgeted Contribution	Actuals Q1-Q2	Forecast Q3-Q4	Forecast Balance
	01/04/2022 £'000	£'000	£'000	£'000	31/03/2023 £'000
<b>General Fund</b>					
Budget Carry Forwards	667	-	(93)	(46)	528
Grants & Contributions	1,932	(73)	(36)	556	2,379
Active Nation Bond	380	-	(200)	-	180
AGP Sinking Fund	52	50	-	-	102
Air Quality Initiatives	16	6	-	-	22
Asset Improvement	-	-	-	-	-
Birchwood Leisure Centre	66	-	20	-	86
Business Rates Volatility	5,566	(4,770)	-	-	795
Christmas Decorations	14	-	-	-	14
City Hall Sinking Fund	60	-	-	-	60
Commons Parking	1	-	-	6	7
Corporate Training	60	-	-	-	60
Council Tax Hardship Fund	213	-	-	-	213
Covid19 Recovery	1,047	-	-	-	1,047
Covid19 Response	354	-	-	-	354
DRF Unused	204	(202)	-	-	2
Electric Van replacement	24	4	-	-	28
Funding for Strategic Priorities	89	(89)	-	-	-
Income Volatility Reserve	320	-	-	-	320
Inflation Volatility Reserve	150	-	-	(150)	-
Invest to Save (GF)	100	1	-	-	101
IT Reserve	219	65	-	(1)	284
Lincoln Lottery	9	-	-	-	9
Mayoral Car	27	-	-	-	27
Mercury Abatement	-	-	-	-	-
MSCP & Bus Station Sinking Fund	104	45	-	-	149
Private Sector Stock Condition Survey	39	12	-	-	51
Revenues & Benefits Community Fund	25	-	-	-	25
Revenues & Benefits Share Service	-	-	-	-	-
Section 106 Interest	32	-	-	-	32
Strategic Growth Reserve	5	-	-	-	5
Strategic Projects – Revenue Costs	-	-	-	-	-
Tank Memorial	10	-	-	-	10
Tree Risk Assessment	84	17	-	(50)	50
Vision 2025	701	(31)	(11)	(113)	546
WGC Planning	49	-	-	-	49
	<b>12,668</b>	<b>(4,967)</b>	<b>(320)</b>	<b>202</b>	<b>7,583</b>

**HRA**

Capital Fees Equalisation	110	-	-	-	110
De Wint Court	73	-	-	-	73
Disrepairs Management	300	-	-	-	300
Housing Business Plan	77	-	-	(58)	19
Housing Repairs Service	126	-	-	-	126
HRA IT	-	-	-	35	35
HRA Repairs Account	1,351	-	-	-	1,351
Housing Strategic Priority	582	(15)	-	(44)	523
Invest to Save (HRA)	253	(81)	-	(10)	162
Strategic Growth Reserve	5	-	-	-	5
	<b>2,876</b>	<b>(96)</b>	<b>-</b>	<b>(77)</b>	<b>2,703</b>
<b>Total Earmarked Reserves</b>	<b>15,544</b>	<b>(5,063)</b>	<b>(320)</b>	<b>125</b>	<b>10,286</b>

**CAPITAL RESOURCES – Q2 MONITORING 2022/23**

	<b>Opening balance</b>	<b>Contributions</b>	<b>Used in financing</b>	<b>Forecast balance 31/03/23</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Capital Grants/Contributions	1,823	17,061	(18,884)	0
Capital receipts General Fund	30	7,211	(5,755)	1,486
Capital receipts HRA	2,900	750	(2,562)	1,088
Capital receipts 1-41	2,778	0	(906)	1,872
Major Repairs Reserve	11,768	7,450	(10,243)	8,975
HRA DRF	8,319	2,559	(4,374)	6,504
<b>Total Capital Resources</b>	<b>27,618</b>	<b>35,031</b>	<b>(42,724)</b>	<b>19,925</b>

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 22/23.



**General Investment Programme – Summary of Expenditure as at 30<sup>th</sup> September 2022**

<b>GENERAL INVESTMENT PROGRAMME</b>	<b>Budget 2022/23 - Reported at Q1</b>	<b>2022/23 - Q2 Budget Increase / Decrease</b>	<b>2022/23 - Q2 Budget Reprofiles</b>	<b>2022/23 Revised Budget</b>	<b>2022/23 REVISED Total Spend to Date</b>	<b>2022/23 % Spend</b>
<b><u>Housing and Investment</u></b>						
Housing Renewal Area Unallocated	338,152	0	0	338,152	0	0.00%
<b>Housing and Investment Total</b>	<b>338,152</b>	<b>0</b>	<b>0</b>	<b>338,152</b>	<b>0</b>	<b>0.00%</b>
<b><u>DCE - Community and Environment</u></b>						
Artificial Grass Pitches (AGP)	88,307	(88,307)	0	0	0	0.00%
Crem - remodelling	130,607	0	0	130,607	(130)	-0.10%
Disabled Facilities Grant	2,081,372	0	0	2,081,372	303,550	14.58%
Whittons Park	78,112	0	0	78,112	78,018	99.88%
<b>DCE - Community and Environment Total</b>	<b>2,378,399</b>	<b>(88,307)</b>	<b>0</b>	<b>2,290,092</b>	<b>381,437</b>	<b>16.66%</b>
<b><u>DCE - Community Services</u></b>						
Boultham Park Lake Restoration	16,938	0	0	16,938	3,870	22.85%
Boultham Park Masterplan	22,026	(22,026)	0	0	0	0.00%
Flood Alleviation Scheme - Hartsholme Park	318,641	0	0	318,641	5,138	1.61%
Traveller deterrent	27,501	0	0	27,501	11,671	42.44%
<b>DCE - Community Services Total</b>	<b>385,106</b>	<b>(22,026)</b>	<b>0</b>	<b>363,080</b>	<b>14,479</b>	<b>3.99%</b>
<b><u>DCE - Planning</u></b>						
Heritage Action Zone	190,253	0	0	190,253	0	0.00%
St Mary le Wigford (HAZ)	40,000	0	0	40,000	0	0.00%
St Mary's Guildhall (HAZ)	348,444	17,300	0	365,744	141,298	38.63%
<b>DCE - Planning Total</b>	<b>578,697</b>	<b>17,300</b>	<b>0</b>	<b>595,997</b>	<b>141,298</b>	<b>23.71%</b>

<b>GENERAL INVESTMENT PROGRAMME</b>	<b>Budget 2022/23 - Reported at Q1</b>	<b>2022/23 - Q2 Budget Increase / Decrease</b>	<b>2022/23 - Q2 Budget Reprofiles</b>	<b>2022/23 Revised Budget</b>	<b>2022/23 REVISED Total Spend to Date</b>	<b>2022/23 % Spend</b>
<b><u>Chief Executive Corporate Policy</u></b>						
New Telephony System	82,850	0	0	82,850	5,600	6.76%
<b>Chief Executive Corporate Policy Total</b>	<b>82,850</b>	<b>0</b>	<b>0</b>	<b>82,850</b>	<b>5,600</b>	<b>6.76%</b>
<b><u>Chief Executive Chief Finance Officer</u></b>						
40 Michaelgate Structural works	2,283	0	0	2,283	0	0.00%
Allotments Asbestos Sheds	33,795	0	0	33,795	0	0.00%
Canwick Rd Cemetery Railings	9,500	0	0	9,500	0	0.00%
City Hall Lightning Protection	6,104	0	0	6,104	0	0.00%
Grandstand Terracing Improvements	3,275	0	0	3,275	0	0.00%
Greyfriars	56,210	0	0	56,210	27,610	49.12%
Greyfriars Roof Improvements	4,050	0	0	4,050	0	0.00%
Guildhall Walkway/ Access Improvements.	11,959	0	0	11,959	0	0.00%
Guildhall Works	17,630	0	0	17,630	0	0.00%
High Bridge Café	50,000	0	0	50,000	0	0.00%
Long Leys Road Drainage	3,275	0	0	3,275	0	0.00%
Monks Abbey Bowls Pavilions External Timber/ Fascia Board Improvements	2,195	0	0	2,195	0	0.00%
Planned Capitalised Works	280,033	0	0	280,033	0	0.00%
Play Area Surfacing Works	5,133	0	0	5,133	0	0.00%
Stamp End Demolition	138,200	0	0	138,200	61,875	44.77%
Windmill View	250,000	0	0	250,000	2,552	1.02%
Yarborough Pool Ceiling Refurbishment	614,300	0	0	614,300	162,190	26.40%
YLC Diving Boards	39,825	0	0	39,825	0	0.00%
<b>Chief Executive Chief Finance Officer Total</b>	<b>1,527,767</b>	<b>0</b>	<b>0</b>	<b>1,527,767</b>	<b>254,227</b>	<b>16.64%</b>

<b>GENERAL INVESTMENT PROGRAMME</b>	<b>Budget 2022/23 - Reported at Q1</b>	<b>2022/23 - Q2 Budget Increase / Decrease</b>	<b>2022/23 - Q2 Budget Reprofiles</b>	<b>2022/23 Revised Budget</b>	<b>2022/23 REVISED Total Spend to Date</b>	<b>2022/23 % Spend</b>
<b>Major Developments</b>						
Central Markets	2,000	0	0	2,000	0	0.00%
Central Markets (All Funding Streams)	6,984,196	0	0	6,984,196	1,176,649	16.85%
HUG - Home Upgrade Grant	104,500	0	0	104,500	0	0.00%
LAD 2 - Green Homes Grant Local Authority Delivery Scheme	460,356	0	0	460,356	166,247	36.11%
LAD 3 - Green Homes Grant Local Authority Delivery Scheme BEIS	2,203,194	0	0	2,203,194	81,125	3.68%
LAD 3 Top Up HUB	440,000	0	0	440,000	0	0.00%
TD Tentercroft Street	290,000	0	(240,000)	50,000	0	0.00%
The Terrace Heat Mitigation Works	246,547	0	0	246,547	0	0.00%
Towns Deal Programme Management	80,455	0	0	80,455	8,260	10.27%
WGC COLC	500,000	0	0	500,000	0	0.00%
WGC Housing Delivery	6,766,212	0	0	6,766,212	0	0.00%
WGC Pre-planning	42,179	0	0	42,179	0	0.00%
WGC Shared Infrastructure	2,160,227	0	0	2,160,227	20,114	0.93%
<b>Major Developments Total</b>	<b>20,279,867</b>	<b>0</b>	<b>(240,000)</b>	<b>20,039,867</b>	<b>1,452,395</b>	<b>7.25%</b>
<b>TOTAL ACTIVE SCHEMES</b>	<b>25,570,837</b>	<b>(93,033)</b>	<b>(240,000)</b>	<b>25,237,804</b>	<b>2,249,436</b>	<b>8.91%</b>
<b>Schemes Currently Under Review</b>						
Capital Contingencies	8,170	0	0	8,170	0	0.00%
Compulsory Purchase Orders	151,254	0	0	151,254	0	0.00%
Compulsory Purchase Orders	82,227	0	0	82,227	0	0.00%
IT Reserve	74,334	0	0	74,334	0	0.00%
<b>Schemes Currently Under Review Total</b>	<b>315,985</b>	<b>0</b>	<b>0</b>	<b>315,985</b>	<b>0</b>	<b>0.00%</b>
<b>TOTAL CAPITAL PROGRAMME EXCLUDING EXTERNALLY DELIVERED SCHEMES</b>	<b>25,886,821</b>	<b>(93,033)</b>	<b>(240,000)</b>	<b>25,553,788</b>	<b>2,249,436</b>	<b>8.80%</b>

<b>GENERAL INVESTMENT PROGRAMME</b>	<b>Budget 2022/23 - Reported at Q1</b>	<b>2022/23 - Q2 Budget Increase / Decrease</b>	<b>2022/23 - Q2 Budget Reprofiles</b>	<b>2022/23 Revised Budget</b>	<b>2022/23 REVISED Total Spend to Date</b>	<b>2022/23 % Spend</b>
<b>Externally Delivered Town Deal Schemes</b>						
TD Barbican Production & Maker Hub	1,600,000	100,000	(500,000)	1,200,000	0	0.00%
TD Drill Hall	1,000,000	0	0	1,000,000	1,000,000	100.00%
TD Greyfriars	313,200	0	(313,200)	0	0	0.00%
TD Hospitality & Events & Tourism Institute	1,120,000	0	0	1,120,000	0	0.00%
TD Lincoln City FC and Foundation	800,000	39,000	(490,000)	349,000	0	0.00%
TD Lincoln Connected	433,977	0	(301,089)	132,888	0	0.00%
TD LSIP	0	800,000	(760,000)	40,000	0	0.00%
TD Sincil Bank	781,089	0	(431,765)	349,324	0	0.00%
TD Store of Stories	155,000	61,000	(56,250)	159,750	0	0.00%
TD Wigford Way	251,500	0	0	251,500	0	0.00%
<b>Externally Delivered Town Deal Schemes Total</b>	<b>6,454,766</b>	<b>1,000,000</b>	<b>(2,852,304)</b>	<b>4,602,462</b>	<b>1,000,000</b>	<b>21.73%</b>
<b>GRAND TOTAL</b>	<b>32,341,587</b>	<b>(393,033)</b>	<b>(1,792,304)</b>	<b>30,156,250</b>	<b>3,249,436</b>	<b>10.78%</b>

### Housing Investment Programme – Summary of Expenditure as at 30<sup>th</sup> September 2022

	2022/23 Budget Reported at Q1	2022/23 Q2 Budget Reprofiling	2022/23 Revised Budget	2022/23 Total Spend to Date	2022/23 % Spend
<b><u>HOUSING INVESTMENT PROGRAMME</u></b>					
<b><u>Contingency Schemes</u></b>					
Contingency Reserve	544,120	0	544,120	0	0.00%
<b>Contingency Schemes Total</b>	<b>544,120</b>	<b>0</b>	<b>544,120</b>	<b>0</b>	<b>0.00%</b>
<b><u>Decent Homes</u></b>					
Bathrooms & WC's	263,742	(163,742)	100,000	0	0.00%
DH Central Heating Upgrades	2,318,818	0	2,318,818	818,342	35.29%
Door Replacement	1,350,000	0	1,350,000	112,216	8.31%
Fire Compartment works	5,000	0	5,000	0	0.00%
Fire Doors	95,049	0	95,049	0	0.00%
Kitchen Improvements	500,000	(200,000)	300,000	0	0.00%
Lincoln Standard Windows Replacement	500,000	0	500,000	104,401	20.88%
New services	37,895	0	37,895	0	0.00%
Re-roofing	60,000	(40,000)	20,000	0	0.00%
Rewiring	25,000	0	25,000	0	0.00%
Structural Defects	25,000	0	25,000	0	0.00%
Thermal Comfort Works	10,000	0	10,000	0	0.00%
Void Capitalised Works	1,508,422	0	1,508,422	329,807	21.86%
<b>Decent Homes Total</b>	<b>6,698,926</b>	<b>(403,742)</b>	<b>6,295,184</b>	<b>1,364,765</b>	<b>21.68%</b>
<b><u>Health and Safety</u></b>					
Asbestos Removal	291,164	0	291,164	450	0.15%
Asbestos Surveys	255,645	0	255,645	26,842	10.50%
Fire Alarms	30,000	0	30,000	0	0.00%

	2022/23 Budget Reported at Q1	2022/23 Q2 Budget Reprofiling	2022/23 Revised Budget	2022/23 Total Spend to Date	2022/23 % Spend
<b><u>HOUSING INVESTMENT PROGRAMME</u></b>					
Renew stair structure	10,000	(10,000)	0	0	0.00%
Replacement Door Entry Systems	200,083	0	200,083	18,717	9.35%
<b>Health and Safety Total</b>	<b>786,892</b>	<b>(10,000)</b>	<b>776,892</b>	<b>46,009</b>	<b>5.92%</b>
<b><u>IT/Infrastructure</u></b>					
Housing Support Services Computer Fund	737,085	(237,085)	500,000	94,744	18.95%
Infrastructure Upgrade	166,383	0	166,383	0	0.00%
Operation Rose	13,573	0	13,573	890	6.56%
Telephony	82,850	0	82,850	5,600	6.76%
<b>IT/Infrastructure Total</b>	<b>999,891</b>	<b>(237,085)</b>	<b>762,806</b>	<b>101,234</b>	<b>13.27%</b>
<b><u>Lincoln Standard</u></b>					
Over bath showers (10 year programme)	79,798	(49,798)	30,000	0	0.00%
<b>Lincoln Standard Total</b>	<b>79,798</b>	<b>(49,798)</b>	<b>30,000</b>	<b>0</b>	<b>0.00%</b>
<b><u>Other Current Developments</u></b>					
CCTV	46,685	0	46,685	15,579	33.37%
Communal Electrics	100,000	(25,000)	75,000	0	0.00%
Communal TV Aerials	59,832	(40,000)	19,832	0	0.00%
Environmental works	1,490,044	0	1,490,044	0	0.00%
Garages	70,000	(65,000)	5,000	1,940	38.80%
Hiab and Mule	143,000	(143,000)	0	0	0.00%
HRA Buildings	107,729	(70,000)	37,729	0	0.00%
Landscaping & Boundaries	0	0	0	0	0.00%
Thurlby Crescent	80,000	(70,000)	10,000	0	0.00%
<b>Other Current Developments Total</b>	<b>2,097,290</b>	<b>(413,000)</b>	<b>1,684,290</b>	<b>17,519</b>	<b>1.04%</b>
<b>HOUSING INVESTMENT TOTAL</b>	<b>11,206,917</b>	<b>(1,113,625)</b>	<b>10,093,292</b>	<b>1,529,528</b>	<b>15.15%</b>

	2022/23 Budget Reported at Q1	2022/23 Q2 Budget Reprofiling	2022/23 Revised Budget	2022/23 Total Spend to Date	2022/23 % Spend
<b>HOUSING INVESTMENT PROGRAMME</b>					
<b>HOUSING STRATEGY AND INVESTMENT</b>					
<b><u>New Build Programme</u></b>					
Property Acquisitions	620,476	478,410	1,098,886	299,793	27.28%
Hermit Street Regeneration	150,000	0	150,000	3,682	2.45%
New Build Capital Salaries	44,332	0	44,332	0	0.00%
New Build- De Wint Court	832,366	0	832,366	112,232	13.48%
New Build Programme	3,282,165	0	3,282,165	0	0.00%
New Build Programme (141 eligible)	640,267	(191,364)	448,903	0	0.00%
New Build Programme (Borrowing for 141 eligible)	960,400	(287,046)	673,354	0	0.00%
New Build Site - Queen Elizabeth Road	26,761	0	26,761	0	0.00%
New Build Site - Rookery Lane	4,160,800	0	4,160,800	1,889,824	45.42%
New Build Site - Searby Road	62,497	0	62,497	0	0.00%
Western Growth Corridor	1,259,766	0	1,259,766	0	0.00%
<b>New Build Programme Total</b>	<b>12,039,830</b>	<b>0</b>	<b>12,039,830</b>	<b>2,305,531</b>	<b>19.15%</b>
<b>HOUSING STRATEGY AND INVESTMENT TOTAL</b>	<b>12,039,830</b>	<b>0</b>	<b>12,039,830</b>	<b>2,305,531</b>	<b>19.15%</b>
<b>TOTAL HOUSING INVESTMENT PROGRAMME</b>	<b>23,246,747</b>	<b>(1,113,625)</b>	<b>22,133,122</b>	<b>3,835,059</b>	<b>17.33%</b>

**TFS Phase7 programme: progress at Q2 - 2022/2023**

<b>Service</b>	<b>Summary of project</b>	<b>Dir.</b>	<b>Total savings in 2022/23</b>	<b>GF savings in 2022/23</b>	<b>HRA savings in 2022/23</b>	<b>Comments</b>
			<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	
<b>ACTIONS COMPLETED AS OF END Q1 2022/23</b>						
Savings secured – b'fwd from 21/22			779	716	63	Complete
Community Services	Transfer maintenance of lighting to Cathedral	DCE	20	20	-	Complete
Strategic Development	BDIT/Policy Restructure	CX	49	45	4	Exec 25/07/22
<b>TOTAL</b>			<b>848</b>	<b>781</b>	<b>67</b>	