

SUBJECT: FINANCIAL PERFORMANCE – OUTTURN 2023/24

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: LAURA SHIPLEY, FINANCIAL SERVICES MANAGER

1. Purpose of Report

- 1.1. To present to Executive the provisional 2023/24 financial outturn position on the Council's revenue and capital budgets, including:
- General Fund
 - Housing Revenue Account
 - Housing Repairs Service
 - Capital Programmes
- 1.2. This report will provide the Executive with a summary of actual income and expenditure compared to revised budget and how any surpluses have been allocated/are proposed to be allocated to reserves.
- 1.3. The Executive should note that the financial outturn is still subject to Audit by KPMG, the Council's external auditors.

2. Executive Summary

- 2.1. This report covers the General Fund Revenue, Housing Revenue Account budgets and Investment Programmes for the current financial year and sets out the provisional financial outturn position.
- 2.2. During the last quarter of 2023/24, the position on the General Fund, Housing Revenue Account and Housing Repairs Service has remained positive with budget surpluses achieved across both the General Fund and HRA at the end of the financial year.
- 2.3. Despite this positive outturn position the Council continues to face escalating cost pressures, above those already factored into the MTFS. The positive outturn in 2023/24 has been largely driven by investment income with interest rates continuing above the levels assumed within the MTFS, with other overachieved income in the General Fund. This will not be the case in 2024/25 with budgets adjusted to reflect the base rate forecast, as such strong financial discipline and delivery of the significant savings targets underpinning the MTFS will remain critical in ensuring the Council maintains a sustainable financial position in the medium term.
- 2.4. The table below sets out a summary of the financial position of the Council for the financial year 2023/24, based on the provisional outturn:

Revenue Accounts	2023/24		
	Budget £'000	Actual £'000	Variance £'000
General Fund – Contribution (to)/from balances	191	175	(16)
Housing Revenue Account – Contribution (to)/from balances	59	53	(6)
Housing Repairs Service – (surplus)/deficit	0	289	289*

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

Capital Programmes	2023/24		
	Budget following Q3 Report £'000	Revised Outturn Budget £'000	Movement £'000
General Investment Programme	15,334	11,632	(3,702)
Housing Investment Programme	16,120	14,732	(1,388)

Balances	2023/24		
	Budgeted Balance @ 31/03/24 £'000	Actual Balance @ 31/03/24 £'000	Movement £'000
General Fund Balances	(2,229)	(2,245)	(16)
Housing Revenue Account Balances	(1,125)	(1,131)	(6)
Housing Repairs Service Balances	0	0	0

Reserves	2023/24		
	Opening Balance @ 01/04/23 £'000	Actual Balance @ 31/03/24 £'000	Movement £'000
General Fund Earmarked Reserves	(7,040)	(8,234)	(1,194)
HRA Earmarked Reserves	(3,510)	(4,507)	(997)

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

3. General Fund Revenue Account

- 3.1. For 2023/24 the Council's net General Fund revenue budget was set at £14,402,660 including a planned contribution from balances of £191,110 resulting in an estimated level of general balances at the year-end of £2,228,739 (after allowing for the 2022/23 outturn position).

- 3.2. The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend against the revised budget of £476,652 (before additional transfers to earmarked reserves and carry forwards requests). The provisional outturn for 2023/24 now indicates an improvement of £383,314 (before additional transfers to earmarked reserves and carry forwards requests). Based on this position, additional transfers to earmarked reserves, and carry forward requests, totalling £843,547 have been proposed resulting in an overall budget underspend of £16,419. This represents a variance against the revised budget of 1%.
- 3.3. There are a number of variations in income and expenditure against the approved budget, full details of the main variances are provided in Appendix B while the table below sets out the key variances:

General Fund Year-end key variances:	Outturn £'000
Additional transfers to Earmarked reserves (see para 3.7 & 3.8)	844
Increased non-recoverable temporary accommodation costs, increased non recoverable supported accommodation costs and a reduction in Housing Benefits overpayments	835
National pay award settlement	440
Building Regulations, Land Charges & Development Control income pressures	217
Less:	
Investment Interest	(575)
Net Car Parking Income surplus (gross surplus £626k)	(359)
Lincoln Properties - tenant profit share arising from arrangements related to CVA agreed during Covid-19 pandemic, along with in year rent reviews.	(171)
Additional New Burdens grants	(166)
Additional government grants in relation to retained business rates and business rates levy/safety net retention	(144)
Additional Government grant for Land Drainage Levies	(142)
Net other variances	(795)
Overall deficit/(surplus)	(16)

- 3.4. The key variances are predominately driven by the impact of external economic factors e.g. inflation and interest rates, which far exceeded the assumptions underpinning the MTFS, along with fluctuating service demands.
- 3.5. The main variances, both positive and negative cover:
- Pay award inflation pressure - the 2023/24 pay settlement, negotiated between the National Employers for Local Government Services and the Trade Unions agreed the higher of either, a flat rate increase of £1,925, or 3.5-3.8% to all employees, equivalent to a 9.4% increase for the lowest paid members of staff and with the majority of officers receiving pay rises above 5% for a second

consecutive year. This was significantly above the assumption of 3% built into the 2023/24 budget.

- Investment income – as a result of the rising Bank of England Base Rate, which has maintained at 5.25% during quarter four, the level of interest earned on the Council's cash balances has increased significantly. At present there has been a limited consequential impact on the cost of borrowing as all debt is at fixed rates and no new borrowing has been undertaken (one loan has been re-financed in year, but this was at a lower interest rate).
- Unrecoverable Housing Benefit - increased demand for temporary accommodation, coupled with a shortage in suitable accommodation, has increased the use of bed and breakfasts. Regardless of the actual cost of the accommodation the amount that can be reclaimed through the housing subsidy process is limited to the local housing allowance rate of £91.15 per week. Despite this rate being increased in the Autumn Budget, this does not apply to housing benefit so has no impact on the Council's costs. In addition, there has also been a significant increase in the level of claims in relation to supported accommodation, which do not attract 100% subsidy, increasing the cost borne by the Council.
- Reduced fees and charges income – 2023/24 continues to see a reduction in income from planning applications, land charges and building control, and whilst the position at year end has improved due to a small number of larger applications received in the final quarter, the outturn position remains lower than budgeted as a result of pressures in the construction and housing market as the ongoing economic climate and cost-of-living crisis continue to impact on development within the city.
- Increased fees and charges income – the final half of the year has seen a significant increase in parking income against budgeted levels, particularly in the final quarter of the year when income (and associated budgets) are profiled to reduce following the busy festive period. Quarter 3 income levels exceeded budget by £232k (£132k of this in December alone), with income exceeding budget again by £188k in Quarter 4. The improved performance is driven by both the increased fees and charges agreed in the 23/24-27/28 MTFS, alongside increased visitors to the Council's car parks, supported by the new events programme scheduled throughout the year.

- 3.6. In response to the key cost pressures that have occurred in 2023/24; the additional staff costs arising as a result of the pay award were unavoidable, and the levels of income in relation to development in the city are primarily driven by economic factors, both of which have required the resetting of budgets for 2024/25 (this was taken into account in the latest MTFS). However, in relation to the increasing cost of housing benefits that the Council is bearing the Corporate Management Team have commissioned a range of responses, these will focus on both managing the demand for temporary accommodation as well as exploring options to increase the supply of suitable accommodation to reduce the reliance on costly bed and breakfast usage. In addition, careful review of all supported accommodation claims is in place to ensure the appropriate levels of housing benefit are awarded.

3.7. Carry Forward Requests

Financial Procedure Rules state that Assistant Directors are able to carry forward any budget provision not utilised during the financial year, to be used for the same purpose, in future years subject to their Directorate as a whole not being overspent. Following confirmation of the final cash limited outturn for each Directorate in 2023/24 a list of requests (which will be transferred from the surplus to earmarked reserves for drawdown in future years) is shown below totalling £281,227:

Directorate	Reason for Carry Forward	Amount £
CX-CITYSOL	Development needs identified in workforce planning, alongside ongoing recruitment, and retention plans.	20,700
CX-CITYSOL	Elections Act grant ringfenced for future expenditure.	17,500
DHI	Rising demand for temporary accommodation.	75,340
DMD	UK SPF temporary posts over and above grant funding.	63,780
DMD	Homes England - WGC grant ringfenced for future expenditure.	19,487
DCE-ADCOMSS	Tree works procured but undelivered in 23/24.	27,420
DCE-ADCOMSS	Inflation pressure on Grounds Maintenance contract – supplier billing error.	57,000
	Total carry forward requests:	281,227

All of the above carry forward requests are reflected in the provisional outturn of £16,419 budget underspend.

3.8. Transfers to Reserves

In addition to the above carry forward requests, a number of requests for additional transfers to reserves have been made, whereby Directorates have requested a transfer to a new, or existing, reserve for a number of underspent budgets, to be used for alternative purposes or to mitigate risks, in future years subject to their Directorate as a whole not being overspent. Following confirmation of the final cash limited outturn a list of requests is shown below totalling £562,320:

Directorate	Reason for Reserve Transfer	Amount £
CX-REVBEN	Benefits Community Support schemes.	28,730
CX-STRATDEV	IT Strategy and Transformation Agenda.	43,650
DMD	LUF Additional Capacity grant.	16,000
DMD	Central Market volatility reserve to support first year of operation.	57,290
DCE-ADPLAN	Income volatility reserve to support car parking and wider income pressures.	200,000
DCE-ADPLAN	Biodiversity Net Gain grant.	11,650
DCE-ADHENV	Consultancy support for YLC Swimming Pool capital project.	30,000
CORP	City Centre Masterplan	75,000
CORP	Vision 2030	100,000
	Total Reserve Transfers:	562,320

All of the above transfers to reserves are reflected in the provisional outturn of £16,419 budget underspend.

- 3.9. The remaining underspend of £16,419 will result in a contribution of £174,691 from balances (£119,110 budgeted), with balances as at 31st March 2024 of £2,245,158. This is £16,419 more than the balance assumed in the MTFS and is above prudent levels.
- 3.10. The level of each of the current earmarked reserves, as at 31st March 2023 is attached at Appendix G. The appendix takes account of the contributions to earmarked reserves and the drawdown of funding to cover expenditure as per budget approvals and the additional transfers set out in paragraph 3.7 and 3.8 above.
- 3.11. **Towards Financial Sustainability Programme**

The savings target included in the MTFS for 2023/24 was £185,210.

Progress against this target, based on the provisional outturn, shows that secured savings total £247,670 resulting in an over-achievement of £62,460 in year.

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

4. Housing Revenue Account

- 4.1. For 2023/24 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £58,930, resulting in an estimated level of general balances at the year-end of £1,125,516 (after allowing for the 2022/23 outturn position).

- 4.2. The financial performance quarterly monitoring report for the 3rd quarter predicted an overspend of £13,787. The provisional outturn for 2023/24 now indicated an improvement of £19,515 resulting in an overall budget underspend of £5,728 (including additional transfers to earmarked reserves). This would result in HRA balances as at 31st March 2024 of £1,131,244.
- 4.3. There are a significant number of variations in income and expenditure against the approved budget, full details of the main variances are provided in the Appendix D, while the table below sets out the key variances:

Housing Revenue Account Year-end key variances:	Outturn £'000
National Pay Award Settlement	126
Less:	
Increased Investment Interest	(764)
HRA Repairs Account	(384)
Bad Debt Provision write back	(333)
Additional Rental Income	(283)
Plus:	
Net movement in Earmarked Reserves	1,016
<u>HRS Recharges:</u>	
Housing Repairs Service Overall Deficit Repatriation	289
HRS Repairs – increased Responsive, Aids & Adaptations, Cleansing jobs	795
HRS Repairs – reduced level of Voids jobs	(299)
Net Other Variances	(169)
Overall deficit/(surplus)	(6)

- 4.4. In line with the General Fund, some of the key variances are predominately driven by the impact of external economic factors, which far exceed the assumptions underpinning the MTFS. However, in addition, the HRA and HRS continue to experience a number of other variances due to demand pressures and the ongoing recruitment and retention challenges.
- 4.5. The main variances, both positive and negative, cover:
- Pay award inflation pressure - the 2023/24 pay offer, made by the National Employers for Local Government Services earlier this year, was accepted by the Trade Unions on 31st October and was paid in December. The award reflects the higher of either, a flat rate increase of £1,925, or 3.5-3.8% to all employees, equivalent to a 9.4% increase for the lowest paid members of staff and with the majority of officers receiving pay rises above 5% for a second consecutive year.

- Investment income – as a result of the rising Bank of England Base Rate, which has maintained at 5.25% during quarter four, the level of interest earned on the Council's cash balances has increased significantly. At present there has been a limited consequential impact on the cost of borrowing as all debt is at fixed rates and no new borrowing has been undertaken (one loan has been re-financed in year, but this was at a lower interest rate).
- HRA Repairs Account – repairs and maintenance costs across various contracts are underspent as a result some of the work being undertaken as part of the voids works programme, alongside fluctuations due to the cyclical nature of some jobs.
- Bad Debt Provision – as a result of the year end review of the provision for outstanding debtors, in line with the Credit Loss model (IFRS9 Financial Instruments), a one off write back to the provision was required.
- Rental income – income levels are higher than anticipated due to a higher than budgeted opening Housing stock at the start of the financial year, coupled with higher than expected occupancy, and rent levels, at the new Rookery Lane development.
- Housing Repairs Services (HRS) – the service has reported a forecast deficit, which is consequentially repatriated to the HRA, as a result of the issues set out in Section 5 below. In addition, demand for responsive housing repairs and aids and adaptations has significantly increased in year, though partially offset by a reduction in the level of voids repairs and cleansing works, resulting in a switch in the nature of HRS rechargeable works.

4.6. In response to the key cost pressures that have occurred in 2023/24; the additional staff costs arising as a result of the pay award were unavoidable and have required the resetting of budgets for 2024/25 (this was taken into account in the latest MTFS). In relation to the additional costs transferred from the HRS, the Housing Directorate Management Team are commissioning work to review the individual repairs service areas, i.e. Aids & Adaptations, Voids, Responsive Repairs etc, in order to identify a range of specific mitigations to manage demand and cost drivers. In addition, work continues within the HRS to address the recruitment and retention challenges, (this also forms part of a wider scope of work developing the Council's Workforce Development Strategy), which is already seeing some success with a reduction in level of vacancies at the end of the financial year.

4.7. **HRA Earmarked Reserves**

The provisional outturn of a £5,728 budget underspend includes a number of additional transfers to earmarked reserves, in addition to those transfers to/from earmarked reserves already approved and budgeted for. These further contributions to/from earmarked reserves are set out below:

Reason for Reserve Transfer	Amount £
30 Year HBP initiatives: High rise review and remediation, carbon reduction and home safety and further area reviews.	800,000
Regulator of Social Housing: Competency and conduct standard and inspection costs.	180,000
De Wint Court sinking fund additional outturn contribution.	92,500
HRS Social value contributions ringfenced for future schemes.	49,890
Total Reserve Transfers:	1,122,390

- 4.8. Following contributions to earmarked reserves the underspend of £5,728 would result in HRA general balance of £1,131,244 as at 31st March 2024, remaining within prudent levels.
- 4.9. The level of each of the current earmarked reserves, as at 31st March 2024 is attached at Appendix G. The appendix takes account of the contributions to earmarked reserves agreed as part of the revised budget and the drawdown of funding to cover expenditure and the additional transfers set out in para. 4.7 above.

5. Housing Repairs Service

- 5.1. For 2023/24 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.
- 5.2. The provisional outturn for 2023/24 shows the HRS had a deficit of £288,844, an improvement of £263,218 since quarter three, which was repatriated to the HRA, Appendix E provides a forecast HRS Summary. Full details of the main variances are provided within Appendix F of this report, while the key variances are summarised below:

Housing Repairs Service Year-end key variances:	Outturn £'000
Increased use of sub-contractors and increases in sub-contractor prices	1,825
National Pay Award Settlement	125
Less:	
Staff vacancies due to recruitment and retention challenges	(651)
Transport Costs	(78)
Increased income for HRS jobs for increased works	(941)
Net other variances	9
Overall deficit/(surplus)	289

- 5.3. The main contributory factor to the deficit is the ongoing recruitment and retention challenges, which is being felt not just by the council but across the construction industry as a whole. This inability to attract and retain staff results in a greater reliance on the use of sub-contractors to ensure that service demands are met. The cost of using subcontractors is however more expensive than the HRS's own

workforce, due to the ongoing impact of inflationary factors, a reduced national workforce and a reduced pool of contractors from which to secure services. These additional costs are therefore not fully offset by the vacancy savings achieved by not carrying out the work internally.

- 5.4. As the increased subcontractor costs are not reflected in the service hourly rate and overhead recovery is not recouped on sub-contractors this results in an under recovery of full costs from the HRA.
- 5.5. Whilst last year high vacancy levels, and the use of sub-contractors rather than the Council's own workforce, resulted in an underspend on materials for the Council, this year higher than anticipated inflation levels, an industry wide issue, and an expected increase in repairs jobs has resulted in a very small underspend.
- 5.6. The deficit also includes the impact of the national pay award, which is significantly over and above the assumptions included within the MTFS as outlined in both the General Fund and HRA variances.
- 5.7. It should be noted that due to the interconnection of the HRS and HRA the consequential costs in the HRA are ordinarily reduced, and therefore offset any repatriated deficit. However, due to the increased usage of more expensive sub-contractors and materials, and an increased volume of works, this is not the case this financial year, as detailed above, and there is a significant additional cost for repairs and maintenance of the housing stock that is being incurred by the HRA. This additional cost is currently being offset against the overall HRA position as set out in section 4 above.

6. Earmarked Reserves

- 6.1. The Council holds a number of earmarked revenue reserves over both the General Fund and HRA. These reserves are sums set aside for specific purposes and to mitigate against potential future known or predicted liabilities. Key reserves include income volatility, business rates volatility, IT investment fund, asset sinking funds for future refurbishment etc. A number of these reserves are budgeted for use over the period of the MTFS.
- 6.2. The details of all the earmarked reserves and their balance as at 31st March 2024 are attached in Appendix G, with further details in the MTFS 2024-2029. In summary:

Earmarked Reserves	Opening Balance 01/04/23 £'000	Increase £'000	Decrease £'000	Closing Balance 31/03/24 £'000
General Fund	7,040	2,775	(1,581)	8,234
Housing Revenue Account	3,510	1,185	(188)	4,507

7. Capital Programme

7.1. General Investment Programme

- 7.2. The revised General Investment Programme for 2023/24 amounted to £15.334m following the quarter 3 report. At quarter 4 the programme has reduced by £3.702m to £11.632m, as shown below:

General Investment Programme	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Budget following Q3 report	15,334	17,526	7,563	1,052	1,052
Budget changes for approval – Quarter 4	(3,702)	5,625	0	0	0
Revised Budget	11,632	23,151	7,563	1,052	1,052

- 7.3. All changes over delegated limits require approval by the Executive. There are no changes over this limit in Quarter 4 of 2023/24.
- 7.4. All new projects are subject to Executive approval. There are no new projects that require Executive approval in Quarter 4 of 2023/24.
- 7.5. The following schemes have also been added to the GIP, having been approved at Executive during Quarter 4, (or in previous quarters).

Approved by the Executive	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Western Growth Corridor Phase 1a Shared Infrastructure (18/03/24)	0	21	0	0	0
Western Growth Corridor Phase 1b Bridges (Executive 18/03/24)	0	1,260	0	0	0
Towns Deal Sincil Bank – transfer to internally delivered scheme (Executive 15/01/24)	(73)	(501)	0	0	0
Towns Deal Sincil Bank Gateway & Greening – new scheme delivered by City of Lincoln Council (Executive 15/01/24)	73	501	0	0	0
Yarborough Leisure Centre – grant funded energy efficiency work (Executive 19/02/24)	0	614	0	0	0
Michaelgate – Executive on 13/12/21 approved match funding for Michaelgate/Harlequin subject to separate approval	0	75	0	0	0

of the specific split between the schemes.					
Total Schemes approved by the Executive	0	1,970	0	0	0

- 7.6. The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit, or to reprofile the budget, as set out under Financial Procedure Rules. The following changes and reprofiles were approved during Quarter 4:

Changes approved by the Chief Finance Officer:	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Reprofiled Expenditure					
Central Markets - reprofiled	(2)	2	0	0	0
Western Growth Corridor Phase 1a Housing Delivery – reprofiled	(51)	51	0	0	0
Western Growth Corridor Phase1a Shared Infrastructure – reprofiled	95	(95)	0	0	0
Western Growth Corridor Phase1b Bridges - reprofiled	(1,095)	1,095	0	0	0
Western Growth Corridor Phase 2 – reprofile	(19)	19	0	0	0
Planned Capitalised Work – reprofiled	(30)	30	0	0	0
Lincoln Central Car Park Lifts – reprofile	(150)	150	0	0	0
Greyfriars – reprofiled	(290)	290	0	0	0
New Telephony system – reprofiled	(6)	6	0	0	0
Better Care Fund – reprofiled	278	(278)	0	0	0
Windmill View – Reprofiled	(17)	17	0	0	0
UKSPF General - reprofiled	(73)	73	0	0	0
Central Market – reprofiled	(284)	284	0	0	0
Towns Deal Lincoln Connected – reprofiled	(316)	316	0	0	0
Towns Deal Sincil Bank – reprofiled	73	(73)	0	0	0
Towns Deal Barbican Production & Maker Hub – reprofiled	(1,700)	1,700	0	0	0
Towns Deal Sincil Bank Gateway & Greening – reprofiled	(54)	54	0	0	0
Car Parking Software – reprofiled	(14)	14	0	0	0

Transfers between schemes					
Planned Capitalised Work – net movement	(28)	0	0	0	0
High Bridge Cafe – scheme complete, final costs were higher than anticipated - move from Planned Capitalised Work	17	0	0	0	0
Bud Robinson Community Centre – scheme complete, final costs were higher than anticipated - move from Planned Capitalised Work	1	0	0	0	0
The Grandstand Community Centre improvements – complete – funded 50% Planned Capitalised Work and 50% external contribution	21	0	0	0	0
UKSPF transfer from core pot to specific scheme	(50)	0	0	0	0
UKSPF Training Academy	50	0	0	0	0
Increased budget allocations					
Hope Wood – scheme complete, funded from additional grant.	8	0	0	0	0
HAZ St Mary's Guildhall – scheme complete, funded from additional grant.	4	0	0	0	0
HAZ Shopfronts scheme complete, funded from additional grant.	4	0	0	0	0
Towns Deal Programme Management – funded from DRF from revenue grant income	20	0	0	0	0
Reduced Budget Allocations					
Electric Vehicle Charge Points – scheme complete and budget reduced due to some sites not going ahead (grant funded)	(94)	0	0	0	0
Total Changes Approved by the CFO	(3,702)	3,655	0	0	0
Total GIP Delegated Approvals and Approvals by/for Executive	(3,702)	5,625	0	0	0

- 7.7. The table below provides a summary of the provisional outturn position for the General Investment Programme at 31st March 2024:

General Investment Programme - Outturn	2023/24			
	Budget Q3	Revised Budget Q4	Outturn	Variance to Q3 Budget
	£'000	£'000	£'000	£'000
Active Programme				
Housing and Investment	0	0	0	0
Communities and Environment	1,761	2,023	2,023	263
Chief Executive	710	245	245	(465)
Major Developments	9,631	8,148	8,148	(1,483)
Total Active Schemes	12,102	10,416	10,416	(1,686)
Schemes on Hold/ Contingencies	0	0	0	0
Externally Delivered Town Deal Schemes	3,232	1,216	1,216	(2,016)
Total Capital Programme	15,334	11,632	11,632	(3,702)

- 7.8. The overall spending on the General Investment Programme active schemes (excluding externally delivered schemes), for the final quarter of 23/24 is £10.4m, which is 86% of the budget. This is detailed further at Appendix I.

7.9. **Housing Investment Programme**

- 7.10. The revised Housing Investment Programme for 2023/24 amounted to £16.120m following the Quarter 3 position. At quarter 4 the programme has been decreased by £1.388m to £14.732m, as shown below:

Housing Investment Programme	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Revised Budget at Q3	16,120	21,043	15,955	14,834	14,855
Budget changes for approval – Quarter 4	(1,388)	1,720	523	(115)	(121)
Revised Budget	14,732	22,763	16,478	14,718	14,734

- 7.11. All changes over the approved limit require approval by the Executive. The following changes require Executive approval for Quarter 4:

Changes requiring Executive Approval:	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Budget Under/Overspends returned to available resources (major repairs reserves)					
Bathrooms & WC	(105)	0	0	0	0
Environmental Works	(137)	0	0	0	0
Stamp Duty Refunds	(328)	0	0	0	0

Transfers between schemes					
New Build Programme (Borrowing/DRF for 141 eligible following increase to 50% retention)	0	(100)	(100)	(100)	(100)
New Build Programme (141 eligible following increase to 50% retention)	0	100	100	100	100
Infrastructure Upgrade	(166)	0	0	0	0
Housing Support Services Computer Fund	166	0	0	0	0
Increased budget allocations					
Void Capitalised Works (funded from major repairs reserve)	214	0	0	0	0
New Build – Hermit Street (correction to agree budget to original Executive report)	138	0	0	0	0
New Build – Capital Salaries (funded from 1-4-1 and borrowing)	15	0	0	0	0
Property Acquisitions – this includes individual purchase and repair and LAHF acquisitions approved under officer delegations (funded from grant and 1-4-1 receipts with borrowing as match element).	279	724	0	0	0
Total changes requiring Executive Approval	76	724	0	0	0

- 7.12. All new projects are subject to Executive approval. The following schemes have been added to the HIP, and require approval by the Executive:

Changes requiring Executive approval	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Jasmin Green feasibility/development (funded through DRF).	0	50	0	0	0
Total changes requiring Executive Approval	0	50	0	0	0

- 7.13. The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. The following changes were approved during Quarter 4:

Changes approved by the Chief Finance Officer:	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Reprofiled Expenditure					
New Build – Hermit Street – reprofiled	(212)	212	0	0	0

Western Growth Corridor Phase 1a infrastructure – reprofiled	359	(359)	0	0	0
Fire Doors	0	(500)	500	0	0
Housing Support Services Computer Fund	(70)	306	0	(115)	(121)
DH Central Heating Upgrades	(23)	0	23	0	0
Thermal Comfort Works	(20)	20	0	0	0
Ermine Church Land	(350)	350	0	0	0
Lincoln Standard Window Replacement	(90)	90	0	0	0
Door Replacement	(129)	129	0	0	0
Replacement Door entry systems	(137)	137	0	0	0
Garages	(30)	30	0	0	0
Fire Compartment Works	(10)	10	0	0	0
HRA Buildings	(25)	25	0	0	0
Hiab and Mule	(122)	122	0	0	0
Telephony	(6)	6	0	0	0
Ermine Church Land	(350)	350	0	0	0
Property Acquisitions	(367)	367	0	0	0
Budget Under/Overspends returned to available resources (major repairs reserve and DRF)					
Kitchen Improvements	45	0	0	0	0
Rewiring	(12)	0	0	0	0
Re-roofing	(20)	0	0	0	0
Structural Defects	(10)	0	0	0	0
New Services	26	0	0	0	0
Renew Stair Structure	(40)	0	0	0	0
Communal Electrics	10	0	0	0	0
Communal TV Aerials	2	0	0	0	0
Fire Doors	(59)	0	0	0	0
Asbestos Removals	(87)	0	0	0	0
Asbestos Surveys	(69)	0	0	0	0
Operation Rose	(11)	0	0	0	0
Thurlby Crescent	(8)	0	0	0	0
Increased budget allocations					
New Build – De Wint Court (funded from DRF)	1	0	0	0	0
Total Changes Approved by the CFO	(1,449)	945	523	(115)	(121)
Total HIP Delegated Approvals and Approvals by/for Executive	(1,388)	1,720	523	(115)	(121)

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

Housing Investment Programme - Outturn	2023/24			
	Budget Q3 £'000	Revised Budget Q4 £'000	Outturn £'000	Variance to Q3 Budget £'000
Decent Homes / Lincoln Standard	6,741	6,549	6,549	(192)
Health and Safety	673	339	339	(334)
Contingent Major Repairs / Works	0	0	0	0
New Build Programme	7,445	6,980	6,980	(465)
Other Schemes	755	446	446	(309)
Computer Fund / IT Schemes	506	419	419	(87)
Total Capital Programme	16,120	14,732	14,732	(1,388)

- 7.15. The overall expenditure on the Housing Investment Programme for the final quarter of 2023/24 was £14.732m, which is 91.3% of the budget. This is detailed further at Appendix J.

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 achieve a balanced budget position for 2023/24 in order that it can continue to deliver services in support of Vision 2025.

9. Resource Implications

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

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

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 provisional outturn the level of balances as at 31st March 2024 will be maintained within these ranges, with the General Fund slightly higher.

Although this report sets out the financial outturn, which for the General Fund and HRA has resulted in a positive position, this does not mean that the financial issues for the Council are resolved. Beyond 2023/24 the Council is set to face ongoing pressures as a result of increasing baseline costs due to inflationary impacts,

escalating service demands and income pressures arising from the cost-of-living crisis. The Council will continue to face further financial challenges as it responds to the impact of these issues and an increased need to deliver ongoing reductions in the net cost base, as set out in the MTFS 2024-2029.

9.2. Legal implications including Procurement Rules

There are no legal implications arising from this report.

9.3. Equality, Diversity and Human Rights

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

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

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

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

10. Risk Implications

A full financial risk assessment is included in the MTFS, this is continually reviewed in light of changes in the underlying financial assumptions. There are currently a significant number of critical risk factors to the budget and MTFS, with further details provided within the MTFS 2024-29.

11. Recommendations

The Executive are recommended to:

- 11.1. Note the provisional 2023/24 financial outturn for the General Fund, Housing Revenue Account, Housing Repairs Service and Capital Programmes as set out in sections 3 – 7, and in particular the reasons for any variances.
- 11.2. Approve the proposed General Fund carry forward requests, as detailed in paragraph 3.7.
- 11.3. Note the proposed transfer to General Fund and HRA earmarked reserves detailed in paragraph 3.8 and 4.7.
- 11.4. Note the changes to the General Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer as detailed in paragraphs 7.6 and 7.13.

- 11.5. Approve the financial changes to the General Investment programme and the Housing Investment programme, that are above the limit delegated to the Chief Finance Officer, as detailed in paragraphs 7.5, 7.11 and 7.12.

Key Decision	No
Key Decision Reference No.	N/A
Do the exempt information categories apply?	No
Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain appendices?	Yes
List of Background Papers:	Medium Term Financial Strategy 2023-2028 Medium Term Financial Strategy 2024-2029
Lead Officer:	Laura Shipley, Financial Services Manager Laura.shipley@lincoln.gov.uk

GENERAL FUND SUMMARY – OUTTURN 2023/24

Service Area	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Strategic Development	A	2,100	2,057	(43)
Chief Finance Officer (S151)	B	(226)	(856)	(631)
City Solicitor	C	1,858	1,870	12
Revenues & Benefits	D	541	1,373	832
Housing	E	759	784	25
Director of Major Developments	F	(1,460)	(1,581)	(121)
Communities and Street Scene	G	6,451	6,367	(84)
Health and Environmental Services	H	1,157	1,134	(22)
Planning	I	(3201)	(3,119)	83
		7,979	8,029	50
Corporate Expenditure	J	1,088	1,047	(41)
TOTAL SERVICE EXPENDITURE		9,067	9,076	9
Revenue Capital Accounting Costs	K	5,497	5,583	87
Specific Grants	L	(700)	(743)	(43)
Contingencies	M	(102)	0	102
Savings Targets	N	62	0	(62)
Earmarked Reserves	O	1,222	1,194	(29)
Insurance Reserve	P	(453)	(423)	30
TOTAL EXPENDITURE		14,594	14,687	93
CONTRIBUTION FROM BALANCES		(191)	(175)	16
NET REQUIREMENT		14,403	14,512	109
Retained Business Rates Income	Q	6,125	6,234	(109)
Collection Fund Surplus/(Deficit)	R	546	546	0
Revenue Support Grant	S	175	175	0
Council Tax	T	7,556	7,556	0
TOTAL RESOURCES		14,403	14,512	(109)

General Fund Variances – Outturn 2023/24

Figures in brackets indicate an underspend of expenditure or additional income.

Ref		£	
	<u>Increased Expenditure</u>		
B	Repairs & Maintenance	53,850	Overspend on corporate repairs and maintenance expenditure due to increase in volume and cost of works required.
B	Industrial Estates	96,750	Backdated rent review in relation to leased in industrial units.
B	Property Services	25,250	Increased IT costs.
B	Property Services	17,870	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. In these instances, and where it is not possible to absorb/stop the work of the vacant posts, overtime or 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.
E	Control Centre	63,640	
H	Public Protection	21,940	
C	Legal Expenses	90,200	Increase in legal costs, offsets legal staffing saving below (net overspend £53k).
D	Housing Benefits	201,080	Backdated Universal Credit Discretionary Housing Payments.
E	Control Centre	76,650	Increase in equipment, annual maintenance contract, telephony and IT costs.
F	Central Market	43,010	Additional legal costs and website fees, net of utility savings.
G	Waste	58,420	Additional contract management, inflation and printing cost pressures over and above the MTFS assumptions, offset by reduced expenditure on Street Cleansing contract below (net saving £24k).
H	Yarborough Centre	Leisure 50,000	Required contribution under contract for profit/loss share.

Ref		£	
I	Car Parks	267,230	Additional card payment fees due to a system upgrade (£54k), additional maintenance works required at Lucy Tower & Broadgate (£51k), additional utilities pressures over and above MTFS assumptions (£55k), additional charges due to increased transactions through Pay by Phone (£18k) cost pressures relating to overtime (£16k), & various other such as increased security costs, cleaning materials (£73k), wholly offset by increased income below (net car parking surplus £359k).
M	Pay Award	440,370	Impact of National Employers pay award over and above budget assumptions.
M	Annual Vacancy Savings Target	177,670	Vacancy savings target, offset by savings in service areas.
N	Earmarked Reserves	854,550	Proposed carry forward & additional contributions to reserves, as outlined in paragraph 3.7 & 3.8.

Reduced Income

D	Housing Benefits	64,060	Un-recoverable housing benefit costs in relation to increased B&B costs, as a result of disparity between Local Housing Allowance rates and rising demand and costs of accommodation.
D	Housing Benefits	168,620	Un-recoverable housing benefit costs in relation to increased costs of supported accommodation
D	Housing Benefits	204,800	Reduction in overpayments funded through housing subsidy due to overall reduction in overpayments raised and improved collection of arrears.
D	Housing Benefits	142,200	Other un-recoverable housing benefit costs relating to non-subsidy areas.
H	Crematorium	179,570	Reduced income as a result of lower than budgeted cremation levels, offset by savings on utilities and business rate costs, (net overspend £51k).
I	Building Regulations	67,930	Reduced income as a result of current economic conditions and demand for service.
I	Land Charges	42,450	Reduced income as a result of current economic conditions and demand for service.
I	Development Control	106,550	Reduced income as a result of current economic conditions and demand for service.

Ref		£	
	<u>Reduced Expenditure</u>		
A	Business Development & IT Manager	(26,930)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
A	Corporate Policy	(82,580)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
B	City Hall	(64,970)	Reduced expenditure on utility costs and Repairs and Maintenance costs.
C	Legal Expenses	(36,970)	Vacancy savings pending recruitment, offset against agency costs and vacancy savings target.
D	Revenues & Benefits Shared Service	(46,720)	CoLC Share of Shared Service vacancy savings pending recruitment, offset against Corporate vacancy savings target.
E	Community Leadership & Sustainability	(60,420)	Vacancy savings pending recruitment, offset against agency costs and vacancy savings target.
F	Managed Workspaces	(25,950)	Vacancy savings pending recruitment, offset against agency costs and vacancy savings target.
F	Major Developments Team	(30,000)	Reduced expenditure on consultancy fees.
F	DMD Director	(58,990)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
G	Street Cleansing	(48,350)	Reduction in contracted charges in relation to car parks and other minor underspends, offsets waste contract overspends above (net saving £24k).
G	Waste	(34,350)	Reduced expenditure on refuse collection services (purchase of bins), offsets waste contract overspends above (net saving £24k).
G	Grounds Maintenance	(57,000)	Underspend on corporate grounds maintenance budget.
H	Housing Regeneration	(84,560)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
H	Crematorium	(127,710)	Forecast underspend on utilities and business rates as a result of transitional discounts, partially offset by reduced income above (net pressure £51k).
I	Development Control	(52,590)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
J	Bad Debt Provision	(54,520)	Reduction in the required contribution to the bad debt provision for housing benefits and general fund debtor balances

Ref		£	
M	Savings Target	(62,460)	Overachievement of planned savings against annual savings target of £185k.
N	Earmarked Reserves	(43,630)	Release of CX Capacity reserve to offset increased expenditure as a result of vacancy pressures above.
<u>Increased Income</u>			
B	Lincoln Properties	(149,080)	Tenant profit share as agreed in arrangements related to CVA agreed during Covid-19 pandemic, along with in year rent reviews.
B	Other Interest	(575,110)	Increased investment income as a result of higher interest rates and additional dividend income.
E	Housing Solutions Management	(29,520)	New Burdens grant income relating to staff time attributable to work on the Ukrainian Resettlement.
E	Housing Solutions	(75,340)	Grant funding attributed to offsetting budgeted costs.
F	Managed Workspaces	(20,040)	Additional income as a result of increased occupancy at MWS.
F	Major Developments Team	(61,420)	Admin grant funding for administration of UKSPF project.
H	Community Centres	(57,920)	Increased income levels, predominantly driven by ongoing contract at the Grandstand.
I	Car Parks	(625,730)	Increase in season ticket income & forecast increase in pay and display income (net car parking surplus £359k).
J	Land Drainage Levies	(141,930)	Additional government grant received to offset the increased cost of Internal Drainage Board Levies.
L	Specific Grants	(31,988)	Additional government grant for Business Rate Levy/Safety Net Retention
Q	Retained Business Rates Income	(112,480)	Additional government grant received for Green Plant & Machinery, additional S31 grant for business rate reliefs, reduction in tariff following 2023 revaluation and additional pooling gain.

HOUSING REVENUE ACCOUNT FUND SUMMARY – OUTTURN 2023/24

	Ref	Revised Budget £'000	Outturn £'000	Variance £'000
Gross Rental Income	A	(32,643)	(32,937)	(294)
Charges for Services & Facilities	B	(554)	(650)	(96)
Contribution towards Expenditure	C	(50)	(11)	39
Repairs Account – Income	D1	0	(133)	(133)
Supervision & Management – General	D2	(664)	(813)	(149)
Supervision & Management – Special	D3	(66)	(82)	(16)
Repairs & Maintenance	E	10,834	10,947	113
Supervision & Management – General	F1	6,901	7,239	338
Supervision & Management – Special	F2	1,991	2,127	136
Rents, Rates and Other Premises	G	846	777	(69)
Increase in Bad Debt Provisions	H	250	(83)	(333)
Insurance Claims Contingency	I	174	282	108
Contingencies	J	149	0	(149)
Depreciation	K	7,750	8,199	449
Impairments	L	0	0	0
Debt Management Expenses	M	16	9	(7)
HRS Trading (Surplus) / Deficit	N	0	289	289
Net Cost of Service	O	(5,067)	(4,839)	228
Loan Charges Interest	P	2,356	2,317	(39)
Investment/Mortgage Interest	Q	(308)	(1,073)	(764)
Net Operating Inc/Exp	R	(3,020)	(3,595)	(575)
Major Repairs Reserve Adjustment	T	3,000	2,552	(447)
Transfers to/from reserves	U	79	1,096	1,016
(Surplus)/Deficit in Year	V	59	53	(6)

Housing Revenue Account Variances – Outturn 2023/24

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

Ref		£	Reason for variance
	<u>Reduced Income</u>		
C	Court Costs	38,730	Reduction in recovered income from court costs as less cases in year than anticipated.
	<u>Increased Income</u>		
Q	Investment Interest	(764,430)	Increased investment income as a result of higher interest rates.
A	Gross Rental Income	(282,650)	Additional rental income as a result of reduced voids and higher rent levels at Rookery Lane development, plus higher than budgeted opening housing stock levels.
D1	Repairs Account	(132,550)	Additional income from rechargeable void works HRS social value contribution and in year profit share income
D2	Supervision & Management: General	(52,080)	Additional income from contractor admin fee and internal fees.
	<u>Reduced Expenditure</u>		
T	Major Repairs Reserve Adjustment/Direct Revenue Finance	(447,100)	Contribution from Major Repairs Reserve to offset the increase in depreciation costs following revaluations of properties in year.
H	Bad Debt Provision	(332,510)	Write back from provision for outstanding debts, following year-end review of ongoing requirements.
E	Repairs & Maintenance	(409,590)	Underspend on Repairs Account expenditure predominantly due to cyclical repair/replacement works.
F	Supervision & Management	(319,230)	Reduced expenditure on employee costs due to staff vacancies, offset by agency costs below (excl. Pay Award below).
E	Repairs & Maintenance - HRS	(298,780)	Reduced HRS expenditure on Voids, partially offsets increases on Responsive, Aids & Adaptations and Cleansing below (net overspend £497k).

Ref		£	Reason for variance
G/E	Rent, Rates & Other Premises	(127,980)	Underspend on Utility costs and Council Tax liability across the HRA (excluding De Wint Court).
P	Loan Charges Interest	(38,650)	Repayment of existing borrowing & re-borrowing at lower interest rate
	<u>Increased Expenditure</u>		
N	HRS Surplus/Deficit	288,840	HRS deficit position (refer to HRS variances – Appendix F).
E	Repairs & Maintenance - HRS	795,450	Increased HRS expenditure on Responsive Repairs (£335k), Aids & Adaptations (£446k) and Cleansing (£14k) partially offset by underspend above (net overspend £497k).
K	Depreciation	449,100	Increase in depreciation costs following revaluation of housing stock, offset in full by a Major Repairs reserve adjustment above.
F1	Supervision & Management – General	323,030	Cost of agency staff to cover staff vacancies within Supervision & Management, partially offset by Vacancy savings above.
F1	Supervision & Management – General	366,410	Increased expenditure due to consultancy costs on void work & garden/hedge/tree work costs (£205k), HRA Business Plan schemes (£99k), caretakers tipping (£46k), additional consultancy costs (£54k), housing needs survey (£25k), partially offset by increased call on reserves.
I	Insurance Claims Contingency	108,170	Increase in disrepair claims, offset by increased call on Insurance reserve.
F	Supervision & Management	126,000	Impact of National Employers pay award over and above budgeted assumptions.
U	Transfers To/(From) Reserves	1,016,420	Net additional contribution to reserves, over and above budgeted levels (as outlined in paragraph 4.7 and Appendix G).

HOUSING REPAIRS SERVICE SUMMARY – OUTTURN 2023/24

	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000
Employees	3,852	3,326	(526)
Premises	171	165	(6)
Transport	432	354	(78)
Materials	1,519	1,511	(8)
Sub-Contractors	2,154	3,979	1,825
Supplies & Services	333	381	49
Central Support Charges	586	559	(26)
Capital Charges	0	0	0
Total Expenditure	9,047	10,277	1,230
Income	(9,047)	(9,888)	(941)
(Surplus)/Deficit	0	289	289

Housing Repairs Service Variances – Outturn 2023/24

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	(651,017)	Vacancies within the Operative staff.
Fleet Charges	(78,352)	Reduction in lease costs due to delay in receiving new vehicles from supplier.
Central Support Costs	(26,330)	Reduction in Corporate Support Service charges to the HRS.
<u>Increased Expenditure</u>		
Employee Costs	125,230	Impact of National Employers pay award over and above budgeted assumptions.
Sub-Contractors	1,825,033	Increased use of sub-contractors to meet increased demand and cover vacancies within the operative team.
<u>Increased Income</u>		
Income	(940,786)	Increased income as a result of increase in number of jobs, offset by increased costs of sub-contractor spend above.

EARMARKED RESERVES – OUTTURN 2023/24

	Revised Opening Balance	In Year Increase	In Year Decrease	Closing Balance
	01/04/2023 £'000	£'000	£'000	31/03/2024 £'000
General Fund				
Budget Carry Forwards	483	226	(140)	569
Grants & Contributions	1,445	248	(188)	1,505
Active Nation Bond	180	-	-	180
AGP Sinking Fund	52	50	-	102
Air Quality Initiatives	22	-	-	22
Birchwood Leisure Centre	86	20	-	106
Business Rates Volatility	234	1,163	(481)	916
Christmas Decorations	14	-	-	14
City Centre Masterplan	-	75	-	75
City Hall Improvement Works	50	-	-	50
City Hall Sinking Fund	60	-	-	60
Commons Parking	13	15	-	28
Corporate Maintenance	100	-	-	100
Corporate Training	60	21	(10)	71
Council Tax Hardship Fund	-	-	-	-
Covid19 Recovery	1,047	-	-	1,047
Covid19 Response	354	-	-	354
CX Capacity	100	-	(44)	56
Electric Van replacement	27	4	-	31
HiMO CPN Appeals	169	-	(58)	111
Income Volatility Reserve	320	200	-	520
Inflation Volatility Reserve	466	-	-	466
Invest to Save (GF)	237	200	(88)	349
IT Reserve	284	109	-	393
Lincoln Lottery	9	-	-	9
Mayoral Car	7	-	-	7
MSCP & Bus Station Sinking Fund	149	46	-	195
Private Sector Stock Condition Survey	51	48	(48)	51
Professional Trainee Scheme	90	-	-	90
Revenue & Benefits Community Fund	25	29	-	54
Section 106 Interest	32	-	-	32
Staff Wellbeing	28	-	-	28
Tank Memorial	10	-	-	10
Tree Risk Assessment	102	31	(47)	86
Unused DRF	199	141	(179)	161
Vision 2025/Vision 2030	533	150	(298)	386
	7,040	2,775	(1,581)	8,234

HRA

Capital Fees Equalisation	110	-	-	110
De Wint Court	73	-	-	73
De Wint Court Sinking Fund	10	103	-	113
Disrepairs Management	300	-	(13)	287
Housing Business Plan	177	800	(134)	842
Housing Repairs Service	76	-	-	76
HRA IT	135	35	-	170
HRA Repairs Account	1,351	-	-	1,351
Housing Strategic Priority	764	-	-	764
HRS Social Value	61	50	-	111
Invest to Save (HRA)	416	-	(41)	375
NSAP/RSAP Sinking Fund	9	9	-	18
Regulator of Social Housing	0	180	-	180
Strategic Growth Reserve	5	-	-	5
Tenant Satisfaction Survey	23	9	-	31
	3,510	1,185	(188)	4,507
Total Earmarked Reserves	10,550	3,960	(1,769)	12,741

CAPITAL RESOURCES – OUTTURN 2023/24

	Opening balance	Contributions	Used in financing	Closing balance 31/03/24
	£'000	£'000	£'000	£'000
Capital Grants/Contributions General Fund	0	5,406	(5,406)	0
Capital Grants/Contributions HRA	275	817	(817)	275
Capital receipts General Fund	13	1,650	0	1,663
Capital receipts HRA	2,660	900	(1,000)	2,560
Capital receipts 1-4-1	4,274	1,062	(1,557)	3,780
Major Repairs Reserve	22,631	10,749	(9,645)	23,735
GENF DRF	164	3,371	(3,394)	141
Total Capital Resources	30,017	23,955	(21,819)	32,154

Currently the HIP has schemes planned to facilitate use of all 1:4:1 receipts with no repayment required in 23/24.

General Investment Programme – Summary of Expenditure as at 31st March 2024

GENERAL INVESTMENT PROGRAMME	Budget 2023/24 - Reported at Q3	2023/24 Q4 Budget Increase / Decrease	2023/24 Year End Reprofiling	2023/24 Revised Budget	2023/24 Actual Spend	Variance to Q3 Approved Budget	% Spend to Q3 Revised Budget
<u>DCE - Health and Environmental Services</u>							
Better Care Fund (was Disabled Facilities Grant)	850,000		278,273	1,128,273	1,128,273	278,273	132.74%
DCE - Health and Environmental Services Total	850,000		278,273	1,128,273	1,128,273	278,273	132.74%
<u>DCE - Community Services</u>							
Boultham Park Lake Restoration	3,575		(1)	3,575	3,575	(1)	99.99%
Flood Alleviation Scheme - Hartsholme Park	4,530	0		4,530	4,530	0	100.00%
Hope Wood	35,553	(1,431)		34,122	34,122	(1,431)	95.98%
Hope Wood - new trees	0	9,569		9,569	9,569	9,569	0.00%
Safer Streets - CCTV Cameras	50,000	45		50,045	50,045	45	100.09%
DCE - Community Services Total	93,658	8,183	(1)	101,840	101,840	8,183	108.74%
<u>DCE - Planning & City services</u>							
Car Parking Software	34,850		(14,337)	20,513	20,513	(14,337)	58.86%
HAZ - Shopfronts on a Framework	115,415	4,052		119,467	119,467	4,052	103.51%
St Mary le Wigford (HAZ)	10,000	(190)		9,810	9,810	(190)	98.10%
St Mary's Guildhall (HAZ)	67,000	3,834		70,834	70,834	3,834	105.72%
Windmill View	589,339		(16,475)	572,864	572,864	(16,475)	97.20%
DCE - Planning & City services Total	816,604	7,695	(30,812)	793,487	793,487	(23,117)	97.17%
<u>Chief Executive Corporate Policy</u>							
New Telephony System	8,758		(5,558)	3,200	3,200	(5,558)	36.54%
Chief Executive Corporate Policy Total	8,758		(5,558)	3,200	3,200	(5,558)	36.54%
<u>Chief Executive Chief Finance Officer</u>							
Bud Robinson Community Centre	27,550	1,179		28,729	28,729	1,179	104.28%

GENERAL INVESTMENT PROGRAMME	Budget 2023/24 - Reported at Q3	2023/24 Q4 Budget Increase / Decrease	2023/24 Year End Reprofiling	2023/24 Revised Budget	2023/24 Actual Spend	Variance to Q3 Approved Budget	% Spend to Q3 Revised Budget
Crematorium Curtains	19,410	1		19,411	19,411	1	100.01%
Greyfriars - Phase 2 Delivery	380,740		(290,230)	90,510	90,510	(290,230)	23.77%
Guildhall Works	17,960	(0)		17,960	17,960	(0)	100.00%
High Bridge Café	50,000	16,897		66,897	66,897	16,897	133.79%
Lincoln Central Lifts	150,000		(150,000)	0	0	(150,000)	0.00%
Planned Capitalised Works	58,390	(28,435)	(29,955)	0	0	(58,390)	0.00%
Stamp End Demolition	(2,720)			(2,720)	(2,720)	0	100.00%
The Grandstand Carholme Road	0	20,719		20,719	20,719	20,719	0.00%
Chief Executive Chief Finance Officer Total	701,330	10,360	(470,185)	241,505	241,505	(459,825)	34.44%
Major Developments							
Central Markets	2,000		(2,000)	0	0	(2,000)	0.00%
Central Markets (All Funding Streams)	3,604,271		(283,583)	3,320,688	3,320,688	(283,583)	92.13%
Electric Vehicle Charge Points - Phase 2	237,000	(93,423)		143,577	143,577	(93,423)	60.58%
HUG - Home Upgrade Grant	15,242			15,242	15,242	0	100.00%
LAD 3 - Green Homes Grant Local Authority Delivery Scheme BEIS	580,803	(61)		580,742	580,742	(61)	99.99%
TD Sincil Bank Gateway & Greening Project	0	73,000	(54,062)	18,938	18,938	18,938	0.00%
Towns Deal Programme Management	75,260	20,288		95,548	95,548	20,288	126.96%
UKSPF (Shared Prosperity Fund)	122,801	(50,000)	(72,801)	0	0	(122,801)	0.00%
UKSPF Training Academy	0	50,000		50,000	50,000	50,000	0.00%
WGC Housing Delivery	278,095		(51,165)	226,930	226,930	(51,165)	81.60%
WGC Phase 1b Bridges	3,662,840		(1,095,359)	2,567,481	2,567,481	(1,095,359)	70.10%
WGC Phase 2	115,000		(19,487)	95,513	95,513	(19,487)	83.05%
WGC Shared Infrastructure	937,871		95,425	1,033,296	1,033,296	95,425	110.17%
Major Developments Total	9,631,184	(196)	(1,483,032)	8,147,956	8,147,956	(1,483,228)	84.60%
TOTAL CAPITAL PROGRAMME EXCLUDING EXTERNALLY DELIVERED SCHEMES	12,101,534	26,042	(1,711,314)	10,416,262	10,416,262	(1,685,272)	86.07%

GENERAL INVESTMENT PROGRAMME	Budget 2023/24 - Reported at Q3	2023/24 Q4 Budget Increase / Decrease	2023/24 Year End Reprofiling	2023/24 Revised Budget	2023/24 Actual Spend	Variance to Q3 Approved Budget	% Spend to Q3 Revised Budget
Externally Delivered Town's Deal Schemes							
TD Barbican Production & Maker Hub	1,700,000		(1,700,000)	0	0	(1,700,000)	0.00%
TD Hospitality & Events & Tourism Institute	209,954			209,954	209,954	0	100.00%
TD Lincoln City FC and Foundation	814,122			814,122	814,122	0	100.00%
TD Lincoln Connected	462,108		(316,200)	145,908	145,908	(316,200)	31.57%
TD Sincil Bank	39,290	(73,000)	73,000	39,290	39,290	0	100.00%
TD Wigford Way	6,792		0	6,792	6,792	0	100.00%
Externally Delivered Town's Deal Schemes Total	3,232,266	(73,000)	(1,943,200)	1,216,066	1,216,066	(2,016,200)	37.62%
Grand Total	15,333,800	(46,958)	(3,654,514)	11,632,328	11,632,328	(3,701,472)	75.86%

Housing Investment Programme – Summary of Expenditure as at 31st March 2024

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2023/24 - Reported at Q3	Q4 Budget Increase / Decrease	Q4 Budget Reprofile	2023/24 Revised Budget	2023/24 Total Spend	2023/24 % Spend to Revised Budget
<u>Contingency Schemes</u>						
Contingency Reserve	0	0	0	0	0	0
Contingency Schemes Total	0	0	0	0	0	0
<u>Decent Homes</u>						
Bathrooms & WC's	300,000	(104,582)	0	195,418	195,418	100.00%
DH Central Heating Upgrades	2,253,948	0	(22,542)	2,231,406	2,231,406	100.00%
Door Replacement	900,000	0	(129,420)	770,580	770,580	100.00%
Fire Compartment works	10,000	0	(10,000)	0	0	0.00%
Fire Doors	60,000	(58,821)	0	1,179	1,179	100.00%
Kitchen Improvements	700,000	45,155	0	745,155	745,155	100.00%
Lincoln Standard Windows Replacement	789,732	0	(89,692)	700,040	700,040	100.00%
New services	76,774	26,246	0	103,020	103,020	100.00%
Re-roofing	20,000	(20,000)	0	0	0	0.00%
Rewiring	20,000	(12,272)	0	7,728	7,728	100.00%
Structural Defects	10,000	(10,000)	0	0	0	0.00%
Thermal Comfort Works	30,000	0	(19,858)	10,142	10,142	100.00%
Void Capitalised Works	1,570,320	213,534	0	1,783,854	1,783,854	100.00%
Decent Homes Total	6,740,774	79,260	(271,512)	6,548,522	6,548,522	100.00%
<u>Health and Safety</u>						
Asbestos Removal	190,000	(87,465)	0	102,535	102,535	100.00%
Asbestos Surveys	129,000	(69,440)	0	59,560	59,560	100.00%
Fire Alarms	0	0	0	0	0	0.00%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2023/24 - Reported at Q3	Q4 Budget Increase / Decrease	Q4 Budget Reprofile	2023/24 Revised Budget	2023/24 Total Spend	2023/24 % Spend to Revised Budget
Renew stair structure	40,000	(40,000)	0	0	0	0.00%
Replacement Door Entry Systems	313,757	0	(136,846)	176,911	176,911	100.00%
Health and Safety Total	672,757	(196,905)	(136,846)	339,006	339,006	100.00%
<u>IT/Infrastructure</u>						
Housing Support Services Computer Fund	319,743	166,383	(70,078)	416,048	416,048	100.00%
Infrastructure Upgrade	166,383	(166,383)	0	0	0	0.00%
Operation Rose	10,903	(10,903)	0	0	0	0.00%
Telephony	8,758	(5,558)	0	3,200	3,200	100.00%
IT/Infrastructure Total	505,786	(10,903)	(70,078)	419,248	419,248	100.00%
<u>Lincoln Standard</u>						
Over bath showers (10 year programme)	0	0	0	0	0	0.00%
Lincoln Standard Total	0	0	0	0	0	0.00%
<u>Other Current Developments</u>						
CCTV	0	0	0	0	0	0.00%
Communal Electrics	30,000	10,270	0	40,270	40,270	100.00%
Communal TV Aerials	3,000	2,351	0	5,351	5,351	100.00%
Environmental works	400,000	(137,232)	0	262,768	262,768	100.00%
Garages	30,000	0	(30,000)	0	0	0.00%
Eco Welfare Unit	24,729	0	0	24,729	24,729	100.00%
Hiab and Mule	122,330	0	(122,330)	0	0	0.00%
HRA Buildings	25,000	0	(25,000)	0	0	0.00%
Landscaping & Boundaries	0	0	0	0	0	0.00%
Thurlby Crescent	120,000	(7,607)	0	112,393	112,393	100.00%
Other Current Developments Total	755,059	(132,219)	(177,330)	445,510	445,510	100.00%
HOUSING INVESTMENT TOTAL	8,674,376	(260,767)	(661,324)	7,752,285	7,752,285	100.00%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2023/24 - Reported at Q3	Q4 Budget Increase / Decrease	Q4 Budget Reprofile	2023/24 Revised Budget	2023/24 Total Spend	2023/24 % Spend to Revised Budget
<u>HOUSING STRATEGY AND INVESTMENT</u>						
<u>New Build Programme</u>						
Property Acquisitions	3,483,328	279,287	(367,270)	3,395,344	3,395,344	100.00%
Ermine Church Land	350,000	0	(349,893)	107	107	100.00%
Stamp Duty Refunds	0	(327,800)	0	(327,800)	(327,800)	100.00%
New Build Capital Salaries	46,032	14,758	0	60,790	60,790	100.00%
New Build- De Wint Court	52,913	603	0	53,517	53,517	100.00%
New Build Programme	0	0	0	0	0	0.00%
New Build Programme (141 eligible)	0	0	0	0	0	0.00%
New Build Programme (Borrowing for 141 eligible)	0	0	0	0	0	0.00%
New Build Site – Hermit Street	1,412,640	138,316	(212,401)	1,346,557	1,346,557	100.00%
New Build Site - Queen Elizabeth Road	0	0	0	0	0	0.00%
New Build Site - Rookery Lane	123,768	0	0	123,768	123,768	100.00%
New Build Site - Searby Road	0	0	0	0	0	0.00%
Western Growth Corridor	1,968,678	0	358,982	2,327,660	2,327,660	100.00%
New Build Programme Total	7,445,362	105,164	(570,583)	6,979,944	6,979,944	100.00%
HOUSING STRATEGY AND INVESTMENT TOTAL	7,445,362	105,164	(570,583)	6,979,944	6,979,944	100.00%
TOTAL HOUSING INVESTMENT PROGRAMME	16,119,738	(155,603)	(1,231,907)	14,732,229	14,732,229	100.00%

TFS Phase7 programme: Provisional Outturn - 2023/2024

Service	Summary of project	Dir.	Total savings in 2023/24	GF savings in 2023/24	HRA savings in 2023/24	Comments
			£000's	£000's	£000's	
ACTIONS COMPLETED AS OF END Q4 2023/24						
Major Developments	Capitalisation of salaries for WGC	DMD	56	56	-	Exec 20/02/23
Waste/Street Cleansing	Waste/Street Cleansing Contract Savings	DCE	60	60	-	Complete
Sport Development	Cycle Grand Prix Grant	DCE	4	4	-	Complete
Community Centres	St Giles Community Centre	DCE	6	6	-	Exec 31/01/23
Major Developments	Deletion of Principal Small Business Support Officer	DMD	38	38	-	Complete
Major Developments	Maximise Towns Fund/Review of Workspaces	DMD	35	35	-	Complete
City Solicitor	Review of Work-based Learning	CX	83	48	35	Complete
TOTAL			283	248	35	