

Appendix A

City of Lincoln Productivity Plan

Our Approach

City of Lincoln Council has a clear vision, “Together, let’s deliver Lincoln’s ambitious future’ and Vision 2025, our corporate strategic plan has five key priorities;

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

Our priorities are set from a strong evidence base, a clear understanding of our place and communities and a commitment to providing services for residents who need it most.

This directly influences our financial approach. For example, in terms of Council Tax, the Council has a low council tax base due to 80% of properties being in Band A and B, this limits the level of overall council tax that can be raised. Maintaining a maximum entitlement to council tax support is currently a key initiative under priority, ‘Let’s Reduce all kinds of inequality’ with the Council understanding the impact this has on the ability to raise council tax. Additionally, the Council understands the careful balance between money held in reserves and balances and money used for the delivery of corporate priorities. The Council’s policy is to keep reserves and balances at a prudent level, to ensure money is not left as dormant and inaccessible for the delivery of services that meet the needs of our residents and to progress ambitions for the city, but while still recognising the need to maintain our financial sustainability. Providing vital services now and using funds available to invest in the city is a key intervention to manage future demand.

The delivery of our key priorities is underpinned by our ‘One Council’ approach which covers Organisational Development, Best Use of Assets, Technology and Creating Value Processes. This work programmes for these include;

- Understanding and meeting the needs of our many customers, including resident, visitors, businesses, workforce, public and voluntary organisations
- Instilling a website first culture and embracing digital technologies to improve service delivery across the organisation
- Delivering excellent and consistent customer services through multiple channels with customers choosing the most cost-effective method that meets their needs
- Redesigning services and project delivery to maximise efficiencies and improve customer experience

Supporting this work is a clear strategic approach to Value for Money and robust Governance arrangements. Our [Annual Governance Statement](#) for 2023/24 identified no significant governance issues during 2023/24. The council was provided with ‘Performing Well’ assurance for governance, risk and financial control through internal audit for 2023/24. [External Audit Annual Opinion](#) was published in 2024 in relation to financial year 2022/23 and states that the Council’s Statement of Accounts was legally compliant, no indicators were identified of any significant weakness in the Council’s Value for Money arrangements and no indicators were identified of any significant weakness in the Council’s Governance Arrangements.

In response to the challenging financial environment that local authorities have been working in for many years, we have developed robust plans to maintain a suitable financial position. The Towards Financial Stability (TFS) Programme has delivered annual revenue savings in excess of £10.5m since the onset of austerity measures, a significant reduction in overall net expenditure. This programme has enabled us to protect core services, allowed for continued significant investment in the City, delivered against Vision 2020 and Vision 2025 priorities and continued to maintain a sustainable financial position.

Our approach under TFS and One Council has included a focus on growth & investment, strong partnership working & collaboration and review of service delivery based on customer needs. Some examples to illustrate this include;

- The delivery of the Lincoln Transport Hub which includes a 1,000 space council operated multi-story car park, a 14 bay bus station and improved public realm connecting the train station and cycle hub. This development was a catalyst for the redevelopment of this quarter of the city, had direct investment from the Council to support growth in the economy and set out to achieve increased income of c£1m once the car park achieved capacity. The car park continues to be an important income stream.
- Improved service delivery and significant savings have been achieved through the Revenues and Benefits Shared Service, combining functions with a neighbouring district. The service delivered savings across the two councils of over £500k per annum and significantly improved performance levels and service delivery. This received an Excellence in Partnership Working IRRV Performance Award.
- Efficient use of the Council's property assets has delivered financial, service delivery and partnership working benefits through creating a Public Sector Hub at the Council's administrative headquarters. This hub provides a range of public and voluntary services under one roof for the benefit of our customers whilst also exceeding previous rental income. Additionally, the Council's Asset Rationalisation Programme robustly reviewed all Council land and property assets. Through disposal of some assets, the Council generated a capital receipt for re-investment into those assets generating a higher yield and reduced repairs and maintenance liabilities.
- Changes have also been made to the operating model within Customer Services. Customers now access face to face support by appointment rather than through a drop in facility. This has provided a more efficient service as staff availability is clear, wait times for customers has reduced and advisors can prepare in advance, allowing for the appropriate officer to be assigned to deal with the enquiry and arrange for any specialist support for vulnerable customers or those with identified needs. A new telephone system has been introduced which has also allowed a more efficient connection with service areas to reduce the time taken to respond to customer queries.
- This programme of work has also included some difficult decisions over the years in terms of which services we can continue to provide, whilst minimising the impact on services most needed by local residents and businesses, and with each year the challenge gets much harder.

Current and Future Work

Building on the work already undertaken, and to support further delivery of transformation and efficiencies, an internal service review has brought together teams covering policy, performance, data, business intelligence, business analysis, ICT, customer services and communications to underpin future work. This work has a clear focus on understanding customer needs through data, intelligence and customer engagement to ensure that any

changes or service redesign meets the changing needs of our customers. Understanding our customer needs helps us to provide the right services in the right way and avoid inefficiencies that can be caused by service failure as well as providing access to services that improves customer experience.

Quality data and evidence-based decision-making is important and underpins our decision making and financial planning. The annual [Lincoln City Profile](#) is a key corporate document that provides vital insight into aspects of the Council's external environment. Each year, the Profile offers up to date information on the key demographic and socioeconomic characteristics of, and the challenges facing, Lincoln's population. Lincoln is a small urban area within a relatively affluent rural hinterland. This puts additional pressures on the services provided beyond the city due to the role of a city and its broader functions within a rural county. The Profile provides an evidence base that informs the continued development and implementation of City of Lincoln Council's Vision 2025 corporate plan, will support development of its next corporate plan 'Vision 2030', and assists the council with other evidence-based decision making so that it can make the most effective use of its resources. [Performance Management](#) is robust and detailed allowing for clear identification of challenges and areas for improvement. Over the coming year we will be further reviewing operational service data and intelligence and feedback to identify processes or services that would benefit from process redesign or enhancements. Further channel shift, web accessibility and easier self-serve is another key focus, building on the online services already available and investigating new technologies that can help with automation and back-end integration. The benefits of channel shift from telephone to online will be considered alongside an understanding of the levels of digital exclusion in our communities and support for this is being developed alongside public and voluntary sector partners.

Our Project Management Model has also been reviewed and is being further developed to support large scale IT or digital projects by adopting agile ways of delivering these. Regular learning, review and development takes place.

There are some challenges with legacy ICT systems and a programme is in place and being further developed to address these across services.

A major Housing IT Replacement Project is currently underway which is consolidating multiple applications, processes and workstreams into one consolidated system. This covers over 180 work processes, over 15 integrations and interfaces and a significant amount of data. Once implemented this will significantly enhance the way we work, and provide a better customer experience including greater access to online services through the customer portal.

Support and development for our workforce will also be further developed, engaging our teams and equipping them with the right tools alongside developing skills and ways of working for the future. Organisational Development is a key strand in our One Council programme and a major council wide review has taken place with an action plan being developed. Agency spend is closely monitored by officers and members and recruitment across the sector continues to be a challenge.

The council embraces partnership working and collaboration in local delivery as well as engaging in learning across the sector at a national level. We will continue to actively engage with the LGA Transformation network and support, sharing and learning from good practice and working collaboratively with local government colleagues on solutions to shared challenges.

Our Towards Financial Sustainability programme continues work streams with a current initial focus on a review of technology, ongoing review of our assets, further opportunities for

collaboration with both local government and public sector partners and responding to the significant challenge of the cost of and demand for Temporary Accommodation. The Council's [Medium Term Financial Strategy](#) (MTFS) identifies a current need to make a saving of £1.75 million by March 2028. We will continue to build on successful financial planning to date and will implement a range of transformational changes, as set out above, in the way in which we operate and deliver services, to reduce the net cost base while minimising where possible the impact on service delivery. Fundamentally though, the longer-term approach to closing the funding gap is through economic growth and investment. Through our Vision we continue to seek ways to maximise our tax bases by creating the right conditions for the economy to recover and grow, to increase Business Rates income, and to encourage housebuilding to meet growing demand, generating additional Council Tax. As well as continuing to support this the Council will also seek, through direct interventions, ways to enhance the economic prosperity of the City, a key example of this being the development of the Western Growth Corridor Sustainable Urban Extension.

Barriers and Government Support

The opportunity to share thoughts on the support that Government could consider to help local councils to protect vital services to local communities is welcomed. A summary of these are below for consideration;

- Provision of long-term funding for local government that reflects current and future demands for services.
- Provision of multi-year and timely settlements for councils would allow them to plan and make meaningful financial decisions.
- Ensure that when the Review of Relative Needs and Resources takes place that the Review considers both the data and the formulas used to distribute funding and that the Government ensures that overall local government funding is sufficient when new needs formulae are introduced to ensure that no council sees its funding reduce as a result and that there are transitional arrangements for any business rates reset.
- Ensure that any reform to the model of local government finance and transitional arrangements includes the New Homes Bonus, Extended Producer Responsibility, Minimum Funding Guarantee and Service Grant.
- A consistent and aligned process for submitting data returns to central government would be helpful.
- Remove the referendum limit on Council Tax increases and allow councils to set Council Tax increases as they, and their local electorate, determine.
- Increase the level of Housing Benefit subsidy that can be claimed for temporary accommodation, in order to alleviate the cost burden this places on councils.
- Consider changes to the Housing Subsidy rules in relation to exempt accommodation, which restrict the level of Subsidy that councils can receive and allow provides unscrupulous profit-making landlords to take advantage of charging a higher level of rent. The Housing Benefit regulations should be amended to take account of the separate functions of care provider and landlord.

- Consider an alternative funding mechanisms, other than capital grant allocations, for the introduction of food waste collection for those authorities who contract for services and will be paying through annual contracts rather than purchasing vehicles.
- Provide greater freedoms and flexibilities, in relation to local fees and charges, including:
 - the ability to recover the full cost of all planning applications (not just major business applications)
 - greater freedoms to set licensing fees locally.
- An expansion of council housebuilding would boost the housing supply; helping to reduce homelessness and tackle housing waiting lists. There is a real housing need across all types and tenures and government support is needed for to address this alongside support for infrastructure. Not only would this help with the housing demand, it would also help tackle other evidenced based issues in our city. Housebuilding allows us to support our most vulnerable residents, in turn addressing wider determinants of health and health inequality, deprivation and supporting the local economy. Key to achieving these gains is the need for further reform to Right to Buy. Councils should be given: the right to retain 100 per cent of receipts on a permanent basis; flexibility to combine Right to Buy receipts with other government grants and the ability to set the size of discounts locally.
- Support the Housing Ombudsman Service to understand the wider context of local government housing and facilitate a discussion on the impact, efficiency and effectiveness of some of the actions being requested. A focus on the outcomes for local residents should be the priority.
- A significant financial pressure for the Council is Internal Drainage Board levies. The Council is part of a Local Government Association Special Interest Group that is lobbying Government on this issue. The Group now has 31 Councils and fully recognises the important work of Internal Drainage Boards in protecting our communities. The significant and ongoing increases in levies charged to the Council by Drainage Boards – a sum the Council can't control – is a major concern and is having an impact on our ability to invest in front line services. Since 2022/23, the levies charged to the Council, have increased by £340,000. We welcome the Government's commitment to implementing a longer-term funding solution for Internal Drainage Boards prior to the 25/26 Local Government Finance Settlement.
- A review of the requirement to hold in person meetings. Greater engagement with local residents and transparency with local business would be achieved by increasing access through streaming council meetings. The investment in the technology needed in council buildings to achieve this is prohibitive whereas streaming of online meetings is more cost effective. It also has benefits in terms of climate change, travel time and accommodation costs.
- A review of the statutory requirements to place notices in newspapers or issue written copies of routine notices would be helpful and align with more efficient ways of reaching local residents.
- Support for households who are digitally excluded.
- Oversight of or additional support with the market on the increasing cost of ICT systems and applications.

As we move towards the end of Vision 2025 and prepare for Vision 2030, we remain committed to being financially sustainable and delivering our One Council approach, implementing a range of transformational changes in the way in which we operate and delivers services, making them as efficient and effective as they can be. We continue to evolve and to innovate, so we can continue to deliver Lincoln's ambitious future.

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