

SUBJECT: FINANCIAL PERFORMANCE – QUARTERLY MONITORING

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: LAURA SHIPLEY, FINANCIAL SERVICES MANAGER

1. Purpose of Report

1.1. To present to the Executive the second quarter's performance (up to 30 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. While there are still a number of variables, which are subject to a level of uncertainty, based on the latest set of assumptions as at the end of the second quarter (up to 30 September) the forecast financial position of the Council for 2024/25 is:

Revenue Accounts	2024/25		
	Budget	Forecast @	Variance @
	£'000	Q2 £'000	Q2 £'000
General Fund – Contribution (to)/from balances	(147)	(184)	(37)
Housing Revenue Account – Contribution (to)/from balances	101	(418)	(519)
Housing Repairs Service – (surplus)/deficit	0	17	17*

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

Capital Programmes	2024/25		
	Opening Budget £'000	Revised Budget @ Q2 £'000	Movement @ Q2 £'000
General Investment Programme	23,455	27,894	4,439
Housing Investment Programme	22,763	17,432	(5,331)

Balances	2024/25		
	Budgeted Balance @ 31/03/25 £'000	Forecast Balance @ 31/03/25 £'000	Forecast Movement £'000
General Fund Balances	(2,392)	(2,429)	(37)
Housing Revenue Account Balances	(1,030)	(1,549)	(519)

Reserves	2024/25		
	Opening Balance @ 01/04/24 £'000	Forecast Balance @ 31/03/25 £'000	Forecast Movement £'000
General Fund Earmarked Reserves	(8,234)	(6,987)	1,247
HRA Earmarked Reserves	(4,507)	(4,376)	131

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

3. General Fund Revenue Account

- 3.1. For 2024/25 the Council's net General Fund revenue budget was set at £15,427,670 including a planned contribution to balances of £146,820 resulting in an estimated level of general balances at the year-end of £2,391,979 (after allowing for the 2023/24 outturn position).
- 3.2. The General Fund Summary is currently projecting a forecast underspend of £37,227 (appendix A provides a forecast General Fund Summary), resulting in general balance at the year-end of £2,429,206. This position maintains balances above the prudent minimum of c.£1.5-£2m.
- 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:

General Fund Forecast year-end key variances:	Forecast £'000
Increased non recoverable supported (exempt) accommodation and other housing benefit costs, reduction in DWP grant funding and unbudgeted Discretionary Housing Payments	361

Trend in reduced crematorium income plus additional interim management & administration costs	351
Nationally agreed pay award settlement	184
Cornhill Market additional initial operational costs	124
Less:	
Reduced Borrowing Costs	(325)
Release of Inflation Volatility reserve	(184)
Additional Government grant for Land Drainage Levies	(173)
Increased Investment Interest	(124)
Net Car Parking Income surplus (gross surplus £179k)	(103)
Net other variances	(148)
Overall forecast budget deficit/(surplus)	(37)

3.4. A number of the key forecast variances have arisen as a result of external variables e.g. economic factors, service demands etc, which differ from the budgeted assumptions. These main variances, both positive and negative cover:

- Pay settlement inflation pressure - the impact of the nationally agreed pay award is in excess of the assumptions included within the MTFS. The 2024/25 pay award, agreed by the National Employers for Local Government Services, provided either a flat rate increase of £1,290 (prorate) or a 2.5% increase to all staff dependant on pay spinal point, equivalent to a 5.7% increase for the lowest paid members of staff. In order to mitigate this cost pressure, an equivalent drawdown from the inflation volatility reserve will be released.
- Unrecoverable Housing Benefit – the number of housing benefit claims in relation to supported (exempt) accommodation, which does not attract 100% subsidy, continues to be at elevated levels, in addition other areas of housing benefit expenditure which do not attract 100% subsidy are also above budgeted levels. Grant funding from the Department of Works and Pensions is also lower than previous years and budgeted for.
- Borrowing costs – as a result of a delay in the anticipated reduction of the Bank of England Base Rate, which has only dropped marginally from 5.25% to 5% at quarter two, the Council have benefitted from reduced borrowing costs due to the continued strategy to review the reprofiling of loans and maintain adequate resource to reduce the level of budgeted borrowing while interest rates are still high.
- Investment income – in addition to savings on interest payable, the ongoing high base rate has increased the level of interest earned on the Council's cash balances over and above the levels anticipated within the MTFS.
- Carparking Fees and Charges – levels of carparking income remain buoyant, particularly in relation to sessional fees and season ticket sales.

3.5 In response to the key cost pressures anticipated in 2024/25; the additional staff costs arising as a result of the proposed pay award are unavoidable and will require the resetting of budgets for 2025/26 onwards within the upcoming MTFS. However,

in relation to the increasing cost of housing benefits, a range of mitigating actions are being taken, e.g. lobbying against current subsidy rules and Local Housing Allowance rates, focusing on actions to manage the supply of and demand for affordable/social housing and temporary accommodation, review of all supported accommodation claims is in place to ensure the appropriate levels of housing benefit are awarded, supporting housing providers to attain social registered landlord status etc. These actions are not likely to reduce costs in the short term, but are part of a longer-term solution.

3.6 Alongside the above variances, a significant variance against the Council's crematorium budget is also forecasted, resulting from a continuation of the reduction in income from cremations seen last financial year, driven by increasing competition from neighbouring Crematoriums. This position is being carefully monitored and an action plan developed. In addition, the service is currently being supported by external industry professionals, increasing the management and administration costs, this is being carefully monitored and will only remain in place for as long as required.

3.7 In addition, a significant in-year variance is now forecasted for the Cornhill Market. The refurbished Market opened on 17 May 2024 but the original budget for 2024/25 was set on the basis of a full year of operation and based on the draft business plan approved at Executive in July 2021. Now that the market is operational a full review of the business plan based on the actual operating costs and income levels is underway and will be reported to Executive in early 2025 and reflected in the next update of the Council's MTFS. The in-year variance being reported at the end of Q2 therefore reflects a number of one-off opening costs in 3 main areas:

- Rental income for the year has now been forecast to be £56k less than originally budgeted as it will not be operating for the full financial year with all stalls let at full rent.
- As part of opening the market a number of one-off items totalling £20k have been purchased which have not been able to be capitalised.
- Additional legal and letting fees of £48k have also been incurred as a one-off for the production of new lease types/terms/lettings for all stalls.

3.8 While the forecast outturn for the General Fund is a small budget underspend, there still remains uncertainty in terms of service demands and income forecasts. As such the final outturn position for the year is still subject to further change and will continue to be carefully monitored. While mitigating actions are underway as set out above, strong budgetary control should continue to be a focus to ensure expenditure and income remain balanced within the budget, resulting in a positive contribution to reserves at outturn.

3.9 **Earmarked Reserves**

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

3.10 Towards Financial Sustainability Programme

The savings target included in the MTFS for 2024/25 was £125,000.

Progress against this target, based on quarter two performance, shows secured savings of £88,840, with a further £25,400 identified savings totalling £114,240 for the General Fund, resulting in a forecast under-achievement of £10,760 in year.

4. Housing Revenue Account

- 4.1. For 2024/25 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £101,220, resulting in an estimated level of general balances at the year-end of £1,030,024, after allowing for the 2023/24 outturn position.
- 4.2. The HRA is currently projecting a forecast underspend of £519,410 (appendix C provides a forecast HRA Summary), which would result in HRA balances of £1,549,435 as at the end of 2024/25. This position maintains balances above the prudent minimum of c.£1m.
- 4.3. Although the forecast position is an underspend there are a number of significant variations in income and expenditure. Full details of the main variances are provided in the Appendix D, while the table below sets out the key variances:

Housing Revenue Account Forecast year-end key variances:	Forecast £'000
Nationally agreed pay award settlement	119
Less:	
Additional Rental Income	(204)
Increased Investment Interest	(179)
Reduced Borrowing Costs	(68)
<u>HRS Recharges:</u>	
Housing Repairs Service Overall Deficit Repatriation	17
HRS Repairs – increased Responsive jobs	749
HRS Repairs – reduced level of Voids, Aids & Adaptations and Cleansing jobs (see Appendix D for breakdown)	(1,099)
Net Other Variances	146
Overall forecast deficit/(surplus)	(519)

- 4.4. In line with the General Fund, some of the key variances have arisen as a result of external variables e.g. economic factors, service demands etc, which differ from the budgeted assumptions. 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. These main variances, both positive and negative, cover:

- Nationally agreed pay award inflation pressure – as per the General Fund the national pay award is in excess of the assumptions included within the MTFS.
- Investment income – as per the General Fund as a result interest rates and the Council's borrowing strategy, the level of borrowing and reprofiling of loans is being carefully managed, reducing overall borrowing costs.
- Rental income – income levels are higher than anticipated due to a higher than budgeted opening Housing stock at the start of the financial year.
- HRS Repairs – while there has been a net reduction in repairs recharges from the HRS to the HRA, there has been a switch in the nature of HRS rechargeable works anticipated this year with a significant increase in demand for responsive repairs, wholly offset by a reduction in the level of voids repairs, aids and adapts and cleansing works.

4.5. Alongside these variances the Housing Repairs Services (HRS) is currently reporting a small forecast deficit, which is consequentially repatriated to the HRA, as a result of the issues set out in Section 5 below.

4.6. In response to the key cost pressures forecast in 2024/25; the additional staff costs arising as a result of the nationally agreed pay award are unavoidable and will require the resetting of budgets for 2025/26 within the upcoming MTFS. In relation to housing repairs, the Housing Directorate Management Team continue work on the individual repairs service areas, i.e. Aids & Adaptations, Voids, Responsive Repairs etc, in order to review and manage demand and cost drivers. Work also 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.

4.7. As outlined throughout this report, there still remains a number of variables in the forecast assumptions, and as such the final outturn position for the year is still subject to further change. At this stage no additional mitigations, other than those currently being implemented in response to the issues faced by the HRS are recommended. Strong budgetary control should continue to be a focus to ensure expenditure and income remain balanced within budget.

4.8. **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 2024/25 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.

5.2. At quarter two the HRS are forecasting a deficit of £17,146 in 2024/25, an improvement of £338,165 since quarter one, which has subsequently been 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 Forecast year-end key variances:	Forecast £'000
Increase in sub-contractors' usage and prices	760
Income shortfall as a result of a lower level of voids, aids & adapts and cleansing jobs	521
Increased Skip hire costs	67
Nationally agreed pay award settlement	47
Less:	
Staff vacancies due to recruitment and retention challenges	(462)
Income surplus as a result of increase in responsive repairs, quoted jobs & other works	(940)
Net other variances	24
Overall forecast deficit/(surplus)	17

5.3. While overall the HRS is forecasting a much-improved year-end position, with a small forecast deficit, there are still a number of significant income and expenditure variances. These main variances, both positive and negative, cover:

- The HRS is still being impacted by recruitment challenges, with continued difficulties in attracting and retaining staff resulting 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.
- Additionally, the HRS are seeing increased levels of work in relation to regulatory compliance, such as damp and mould remediation and installation of fire doors, this is increasingly affecting the capacity to carry out routine works, further compounding the reliance on sub-contractors.
- 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. However, due to the change in nature of works this year and the increase in responsive repairs, which are predominantly performed by our own labour force, the HRS has seen an increase in income which does attract the overhead recovery rate.
- The forecast deficit also includes the impact of the national pay award settlement, which is in excess of the assumptions included within the MTFS as outlined in both the General Fund and HRA variances.

5.4. While the forecast outturn for the HRS is a small budget overspend, there still remains uncertainty in terms of service demands and income forecasts. As such it is essential that the tight controls implemented to monitor premium sub-contractor spend are maintained to minimise the projected deficit and mitigate against the

potential for the current net underspend in the HRA, as outlined in section 4 above, to deteriorate.

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 forecast balance as at 31st March 2025 are attached in Appendix G, with further details in the MTFS 2024-2029. In summary:

Earmarked Reserves	Opening Balance 01/04/24 £'000	Increase £'000	Decrease £'000	Closing Balance 31/03/25 £'000
General Fund	8,234	673	(1,919)	6,987
Housing Revenue Account	4,507	515	(645)	4,377

7. Capital Programme

7.1. General Investment Programme

- 7.2. The revised General Investment Programme for 2024/25 amounted to £23.5m following the quarter 1 report. At quarter 2 the programme has been increased by £4.4m to £27.9m, as shown below:

General Investment Programme	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Revised Budget at 2023/24 Outturn	23,455	7,563	1,052	1,052	1,052
Budget changes for approval – Quarter 2	4,439	10,076	3,565	0	0
Revised Budget	27,894	17,639	4,617	1,052	1,052

- 7.3. All changes over delegated limits require approval by the Executive. The following changes have already been approved by the Executive during quarter 2.

Approved by the Executive / Delegated Portfolio Holder	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Western Growth Corridor Housing Delivery Phase 1a – revised costs approved at Executive 22 nd July 2024	(2,826)	(178)	3,565	0	0

Western Growth Corridor Phase 1b Bridges – approved at Executive 22 nd July 2024	7,697	9,759	0	0	0
Western Growth Corridor Phase Wider Site Costs – approved at Executive 22 nd July 2024	53	15	0	0	0
Total Schemes already considered by the Executive	4,924	9,596	3,565	0	0

- 7.4. New schemes over an approved limit, are subject to Executive approval. There have been no new schemes in quarter 2 requiring Executive approval.
- 7.5. 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 2:

GIP Movements Approved by the Chief Finance Officer:	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Reprofiling budgets to other years:					
The Terrace Heat Mitigation	(247)	247	0	0	0
Compulsory Purchase Orders	(233)	233			
Transfers between schemes					
Planned Capitalised Work – allocated to specific schemes	(209)	0	0	0	0
Sudbrooke Drive Community Centre showers refurbishment	35	0	0	0	0
City Hall Level 2 ceiling & lights	23	0	0	0	0
City Hall Level 3 toilet refurbishment	40	0	0	0	0
Victoria Street Car Park Wall	99	0	0	0	0
Yarborough Leisure Centre replacement of mansafe system	12	0	0	0	0
Shared Prosperity Fund (UKSPF) funds allocated to agreed schemes	(7)	0	0	0	0
UKSPF Sudbrooke Drive Hub	7	0	0	0	0
Changes to budget allocations					
Windmill View – scheme is now complete (borrowing requirement reduced)	(15)	0	0	0	0
Yarborough Leisure Centre - Energy Efficiency – increased costs funded through revenue contributions.	10				
Total GIP Movements Approved by the CFO	(485)	479	0	0	0

Total GIP Delegated Approvals and Approvals by/for Executive	4,439	10,076	3,565	0	0
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- 7.6. The table below provides a summary of the projected outturn position for the General Investment Programme:

General Investment Programme - Projected Outturn	2024/25			
	Budget following Q1 Report	Revised Budget Q2	Forecast Outturn	Variance
	£'000	£'000	£'000	£'000
Active Programme				
Housing and Investment	298	298	298	0
Communities and Environment	2,911	2,907	2,907	0
Chief Executive	3,417	3,417	3,417	0
Major Developments	10,936	15,613	15,613	0
Total Active Schemes	17,562	22,235	22,235	0
Schemes on Hold/ Contingencies	308	74	74	0
Externally Delivered Town Deal Schemes	5,585	5,585	5,585	0
Total Capital Programme	23,455	27,894	27,894	0

- 7.7. The overall spending on the General Investment Programme active schemes (excluding externally delivered schemes), at the end of quarter 2 is £3.2m, which is 14.5% of the budget. This is detailed further at Appendix I.
- 7.8. The low capital spend at this stage of the year is primarily mainly due to the profiling of a number of large schemes only starting on site towards the end of quarter 2/beginning of quarter 3, e.g. Greyfriars, Yarborough Leisure Centre, Western Growth Corridor Phase 1a Homes and the LUF2 Eastern Access Bridge.
- 7.9. **Housing Investment Programme**
- 7.10. The revised Housing Investment Programme for 2024/25 amounted to £17.650m following the Quarter 1 position. At quarter 2 the programme has been decreased by £0.219m to £17.432m, as shown below:

Housing Investment Programme	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Revised Budget at Quarter 1	17,650	17,783	15,968	15,159	13,324
Budget changes for approval – Quarter 2	(219)	(563)	(1,188)	(1,460)	(1,268)
Revised Budget	17,432	17,219	14,780	13,698	12,056

- 7.11. All changes over the approved limit require approval by the Executive. The following changes require Executive approval for Quarter 2:

Changes requiring Executive Approval:	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Budget Under/Overspends returned to available resources					
Rewiring	(130)	(1,079)	(1,944)	(1,221)	(394)
Kitchen Improvements	0	0	0	(100)	(746)
Door Replacement	(600)	(163)	(493)	(334)	0
Fire Compartment Works	0	(160)	0	0	0
Fire Alarms	0	0	(50)	(50)	(50)
Renew stair structure	0	(25)	(25)	(25)	(25)
Landscaping & Boundaries	(100)	(652)	(313)	(382)	(758)
Over bath showers	0	(151)	(166)	(182)	(182)
Fire Doors	(200)	(215)	0	0	0
Increased budget allocations					
Kitchen Improvements (funded from MRR)	0	415	1,175	0	0
Communal Electrics (funded from DRF)	0	130	50	50	50
Door Replacement (funded from MRR)	0	0	0	0	795
Replacement Door Entry Systems (funded from DRF)	0	98	98	98	98
Void Capitalised Works (funded from MRR)	578	0	0	0	0
New Build – Hermit Street (funded from DRF)	104	0	0	0	0
Fire Doors (funded from MRR)	0	0	35	285	0
Housing Support Services Computer Fund (funded from DRF)	0	103	0	0	0
Property Acquisitions – this includes individual purchase and repair acquisitions approved under officer delegations (funded from 1-4-1 receipts with borrowing as match element).	155	0	0	0	0
Total changes requiring Executive Approval	(193)	(1,696)	(1,633)	(1,860)	(1,211)

- 7.12. The following schemes have also been added to the HIP, having been approved at Executive during Quarter 2, (or in previous quarters):

Approved by the Executive:	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Increased budget allocations					
Western Growth Corridor Phase 1b Bridges – approved at Executive 22 nd July 2024	0	1,559	0	0	0

Western Growth Corridor Phase Wider Site Costs – approved at Executive 22 nd July 2024	278	59	0	0	0
Total changes approved by Executive	278	1,618	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 2:

Changes approved by the Chief Finance Officer:	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Reprofiled Expenditure					
Bathrooms & WC	(235)	235	0	0	0
Re-roofing	(400)	(445)	445	400	0
Lincoln Standard Windows Replacement	275	(275)	0	0	0
Increased budget allocations					
Aids & Adaptations (funded from MRR)	50	0	0	0	0
New Services (funded from MRR)	25	0	0	0	0
Reduced budget allocations					
CCTV	(20)	0	0	0	0
HRA Buildings	0	0	0	0	(57)
Total Changes Approved by the Chief Finance Officer	(305)	(485)	445	400	(57)
Total HIP Delegated Approvals and Approvals by/for Executive	(219)	(563)	(1,188)	(1,460)	(1,268)

- 7.14. The reduction in forecast budgets across the MTFS is primarily due to the capital programme budgets initially being driven by stock condition surveys and not current available labour resource. Amounts in the programme have been reprofiled to future years, or removed, to better reflect availability of Council operatives and sub-contractors.
- 7.15. The table below provides a summary of the projected outturn position for the Housing Investment Programme:

Housing Investment Programme - Projected Outturn	2024/25			
	Budget following Q1 Report £'000	Revised Budget Q2 £'000	Forecast Outturn £'000	Variance £'000
Decent Homes / Lincoln Standard	9,642	9,005	9,005	0
Health and Safety	646	646	646	0
Contingent Major Repairs / Works	0	0	0	0
New Build Programme	5,793	6,331	6,331	0
Other Schemes	1,257	1,137	1,137	0
Computer Fund / IT Schemes	312	312	312	0
Total Capital Programme	17,650	17,432	17,432	0

- 7.16. The overall expenditure on the Housing Investment Programme at the end of Q2 was £5.730m, which is 32.87% of the 2024/25 revised programme. This excludes expenditure relating to Western Growth Corridor, which is currently shown on the GIP, to be apportioned at year end (current forecast outturn £1.3m). This is detailed further at Appendix J.
- 7.17. A further £1.091m has been spent as at the end of October 2024, although this is still 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 by the end of the financial year.

8. Strategic Priorities

- 8.1. The MTFS underpins this policy and financial planning framework and set out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's vision and strategic priorities. Vision 2025 identifies the Council's strategic priorities, setting the vision and direction for the council and the city for the next five years. The proposals in this report allow the Council to maintain a balanced budget position in 2024/25 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. Although there remains some uncertainty around the latest budget forecasts, based on the information to date on income and expenditure, both the General Fund and HRA are forecasted to maintain balanced budget positions in the current financial year.

General Balances, on both the General Fund and HRA, are the only resource not earmarked to a particular future need. The prudent minimum level of balance that should be maintained on the General Fund is between £1.5m-£2m and £1m-£1.5m on the HRA. Based on the latest forecasts of income and expenditure the level of

balances in 2024/25 are estimated to be maintained above these ranges. The close monitoring of the Council's overall financial position will remain critical over the course of this financial year, and 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 2024/25 the Council continues to face ongoing pressures as a result of increasing baseline costs due to inflationary impacts, escalating service demands and income pressures. 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

Executive are recommended to:

- 11.1. Note the financial performance for the period 1 April to 30 September 2024.
- 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 as detailed in paragraphs 7.5 and 7.12.
- 11.4. Approve the changes to the General Investment programme and the Housing Investment programme approved, or to be approved, by the Executive as detailed in paragraphs 7.3, 7.10 and 7.11.

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 2024-2029

Lead Officer: Laura Shipley, Financial Services Manager
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GENERAL FUND SUMMARY – AS AT 30 SEPTEMBER 2024

Service Area	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Strategic Development	A	2,228	2,211	(16)
Chief Finance Officer (S151)	B	(105)	(197)	(92)
City Solicitor	C	1,967	1,964	(4)
Revenues & Benefits	D	830	1,167	337
Housing	E	294	291	(3)
Director of Major Developments	F	(3,103)	(3,007)	96
Communities and Street Scene	G	8,033	8,301	267
Health and Environmental Services	H	1,200	1,148	(52)
Planning	I	(2,900)	(3,103)	(202)
		8,443	8,775	332
Corporate Expenditure	J	1,446	1,296	(151)
TOTAL SERVICE EXPENDITURE		9,890	10,070	181
Capital Accounting Adjustment	K	2,137	1,812	(325)
Specific Grants	L	4,452	4,452	0
Contingencies	M	(122)	158	280
Savings Targets	N	(36)	(25)	11
Earmarked Reserves	O	(1,063)	(1,247)	(184)
Insurance Reserve	P	23	23	0
TOTAL EXPENDITURE		15,281	15,244	(37)
CONTRIBUTION FROM BALANCES		147	184	37
NET REQUIREMENT		15,428	15,428	0
Retained Business Rates Income	Q	6,972	6,972	0
Collection Fund Surplus/(Deficit)	R	364	364	0
Revenue Support Grant	S	187	187	0
Council Tax	T	7,906	7,906	0
TOTAL RESOURCES		15,428	15,428	0

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>Increased Expenditure</u>	£	
E	Housing Needs	79,020	Increased staffing costs as a result of additional Fixed Term Contracts covering temporary absences.
F	Cornhill Market	68,253	Increased expenditure as a result of additional one off equipment, legal & lettings costs required as part of initial operation of the newly re-opened market.
H	Crematorium	226,910	External industry professional support to the management and administration of the Crematorium.
H	Yarborough Leisure Centre	50,000	Anticipated contribution under profit/loss agreement.
I	Car Parks	66,410	Additional charges due to increased pay by phone transactions (cost & volume) (£26k) and forecast maintenance works (£40k), wholly offset by increased income below (net car parking surplus £103k).
M	National Proposed Pay Award	183,890	Impact of the National Employers pay settlement, in excess of budget assumptions.
M	Annual Vacancy Savings Target	96,080	YTD vacancy savings target, offset by savings in service areas.
	<u>Reduced Income</u>		
B	Internal Audit	38,430	Forecast underachievement of income due to reduction in externally contracted services.
D	Housing Benefits	361,080	Increased non recoverable supported (exempt) accommodation and other housing benefit costs, reduction in DWP grant funding and unbudgeted Discretionary Housing Payment.
F	Cornhill Market	56,000	Reduced rental income due to market not operating for the full financial year with all stalls let at full rent as originally budgeted.
H	Crematorium	108,470	Forecast reduction in income as a result of YTD, and anticipated, cremation levels, partially offset by vacancy and utilities savings, (net pressure £54.4k).

H	Cemeteries	61,530	Forecast reduction in income as a result of YTD, and anticipated, burials.
I	Building Regulations	50,000	Anticipated reduction in income as a result of current economic conditions, wholly offset by vacancy savings below above (net saving £64.8k).
I	Land Charges	42,520	Anticipated reduction in income as a result of current economic conditions.
<u>Reduced Expenditure</u>			
A	CX Corporate Policy	(27,150)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
C	CoLC Apprentices	(25,230)	Residual vacancy savings after TFS savings target met.
G	Street Cleansing	(63,900)	Reduction in contracted charges and underspend on amenity cleaning.
H	Housing Regeneration	(36,890)	Vacancy savings pending recruitment, offset against Corporate vacancy savings target.
H	Crematorium	(54,090)	Forecast underspend, predominantly utilities and vacancy savings, offset by reduced income above (net pressure £54.4k).
I	Building Regulations	(129,320)	Vacancy savings offset against anticipated reduction in income above (net saving £64.8k).
I	Heritage	(59,140)	Vacancy savings offset against corporate vacancy savings target.
O	Earmarked Reserves	(183,870)	Release of Inflation Volatility reserve to offset increased expenditure as a result of proposed pay award.
<u>Increased Income</u>			
B	Lincoln Properties & Industrial Estates	(46,910)	Increased income as a result of backdated rent reviews & lower level of void properties.
B	City Hall	(25,000)	Increased income to be received from lease agreements.
B	Other Interest	(123,680)	Increased investment income as a result of higher interest rates (£119k) and additional dividend income (£4k).
E	Community Leadership & Sustainability	(38,850)	New Burdens grant funding for administration of UKSPF project.

F	Major Developments Team	(51,640)	New Burdens grant funding for administration of UKSPF project.
H	Community Centres	(75,120)	Increased income levels, predominantly driven by ongoing contract at the Grandstand.
I	Car Parks	(179,000)	Increase in season ticket income & forecast increase in pay and display income (net car parking surplus £103k).
I	Development Policy	(26,810)	Additional grant income for Biodiversity Net Gain.
J	Capital Accounting Adjustment- Interest Payable	(324,900)	Reduction in interest payable as a result of reduced borrowing levels.
J	Land Drainage Levies	(173,000)	Additional government grant received to offset the increased cost of Internal Drainage Board Levies.

HOUSING REVENUE ACCOUNT FUND SUMMARY – AS AT 30 SEPTEMBER 2024

	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Gross Rental Income	A	(35,220)	(35,410)	(190)
Charges for Services & Facilities	B	(658)	(687)	(29)
Contribution towards Expenditure	C	(50)	(10)	40
Repairs Account – Income	D1	(68)	(65)	3
Supervision & Management – General	D2	(808)	(1,020)	(212)
Supervision & Management – Special	D3	(75)	(156)	(80)
Repairs & Maintenance	E	11,729	11,821	92
Supervision & Management – General	F1	7,395	7,605	210
Supervision & Management – Special	F2	2,148	2,404	256
Rents, Rates and Other Premises	G	861	914	53
Increase in Bad Debt Provisions	H	251	251	0
Insurance Claims Contingency	I	439	439	0
Contingencies	J	312	353	41
Depreciation	K	8,198	8,198	0
Impairments	L	0	0	0
Debt Management Expenses	M	16	16	0
HRS Trading (Surplus) / Deficit	N	0	17	17
Net Cost of Service	O	(5,530)	(5,329)	201
Loan Charges Interest	P	2,331	2,264	(68)
Investment/Mortgage Interest	Q	(428)	(607)	(179)
Net Operating Inc/Exp	R	(3,626)	(3,672)	(46)
Major Repairs Reserve Adjustment	T	3,423	3,423	(0)
Transfers to/from reserves	U	304	(170)	(474)
(Surplus)/Deficit in Year	V	101	(418)	(519)

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
	<u>Reduced Income</u>		
C	Court Costs	40,000	Reduction in recovered income from court costs as less cases in year than anticipated.
	<u>Increased Income</u>		
U	Transfers to/(from) Reserves	(473,650)	Contributions from reserves to offset expenditure as outlined below (further detail in appendix G).
Q	Investment Interest	(178,830)	Increased investment income as a result of higher interest rates.
A	Gross Rental Income	(146,110)	Additional rental income as a result of higher than budgeted opening housing stock levels.
D2	Supervision & Management - General	(134,000)	Increase in contractor admin fee income due to addition of major contracts commencing in second half of financial year.
B	Non Dwelling Rents	(43,640)	Reduction in void loss garage rental income
	<u>Reduced Expenditure</u>		
E	Repairs & Maintenance - HRS	(1,099,260)	Reduced HRS expenditure on Voids (£980k), Aids and Adapts (£94k) and Cleansing (£25k), wholly offsetting the increase on Responsive Repairs costs below (net underspend £704k).
F	Supervision & Management	(140,780)	Reduced expenditure on Employee Costs due to staff vacancies, offset by agency costs below.
E	Repairs Account	(99,240)	Lower than budgeted installs for CO Detectors & Smoke Alarms due to cyclical replacements, offset by contribution to reserves to level out future costs future replacement cycle peaks.
P	Loan Charges Interest	(67,560)	Reprofiling of loans & adequate resources resulting in reduction in planned borrowing costs.
	<u>Increased Expenditure</u>		

Ref		£	Reason for variance
E	Repairs & Maintenance - HRS	704,180	Increased HRS expenditure on Responsive Repairs (£704k), offset by underspend above (net underspend £395k).
E	Repairs Account	311,000	High rise review and remediation (£300k), Carbon reduction and home safety works (£11k) entirely funded from reserves
E	Repairs Account	136,500	Stock Condition Survey costs funded entirely from reserves.
J	Contingencies	119,390	Impact of National Employers pay award settlement in excess of budgeted assumptions.
F1	Supervision & Management – General	76,110	Cost of agency staff to cover staff vacancies within Supervision & Management, offset by Vacancy savings above.
F1	Supervision & Management – General	65,370	Membership Fee increases on Housing Ombudsman, and additional Regulator of Social Housing annual subscription costs.
E	Repairs Account	63,220	Gas Servicing of Central Heating increase in market prices and addition of relet costs.
F1	Supervision & Management – General	92,500	Consultancy costs funded entirely from reserves.
F1	Supervision & Management – General	56,650	Increased expenditure primarily due to additional Housing IT costs
F1	Supervision & Management – General	52,840	Caretakers fly tipping costs increase – nationally increased trend since COVID.
F1	Supervision & Management – General	29,900	Downsizing Incentive Scheme costs funded entirely from reserves
N	HRS Surplus/Deficit	17,150	Estimated HRS deficit position (refer to further detail in Section 5 and Appendix F).

HOUSING REPAIRS SERVICE SUMMARY – AS AT 30 SEPTEMBER 2024

	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Employees	4,107	3,692	(415)
Premises	193	172	(21)
Transport	440	444	4
Materials	1,561	1,568	7
Sub-Contractors	2,635	3,395	760
Supplies & Services	323	422	99
Central Support Charges	707	707	0
Capital Charges	0	0	0
Total Expenditure	9,965	10,401	436
Income	(9,965)	(10,384)	(419)
(Surplus)/Deficit	0	17	17

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
<u>Reduced Expenditure</u>		
Employee Costs	(461,645)	Vacancies within the Operative staff.
Premises	(20,643)	Reduction in utility forecasts due to delay in depot being in use.
<u>Increased Expenditure</u>		
Sub-Contractors	760,486	Increased use of sub-contractors to meet void turnaround targets, new work streams and cover vacancies within the operative team.
Skip Hire	67,048	Increased usage of skips due to delay to the use of Hiab.
Proposed Pay Award	46,570	Impact of National Employers pay award settlement in excess of budgeted assumptions.
<u>Increased Income</u>		
Response Repairs, Quoted Jobs & Other Income	(940,325)	Higher level of responsive work carried out by HRS Operatives, as a result of a switch in the nature of HRS works between voids and responsive repairs, generating increased income through the internal overhead recovery rate.
<u>Reduced Income</u>		
Voids, Aids & Adapts and Cleansing Works Income	523,123	Reduced income as a result of sub-contractor costs on overhead recovery and old SOR rates used for billing (pending update). Predominantly voids works at £402k, Aids & Adapts £94k and Cleansing works at £25k.

EARMARKED RESERVES – Q2 MONITORING 2024/25

	Revised Opening Balance	In Year Increase	In Year Decrease	Forecast Closing Balance
	01/04/2024			31/03/2025
	£'000	£'000	£'000	£'000
General Fund				
Budget Carry Forwards	539	-	(196)	343
Grants & Contributions	1,504	43	(434)	1,113
Active Nation Bond	180	-	(80)	100
AGP Sinking Fund	102	50	-	152
Air Quality Initiatives	22	-	-	22
Birchwood Leisure Centre	106	20	-	126
Business Rates Volatility	916	53	-	969
Christmas Decorations	14	-	-	14
City Centre Masterplan	75	-	-	75
City Hall Improvement Works	50	-	-	50
City Hall Sinking Fund	60	-	-	60
Commons Parking	28	15	-	43
Control Centre Volatility Reserve	-	31	-	31
Corporate Maintenance	100	-	-	100
Corporate Training	71	-	(26)	45
Council Tax Hardship Fund	-	-	-	-
Covid19 Recovery	1,047	-	(200)	847
Covid19 Response	354	-	-	354
CX Capacity	56	-	(56)	-
Electric Van replacement	31	4	-	35
HiMO CPN Appeals	110	1	-	111
Income Volatility Reserve	520	-	(170)	350
Inflation Volatility Reserve	466	-	(184)	282
Invest to Save (GF)	350	-	-	350
IT Reserve	393	65	-	458
Lincoln Lottery	9	-	-	9
Mayoral Car	7	-	-	7
MSCP & Bus Station Sinking Fund	195	47	-	242
Private Sector Stock Condition Survey	51	12	(52)	11
Professional Trainee Scheme	90	-	-	90
Residents Parking Scheme	-	5	-	5
Revenue & Benefits Community Fund	54	-	-	54
Section 106 Interest	32	-	-	32
Staff Wellbeing	28	-	-	28
Tank Memorial	10	-	-	10
Tree Risk Assessment	86	-	25	61
Unused DRF	161	110	(271)	-
Vision 2025/Vision 2030	386	327	(304)	408
	8,234	672	(1,918)	6,987

HRA

Capital Fees Equalisation	110	-	-	110
De Wint Court	73	-	-	73
De Wint Court Sinking Fund	113	34	-	147
Disrepairs Management	287	-	(31)	256
Housing Business Plan	842	-	(381)	461
Housing Repairs Service	76	-	-	76
HRA IT	170	365	-	535
HRA Repairs Account	1,351	99	(137)	1,314
Housing Strategic Priority	764	-	-	764
HRS Social Value	111	-	-	111
Invest to Save (HRA)	375	-	(44)	331
NSAP/RSAP Sinking Fund	18	9	-	27
Regulator of Social Housing	180	-	(53)	127
Strategic Growth Reserve	5	-	-	5
Tenant Satisfaction Survey	31	8	-	39

4,507**515****(645)****4,377****Total Earmarked Reserves****12,741****1,187****(2,564)****11,364**

CAPITAL RESOURCES – Q2 MONITORING 2024/25

	Opening balance 01/04/24	Contributions	Used in financing	Forecast balance 31/03/25
	£'000	£'000	£'000	£'000
Capital Grants/Contributions General Fund	0	14,601	(14,601)	0
Capital Grants/Contributions HRA	0	1,155	(1,155)	0
Capital receipts General Fund	1,663	0	(74)	1,589
Capital receipts HRA	2,560	1,059	(404)	3,215
Capital receipts 1-4-1	4,453	1,422	(1,273)	4,601
Major Repairs Reserve	23,062	11,622	(13,204)	21,480
GENF DRF	141	8,505	(8525)	121
Total Capital Resources	31,879	38,364	(39,236)	31,006

Currently the HIP has schemes planned to facilitate use of all 1:4:1 receipts with no repayment required in 24/25.

General Investment Programme – Summary of Expenditure as at 30th September 2024

<u>GENERAL INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
<u>Housing and Investment</u>					
Housing Renewal Area Unallocated	298,152		298,152	0	0.00%
Housing and Investment Total	298,152		298,152	0	0.00%
<u>DCE - Health and Environmental Services</u>					
Better Care Fund (was Disabled Facilities Grant)	2,159,391		2,159,391	428,348	19.84%
Yarborough Leisure Centre - Energy Efficiency	634,350	10,000	644,350	0	0.00%
Yarborough Leisure Centre - Equipment	80,000		80,000	0	0.00%
DCE - Health and Environmental Services Total	2,873,741	10,000	2,883,741	428,348	14.91%
<u>DCE - Community Services</u>					
Traveller deterrent	6,200		6,200	0	0.00%
DCE - Community Services Total	6,200		6,200	0	0.00%
<u>DCE - Planning & City services</u>					
Car Parking Software	14,337		14,337	8,663	60.42%
St Mary's Guildhall (HAZ)	0		0	(90)	0.00%
Windmill View	16,475	(14,303)	2,172	2,172	99.99%
DCE - Planning & City services Total	30,812	(14,303)	16,509	10,744	65.08%
<u>Chief Executive Corporate Policy</u>					
New Telephony System	5,558		5,558	(400)	-7.20%
Chief Executive Corporate Policy Total	5,558		5,558	(400)	-7.20%
<u>Chief Executive Chief Finance Officer</u>					
Allotments Asbestos Sheds	33,795		33,795	0	0.00%
City Hall Level 2 Ceiling & lights	0	22,961	22,961	0	0.00%
City Hall Refurb level 3 toilets	0	39,930	39,930	0	0.00%

<u>GENERAL INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
Greyfriars - Phase 2 Delivery	2,662,787		2,662,787	21,954	0.82%
Lincoln Central Lifts	150,000		150,000	0	0.00%
Michaelgate	75,000		75,000	68,564	91.42%
Planned Capitalised Works	489,955	(208,851)	281,104	0	0.00%
Sudbrooke Drive CC Shower refurb	0	34,700	34,700	0	0.00%
Victoria St Car Park Wall	0	99,260	99,260	0	0.00%
Yarborough LC mansafe system	0	12,000	12,000	0	0.00%
Chief Executive Chief Finance Officer Total	3,411,537	0	3,411,537	90,518	2.65%
<u>Major Developments</u>					
Central Markets	2,000		2,000	0	0.00%
Central Markets (All Funding Streams)	283,583		283,583	(73,864)	-26.05%
Lincoln Transport HUB	0		0	(56,196)	0.00%
TD Sincil Bank Gateway & Greening Project	555,028		555,028	11,157	2.01%
TD Tentercroft Street	312,000		312,000	0	0.00%
The Terrace Heat Mitigation Works	246,547	(246,547)	0	0	0.00%
Towns Deal Programme Management	75,970		75,970	6,120	8.06%
UKSPF (Shared Prosperity Fund)	7,487	(7,487)	0	0	0.00%
UKSPF Belmont Street Our Community Bakery	130,000		130,000	0	0.00%
UKSPF Moorland Community Hub	70,000		70,000	60,012	85.73%
UKSPF Sudbrooke Drive Hub	222,801	7,487	230,288	16,600	7.21%
WGC Housing Delivery	5,622,755	(2,825,905)	2,796,850	91,266	3.26%
WGC Phase 1b Bridges	2,355,359	7,696,781	10,052,140	1,338,900	13.32%
WGC Shared Infrastructure	1,011,645		1,011,645	1,251,875	123.75%
WGC Site Wide Costs	19,487		19,487	37,896	194.47%
WGC Wider 1b Site Costs	21,000	52,810	73,810	20,000	27.10%
Major Developments Total	10,935,662	4,677,139	15,612,801	2,703,765	17.32%
TOTAL ACTIVE SCHEMES	17,561,662	4,672,836	22,234,498	3,232,975	14.54%

<u>GENERAL INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
<u>Schemes Currently Under Review</u>					
Compulsory Purchase Orders	233,481	(233,481)	0	0	0.00%
IT Reserve	74,334		74,334	0	0.00%
Schemes Currently Under Review Total	307,815	(233,481)	74,334	0	0.00%
TOTAL CAPITAL PROGRAMME EXCLUDING EXTERNALLY DELIVERED SCHEMES	17,869,477	4,439,355	22,308,832	3,232,975	14.49%
<u>Externally Delivered Town's Deal Schemes</u>					
Store of Stories	28,000		28,000	28,000	100.00%
TD Barbican Production & Maker Hub	1,700,000		1,700,000	183,503	10.79%
TD Lincoln Connected	577,968		577,968	435,913	75.42%
TD LSIP	800,000		800,000	0	0.00%
TD Sincil Bank	2,234,696		2,234,696	0	0.00%
TD Wigford Way	244,708		244,708	0	0.00%
Externally Delivered Town's Deal Schemes Total	5,585,372		5,585,372	647,416	11.59%
Grand Total	23,454,849	4,439,355	27,894,204	3,880,391	13.92%

Housing Investment Programme – Summary of Expenditure as at 30th September 2024

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
<u>Contingency Schemes</u>					
Contingency Reserve	0	0	0	0	0
Contingency Schemes Total	0	0	0	0	0
<u>Decent Homes</u>					
Bathrooms & WC's	734,550	(234,550)	500,000	164,659	32.93%
DH Central Heating Upgrades	2,016,960	0	2,016,960	1,025,833	50.86%
Door Replacement	1,634,266	(600,266)	1,034,000	389,579	37.68%
Fire Compartment works	50,000	0	50,000	2,675	5.35%
Fire Doors	500,000	(200,000)	300,000	51,529	17.18%
Kitchen Improvements	1,190,000	0	1,190,000	499,850	42.00%
Lincoln Standard Windows Replacement	907,672	275,328	1,183,000	631,894	53.41%
New services	50,000	25,000	75,000	72,572	96.76%
Re-roofing	500,000	(400,000)	100,000	484	0.48%
Rewiring	150,000	(130,000)	20,000	0	0.00%
Structural Defects	100,000	0	100,000	8,451	8.45%
Thermal Comfort Works	50,000	0	50,000	0	0.00%
Aids & Adoptions	0	50,000	50,000	46,879	93.76%
Void Capitalised Works	1,721,860	578,140	2,300,000	233,970	10.17%
Decent Homes Total	9,605,307	(636,348)	8,968,959	3,128,376	34.88%
<u>Health and Safety</u>					
Asbestos Removal	198,702	0	198,702	64,862	32.64%
Asbestos Surveys	133,763	0	133,763	34,487	25.78%
Fire Alarms	0	0	0	0	0.00%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
Renew stair structure	25,000	0	25,000	0	0.00%
Replacement Door Entry Systems	288,846	0	288,846	1,491	0.52%
Health and Safety Total	646,311	0	646,311	100,840	15.60%
<u>IT/Infrastructure</u>					
Housing Support Services Computer Fund	306,441	0	306,441	136,520	44.55%
Telephony	5,558	0	5,558	0	0.00%
IT/Infrastructure Total	311,999	0	311,999	136,520	43.76%
<u>Lincoln Standard</u>					
Over bath showers (10 year programme)	36,450	0	36,450	0	0.00%
Lincoln Standard Total	36,450	0	36,450	0	0.00%
<u>Other Current Developments</u>					
CCTV	20,000	(20,000)	0	0	0.00%
Communal Electrics	160,000	0	160,000	60,059	37.54%
Communal TV Aerials	5,000	0	5,000	4,069	81.38%
Environmental works	500,000	0	500,000	87,540	17.51%
Garages	60,000	0	60,000	0	0.00%
Hiab and Mule	130,689	0	130,689	130,689	100.00%
HRA Buildings	81,639	0	81,639	0	0.00%
Landscaping & Boundaries	300,000	(100,000)	200,000	52,495	26.25%
Other Current Developments Total	1,257,327	(120,000)	1,137,327	334,852	29.44%
HOUSING INVESTMENT TOTAL	11,857,395	(756,348)	11,101,047	3,700,589	33.34%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
<u>HOUSING STRATEGY AND INVESTMENT</u>					
<u>New Build Programme</u>					
Property Acquisitions	2,391,534	155,457	2,546,991	629,714	24.72%
New Build Capital Salaries	46,953	0	46,953	0	0.00%
New Build- De Wint Court	0	0	0	0	0.00%
New Build Site – Hermit Street	1,891,443	104,414	1,995,857	1,400,233	70.16%
Jasmin Green	50,000	0	50,000	0	0.00%
Ermine Church Land	349,893	0	349,893	0	0.00%
Western Growth Corridor	1,063,281	277,660	1,340,941	0	0.00%
New Build Programme Total	5,793,104	537,531	6,330,635	2,029,946	32.07%
HOUSING STRATEGY AND INVESTMENT TOTAL	5,793,104	537,531	6,330,635	2,029,946	32.07%
TOTAL HOUSING INVESTMENT PROGRAMME	17,650,499	(218,817)	17,431,682	5,730,535	32.87%

TFS Phase7 programme: progress at Q2 – 2024/2025

Service	Summary of project	Dir.	Total savings in 2024/25	GF savings in 2024/25	HRA savings in 2024/25	Comments
			£000's	£000's	£000's	
ACTIONS COMPLETED AS OF END Q2 2024/25						
Major Developments	Maximise Towns Fund/Review of workspaces	DMD	46	39	6	Complete
Workbased Learning	Review of Workbased Learning	CX	86	50	36	Complete for 24/25 – future business case required
TOTAL			131	89	42	