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8th January 2024

To All Members of the Executive Board,  
Internal and External Circulation and  
Press

Dear Councillor,

**Re: Executive Board Agenda - Wednesday, 10th January, 2024**

Further to the compilation of the above Executive Board Agenda, please find enclosed the following reports which were detailed to follow on your Agenda:

- Agenda Item 5. Local Council Tax Support Scheme 2024/25: (Pages 1 - 14)  
To determine the Council Tax Support Scheme, 2024/25.
- Agenda Item 6. Budget Overview 2024/25 for consultation: (Pages 15 - 56)  
To consider approval of the Draft Budget for consultation.
- Agenda Item 7. Joint Scrutiny of the South & East Lincolnshire Councils Partnership: (Pages 57 - 86)  
To review the Partnership's progress against opportunities identified in the business case and key lines of enquiry.

Please accept my apologies for any inconvenience caused.

Yours sincerely,



Democratic Services Manager  
Encs

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<b>REPORT TO:</b>	Executive Board
<b>DATE:</b>	10 January 2024
<b>SUBJECT:</b>	Local Council Tax Support Scheme 2024/25
<b>PURPOSE:</b>	To determine the Council Tax Support scheme, 2024/25
<b>KEY DECISION:</b>	<i>N</i>
<b>PORTFOLIO HOLDER:</b>	Councillor Richard Fry, Executive Portfolio Holder for Finance
<b>REPORT OF:</b>	Christine Marshall, Deputy Chief Executive - Corporate Development (S151)
<b>REPORT AUTHOR:</b>	Sharon Hammond, Head of Revenues and Benefits
<b>WARD(S) AFFECTED:</b>	All
<b>EXEMPT REPORT?</b>	<i>N</i>

**SUMMARY**

This report seeks Executive Board decision on the final proposals for the 2024/25 Council Tax Support scheme, to be presented to Council for approval on 28 February 2024.

**RECOMMENDATIONS**

1. That Executive Board recommends Full Council approves: -
  - i) the continuation of the current Council Tax Support scheme, including uprating in line with DWP's annual update of allowances and premiums for 2024/25, and
  - ii) the provision for Care Leaver support under this scheme to be increased to age 25.
  
2. That Executive Board delegates approval for the 2024/25 final scheme policy to the Section 151 Officer in consultation with the Portfolio Holder for Finance, including administrative and minor changes.

## **REASONS FOR RECOMMENDATIONS**

Full Council must make any revision to its scheme, or any replacement, and agree its final scheme no later than 11 March 2023 in respect of the 2024/25 financial year.

Continuation of the current scheme will align the CTS scheme and uprating for working age customers with DWP provisions for Housing Benefit and the CTS scheme for pensioners. This has been consistent each year since the introduction of the local scheme, and will maintain that position for 2024/25, pending a fundamental review of the scheme for future years.

## **OTHER OPTIONS CONSIDERED**

The 'do nothing' option was considered, which would see the current scheme retained without uprating.

## **1. BACKGROUND**

- 1.1 The Council Tax Support (CTS) scheme, which replaced the previous national Council Tax Benefit scheme from April 2013, provides financial assistance to households on low incomes or benefits through a reduction in Council Tax. Each year the Council is required to consider whether to revise its CTS scheme.
- 1.2 The Local Government Finance Act 2012 sets out the process by which Councils must approve a local Council Tax Support scheme. Regulations continue to prescribe the scheme for pensioners, allowing up to 100% support against Council Tax liability.
- 1.3 East Lindsey District Council has retained a Council Tax Support Scheme since April 2013 that requires all working age households to pay at least 25% of their Council Tax liability. The scheme continues to protect War Disablement Pensioners, War Widow and War Widowers.
- 1.4 Some scheme changes were made in 2016/17 including restriction of CTS to Band D Council Tax liability. In 2019/20 a new class for Care Leavers was introduced, and in 2020/21 an earnings tolerance was introduced for Universal Credit claimants. From 2022/23 a provision was made in the local scheme for discretion to disregard national schemes introduced during a financial year in the calculation of support.

## **2. CURRENT ECONOMIC POSITION**

### **Cost of Living**

- 2.1 As part of this years' review, there is recognition of the cost of living and energy cost crises, and the uncertainty and difficulties that households are experiencing.
- 2.2 We are likely to see fluctuations in numbers of CTS claimants, potentially increasing due to the current economic challenges, leading to a subsequent increased demand for benefits and local support for low-income households.

- 2.3 Any change to a CTS scheme must be considered alongside wider challenges faced by local authorities; the need to strike a balance between a local fair and affordable CTS scheme which provides support to those in most need, and the cost of the scheme to all residents is essential. As such, the importance of maintaining current levels of support, providing consistency and continuity for customers, has been a priority consideration in the proposals for the next financial year.

#### **Further Support**

- 2.4 The government provided local authorities with an allocation of a £100million Council Tax Support Fund. This Councils allocation was £324,427. This funding provided up to £25 additional reduction in 2023/24 council tax bills for all CTS recipients at the start of the year, with the balance as a discretionary hardship fund being used to support economically vulnerable households with a reduction in council tax bills.
- 2.5 In cases of exceptional personal circumstances or hardship, the council has discretionary powers to award a one-off Council Tax discount to support. In line with local policy, applications are determined on a case-by-case basis, therefore ensuring due consideration is given to the unique circumstances of the applicant. It is anticipated, due to the current crisis, that the council may see greater demand on the discretionary scheme.
- 2.5 ELDC provides information on a range of wider support schemes which are delivered, or signposted, by the council. Full details are published, and maintained, on the website and include the current Household Support Fund schemes.
- 2.6 People who are struggling to pay their Council Tax are encouraged to make contact with the council. This helps to ensure households are receiving any discounts and reductions that they may be eligible for. Alternative payment arrangements can also be made, for example helping with frequency of payment, or extending over a longer period.

### **3. 2024/25 SCHEME CONSULTATION**

- 3.1 Executive Board resolved at its meeting on 20 September 2023 for consultation on continuation of the current Council Tax Support scheme, including uprating in line with DWP's annual update of allowances and premiums for 2024/25.
- 3.2 The consultation took place between 3 October 2023 to 17 November 2023.
- 3.3 Major precepting authorities have been consulted on the proposals.

Lincolnshire County Council has responded that it is supportive of the proposal for the core characteristics of the scheme to remain unchanged, and aligned with uprating applied by DWP.

It noted ELDC plans to undertake a more fundamental review and would appreciate being contacted early in the process to understand the financial implications of any proposed changes.

The Police and Crime Commissioner noted the proposal to retain the current scheme, aligned to the DWP uprating.

3.4 The wider public consultation included publicity through media release, website and social media. A total of 103 responses were received. Although an increase on last year, with such a low response rate it has to be recognised that the results cannot be relied upon as being wholly representative or statistically significant.

3.5 High level findings are summarised: -

- The majority of respondents, (64%) agreed that the council should retain the main characteristics of the current Council Tax Scheme.
- 50% of respondents felt that the current scheme is fair and provides support to those most vulnerable.
- 62% of respondents agreed we should increase the scheme in line with DWP provisions for 2024/25 and future years.

3.6 The full consultation report is shown at Appendix A.

#### **4. CARE LEAVERS**

4.1 In 2019/20, East Lindsey introduced a new class for Care Leavers, aged 18 – 21 years into its Council Tax Support scheme. This recognised that young people leaving care constitute one of the most vulnerable groups in society.

4.2 In consideration of the duty on local authorities to provide personal advisor support to all care leavers up to age 25, it is proposed that East Lindsey updates its scheme from April 2024 to extend the support it provides to this group from age 21 up to the individuals 25<sup>th</sup> birthday.

4.3 There are currently 5 Care Leavers being supported under this scheme, at a total annual cost in 2023/24 of £5,694 which is shared between the major preceptors. The indicative cost to this council is £484 (8.5%).

#### **5. FUNDAMENTAL REVIEW**

5.1 In line with the decision made by Executive Board in January 2023, a fundamental review of the scheme will be carried out, to feed into the development of the scheme for 2025/26.

#### **6. CONCLUSION**

6.1 Having regard to the current economic climate, the recommendation to retain the current scheme for 2024/25 along with uprating and harmonisation with DWP annual update of allowances and premiums will continue to align the CTS scheme for working age customers with DWP provisions for Housing Benefit and the CTS scheme for pensioners. This is supported by the consultation feedback, and this approach will provide consistency for claimants. There will be no new additional impacts on current levels of expenditure as a result of the recommendation.

6.2 Increasing the 100% CTS for Care Leavers up to age 25 will demonstrate East Lindsey's commitment to support this vulnerable group.

6.3 The commencement of a fundamental review will help to inform future scheme development.

## 7. EXPECTED BENEFITS TO THE PARTNERSHIP

7.1 There are no benefits to the partnership as a direct result of this report.

7.2 Whilst recognising that each sovereign council will retain responsibility for deciding its own local CTS scheme, there is an opportunity for S&ELCP to work together on a fundamental scheme review, to modernise and simplify future schemes.

## 8. IMPLICATIONS

### 8.1 SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

8.1.1 None

### 8.2 CORPORATE PRIORITIES

8.2.1 Health and Wellbeing

### 8.3 STAFFING

8.3.1 None

### 8.4 CONSTITUTIONAL AND LEGAL IMPLICATIONS

8.4.1 The Local Government Finance Act 2012 introduced the framework for localism of Council Tax Support. The Local CTS scheme for 2024/25 must be approved by Full Council by 11 March 2024. Any change to CTS schemes must be subject to proper process, including consultation to protect the scheme from judicial review.

### 8.5 DATA PROTECTION

8.5.1 None

### 8.6 FINANCIAL

8.6.1 Although the recommendation is for continuation of the current scheme into 2024/25, the overall expenditure may be affected by several factors, including increase (or reduction) in demand, council tax increase, and the annual DWP uprating. The impacts upon the Council's budgets once Council approval has been given, will be included in the 2024/25 Budget and Medium-Term Financial Strategy.

Current CTS scheme expenditure is £11,387,496. Of this the cost to East Lindsey District Council is around £968k (8.5%). The following table provides a breakdown of the split between working age and Pensioner age expenditure and caseload, in November 2023.

	<b>2023/24 Expenditure</b>	<b>Caseload</b>
Working Age	£5,071,764.72	6,287
Pensioner	£6,315,731.66	5,620
Total	£11,387,496.38	11,907

**8.7 RISK MANAGEMENT**

8.7.1 None

**8.8 STAKEHOLDER / CONSULTATION / TIMESCALES**

8.8.1 The Section 151 Officer and Portfolio Holder for Finance have been consulted.

8.8.2 Legislation requires consultation to be carried out with major precepting authorities, the public and other stakeholders where changes to the scheme are proposed. Consultation has been carried out, as detailed in Section 3 of this report.

**8.9 REPUTATION**

8.9.1 None

**8.10 CONTRACTS**

8.10.1 None

**8.11 CRIME AND DISORDER**

8.11.1 None

**8.12 EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING**

8.12.1 The existing Council Tax Support scheme continues to be delivered on the basis of the DWP’s previous Council Tax Benefit scheme regarding protection for vulnerable groups, including children and the disabled. An equality impact assessment is not considered necessary at this time.

**8.13 HEALTH AND WELLBEING**

8.13.1 None

**8.14 CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

8.14.1 None

**8.15 LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER**

8.15.1 None

**9. ACRONYMS**

CTS – Council Tax Support

DWP – Department for Work and Pensions

**APPENDICES**

Appendices are listed below and attached to the back of the report: -

Appendix A

Consultation Report



**BACKGROUND PAPERS**

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

**CHRONOLOGICAL HISTORY OF THIS REPORT**

A report on this item has not been previously considered by a Council body.

**REPORT APPROVAL**

Report author:	Sharon Hammond Sharon.Hammond@pspsl.co.uk
Signed off by:	Deputy Chief Executive - Corporate Development (S151) Christine Marshall <a href="mailto:Christine.marshall@sholland.gov.uk">Christine.marshall@sholland.gov.uk</a>
Approved for publication:	Councillor Fry - Portfolio Holder for Finance

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**Council Tax Support Scheme 2024/25  
Consultation Report  
Published**

**“You Said, We Listened”**



**East Lindsey**  
DISTRICT COUNCIL

## **Introduction to this consultation**

1. This report contains the responses we received for the Council Tax Support Scheme 2024/25 consultation which took place between 3<sup>rd</sup> October 2023 to 17<sup>th</sup> November 2023.
2. The exercise was performed to gain the views of residents on the proposed Council Tax Support Scheme for the 2024/25 financial year.

## **Methodology**

3. The consultation, which was available in both hard copy and online, was promoted in a number of ways.
  - A media release was circulated announcing the proposals for the Council Tax Support Scheme 2024/25. The media release also provided residents with details of the consultation exercise being undertaken and details of how to complete or request a copy of the consultation.
  - A letter was forwarded to precepting Authorities on 3<sup>rd</sup> October 2023, inviting them to give their views on the proposals for 2024/25.
  - Social media; Facebook and Twitter were also used to inform residents that the consultation exercise was being undertaken.
  - A homepage banner was placed on East Lindsey District Council's website to draw attention to the consultation.
  - Paper questionnaires were made available on request.
  - An email was sent to groups that represent those individuals with the characteristics identified in the Equality Act.
  - The questionnaire was also made available for people to complete on East Lindsey District Council's website.
4. It should be noted that base data has been rounded to the nearest number (so may add up to between 99% and 101%). Where available this report details comparisons with the previous consultation.

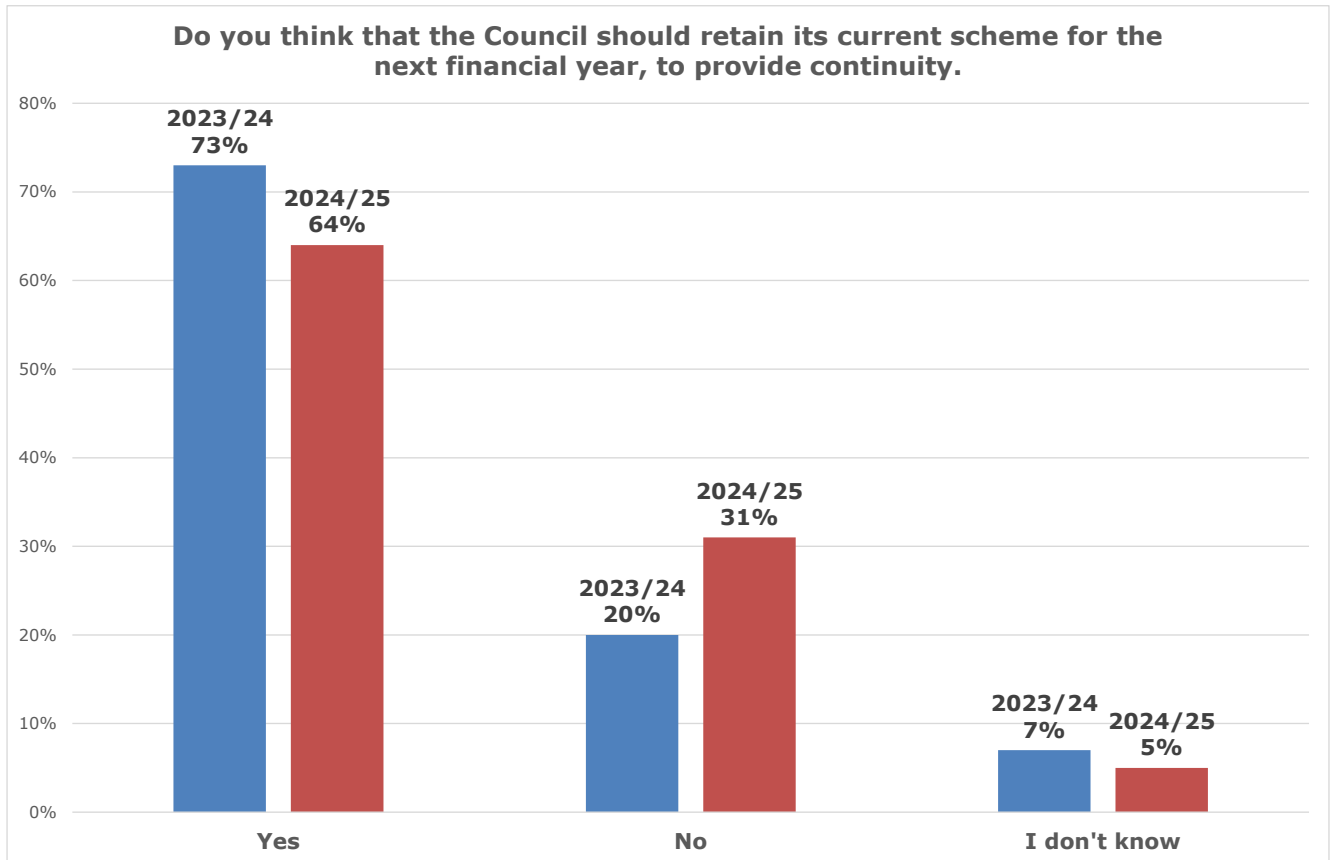
## **Response Rate**

5. 103 electronic responses were received; an increase of 17 responses when compared to the previous consultation exercise undertaken in 2022/23.
6. In addition, written responses were received from Lincolnshire County Council and the Lincolnshire Police and Crime Commissioner. Their responses are detailed at numbers 10 and 11 in this report.

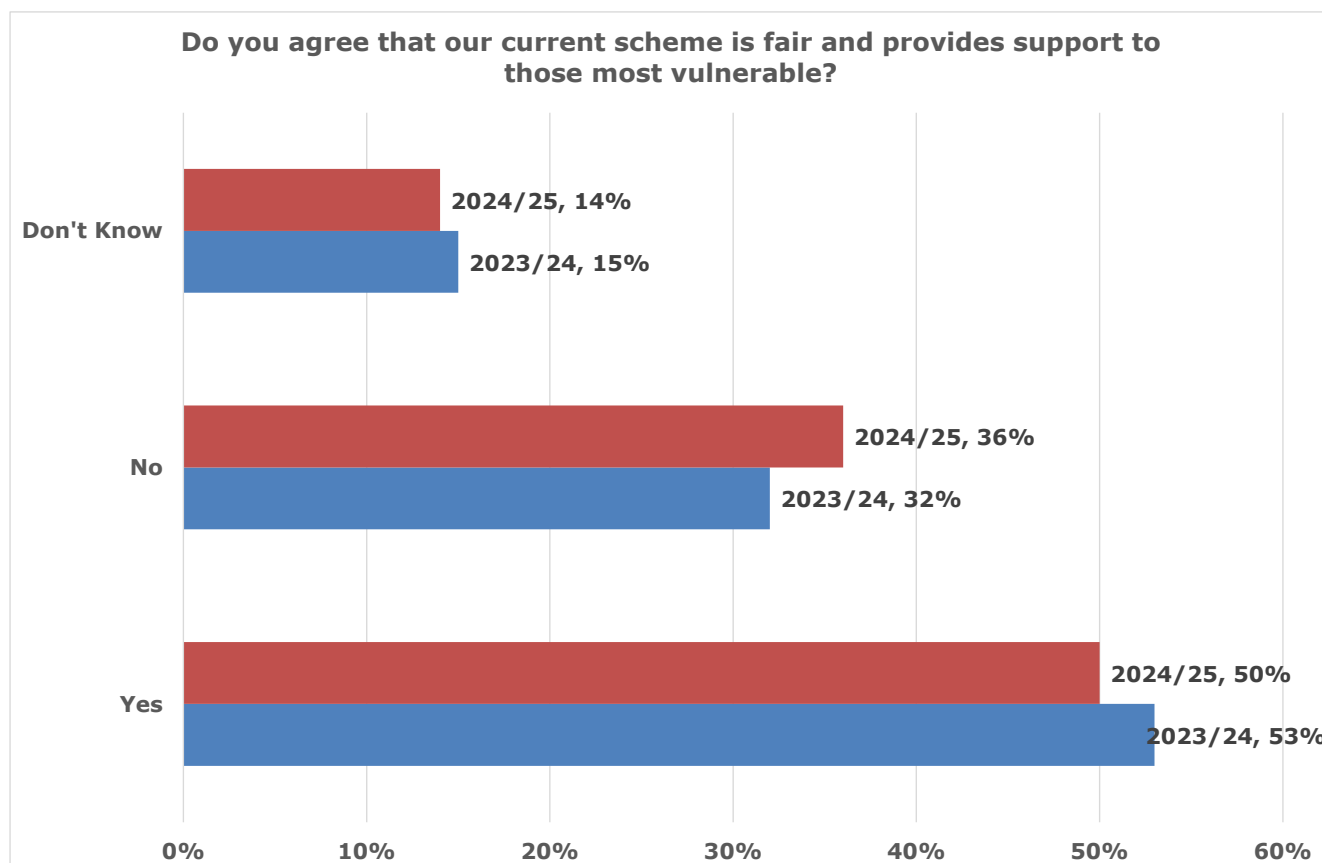
## **Results and Analysis**

7. All respondents were asked if they thought that the Council should retain its current scheme for the next financial year, to retain continuity. The comparison chart below shows that 64% of all respondents thought that the Council should retain its current scheme; a decrease of 9% when compared to the previous consultation exercise undertaken in 2022/23. 31% of all respondents thought the Council

'should not' retain its current scheme for the next financial year, with the remaining 5% stating that 'they did not know'.



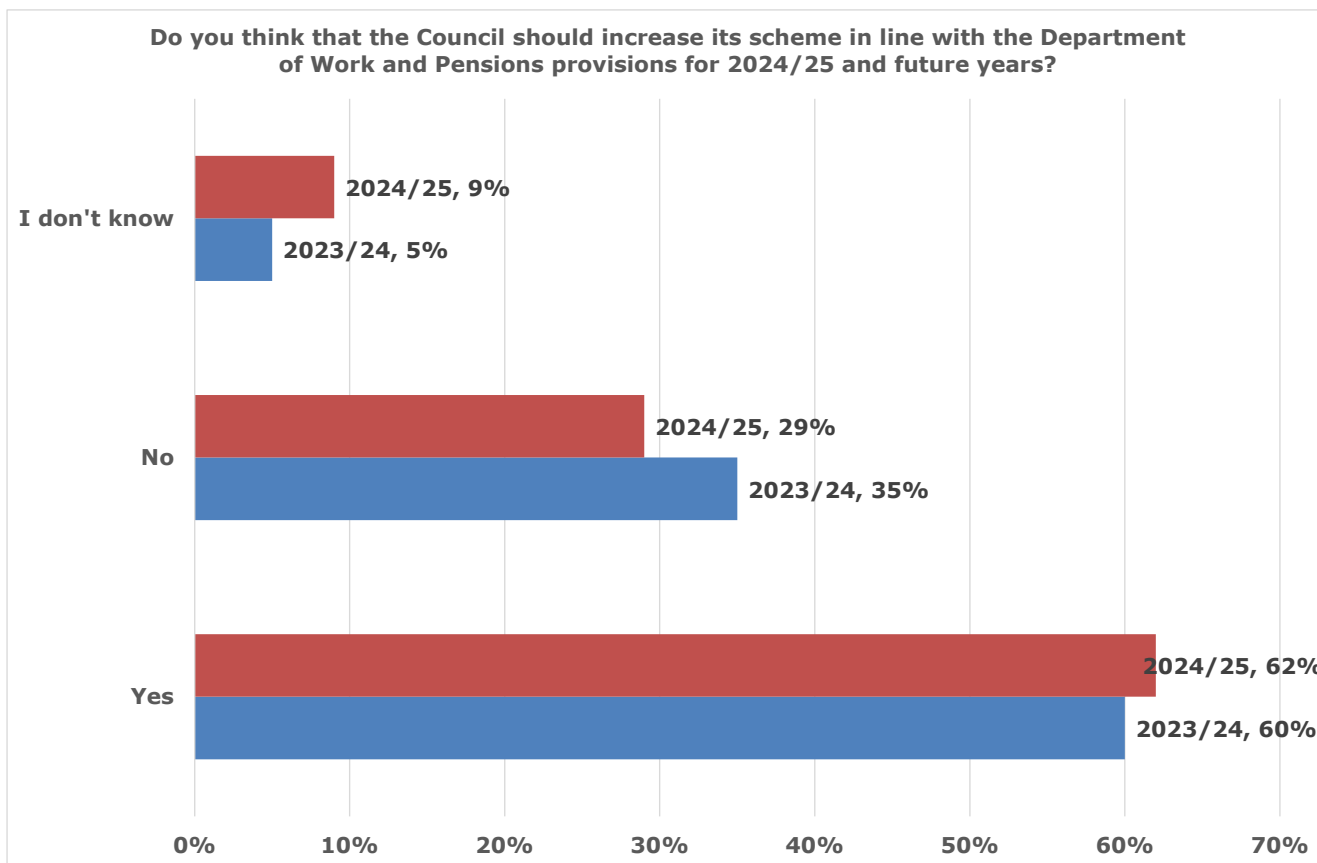
- The comparison chart below shows that 50% of all respondents agreed that the Council's current scheme was fair and provided support to those most vulnerable, a slight decrease of 3% when compared with the previous consultation exercise undertaken in 2022/23. It also shows that 36% of all respondents 'did not agree'; a slight increase of 4% when compared with the previous consultation exercise undertaken in 2022/23; with the remaining 14% stating that they 'did not know' if the Council's current scheme was fair and provided support to those most vulnerable.



9. All respondents were advised that each year the Government reviews and generally increases the amount people need to live on for the calculation of welfare benefit and that by applying the same changes to East Lindsey District Council’s Council Tax Support scheme it would ensure that the scheme remained up to date with the Department for Work and Pensions (DWP) allowances and premiums each year. They were then asked if they thought the Council should increase its scheme in line with the Department for Work and Pensions provisions for 2024/25 and future years.

The comparison chart below shows that 62% of all respondents thought that the Council should increase its scheme in line with the Department for Work and Pensions provisions for 2024/25 and future years; an increase of 2% when compared to the previous consultation exercise undertaken in 2022/23.

The chart also shows that 29% of all respondents thought the Council ‘should not’ increase its scheme in line with the Department of Works and Pensions provisions for Housing Benefit for 2024/25 and future years; a decrease of 6% when compared to the previous consultation exercise undertaken in 2022/23. The remaining 9% of all respondents stated that they ‘did not know’.



Responses from precepting authorities

10. A response was received from the Office of the Lincolnshire Police and Crime Commissioner confirming that they noted East Lindsey District Council’s proposal to retain its current scheme, aligned to the DWP uprating of allowances and premiums.
  
11. A response was also received from Lincolnshire County Council stating that as a major preceptor, any changes to the scheme proposed by the district could have a significant impact on the Council Tax income received by Lincolnshire County Council. The County Council is supportive of the proposal which is for the core characteristics of the scheme to remain unchanged and aligned to any uprating applied by DWP. They also said that they noted that East Lindsey District Council were planning a more fundamental review of the scheme for 2025/26 and would appreciate being contacted early on in the process, as they would find it of great value to be involved in the review process enabling them to understand the financial implications of any proposed changes to the scheme.

**Contact:**

For more information relating to this report contact:

- Jackie Todd, Consultation Officer at [jackie.todd@e-lindsey.gov.uk](mailto:jackie.todd@e-lindsey.gov.uk) or 01507 601111

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<b>REPORT TO:</b>	Executive Board
<b>DATE:</b>	10th January 2024
<b>SUBJECT:</b>	Budget Overview 2024/25-2028/29 (Including Budget Consultation)
<b>PURPOSE:</b>	To consider the draft budget and to approve it for consultation
<b>KEY DECISION:</b>	<i>N/A</i>
<b>PORTFOLIO HOLDER:</b>	Councillor Richard Fry
<b>REPORT OF:</b>	Christine Marshall, Deputy Chief Executive Corporate Development
<b>REPORT AUTHOR:</b>	Colleen Warren – (Head of Finance - Client) and Stuart Leafe (Strategic Finance Manager)
<b>WARD(S) AFFECTED:</b>	All
<b>EXEMPT REPORT?</b>	<i>No</i>

**SUMMARY**

Attached to this report is the draft detail of the 2024/25 budget, the 5-year Medium Term Financial Strategy (MTFS) from 2024/25 to 2028/29 .

The report also includes the recommended level of Council Tax for 2024/25.

The proposed budget shows that efficiencies will be required to support the medium-term financial strategy (MTFS).

Executive Board are asked to consider the attached draft budget and to release it for consultation.

## **RECOMMENDATIONS**

*That the Executive Board recommends for Public Consultation:*

- 1. The Draft Budget and Medium Term Financial Strategy for the period 2024/25 – 2028/29*
- 2. Notes the intention to seek alignment of constitutional limits across the partnership and to implement arrangements to facilitate the delivery of the Councils priorities during 2024/25 and onwards as part of the budget setting process.*

## **REASONS FOR RECOMMENDATIONS**

*To comply with the budgetary and policy framework and legislative requirement.*

## **OTHER OPTIONS CONSIDERED**

*To not commence budget consultation.*

## **1. BACKGROUND**

- 1.1** The attached Budget Report and Financial Policies set out the Council's Revenue and Capital Budgets for 2024/25 and the Medium Term Financial Strategy (MTFS) to 2028/29..
- 1.2** The preparation of the budget for 2024/25 has been a detailed process involving officers and the attached appendices reflect the latest known position.
- 1.3** The draft Local Government Settlement announced on 18<sup>th</sup> December 2023 provided additional detail of continuing and additional one off support to councils including confirmation of allocations of Revenue Support Grant (RSG), Rural Services Delivery Grant (RSDG), New Homes Bonus and Minimum Funding guarantee.
- 1.4** The report below sets out the basis for draft budget and MTFS for the next five years and assumptions used in its development.

## **2. KEY BUDGET PRESSURES**

2.1. Identified below are the major changes and key pressures that are being included within the proposed budget:

- An award for 2023/24 was agreed November 2023 being a rise of up to 9.42% for the lowest paid through to 3.88% for those on the highest bands. For 2024/25 a 3.5% increase has been assumed with this moving to 3% for 2025/26 and then 2.5% from 2026/27 onwards.
- Pension contributions will be 23.8% in 2024/25 with an additional lump sum amount payable towards the deficit on the pension scheme. This rate is applied only to those staff in the local government pension scheme. The pension contribution rate is assumed to stay at 23.8% throughout the life of the MTFS.

- The return on cash investment reflects recent increases to Bank of England base rates which has increased significantly from the recent historic low levels. A further meeting of the MPC on Wednesday 20<sup>th</sup> December 2023 held rates at 5.25%.
- Electricity and gas costs have been based on actuals for 2024/25.
- Vehicle fuel costs have been based on 2023/24 actuals and current fuel prices.
- Increased Internal Drainage Board levy.
- Increased contract and service costs are similarly a feature of the budget, albeit officers and members are working closely to seek to manage these implications and impacts, these include:
  - Increased demand for homelessness support;
  - External audit fees;
  - PSPS contract increase

### 3. COUNCIL TAX AND BUSINESS RATES

- 3.1. The previous Medium Term Financial Strategy (MTFS) committed to a Council Tax increase in line with the maximum allowed under the recent Local Government Settlement. For ELDC in 2024/25 this is a £4.95 (3.06%) per annum increase (for band D properties). This will generate additional income of £370k and the increase is reflected throughout the life of the MTFS.
- 3.2. The tax base projections for 2024/25 indicate growth of 845 band D equivalent properties (1.82%). Future growth has been projected at 1.5%.
- 3.3. The National Non-Domestic Rates Form (NNDR1) production is now particularly important in terms of changes to the business rate yield which heavily influences not just our own budgets, but also the Pool we are part of within Lincolnshire and significantly the County Council. This is an area of focus as we seek to understand the changes within the yield, particularly as a result of economic impacts and changes in Government Policy and will be finalised on 31<sup>st</sup> January 2024 and be one of the final components of the budget to be finalised between draft and final
- 3.4. In order to manage and review this important income stream and the changes within it regular review meetings are taking place internally. There have also been some significant changes which need further and detailed consideration in terms of growth, appeals and new hereditaments.

### 4. LOCAL GOVERNMENT SETTLEMENT

- 4.1. The provisional local government settlement delivered on 18<sup>th</sup> December has provided the following support:

Local Government Settlement Information	East Lindsey District Council		
	2023/24 Budget	2024/25 PROVISIONAL Settlement	Difference 23/24 - 24/25
	£'000	£'000	£'000

Revenue Support Grant	1,310	1,396	86
Rural Services Delivery grant	779	779	0
Lower Tier Services Grant	0	0	-0
Service Grant	249	39	(210)
<b>Sub Total</b>	<b>2338</b>	<b>2214</b>	<b>(124)</b>
Funding Guarantee (3%)	888	940	52
<b>Sub Total</b>	<b>3226</b>	<b>3,154</b>	<b>(72)</b>
New Home Bonus	378	434	56
<b>Total Funding</b>	<b>3,604</b>	<b>3,588</b>	<b>(16)</b>

4.2. The 2024/25 local government finance settlement is for one year only. The main points are set out below:

- The Funding Guarantee replaces the Lower Tier Services Grant. This grant is intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that is lower than 3% before any decisions about organisational efficiencies, use of reserves or council tax levels are taken.
- Revenue Support Grant has been increased in line with what would have been the increase to the multiplier; there have also been existing grants worth rolled into the RSG amounts.
- Local Government Funding Reform – as per the published Policy Statement, the Review of Relative Needs and Resources ('Fair Funding Review') and a reset of Business Rates growth will not be implemented in the next two years.

## 5. INTERNAL DRAINAGE BOARDS

5.1. Internal Drainage Board (IDB) levy figures are still being finalised and will be increases on previous years due to the extensive use of power and fuel for the activities that these organisations undertake, along with other pressures. The 2024/25 cost is £5.2m and the estimated increases range from 2% to 10% for next year.

5.2. The Council is liaising with the local Internal Drainage Boards who have been trying to limit future increases, where possible, but proving impossible with the pressures from power costs being experienced, particularly standing charges, in addition to pay, pension, worsening weather events and contract inflation. Representations have been and continue to be made to government due to the substantial loss of income to the Council. This embedded levy can no longer be afforded having a significant impact, every year that passes, on the ability of the Council to finance the services it is providing and putting it at a disadvantage to the majority of Councils in England, with only a handful of councils impacted upon in this way.

5.3. The table below illustrates that. the estimated IDB levy will consume 48% of all the Council's proposed Council Tax increase for 2024/25 which should be used to finance and support services but also requires additional efficiencies/funding to be identified to finance this

Council	Total Council Tax Received per year 24/25	Total IDB levy per year 24/25	Increase 2024/25	Council Tax 24/25 Increase £4.95
East Lindsey District Council	£8.0m	£5.2m	£176k	£370k

5.4. The Council has been in detailed discussion with government officers regards this position over the past year. We are also aware that the IDBs have made extensive representations to DEFRA and via ADA of this significant issue and a Special Interest Group has been set up to lobby Government on this matter with the SELCP partnership leading on this work.

## 6. CAPITAL PROGRAMME 2024/25 – 2028/29

6.1. The capital programme included in Appendix 1, is subject to final additions and other announcements that may be received by the time of publication. A final version of the programme will be presented to Council on 1<sup>st</sup> March 2023 for approval.

6.2. The five year General Fund Capital Programme includes provision for Investment and Growth linked to the Councils Strategic objectives. Final decisions on individual projects will be subject to approval and detailed business case.

Due to the nature of some capital projects, it can be common for large scale project timing to change over the medium term. This budget provides the best estimates of deliverability available at the time of production and the programme will be flexed over time as reported in quarterly reports to Executive Board and Council.

## 7. RESERVES

7.1. General Fund Specific Reserves are budgeted to increase by £6.670m in 2024/25, this is predominantly NNDR surplus. This figure will be adjusted once the outturn for 2023/24 is known.

## 8. BALANCING THE BUDGET

8.1. In terms of balancing the budget the following areas have been considered as part of the budget setting process:

### Short Term

- The potential use of reserves to support one off pressure and for invest to save initiatives.
- Continued work to engage on the Internal Drainage Board financing challenge.

- Review of all new pressures and service budgets to consider efficiency opportunities and alternative options.
- Commercialisation/opportunities
- Alternative service delivery.

### **Medium Term**

- Work with PSPS in terms of its transformation plans for the future and to help finance contract cost pressures.
- Driving transformational change using the SELCP sub-regional partnership as a driver for innovation and efficiency.
- Reviewing all assets to maximise income and efficiency of use.
- Delivering and supporting economic growth
- Reviews of fees and charges in light of inflationary increases in costs, where appropriate.

8.2. Detailed efficiency and transformation plans are being put together for members consideration.

## **9. AREAS FOR PRIORITY INVESTMENT AND CONSULTATION**

9.1 Some Particular areas of investment for consultation have been identified by Members:

- Market Towns and Rural Areas
- Driving and supporting Economic Growth
- Supporting the Delivery of Affordable Housing
- Supporting the Vulnerable
- Supporting Healthy Living
- Decarbonisation and continued investment in green initiatives
- Invest to Save

9.2 A new Corporate Priorities reserve has been established to facilitate the delivery of these areas of focus.

## **10. CONCLUSION**

10.1. That the draft Budget and MTFs for 2024/25 to 2028/29 be released for consultation.

### **EXPECTED BENEFITS TO THE PARTNERSHIP**

This report enables East Lindsey District Council to consult on its budget and the level of Council Tax for 2024/25.

### **IMPLICATIONS**

#### **SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP**

This budget support the SELCP partnership arrangements

#### **CORPORATE PRIORITIES**

This budget has been built in line with corporate priorities.

## **STAFFING**

The Equality Act requires ELDC to consider any equality impacts in relation to staff from these plans. As projects within the programme are developed a draft impact assessment will be discussed with Trades Unions and staff, and especially as individual projects are delivered.

## **WORKFORCE CAPACITY IMPLICATIONS**

*Contained within the report.*

## **CONSTITUTIONAL AND LEGAL IMPLICATIONS**

This report is required by virtue of the Local Government Finance Act 1992, as amended by the Localism Act 2011.

## **DATA PROTECTION**

*None*

## **FINANCIAL**

*As contained within this report.*

## **RISK MANAGEMENT**

Risk management is considered as part of the budget setting process

## **STAKEHOLDER / CONSULTATION / TIMESCALES**

*The Council has a legal duty to consult residents on its draft budget proposals.*

## **REPUTATION**

*None*

## **CONTRACTS**

*None*

## **CRIME AND DISORDER**

*None*

## **EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING**

*New Equality Impact Assessments will be developed and published wherever these are required and will be made available during the management and decision-making of the Programme.*

## **HEALTH AND WELL BEING**

*None*

## **CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

*None*

## **ACRONYMS**

**ADA – Association of Drainage Authorities**

**IDB – Internal Drainage Board**

**NOP – National Portfolio Organisation**

**LUF – Levelling Up Funding**

**UKSPF – UK Shared Prosperity Funding**

**APPENDICES**

Appendix 1 – Draft Budget Setting Report 2024/25 – 2028/29

**BACKGROUND PAPERS**

*None*

**CHRONOLOGICAL HISTORY OF THIS REPORT**

*A report on this item has not been previously considered by a Council*

**REPORT APPROVAL**

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Approved for publication:	Councillor Richard Fry, Portfolio Holder for Finance

**CHECKLIST - DELETE BEFORE SUBMISSION TO DEMOCRATIC SERVICES**

S151 Officer consulted on financial implications:	Yes
Monitoring Officer consulted on legal and constitutional implications:	No
Portfolio Holder consulted:	Yes
Ward Member consulted:	NA



**Appendix 1**



**EAST LINDSEY DISTRICT COUNCIL**

**REPORT OF RICHARD FRY, Portfolio Holder Finance,  
(Authors: Christine Marshall (Deputy Chief Executive Corporate Development (S151)) and –  
Colleen Warren (Head of Finance - Client))**

**DRAFT BUDGET SETTING REPORT 2024/25 -2028/29**

## **FOREWORD TO THE BUDGET FROM COUNCILLOR RICHARD FRY – EXECUTIVE BOARD MEMBER FOR FINANCE**

The creation of next year's budget has been one of the most challenging. It has been set within a background of unprecedented inflationary pressures and significant changes in resident, customer and business needs. Despite these challenges the Council's financial position means that it is well placed and able to take a considered approach to mitigating these exceptional challenges.

The Government has provided a one year settlement, however the concerns remain significant into the medium term.

East Lindsey District Council remains sovereign in terms of its constitution and budget as do the Councils we partner with and our ELDC priorities are to ensure that the Council remains financially resilient, able to deliver services it has to by law and to provide support to the District's most vulnerable residents. Secondly to continue the process of redressing the imbalances created by the COVID-19 pandemic by appropriately focussing on the provision of financial support to underpin economic recovery for the District and seeking to invest in our places.

Despite the challenges of the pandemic over the past few years, work to develop new opportunities, efficiencies and income streams to support the Council's revenue budget have continued.

A significant element of the Council's budget is the Drainage Board Levy, like the Council the drainage boards are also experiencing increased cost demands. The Council is liaising with the Boards, who are attempting to limit future increases where possible. This is proving increasingly difficult with significant increases in power costs being experienced. Representations to government have been made and continue to be made due to the substantial loss of income to the Council.

Another key component of the council budget is its share of business rates income which has seen changes following the settlement in December. In addition, inflationary pressures have been seen across all areas of the council's budget, particularly pay, contracts, utilities and fuel.

The Council's revenue budget already provides for some annual contributions towards capital investment and we are delivering on our commitment to increase these by operating in a more commercial and business-like way and looking at our ability to generate future capital receipts. In addition, the Council has a significant commitment towards de-carbonisation, climate change related initiatives and supporting residents during one of the most challenging financial environments for many years.

The Council has maintained a capital resource base commensurate with our capital delivery ambitions.

The Budget for 2024/25 proposes:

- A Council Tax increase of £4.95p per year (for Band D homes this is equivalent to 9.5p per week).
- To continue with the generation of additional efficiencies, shared services and income from commercial activities guided by our Delivery Plans.
- Increased capital investment in Council assets to help generate new income streams, reduce running costs and help deliver services more efficiently.
- Significant additional capital and revenue spending supported by Grant Funding
- Setting aside funds to support de-carbinisation activities and support for the most vulnerable in our community.



Councillor Richard Fry, Portfolio Holder for Finance

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- 1 – Revenue Budget and Medium Term Financial Strategy Summary
- 2 – Capital and Treasury Management Strategy
- 3 -Treasury Management Policy and Investment Strategy
- 4 – Fees and Charges 2023/24
- 5 – South and East Lincolnshire Councils Partnership Annual Delivery Plan 2023/24
- 6 – Pay Policy Statement
- 7 - Consultation Report

### EXECUTIVE SUMMARY

	2023/24	2024/25
ELDC Precept	£7.496m	£7.867m
Council Tax Increase	3.16%	3.06%
Council Tax Band D	£161.64	£166.59
Government Funding	£1.310m	£1.396m
Retained Business Rates used to support budget	£10.365m	£10.760m
Reserves	£17.756m	£30.337m
Capital Programme (General Fund)	£24.2m	£33.654m

#### 1. INTRODUCTION

- 1.1 This appendix sets out the draft combined 2024/25 budget estimates and Medium Term Financial Strategy (MTFS) for the period 2024/25 to 2028/29 for the Council's General Fund. The Medium Term Strategy sets out the current and forecast future costs of the Council and is linked to the Sub-regional Plan and Annual Delivery Plan, which sets out the aims and ambitions of the Council.
- 1.2 The MTFS establishes a set of financial policies and principles which aim to provide a sound basis for maintaining the financial integrity of the Council over the medium term.
- 1.3 This Appendix sets out:

- The Council's Medium Term Financial Strategy for the period 2024/25 to 2028/29.
- The 2024/25 General Fund Revenue Budget & Financing.
- The General Fund Reserves Position.
- The General Fund Capital Programme and Financing.
- Risks, key issues, sensitivity and monitoring.
- Treasury management policy and investment strategy.

**1.4** The unprecedented challenges faced through recent years have continued into 2024/25, with significant inflationary pressures. The government settlement delivered in mid December for East Lindsey included New Homes Bonus (£434k) and 3% funding guarantee (£940k).

**1.5** In 2024/25 a budget is proposed that allows expenditure to be financed through the use of reserves in order to smooth the impact of the council's ongoing pressure, significant savings are required going forward as a result of increased inflationary costs and other cost pressures, including substantial pressure from the IDB levy. This means that the Council can continue to provide services whilst also supporting its overall objectives. The Council will continue to strive to be as efficient as possible in all its work, building on the South and East Lincolnshire Council's Partnership with its partners at South Holland District Council, Boston Borough Council and PSPS, whilst ensuring it maximises the income it receives.

## 2. BUDGET ASSUMPTIONS

### 2.1 Table 1 - assumptions which influence the 5 year financial strategy

Assumption	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Budgeted inflation <sup>1</sup>	0%	<b>0%</b>	0%	0%	0%	0%
Pay costs increase <sup>2</sup>	5.0%	<b>3.5%</b>	3.0%	2.5%	2.5%	2.5%
Full Time Equivalent Employees	424.41	<b>447.65</b>	447.65	447.65	447.65	447.65
Staffing levels <sup>3</sup>	96%	<b>96%</b>	96%	96%	96%	96%
Pension contribution rate applied to staff budgeted in pension scheme <sup>4</sup>	23.8%	<b>23.8%</b>	23.8%	23.8%	23.8%	23.8%
Pension contribution cash amount to fund deficit on scheme	£649,000	<b>£674,000</b>	£700,000	£700,000	£700,000	£700,000
Return on cash investments <sup>5</sup>	4.40%	<b>3.30%</b>	2.60%	2.50%	2.50%	2.50%
Utility cost rises <sup>6</sup>	50%	<b>0%</b>	0%	0%	0%	0%
Fuel cost rises <sup>7</sup>	25%	<b>0%</b>	0%	0%	0%	0%
Tax base increase <sup>8</sup>	1.28%	<b>1.82%</b>	1.50%	1.50%	1.50%	1.50%

#### Notes to Assumptions

These assumptions reflect, where known, future changes which may arise from the implementation of the council's organisational development plans including the South and East Lincolnshire Councils Partnership with Boston Borough Council and South Holland District Council (see Section 7).

1. Although inflation does affect the price of supplies and services that the Council procures, because services are given cash limited budgets they have to absorb the cost of inflation within the resources they have – as such the net impact of inflation is reduced to zero within the estimates. The only exceptions are those contracts which have an agreed inflationary arrangement built into them, we expect that contract costs will substantially increase on renew.
2. The nationally agreed pay award ended on 31<sup>st</sup> March 2023. An award for 2023/24 was agreed November 2023 being a rise of up to 9.42% for the lowest paid through to 3.88% for those on the highest bands. For 2024/25 onwards a 3.5% award has been assumed, reducing to 3% for 2025/26 and then 2.5% from 2026/27 onwards.
3. An annual General Fund saving in staff costs (£629k) is built into the budget (equivalent to 4% of the staff budget) due to anticipated staff vacancies during the year.
4. Based on the 2022/23 Pension Triennial Valuation the pension contribution will be 23.8% in 2023/24 with an additional lump sum amount payable towards the deficit on the pension scheme – this rate is applied only to those staff in the local government pension scheme. A further review will take place which could change the amount from 2027/28 onwards. Any vacant posts



are assumed to be within the pension scheme. The pension contribution rate is assumed to stay at 23.8% throughout the life of the MTFS. The lump sum towards the deficit is confirmed for 2024/25.

5. These are the estimated returns on cash and the estimated yield on the current budgeted £25m property funds (subject to further review).
6. Utility costs have been inflated for 2024/25 as a result of increased wholesale prices. These will need to be kept under review, as it is an area that could be subject to future inflationary pressures.
7. The tax base projections for 2024/25 has provided for a growth of 845 band D equivalent properties. Future growth has been projected at 1.5% (see section 4.6 and Table 3).

### **3. RESOURCES**

- 3.1 The following section of the Appendix outlines the resources that will be available to the Council under 6 headings, Business Rates, Council Tax, Revenue Support Grant and other Government Grants, New Homes Bonus, Fees and Charges and Other Income.
- 3.2 On 18 December 2023 the Local Government Finance Settlement 2024/25 was delivered. The papers included a continuation of New Homes Bonus for 2024/25 and 3% Funding Guarantee that replaced the Lower Tier Service grant.
- 3.3 As part of the policy statement it was confirmed there would be no review of business rates or funding formula for at least 2 years.
- 3.4 As a result of this announcement it makes planning the years from 2025/26 onwards very difficult as many things could change because of these planned reviews and resets. As and when further announcements are made Members will be kept up to date accordingly and the financial impact assessed.

### **4. SPENDING PLANS**

- 4.1 Under the current arrangements for retained Business Rates, where a Council collects rates above an assessed baseline level set by the Government, a 50% levy is applied that is paid to the Government. In order to avoid this 50% levy a business rates pool was adopted with the County Council and other districts within Lincolnshire.
- 4.2 A revaluation exercise for business rates will take effect from 1 April 2023. The Council is expecting a number of appeals against the revaluation. A provision has been put aside based on intelligence from the Council's advisors to hopefully cover any effects from this but there still remains a large amount of uncertainty in this area.
- 4.3 Table 2 provides details of the anticipated business rates figures for 2024/25 and provisional figures for 2025/26 through to 2028/29.

- 4.4 It is important that members note that the potential changes to the retention of Business Rates from 2023/24 presents a significant uncertainty around future funding levels. It is very likely that as part of the ongoing reassessment of Area Needs the Government may significantly change the current baseline levels. As such the current amount of retained business rates that the Council is experiencing could be significantly reduced under these new arrangements.

**Table 2 – Business Rates**

\*NNDR 1 expected 31<sup>st</sup> January, this table displays 23/24 information and will be updated

	Estimate 2023/24 £'000	Estimate 2024/25 £'000	Draft 2025/26 £'000	Draft 2026/27 £'000	Draft 2027/28 £'000	Draft 2028/29 £'000
Net Rates	(10,016)	<b>(11,087)</b>	(12,566)	(14,050)	(14,331)	0
Transitional Relief <sup>1</sup>	(3,224)	<b>(2,418)</b>	(2,418)	(1,209)	-	0
<b>Retained Business Rates</b>	<b>(13,240)</b>	<b>(13,505)</b>	<b>(13,775)</b>	<b>(14,050)</b>	<b>(14,331)</b>	<b>0</b>
Renewables – Standard	(867)	<b>(884)</b>	(902)	(920)	(938)	0
<b>Total Renewables</b>	<b>(867)</b>	<b>(884)</b>	<b>(902)</b>	<b>(920)</b>	<b>(938)</b>	<b>0</b>
Tariff	7,827	<b>7,983</b>	8,143	8,306	8,472	0
<b>Net Retained Business Rates Income</b>	<b>(6,280)</b>	<b>(6,406)</b>	<b>(6,534)</b>	<b>(6,664)</b>	<b>(6,797)</b>	<b>0</b>
S 31 Grants relating to Business Rates	(8,060)	<b>(8,221)</b>	(8,386)	(8,554)	(8,725)	0
<b>Pre-levy income</b>	<b>(14,340)</b>	<b>(14,627)</b>	<b>(14,920)</b>	<b>(15,218)</b>	<b>(15,522)</b>	<b>0</b>
Levy Payment to Lincolnshire Pool	882	<b>900</b>	918	936	955	0
Net gain to ELDC from the Pool contributed to the Economic Growth Reserve	1,323	<b>1,349</b>	1,376	1,404	1,432	0
Contribution to Reserves	1,500	<b>1,500</b>	1,500	1,500	1,500	0
<b>Business rate used to support the budget</b>	<b>(10,635)</b>	<b>(10,878)</b>	<b>(11,126)</b>	<b>(11,378)</b>	<b>(11,635)</b>	<b>0</b>
Estimated (Surplus)/Deficit) on Collection Fund <sup>2</sup>	(1,432)	-	-	-	-	-
Renewables – Additional <sup>3</sup>	(4,086)	<b>(4,176)</b>	(4,267)	(4,361)	(4,457)	0
<b>Total NNDR 1 Income</b>	<b>(16,153)</b>	<b>(15,054)</b>	<b>(15,393)</b>	<b>(15,739)</b>	<b>(16,092)</b>	<b>0</b>

1. Business Rates Revaluation effective from 1st April 2023, increases in rates are tapered over 3 years and the Council receives Transitional premium
2. The unusually high deficit is mainly as a result of retail reliefs granted to businesses because of the COVID-19 pandemic. These reliefs have been fully funded by the government and the income received in 2020/21 and 2021/22 therefore is covered by a reserve contribution shown in table 8.
3. In December 2022 a new renewables hereditament was added to the local rating list.

- 4.5 As well as the potential for the authority to attract additional income through retained business rates there is also the risk of uncertainty through a reduction in the amount of business rates that it collects, this has been further exacerbated by the

COVID-19 pandemic. This coupled with uncertainties relating to appeals against rateable values for business premises, with the potential for successful appeals being backdated makes estimating income accurately extremely challenging and potentially volatile.

## COUNCIL TAX

- 4.6 The MTFs assumes a Council Tax increase in line with the maximum allowed under the Local Government Settlement. In the case of ELDC for 2024/25 this is a £4.95 (3.06%) per annum increase (for band D properties). The increase is reflected through the life of the MTFs. See Table 3 below for the estimated changes in the tax base and council tax collected.

Table 3 – Council Tax

		2023/24	<b>2024/25</b>	2025/26	2026/27	2027/28	2028/29
a	Council Tax Base (band D equivalents)	46,377	47,222	47,930	48,649	49,379	49,379
b	Council Tax band D (£.p)	161.64	166.59	171.54	176.49	181.44	186.39
	Annual Increase £	4.95	4.95	4.95	4.95	4.95	4.95
	Annual Increase %	3.16%	3.06%	2.97%	2.89%	2.80%	2.73%
c	Annual Council Tax collected(a x b) £	<b>(7,496,378)</b>	<b>(7,866,713)</b>	<b>(8,221,912)</b>	<b>(8,586,062)</b>	<b>(8,959,326)</b>	<b>(9,341,680)</b>
	Annual Increase in Council Tax collected £	(321,073)	(370,335)	(355,199)	(364,150)	(373,264)	(382,355)
d	Surplus on the Collection Fund £	(69,097)	(128,303)	0	0	0	0
	<b>Gross Council tax (c + d) £</b>	<b>(7,565,475)</b>	<b>(7,995,016)</b>	<b>(8,221,912)</b>	<b>(8,586,062)</b>	<b>(8,959,326)</b>	<b>(9,341,680)</b>

- 4.7 The tax base for 2024/25 has been increased by 1.82% and by 1.50% per annum thereafter. This is based on the latest projected house building trajectory.

Table 4 – Precepting Authority Band D charges

Authority	Proposed Band D amount (£.p)	Increase over 2024/25 £	Increase over 2024/25 %
Lincolnshire County Council*	1,503.63	71.46	4.99%
Police and Crime Commissioner*	291.24	14.94	5.41%
East Lindsey DC	166.59	4.95	3.06%
Parishes (average)*	74.17	4.16	5.94%

\*Figures based on 23/24 until information is available – this will be amended for final budget

### Revenue Support Grant and Other Government Grants

- 4.8 The table below currently builds in the assumption that RSG will continue throughout the MTFs period until such time as we have more information regarding the outcome of the fairer funding review. Other than S31 grants for Business Rates (see table 2) the other main non-specific grants received by the Council relate to the Rural Services Delivery Grant (RSDG) and the newly announced Funding Guarantee grant. RSDG for 2024/25 is proposed to be £779k and the Funding Guarantee grant is £940k for 2024/25, the future of this grant into the longer term is not known however it now incorporates the previous Lower Tier Grant.

Table 5 - Revenue Support Grant and other Non-Specific S31 Government Grants

	2023/24 £'000	2024/25 £'000	Draft 2025/26 £'000	Draft 2026/27 £'000	Draft 2027/28 £'000	Draft 2028/29 £'000
Revenue Support Grant	(1,310)	<b>(1,396)</b>	(1,396)	(1,396)	(1,396)	(1,396)
Rural Services Delivery Grant	(779)	<b>(779)</b>	(779)	(779)	(779)	(779)
Services Grant	(249)	<b>(39)</b>	(39)	(39)	(39)	(39)
Lower Tier Services Grant	-	-	-	-	-	-
Funding Guarantee (3% - New Grant)	(888)	<b>(940)</b>	(940)	(940)	(940)	(940)
<b>Total Received</b>	<b>(3,226)</b>	<b>(3,154)</b>	<b>(3,154)</b>	<b>(3,154)</b>	<b>(3,154)</b>	<b>(3,154)</b>
Annual Change in Resource £	(864)	<b>72</b>	-	-	-	-

### New Homes Bonus

4.9 New Homes Bonus (NHB) allocations were announced as part of the Local Government Finance Settlement for 2024/25 only as far as we are aware. The government has added a year of additional grant, as previously announced, the 2021/22 “in year” allocations did not have future years legacy payments nor has the 2024/25 allocation. If the scheme was to be continued in its current form next years payment would reflect just the growth in the previous year.

4.10 The New Homes Bonus will be fully transferred to Reserves in 2024/25

Table 6 - New Homes Bonus

	2023/24 £	Draft 2024/25 £	Draft 2025/26 £	Draft 2026/27 £	Draft 2027/28 £	Draft 2028/29 £
New Homes Bonus	(378)	<b>(434)</b>	<b>(434)</b>	<b>(434)</b>	<b>(434)</b>	<b>(434)</b>

## Fees and Charges

- 4.11 The Council is dependent on direct payment for many of its services in the form of various fees, charges and rents. Fees and charges play an important role in the effective delivery of services; they not only raise income but can control access to services, help the council respond to competition, fund investment and guide client behaviour.
- 4.12 In some cases the levels of fees are set by the Government and the Council has no control over what is charged. Where the Council has had control it has not always increased these charges in line with inflation or other market conditions. The Council has been subject to expenditure inflationary pressures over the last 24 months. It is proposed that the budget should apply RPI increases to all discretionary fees and charges on an annual basis, where supported by the S151 Officer and Finance Portfolio Holder.

Table 7 - Fees, Charges and Rental Income

Budget Area	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Building Control Fees	(445)	(445)	(445)	(445)	(445)	(445)
Planning Fees (including pre-planning advice)	(1,571)	(1,488)	(1,488)	(1,488)	(1,488)	(1,488)
Car Parking Income	(3,490)	(3,490)	(3,490)	(3,490)	(3,490)	(3,490)
Market Stall Fees	(100)	(100)	(100)	(100)	(100)	(100)
Kingfisher Caravan Park	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)	(1,054)
Waste Services	(1,424)	(1,728)	(1,728)	(1,728)	(1,728)	(1,728)
Commercial property rental income	(2,208)	(2,343)	(2,343)	(2,343)	(2,343)	(2,343)
Sales, Fees and other Direct Income	(4,807)	(4,517)	(4,517)	(4,517)	(4,517)	(4,517)
<b>TOTAL</b>	<b>(15,099)</b>	<b>(15,165)</b>	<b>(15,165)</b>	<b>(15,165)</b>	<b>(15,165)</b>	<b>(15,165)</b>

Note: Fees and Charges are subject to review in future years due to inflationary pressures.

## Other Income

4.14 The Council also receives other forms of income, as shown in the following table.

Table 8 - Other Income

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Interest on Investments*	(1,305)	<b>(3,415)</b>	(3,415)	(3,415)	(3,415)	(3,415)
Housing Benefit Subsidy and Rent Rebates Subsidy.	(28,472)	<b>(26,243)</b>	(26,243)	(26,243)	(26,243)	(26,243)
Housing Benefit/Universal Credit Overpayments	(270)	<b>(270)</b>	(270)	(270)	(270)	(270)
Council Tax and Housing Benefit Administration Grant	(628)	<b>(426)</b>	(426)	(426)	(426)	(426)
Specific Government Grants , UKSPF, NSAP, Levelling Up and RSAP)	(80)	<b>(64)</b>	(64)	(64)	(64)	(64)
Court Income & Council Tax Penalties	(436)	<b>(436)</b>	(436)	(436)	(436)	(436)
Local Authority Grants including Disabled Facility Grants	(1,583)	<b>(1,916)</b>	(1,916)	(1,916)	(1,916)	(1,916)
Other Government Grants (incl. Register of Electors, Discretionary Housing Payments, Flexible Homelessness grant, Homelessness Reduction new burdens grant and Towns Fund)	(39,930)	<b>(2,180)</b>	(2,180)	(2,180)	(2,180)	(2,180)
Other Grants and contributions	(2,016)	<b>(2,695)</b>	(2,695)	(2,695)	(2,695)	(2,695)
Use of Reserves	(18,994)	<b>(1,583)</b>	(418)	(451)	(353)	(283)
<b>TOTAL</b>	<b>(93,714)</b>	<b>(39,229)</b>	<b>(38,064)</b>	<b>(38,097)</b>	<b>(37,999)</b>	<b>(37,929)</b>

\*Assumptions have been made on investment income levels due to a variety of factors



- Use of Reserve values will change as and when new schemes are approved for inclusion within programme.
- Reductions in the Housing Benefit Subsidy income is due to a realignment of the budget to reflect current anticipated levels of activity – especially with the roll out of Universal Credit. There is a corresponding reduction in expenditure in section 4 below.
- Reduction in Other Government Grants primarily relates to Towns Funds and Sustainable Warmth Grant.

## Summary

Table 9 – All sources of income

	2023/24 £'000	<b>2024/25 £'000</b>	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Business Rates (Table 2)	(18,977)	<b>(18,745)</b>	(18,745)	(18,745)	(18,745)	(18,745)
Revenue Support Grant (Table 5)	(1,310)	<b>(1,396)</b>	(1,396)	(1,396)	(1,396)	(1,396)
Lower Tier Services Grant (Table 5)	0	<b>0</b>	0	0	0	0
Services Grant (Table 5)	(249)	<b>(39)</b>	(39)	(39)	(39)	(39)
Funding Guarantee (3%) (table 5)	(888)	<b>(940)</b>	(940)	(940)	(940)	(940)
Rural Services Delivery Grant (Table 5)	(779)	<b>(779)</b>	(779)	(779)	(779)	(779)
New Homes Bonus (Table 6)	(378)	<b>(434)</b>	(434)	(434)	(434)	(434)
Council Tax (Table 3)	(7,565)	<b>(7,995)</b>	(8,222)	(8,586)	(8,959)	(9,342)
<b>Funding subtotal</b>	<b>(30,146)</b>	<b>(30,328)</b>	<b>(30,555)</b>	<b>(30,919)</b>	<b>(31,292)</b>	<b>(31,675)</b>
Fees, Charges, Rents (Table 7)	(15,099)	<b>(15,165)</b>	(15,165)	(15,165)	(15,165)	(15,165)
Other Income (Table 8)	(81,191)	<b>(39,389)</b>	(38,224)	(38,257)	(38,159)	(38,089)
<b>Fees, Charges &amp; Other Income subtotal</b>	<b>(96,290)</b>	<b>(54,553)</b>	<b>(53,388)</b>	<b>(53,422)</b>	<b>(53,324)</b>	<b>(53,254)</b>
<b>Gross Budgeted Income</b>	<b>(126,436)</b>	<b>(84,881)</b>	<b>(83,943)</b>	<b>(84,341)</b>	<b>(84,616)</b>	<b>(84,928)</b>

## 2023/24 SPENDING PLANS

4.15 Table 10 below shows the estimated Council spending plans for the next 5 years. It shows expenditure analysed by the CIPFA Standard classification. The paragraphs below the table provide explanations for the main variances across the MTFS.

4.15.1 The table below summarises the main changes in expenditure budgets between 2023/24 and 2024/25. The ongoing delivery of the Council's Efficiencies and Transformation Programme may introduce further changes in the year ahead and over the Medium Term.

Table 10 – Spending Plans

Description	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2027/28 £'000
Employees	18,344	<b>20,764</b>	21,476	22,078	22,663	23,235
Premises	3,125	<b>3,523</b>	3,523	3,523	3,523	3,523
Transport	1,217	<b>1,555</b>	1,555	1,555	1,555	1,555
Supplies & Services	6,367	<b>6,440</b>	6,440	6,440	6,440	6,440
Drainage Board Levies	4,888	<b>5,158</b>	5,158	5,158	5,158	5,158
Transfer Payments	48,754	<b>29,562</b>	29,562	29,562	29,562	29,562
Capital Charges	24,484	<b>100</b>	100	100	100	100
Third Party Payments	10,155	<b>11,166</b>	11,166	11,166	11,166	11,166
Interest on Borrowing	495	<b>3</b>	3	3	3	3
Contributions From Reserves	10,215	<b>8,253</b>	7,795	7,820	7,645	6,563
<b>Gross Expenditure</b>	<b>128,044</b>	<b>86,524</b>	<b>86,778</b>	<b>87,405</b>	<b>87,815</b>	<b>87,305</b>

Employee costs have been prepared in accordance with the Council's Pay Policy. Pay generally has been increased by salary increments due to staff, and by an estimated 3.5% increase in 2024/25 and 3.0% to 2.5% thereafter. Pension cost estimates have been prepared on the basis of current staff in the pension scheme at October 2023/24, and all vacant posts assumed to be within the pension scheme. There have been some staffing changes which are mainly grant funded as a result of successful bidding to government departments. The employee costs also include the latest results of the 2022/23 Pension Triennial Review.

Premises budgets have increased in 2024/25. The main increase being the cost of utility wholesale increases in the price of gas and electricity.

Transport costs have increased from 2023/24 levels due to an increase in maintenance costs associated with the vehicle fleet.

Supplies and Services budgets have increased slightly due to agreed increases in council contracts in relation to RPI, additional project costs offset by grant, offset by the removal of the cost of living support scheme now held in reserve.

Internal Drainage Board (IDB) increases, in total average 3.6% for 2024/25. The cost of 2024/25 have been estimated as the base throughout the MTFs until further information has been provided by the Internal Drainage Boards. At a time of significant increases in rising energy cost it would be safe to assume that increases will be greater than in previous years. The Council is liaising with the local Internal Drainage Boards to work towards limiting future increases where possible. Lobbying of government is also underway with the impact of this loss of revenue to the Council due to the embedded levy having an impact every year that passes. The table below breaks down the levy by each Board.

<b>Internal Drainage Board</b>	<b>2022/23 (Actual) £</b>	<b>2023/24 (Actual) £</b>	<b>2024/25 Budget £</b>	<b>Increase over 2023/24 £</b>
Lindsey Marsh Drainage Board	3,148,320	4,091,378	<b>4,197,754</b>	106,376
The Witham Third District Internal Drainage Board	382,480	446,085	<b>481,773</b>	35,688
Witham Fourth Internal Drainage Board	410,100	443,015	<b>478,456</b>	35,441
<b>Total</b>	<b>3,940,900</b>	<b>4,980,478</b>	<b>5,157,983</b>	<b>177,505</b>

Transfer Payments – Linked to Capital Programme activity primarily Towns Fund

Capital Charges – The Capital Programme does not feature in the draft budget for 24/25 at present. The figure shown from 24/25 onwards represents MRP £100k.

Third party payments - These budgets reflect payments to Public Sector Partnership Services and other outside bodies.

## 5. BUDGET REQUIREMENT

5.1 The budget requirement is formed by comparing resource prediction and spending plans.

5.2 **Appendices 1a and 1b** bring together the budgeted expenditure and income and show the overall MTFs position analysed by income and expenditure type, service area and by portfolio budgets.

Table 11 – Budget Requirement

	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Fees, Charges & Other Income (table 9)	(96,290)	<b>(54,553)</b>	(53,388)	(53,422)	(53,324)	(53,254)
Gross Expenditure (table 10)	128,044	<b>86,524</b>	86,778	87,405	87,815	87,305
Parish Precepts	3,440	<b>3,509</b>	3,579	3,650	3,723	3,798
Efficiency Target (table 15)	(1,608)	<b>(1,643)</b>	(2,835)	(3,065)	(3,200)	(2,377)
<b>Net Budget</b>	<b>33,586</b>	<b>33,837</b>	<b>34,134</b>	<b>34,568</b>	<b>35,014</b>	<b>35,472</b>
<b>Funded By</b>						
Retained Business rates (table 2)	(17,545)	<b>(18,745)</b>	(18,745)	(18,745)	(18,745)	(18,745)
Business Rates Collection Fund (table 2)	(1,432)	<b>0</b>	0	0	0	0
Revenue Support Grant (table 5)	(1,310)	<b>(1,396)</b>	(1,396)	(1,396)	(1,396)	(1,396)
Specific Grants (table 5)	(1,916)	<b>(1,758)</b>	(1,758)	(1,758)	(1,758)	(1,758)
New Homes Bonus (table 6)	(378)	<b>(434)</b>	(434)	(434)	(434)	(434)
Parish Precepts	(3,440)	<b>(3,509)</b>	(3,579)	(3,650)	(3,723)	(3,798)
ELDC Council tax (table 3)	(7,496)	<b>(7,867)</b>	(8,222)	(8,586)	(8,959)	(9,342)
Council Tax Collection Fund Surplus (table 3)	(69)	<b>(128)</b>	0	0	0	0
<b>Total Funding</b>	<b>(33,586)</b>	<b>(33,837)</b>	<b>(34,134)</b>	<b>(34,569)</b>	<b>(35,015)</b>	<b>(35,473)</b>

5.3 Based on current assumptions the Council has a significant efficiency target for 2024/25 in respect of which plans are already underway to address, in addition to the continued liaison with Government on the IDB issue. With uncertainty around Business Rates after 2024/25 as mentioned earlier it is very unclear at this stage what the financial impact will be.

## **OTHER BUDGET ISSUES**

In order to meet its obligations, equality impact assessments will be carried out when the nature of proposed changes to services and the potential mitigation (if any) is clear, so that the implications of decisions are fully understood as they affect specific groups and communities. These have been, and will continue to be, regularly undertaken and considered as part of the decision making process.

## **6. RESERVES**

In order to comply with the requirements of the Local Government Act 2003, the Authority must undertake a review of the level of reserves as part of annual budget preparation. A review of the reserves has been undertaken to make sure that they have a defined purpose, identified and approved values for additions to and usage of each reserve, and that they are set at an appropriate value which identifies the current and future requirements and risks the Council might face. This has included an assessment of risk registers, pressures upon services, inflation and interest rates and any underwriting arrangements. The proposed budget has been developed on the basis of not requiring any long term support from reserves for the revenue budget.

### **General reserves**

The General Fund balance is estimated to stand at £1.822m for the next five years, which the Council's Section 151 Officer believes to be prudent for the Council at this time.

Table 12 – Reserve Balances

Reserve	Forecast Balances at 31st March 2024	Forecast Balances at 31st March 2025	Forecast Balances at 31st March 2026	Forecast Balances at 31st March 2027	Forecast Balances at 31st March 2028	Forecast Balances at 31st March 2029
	£'000	£'000	£'000	£'000	£'000	£'000
Investments Volatility Reserve	871	871	871	871	871	871
Housing Reserve	2,244	2,161	2,077	1,994	1,911	1,827
Repair and Replacement Reserve	1,054	792	871	817	861	975
Carbon Reduction Reserve	398	398	398	398	398	398
Insurance Reserve	767	707	647	587	527	467
Capital Reserve	4,970	5,373	5,800	6,234	6,668	7,102
Economic Growth	658	966	2,098	3,255	4,437	4,337
Service Transformation Reserve	934	984	1,034	1,084	934	984
Business Rates Volatility Reserve	4,488	4,488	4,488	4,488	4,488	4,488
Legal and Appeals Reserve	2,632	2,632	2,632	2,632	2,632	2,632
Technology Reserve	334	402	470	538	606	674
Wellbeing Reserve	185	92	-	-	-	-
Property Fund Reserve	138	138	138	138	138	138
Budget Pressures Smoothing Reserve	742	742	742	742	742	742
Climate Change Reserve	-	481	481	481	481	481
Corporate Priorities Reserve	-	5,857	11,714	17,571	23,428	29,285
De-carbonisation Reserve	1,432	1,432	1,432	1,432	1,432	1,432
<b>Specific Reserves Total</b>	<b>21,846</b>	<b>28,515</b>	<b>35,892</b>	<b>43,261</b>	<b>50,553</b>	<b>56,832</b>
General Fund	1,822	1,822	1,822	1,822	1,822	1,822
<b>Total</b>	<b>23,668</b>	<b>30,337</b>	<b>37,714</b>	<b>45,083</b>	<b>52,375</b>	<b>58,654</b>

## Specific Reserves

Specific reserves are set up to provide funds for known future commitments or provide resources for unexpected events. Given the risks and uncertainties facing both the local and national economy the Council is committed to retaining robust levels of reserves, whilst ensuring resources are available to enable efficient service delivery.

Table 13 – Specific Reserves

Contribution To Reserves	2024/25 £'000	Contribution From Reserves	2024/25 £'000
-		<u>Housing Reserve</u>	
-		Rough Sleeper Initiative	83
		-	
<u>Repair &amp; Replacement Reserve</u>		<u>Repair &amp; Replacement Reserve</u>	
Replacement and Refurbishment - Payback	(154)	Capital Programme	166
		Fleet Maintenance	250
-		-	
-		<u>Insurance Reserve</u>	60
<u>Capital Reserve</u>		<u>Capital Reserve</u>	
New Homes Bonus	(434)	Capital Programme	31
<u>Economic Growth</u>		<u>Economic Growth</u>	
NNDR	(1,208)	Capital Programme	900
<u>Service Transformation Reserve</u>			
Elections contribution	(50)		
<u>Technology Reserve</u>	(68)		
-		<u>Wellbeing Reserve</u>	93



<u>Climate Change Reserve</u>		-	
Sustainable Warmth	(481)	-	
<u>Corporate Priorities Reserve</u>	(5,857)		
<b>Contribution To Reserves Total</b>	<b>(8,252)</b>	<b>Contribution From Reserves</b>	<b>1,583</b>
		<b>Net Contribution (To)/From Reserves</b>	<b>(6,669)</b>

## 7. CAPITAL PROGRAMME AND TREASURY MANAGEMENT

7.1 The Council's proposed 5 year Capital Programme and its 5 year capital resource projections are shown in the table below:  
Table 14 – 5 year Capital Programme, funding and resource implications

Capital Schemes	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total
Capitalised Planned Enhancements	200	200	200	200	200	1,000
Car Park Resurfacing	250	250	250	250	250	1,250
Disabled Facilities Grants	1,562	1,562	1,562	1,562	1,562	7,810
IT Investment	198	198	429	769	100	1,694
Neighbourhoods Vehicles			168	4,270		4,438
Sustainable Warmth	8,400					8,400
CDF - Phase 2	2,539	117				2,656
CDF - Pier Transformation	3,597	149				3,746
Horncastle Industrial Estate	400					400
<b>Total Projects (Excl Towns Funds, UKSPF &amp; LUF)</b>	<b>17,146</b>	<b>2,476</b>	<b>2,609</b>	<b>7,051</b>	<b>2,112</b>	<b>31,394</b>
Towns Fund - Mablethorpe Leisure and Learning	895					895
Towns Fund - Skegness Railway Station	39					39
Towns Fund - Skegness Town Centre Transformation	812	122				934
Towns Fund - Skegness Learning Campus	4,158	189				4,347
Towns Fund - Mablethorpe Campus for Future Living	2,124	267				2,391
Towns Fund - Mablethorpe High Street	478	302				780
<b>Towns Fund</b>	<b>8,506</b>	<b>880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,386</b>
UKSPF	564					564
UKSPF - Rural	900					900
<b>UKSPPF</b>	<b>1,464</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,464</b>
LUF: Spilsby Sessions House	3,592					3,592
LUF: Alford Manor House	913	45				958
LUF: Alford Windmill	15					15

<b>LUF Projects</b>	<b>4,520</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,565</b>
<b>Total Current Approved Programme</b>	<b>31,636</b>	<b>3,401</b>	<b>2,609</b>	<b>7,051</b>	<b>2,112</b>	<b>46,809</b>

<b>Scheme</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>	<b>2028/29 £'000</b>	<b>Total</b>
<b>New Capital Bids</b>						
Disabled facilities Grant (inc Discretionary Grants)	955	955	955	955	955	<b>4,775</b>
Capital Enhancements Programme	177	65	170	(10)	195	<b>597</b>
Neighbourhoods Vehicles (EL04a only includes inflationary increases from yellow columns from already approved expenditure)	720	34	57	1,065		<b>1,876</b>
Enforcement - Van		35				<b>35</b>
Neighbourhoods Growth	100					<b>100</b>
Environmental Services	66	40	40	40	40	<b>226</b>
<b>Capital Bids</b>	<b>2,018</b>	<b>1,129</b>	<b>1,222</b>	<b>2,050</b>	<b>1,190</b>	<b>7,609</b>
<b>Total Draft Programme</b>	<b>33,654</b>	<b>4,530</b>	<b>3,831</b>	<b>9,101</b>	<b>3,302</b>	<b>54,418</b>

- 7.2 The Capital Strategy, Asset Management Plans and Economic Action Plan identify and will generate potential future capital investment requirements. Specific schemes and values will only be included in the recommended programme when the need and likely costs have been further established in detailed business cases, and the Council has ensured that it has sufficient capital and revenue resources to implement such schemes.
- 7.3 The Council has limited capital resources and must look to new ways of financing its capital expenditure. It must also seek to reduce the running costs of its assets and maximise capital receipts. NHB is assumed to cease over the life of the MTFs and as such the Council will need to create additional future revenue capacity if it is to maintain contributions for capital expenditure.
- 7.4 Funding for Disabled Facility Grants (DFGs) comes from the Better Care Fund via Lincolnshire County Council's Health and Wellbeing Board.

The Treasury Management Strategy Statement pulls together the decisions of capital investment and our cash flow and revenue budgets.

Table 15 – Treasury Assumptions

<b>Treasury Assumptions</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
Average Investment Balances	£75.4m	£59.5m	£40.6m	£39.4m	£42.0m	£45.2m
Investment assumptions - cash investments return	4.40%	4.70%	3.20%	3.00%	3.25%	3.25%
Investment assumptions – property fund return (revenue return only)	3.60%	4.00%	4.00%	4.00%	4.00%	4.00%
External Borrowing	£20.0m	-	-	-	-	-
Average Borrowing Rate	2.465%	-	-	-	-	-

7.5 These assumptions include:

- The Council's available cash balances and investment returns will be influenced by the future development of the Council's Asset Management Plan and all decisions made regarding the use of the Council's Reserves for capital and revenue purposes.

## 12. EFFICIENCY TARGETS

- 12.1 The projected budgets recognise an increasingly challenging and uncertain position through the five year period of our financial strategy. A key factor is that the Local Government Finance Act 2012 and future finance reviews demand a significant transformation in the way public services are both paid for and provided, with an emphasis on business and housing growth to both improve economic development and maximise funding to the Council to help offset ongoing reductions in overall resources.
- 12.2 Based upon current budget assumptions the value of efficiency savings required to set a balanced budget for the next five years are as follows:

Table 16 – Efficiency Targets

	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Budget Savings Requirement	426	1,618	1,848	1,983	1,160
IDB Savings Requirement	1,217	-	-	-	-

- 12.3 The ongoing delivery of a significant level of savings is recognised as a key challenge to the Council that will require both political and cultural direction to ensure it is met.

## 13. SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP PLANS

- 13.1 As we think of 2024/25, there is great uncertainty with the central funding which could be allocated to South Holland. This is driven by several financial matters which remain unresolved such as the implications of the Fairer Funding Review, Business Rates baseline reset and a review of the Business Rates retention scheme. It should therefore be noted the Councils assumptions on future budget gaps whilst prudent could well be understated.
- 13.2 The Council is taking a positive response to this uncertainty by seeking to influence those matters raised above through both engagement and lobbying to ensure a fair deal is delivered for rural communities.

13.3 As we look forward into 2024/25, the Cabinet will be promoting projects which aim to drive commercial opportunities, place the customer at the centre of everything we do and achieve as much as is possible through greater collaboration through the South and East Lincolnshire Councils Partnership. Some of these key projects to be developed during 2023/24 include:-

- Residential house building
- Realising efficiencies working together with Boston Borough Council and South Holland District Council through the South and East Lincolnshire Councils Partnership, with annual delivery plans.
- A Council service modernisation programme
- Building the case for investment in infrastructure
- Empowering communities in the way services are provided
- Commercialisation of services
- Addressing Deprivation in the district
- Tackling Climate Change through the Green Homes Initiative

## 14. RISK AND SENSITIVITY

14.1 The following table shows the key risks and how we intend to treat them through our risk management practices

Table 17 - Key Risks

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigating Action</b>
Fairer Funding and Business Rate reset/changes	High	High	To lobby as required
Financial pressure as a result of the IDB levy	High	High	Lobbying underway
Increased Interest Rates	High	High	Market advice and forecasting for continuation
Growth plans may require borrowing at some point in the future	High	High	Continue to closely monitor and prioritise the Council's Capital Financing Requirement.
Increased demand for Homelessness Support Services – relating to Homelessness Reduction Act	High	High	Monitor service demand and impact on costs. Optimise use of grant funding and closely monitor impact.
Lack of clarity for funding levels beyond 22/23 and spending review	High	Medium	Prudent budget set to provide best estimate. Transitional arrangements have been applied in similar previous changes imposed on funding arrangements.
Universal Credit	High	Medium	The implementation of the Universal credit may impact on the General Fund in terms of running costs for the Benefits service and additional demand on other council services and on the HRA in terms of increased arrears. This will be closely monitored.
Fluctuation in business rates	High	High	Growth plans and accurate monitoring

Fair Funding Review could take into account actual levels of commercial	Medium	Medium	Prudent budget set to provide best estimate.
Pension fund deficit	Medium	Medium	Close links with LCC pension fund
Additional bad debts as a result of economic circumstances	Medium	Medium	The Council has pro-active debt management and pre-pay fee policies.
Increased maintenance costs of ageing physical assets	Medium	Medium	Asset management plan. Pro-active rather than reactive maintenance programme
Inflation rises by more than budgeted projections	Medium	Medium	Budget assumptions kept up to date with most recent projections.
Court Income	High	Low	Court income projections are in line with budget. The budget has not been increased due to concerns over collectability of this income. A year-end review will be undertaken to inform future year's budgets.
PSPS may be unable to deliver an effective service within the agreed contract price.	Low	Medium	Reviewing Service Level Agreements, activity levels and service priorities, develop a suitable Transformation Programme
Fluctuation in business rates	High	High	Growth plans and accurate monitoring
Fee Income volatility	High	High	Early monitoring of deviations
Contract Cost volatility	High	High	To seek to pre-purchase were necessary
Lack of funding to partners causing displacement of service demand	High	High	Engagement and realism
Inadequate capital resources to finance future desired plans	High	High	Proportionate spending and sale of surplus assets
Central Government policy changes	High	High	Engagement in consultation and policy creation



Reductions in NHB impacting on future plans	High	High	Lobbying and service transformation
VAT – partial exemption	High	High	Close forecasting VAT partial exemption position
Failure to deliver the required transformation programme	Medium	High	Effective programme and project management
Reduction in Investment Values	Medium	Medium	Regular Monitoring, allocation of specific Reserve
Central Government policy changes	High	High	Engagement in consultation and policy creation
A poor settlement for rural councils	Medium	Medium	Lobbying as a special interest group
Increased demand for services in general	Medium	Medium	A robust performance management framework

## 15. OPTIONS

15.1 There are no alternative budget options presented, however if Council does not accept the proposed budget then any changes to income or expenditure which will produce a revised balanced budget must be presented and approved at the Council meeting

## 16. RECOMMENDATION

16.1. Reason for recommendation - To comply with the budgetary and policy framework.

- Recommendation –That Executive Board approves the budget for consultation.

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<b>REPORT TO:</b>	Executive Board
<b>DATE:</b>	10 <sup>th</sup> January 2024
<b>SUBJECT:</b>	SCRUTINY REPORT - Joint Scrutiny of the South & East Lincolnshire Councils Partnership
<b>PURPOSE:</b>	To review the Partnership's progress against opportunities identified in the business case and key lines of enquiry.
<b>KEY DECISION:</b>	No
<b>REPORT OF:</b>	This report has been prepared by the Joint Scrutiny Task Group as set out in the attached report.
<b>WARD(S) AFFECTED:</b>	ALL
<b>EXEMPT REPORT?</b>	No

**SUMMARY**

The Overview and Scrutiny Committees of Boston Borough Council, South Holland District Council, and East Lindsey District Council commissioned a joint Scrutiny Task & Finish Panel to undertake a review of the progress on the opportunities identified in the approved business case for the South & east Lincolnshire Councils Partnership.

**Note:** All content is contained in the attached member report and not summarised in this covering report.

**RECOMMENDATIONS**

- To note the attached report (**Appendix A**) and associated recommendations;
- For the Executive to agree the recommendations contained within the report.

**REASONS FOR RECOMMENDATIONS**

To continue to learn, build on our experiences and continue our success as a Partnership of Councils.

**OTHER OPTIONS CONSIDERED**

None.

**1. REPORT**

**1.1** This report brings forward a joint scrutiny report at **Appendix A**. The scope of this work was set out by the Overview and Scrutiny Committees at ELDC, SHDC, and BBC and is attached at **Appendix B**.

**1.2** This report has been presented to each of the Partnership Councils' relevant sovereign scrutiny committees before being brought to Executive Board for consideration. The scrutiny work undertaken was required under the Partnership's Memorandum of Agreement and is an annual commitment.

**1.3** All content is contained in the attached member report (**Appendix A**) and not summarised in this covering report. **Appendices C – E** contain background information gathered by the panel.

**1.4** The Overview Committee wanted to pass on the following comments to the Executive Board:

<b>Overview Comments</b>	<b>Initial response / update</b>
Disappointment there has not been more progress on ICT concerns.	ICT is a complex and costly area of work. Good progress has already been made to facilitate collaboration across the Partnership and a roadmap is in place as part of the Digital Strategy. Service specific system alignment will take place when existing contracts expire.
Disappointment the shared pay and T&C work was not started sooner.	Shared Officer pay – we have a job evaluation scheme for shared officers below CMT in development at present. This is a lengthy piece of work and will require Union involvement before a scheme can be implemented.  Aligned Terms and Conditions (where possible) – this project has commenced and phase 1 is underway.
Concern over multiple mentions of capacity issues and hope these will be addressed.	We have received many opportunities as a Council, and this has resulted in significant increases in work in some areas. We are using capacity funding to bolster resources where additional support is needed and for any new initiatives, officers are required to identify the capacity they have to deliver within the committee report. Officers are aware that additional capacity can be considered if needed.

**EXPECTED BENEFITS TO THE PARTNERSHIP**

The opportunity for the Partnership to learn from its experience and continue to build on its success as it moves forward.

## **IMPLICATIONS**

### **SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP**

Only those considered by the Panel in the attached report.

### **CORPORATE PRIORITIES**

Only those considered by the Panel in the attached report.

### **STAFFING**

Only those considered by the Panel in the attached report.

### **WORKFORCE CAPACITY IMPLICATIONS**

Only those considered by the Panel in the attached report.

### **CONSTITUTIONAL AND LEGAL IMPLICATIONS**

Only those considered by the Panel in the attached report.

### **DATA PROTECTION**

None.

### **FINANCIAL**

Only those considered by the Panel in the attached report.

### **RISK MANAGEMENT**

None.

### **STAKEHOLDER / CONSULTATION / TIMESCALES**

Consultation with a number of councillors and officers was undertaken and helped form the basis of the final report and recommendations. Details of the questionnaire undertaken with all Councillor across the Partnership can be found at **Appendix C**.

### **REPUTATION**

Only those considered by the Panel in the attached report.

### **CONTRACTS**

None.

### **CRIME AND DISORDER**

None.

### **EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING**

None.

### **HEALTH AND WELL BEING**

None.

### **CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

None.

## LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

None.

## ACRONYMS

None.

### APPENDICES

Appendices are listed below and attached to the back of the report: -

APPENDIX A	Report of the panel
APPENDIX B	Scoping document
APPENDIX C	Questionnaire Themes
APPENDIX D	Partnership Progress Document 1
APPENDIX E	Partnership Progress Document 2

### BACKGROUND PAPERS

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

### CHRONOLOGICAL HISTORY OF THIS REPORT

Name of body	Date
Overview	28 <sup>th</sup> November 2023
Full Council	14 <sup>th</sup> December 2022
Overview Committee	29 <sup>th</sup> November 2022

### REPORT APPROVAL

Report author:	Councillor Chris Brewis (SHDC) on behalf of the Partnership Scrutiny Task Group
Signed off by:	Rebecca James, Scrutiny & Policy Officer
Approved for publication:	James Gilbert, Assistant Director - Corporate

## JOINT SCRUTINY TASK AND FINISH GROUP

### Joint Scrutiny of the Partnership 2023 – Final Report

**Councillors ELDC:** F. Martin (Vice Chair), C. Dickinson, G. Horton

**Councillors BBC:** S. Welberry, C. Rylott, L. Savickiene

**Councillors SHDC:** C. Brewis (Chair and Report Author), B. Alcock, M. Booth

**Officers:** James Gilbert (Assistant Director, Corporate) Rebecca James (Scrutiny & Policy Officer)

**Guest Witnesses:** Councillor Craig Leyland (Leader, ELDC), Councillor Anne Dorrian (Leader, BBC), Councillor Nick Worth (Leader, SHDC), Rob Barlow (Joint Chief Executive), Christine Marshall (Deputy Chief Executive / S151 Officer), Adrian Sibley (Deputy Chief Executive, Programme Delivery), John Leach (Deputy Chief Executive, Communities), Rachel Robinson (Group Manager, Organisational Development), 2 members of the staff forum (anonymous)

### Background and Introduction

On 1<sup>st</sup> October 2021, Boston Borough Council, East Lindsey District Council, and South Holland District Council formed the South & East Lincolnshire Councils Partnership.

The Councils each retained their independence but have been working towards a single officer team to deliver the Partnership Business Case for the sub-region and each Council's respective priorities. The Partnership was projected to deliver £42 million in efficiency savings over ten years; whilst providing all three Councils with greater capacity to deliver their priorities.

The approved business case demonstrated a number of opportunities for the Partnership. Progress on these identified opportunities form the basis of this annual joint scrutiny of the Partnership and can be found in the scoping document at **Appendix B**.

The panel met 5 times, interviewed 10 witnesses with a set of standard questions, and conducted a short questionnaire among all Councillors to canvass their views. The key themes that came out of the questionnaire are attached at **Appendix C**. Partnership Progress documents can be found at **Appendix D and E**.

## Evidence Gathering

The questions below were asked of all guest witnesses. Questions 1, 2, and 4 were also used for the all-Councillor survey. 44 Councillors from across the Partnership responded, which constitutes a 36% response rate.

1. What do you think have been the positives of the S&ELCP so far?
2. What would you improve about the S&ELCP? Is there anything you would do differently?
3. What progress has there been against the recommendations in the original business case and what issues have there been in terms of implementation?
4. What do you think the key area(s) of focus should be for the Partnership in the year ahead?

## Panel Discussion and Analysis

I think I speak for the whole 'task and finish group' in saying how very much we appreciated the willingness of members, directors, and staff to deal with our questions both frankly and thoroughly.

We were also pleased to find that the responses regarding both progress thus far, and issues still to be addressed, were almost unanimously in agreement!

The overall impression we have got was, in short:

"Thus far, so good and well done, but much still needs to be done to make our partnership even more effective and successful".

Issues raised by many of those we spoke with covered specific areas of concern.

Retention of staff and successful recruitment were considered essential. Mention was made by several people regarding success coming from internal training, and also of contacts with further education institutions, but much remained to be done.

Alignment, especially but not only in ICT, was regarded as essential, and was still raised as an issue.

There is a need for regular briefings of members, and to others, regarding progress on aims, and how the partnership is working together.

All responders stressed that closer alignment could very well bring disproportional (in the positive sense!) benefits, but as with all suggestions, there needs to be clear intended deadlines as to when an improvement might be achieved.

Sight should not be lost of devolution, whether sought by ourselves, or imposed by a government of either persuasion, and on where our intentions and preferences might lie.



Differential pay scales were raised. This is a very complex issue, but needs to be faced up to, even though it is largely caused by 'history' of the Councils' pre-Partnership.

Capacity is a very large issue, but successful recruitment would help address this.

Our close relationship with PSPS has been mentioned frequently, and our recommendation acknowledges that, and stresses the 'common issues' which are shared with the Partnership. There is the need to continue the good working relationship with PSPS to ensure challenges in recruitment and capacity can be tackled successfully to support the delivery of key projects/priorities.

We were especially impressed by the 'Partnership Progress Delivery Update' documents (found at **Appendix D and E**), which illustrated just how much had been achieved within S&ELCP in quite difficult times.

We may sometimes need 'outside help' to enable us to meet our aims more expeditiously.

Councillor expectations should be high. We cannot afford, even momentarily, to 'sit back on our laurels', despite already having been noticed regionally and nationally. We also need to build on our links, not only with PSPS, but with all other partners.

We have a number of recommendations, which we commend to you. I would like very much, as Chair of the Task Group, to express my sincere gratitude to the members of the Task Group, for their constantly constructive involvement, and to thank James Gilbert, and above all Rebecca James, for their unstinting help to us, enabling us to reach this position and report back to yourselves.

## Recommendations

1. ICT:
  - a) Estimated timescales to be added to the ICT action plan as soon as they are known, with the priority being the ability for staff to collaborate more easily across the Partnership.
  
2. Communication:
  - a) Promote the work being done internally around retention and recruitment so there is better awareness amongst staff of activity and progression opportunities, including further education;
  - b) Promote the Partnership to raise awareness of its benefits to staff, Councillors, and residents;
  - c) Arrange Partnership-wide briefings to provide key updates on the activity and progress of the Partnership as appropriate/relevant.
  
3. Capacity:
  - a) Take account of workload when bidding for and accepting future funding/grant opportunities – for example, look to work with partners on projects to bolster capacity;
  - b) Look to ensure activity in recruitment and retention works towards a further improvement to the work done around new recruits, career development and succession planning;
  - c) For the Partnership and PSPS to work closely together to ensure resources are available to support the delivery requirements of both organisations.
  
4. Alignment:
  - a) Constitution – to accelerate the alignment of the 3 constitutions as a priority and develop an associated timeline;
  - b) Service reviews – to ensure these are progressed at the earliest opportunity to allow full advantage for team working;
  - c) Pay scales and T&Cs – to clearly set out timescales for the review of staff terms and conditions and shared officer pay.

**Report author: Councillor Chris Brewis**



## **JOINT SCRUTINY TASK & FINISH GROUP Project Scoping Template**

**Topic:** Joint Scrutiny of the South & East Lincolnshire Councils Partnership 2023

### **Objectives and Key Issues:**

The function of scrutiny within each of the partner Councils plays an important and key role within the overall governance arrangements for each of the partnership Councils and for the Partnership as a whole.

The approved business case demonstrated a number of opportunities for the South & East Lincolnshire Councils Partnership.

Progress on these identified opportunities, plus other key issues, form the basis of this annual joint scrutiny of the Partnership.

### **Lines of Enquiry:**

1. To review delivery of the recommendations from the 2022 Partnership annual scrutiny;
2. To consider progress against the Peer Review recommendations from 2022;
3. To consider how the partnership is responding to shared and common challenges and opportunities at a local, corporate, and sub-regional level across the southeast region of Lincolnshire;
4. To review the progress being made to achieve the combined financial opportunity of up to £42m (if all service integration opportunities are embraced) identified in the Partnership business case.
5. How is the partnership building on the existing and successful PPS Ltd relationship in order to improve service effectiveness and efficiency;
6. How is the Partnership securing service delivery improvements and resilience across the Partnership;
7. How is the Partnership creating additional capacity and increased resilience to do more for our communities;
8. To cement a solid foundation of partnership working ahead of the potential for devolution and local reform;
9. To consider the increased opportunities to secure external funding to enable the

<p>future prosperity for our communities;</p> <p>10. To understand progress in delivering a sub-regional Growth Strategy; and</p> <p>11. To seek assurance that the Digital Strategy and ICT Roadmap is making progress.</p> <p><b>Standard Areas to Consider</b></p> <p><b>Relationship with Annual Delivery Plans:</b> as per the lines of enquiry above</p> <p><b>Financial Implications:</b> as per the lines of enquiry above</p>
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<p><b>Witnesses</b></p> <p><b>Internal:</b> ELDC/BBC/SHDC Leader &amp; Deputy Leader, Chief Executive, ELDC/SHDC/BBC Members, Other relevant officers TBC by panel</p> <p><b>External:</b> PSPS Chief Executive? PSPS Head of ICT &amp; Digital?</p>
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<p><b>Resources</b></p> <p><b>Liaison Officer:</b> Rebecca James, Scrutiny &amp; Policy Officer, S&amp;ELCP James Gilbert, Assistant Director, Corporate</p> <p><b>Required officer expertise:</b> To be decided as the scrutiny review progresses</p>
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<p><b>Timescale</b></p> <p>Start date: 5<sup>th</sup> October 2023</p> <p>End date: 6<sup>th</sup> November 2023</p> <p>Target ELDC Overview Committee Meeting: 28<sup>th</sup> November</p> <p>Target BBC Overview &amp; Scrutiny Meeting: 19<sup>th</sup> December</p> <p>Target SHDC Scrutiny Committee Meeting: 15<sup>th</sup> November</p> <p>Target Cabinet / Executive Board Meeting: ELDC 10/01, SHDC 09/01, BBC 16/01</p>
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<p>What do you think have been the <b>positives</b> of the S&amp;ELCP so far? Do you have any examples of positive impact you would like to share?</p>	<p>What would you <b>improve</b> about the S&amp;ELCP? Do you have any suggestions you would like to share?</p>	<p>What do you think the key area(s) of <b>focus</b> should be for the Partnership in the year ahead?</p>
<ul style="list-style-type: none"> <li>• Sharing of staff, knowledge, skills, expertise, best practice</li> <li>• Stronger voice and influence with central government and external partners</li> <li>• Financial savings</li> <li>• Collaboration on grants and other funding opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Communication                             <ul style="list-style-type: none"> <li>○ Response times to councillors</li> <li>○ Officer awareness of their role/responsibility to councillors</li> <li>○ Officer visibility</li> </ul> </li> <li>• Joint meetings for Members</li> <li>• Consistency – member allowances, pay, contracts, policies</li> <li>• Equality – Members from all 3 Councils feel that they are getting the worst deal compared to the other 2</li> </ul>	<ul style="list-style-type: none"> <li>• Financial resilience – ensure savings are delivered and make the most of funding opportunities</li> <li>• Further alignment of policies, strategies and service areas when and where appropriate</li> <li>• Preparation for the future (devolution)</li> <li>• Waste services – fly-tipping, Environment Act, refuse collection, cleanliness</li> <li>• Core services – ensure capacity (staff), delivery (residents), transformation</li> </ul>

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# Joint Strategy Board Progress/Delivery Update

February 2023



*served by One Team*

South & East Lincolnshire Councils Partnership

Agenda Item 7





*served by One Team*

South & East Lincolnshire Councils Partnership

# October 2022

- Local Government Association Partnership Peer Review hosted between 10 and 14 October
- A full page in the Municipal Journal regarding the Partnership at its one year anniversary
- £175,000 secured from DLUHC for Cyber Resilience across the Partnership
- £2m secured from Arts Council England for investment in culture across the sub-region
- Investment Zones submission made to Government
- The Annual Partnership Scrutiny took place
- The Partnership provided the lead support at the Lincolnshire Ageing Better Conference
- South & East Lincolnshire Community Lottery tickets went on sale
- The second Healthy Living Board took place



# November 2022 (1 of 2)

- Development of 23/24 Annual Delivery Plan commenced
- Development of 23/24 Partnership Performance Framework commenced
- Shared our Future Leaders' Programme model with Babergh and Mid Suffolk District Councils.
- Becky Cooke, Transformation Officer, identified as one of Lincolnshire '30 under 30' for exceptional achievement
- Published Peer Review report and action plan
- Agreed to host the LGA Local Government Challenge for those officers from Councils across the country on this prestigious LGA development programme
- Implementation of shared Partnership service structure for 'Corporate', which includes Transformation, Performance, Risk, Communications and Organisational Development
- Hosted colleagues from the Department for Levelling Up, Housing and Communities to discuss the Town Deal projects and the Partnership's Levelling Up submissions
- Support to Tesla for potential locations within the Partnership area for expansion to their super charger network

# November 2022 (2 of 2)

- A consistent approach was undertaken across the sub-region for the Annual Rough Sleeper Count.
- The first lottery draw of the South & East Lincolnshire Community Lottery was undertaken, supporting 69 good causes across the sub-region.
- £10k was awarded from National Grid Distribution Funding to each Council to undertake a 'Warm Spaces' programme across the sub-region.



*served by One Team*

South & East Lincolnshire Councils Partnership

# December 2022

- Partnership Scrutiny commenced on the draft Digital Strategy and ICT Roadmap
- Supported the Midlands Engine All Party Parliamentary Group on the Visitor Economy
- Presentation to the Westminster Forum national event on the role of Arts and Culture in Levelling Up
- UK Shared Prosperity Funding – three Investment Plans approved and funding will be awarded for three years commencing this financial year
- Rural England Prosperity Fund – applications were submitted for all three District Councils for funding commencement in April 2023
- A South and East Lincolnshire approach has been taken to advise residents how to reduce condensation and report issues of disrepair should escalation be needed
- Community Trigger Policy launch across the subregion



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South & East Lincolnshire Councils Partnership

# January 2022

- ELDC, PPS and Boston College new Horncastle Hub opened
- Contracts now let (or very close to) for Colonnade, Mablethorpe Leisure and Learning Centre and Campus for Future Living Towns Fund Projects
- 1<sup>st</sup> 2 Changing Places facilities now installed in Ayscoughfee and Horncastle Hub. *Further 12 to follow in 2023/24*
- Partnership Enviro-Crime contract signed off.
- Nomination submitted for the MJ Awards in the Partnership category
- £42.8m secured from Levelling Up Round 2 for projects across the sub-region
- Aligned Contract Procedure Rules across the Partnership



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South & East Lincolnshire Councils Partnership

# Joint Strategy Board Progress/Delivery Update

September 2023

Agenda Item 7





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South & East Lincolnshire Councils Partnership

# February (1 of 2)

- Launch of UKSPF prospectus and expressions of interest process to the public and partners. Linked to this, the appointment and creation of partnership-wide UKSPF delivery team
- Planning consent secured for 400 homes in Spalding, underpinned by a funding agreement to secure contributions to Section 5 of the Spalding Western Relief Road
- Approval of £280k investment in public realm in Spalding, coupled with award of £233k in funding from the National Lottery Heritage Fund for the town
- Approval of 15 new properties for Welland Homes
- Shortlisted in the Local Authority Retrofit Programme award at the Retrofit Academy awards for our work around Green Homes Grants
- Launch of trial wind turbines in South Holland and East Lindsey with Ventum Dynamics and private sector partners
- House of Lords Event to celebrate partner success and our Levelling Up ambitions
- Over 100 partners attended the Financial Inclusion Conference, hosted by the Partnership in Boston

# February (2 of 2)

- Mablethorpe Town Deal – Campus for Future Living sod cutting
- In Orbit launch at the Embassy Theatre – 6 week art installation featuring Gaia (Earth) and the Museum of the Moon and Mars
- Theatres’ Trust national event – Theatres at Risk launch – included a focus on Spilsby Sessions House and East Lindsey’s Levelling Up success
- Planning consent granted for the Learning Campus in Skegness
- Boston Town Deal project – Blenkin Memorial Hall complete
- Launch of the new Discover Boston website ([www.boston-england.co.uk](http://www.boston-england.co.uk))
- Data Protection resilience built into the Partnership via a temporary shared Data Protection Officer
- Joint elections working group in place

# March (1 of 2)

- Conclusion of the first stage of work of the Public Transport Scrutiny Committee, and reporting of recommendations to scrutiny
- Approval of first housing investment for Boston, utilising £690k in government funded secured under the Local Authority Housing scheme to deliver 8 properties
- Public launch of ambition for delivering a 'Health Hub' in Holbeach, in conjunction with Holbeach Medical Practice and the Lincolnshire Integrated Care Board
- Took part in the 'Might Oak' national emergency planning exercise that sought to validate and improve plans in relation to how the country would respond to a national power outage
- Through a single SELCP Household Support Fund scheme, £977k has been distributed via the Partnership's Communities Team to the most vulnerable between October 2022 and March 2023
- The Lincolnshire Districts' Health and Wellbeing Strategy has now been approved by each of the Partnerships councils



# March (2 of 2)

- Levelling Up Partnership for Boston announced by Government
- Mablethorpe Town Deal – Leisure and Learning sod cutting
- Mablethorpe Town Deal – Community Engagement for the Colonnade at Sutton on Sea
- National Portfolio Organisation Activity Plan approved
- County Leaflet Swap to support tourism – led and hosted by the Partnership
- Supported the Leaders Forum on the Visitor Economy (VisitEngland and Midlands Engine)
- Response to the Committee on Regenerating Seaside Towns and Communities - follow-up inquiry
- Cultural Development Fund - £5m for Skegness secured
- Establishment of the UK Shared Prosperity Team for the Partnership
- £15.4m Home Upgrade Grant secured for the Partnership sub-region
- Launched Enviro Crime Contract for the Partnership sub-region
- Temporary Strategic Safeguarding Lead in place for the Partnership
- Secured Social Housing Decarbonisation Funding for SHDC - £3.5m
- First funding decisions for UKSPF were made
- UKSPF briefings to Parish Councils across the SELCP sub-region



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South & East Lincolnshire Councils Partnership

# April 2023

- Planning permission secured for new Boston Leisure Centre
- Supported communities to celebrate the King's Coronation
- Spalding Flower Event Safety Exercise took place
- Partnership Councils received 4<sup>th</sup> round of Household Support Fund monies from Government
- Operation Sea Bird took place to look out for damaged coastal wildlife – Police-led
- CCTV cameras in Skegness upgraded as part of the PCC's grant funding
- Joint campaign around voter ID – single comms approach across the Partnership
- Partnership Procurement Service went live via PSPS



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South & East Lincolnshire Councils Partnership

# May 2023

- Delivered the elections for District and Town and Parish Councils
- Delivered the induction of District Councillors
- Blue Flag Award secured for main beaches in East Lindsey
- King's Fund case study on coastal and rural health inequalities included a focus on the SELCP sub-region
- Second round of UKSPF awards made



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South & East Lincolnshire Councils Partnership

# June 2023

- Commencement of Lincs Coast 2100+ work and invitation to collaborate with EA and LCC
- Boston Town Centre Strategy work commenced
- Work commenced on Partnership's Sub-regional Strategy
- Partnership approach to Sustainable Warmth grant delivery described as a 'beacon of good practice' in the world of Home Upgrade Grants
- £662,154.24 through Local Energy Advice Demonstrator programme for pilot approach to helping 'hard to reach' residents access grants and support for home energy improvements initially in ELDC but widening out across the Partnership over the two-year programme
- £97,081 additional burdens funding secured by the three Councils to support delivery of mandatory Biodiversity Net Gain

# July 2023

- Announced as a finalist in the LGC Workforce Awards for the Future Leaders' Programme
- Announced as a finalist in the APSE Awards for the Sustainable Warmth Grant Programme
- Procurement of partner to deliver the Integrated Health Centre work
- Completion of Adaptive and Resilient Coastal Communities (ARCC) work
- Group Manager - Building Control appointed and appointed 3 Building Control apprentices.
- Disabled Facility Grant temporary alignment – resilience and capacity building
- Housing Standards temporary alignment – resilience and capacity building
- SHDC Peer Review took place
- Bids submitted to Sport England for Swimming Pool Support Fund (BBC/SHDC)
- Legal resilience built into the Partnership via a temporary shared Legal Manager
- Boston agreed to acquire first 5 properties through the Local Authority Housing Fund
- Grants 4 Growth 2 programme launched across the Partnership
- Launched the UKSPF Community Grant Scheme
- Visit from Roger Mendonca, Midland's Engine Chief Executive to understand our growth work
- 2 changing places toilets opened in Boston and 1 in East Lindsey
- 218 private domestic properties improved across the Partnership under Home Upgrade Grant (HUG1). Average annual bill saving from various energy efficiency measures installed is £693.50 per property and a total annual carbon saving in excess of 600 tonnes of CO2. SELCP delivery was 24% of homes improved across the entire Midlands region

# August 2023

- £5,500 received by the Partnership from Osbourne Energy to support Community Orchards
- We have brought 15 Councils together to apply to the LGA for the formation of a Special Interest Group into Internal Drainage Board levies
- 1 year anniversary event for South East Lincolnshire Climate Action Network (SELCAN)
- Geoff Moulder Leisure Centre agreed for transfer to Parkwood Leisure.
- Ayscoughfee tennis court refurbishment completed with grant funding
- Boston agreed to take part in round 2 of the Local Authority Housing Fund
- DLUHC visit to Spalding Enterprise Zone
- DLUHC and Homes England visit Spalding Western Relief Road
- A changing places toilet opened in Spalding
- Collaborative working with ELDC, EA, LCC in development of EA funding bid towards an Investment Plan for the Coast

# September 2023

- Partnership Communications Strategy approved
- Renewal of Boston PSPO for Dog Controls
- COMAH exercise in Boston to test emergency planning response
- Follow up to the SELCP Peer Review hosted in Boston
- Expression of Interest being submitted to the Football Foundation for the Home Advantage Fund, supporting clubs taking on facilities owned by local authorities.
- Launch of Spalding Business Board
- Purchase of new SHDC Depot
- A third changing places toilet opened in Boston
- 385 private domestic properties improved across the Partnership under Local Authority Delivery (LAD3).
- Levelling Up Parks funding has been invested in the Rockery Gardens in Skegness. It's seen a transformation of the layout including improvements to seating and planting.

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