

Executive Board

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9 February 2024

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

Dear Councillor,

**Re: Executive Board Agenda - Wednesday, 14th February, 2024**

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

Agenda Item 5. Annual Budget Report 24/25 Medium Term Financial Strategy, Capital Programme and Capital Strategy, Treasury Management Strategy, Pay Policy Statement and Annual Delivery Plan: (Pages 1 - 158)

To consider for approval the onward referral to Council the General Fund Budget for 2024/25 including the use of reserves, Medium Term Financial Strategy, Capital Programme and Strategy, Treasury Management Policy/Strategy, MRP Policy and Annual Investment Strategy and the Annual Delivery Plan.

Please accept my apologies for any inconvenience caused.

Yours sincerely,



Democratic Services Manager

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<b>REPORT TO:</b>	Executive Board
<b>DATE:</b>	14th February 2024
<b>SUBJECT:</b>	Annual Budget Report 2024/25, Medium Term Financial Strategy, Capital Programme and Capital Strategy, Treasury Management Policy/Strategy and Annual Delivery Plan
<b>PURPOSE:</b>	To approve: The General Fund Budget for 2024/25 including the use of reserves, Medium Term Financial Strategy, Capital Programme and Strategy, Treasury Management Policy/Strategy, MRP Policy and Annual Investment Strategy and the Annual Delivery Plan.
<b>KEY DECISION:</b>	Yes
<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>	No

**SUMMARY**

Attached to this report is the final detail of the 2024/25 budget, the 5-year Medium Term Financial Strategy (MTFS) from 2024/25 to 2028/29, Capital Programme, Capital Strategy, Treasury Management Policy, Treasury Management Strategy, MRP Policy and Annual Investment Strategy for 2024/25.

The report also includes the recommended level of Council Tax for 2024/25 taking into account the pressures including that of the IDB levy.

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

Executive Board are asked to consider the attached budget and associated appendices and to refer it onwards to Full Council.

## **RECOMMENDATIONS**

*That Executive Board approves the following recommendations for onward referral to Full Council on 28<sup>th</sup> February 2024:*

- 1. That the Revenue Estimates for the General Fund and Medium Term Financial Strategy for the period 2024/25 – 2028/29 (Appendices 1, 1a and 1b) be approved*
- 2. That the Council Tax for a band D property in 2024/25 be set at £166.59 (a £4.95 per annum increase on 2023/24 levels) and be approved.*
- 3. The additions to and use of reserves (as detailed at Appendix 1) be approved.*
- 4. The Medium Term Financial Strategy (at Appendix 1) be approved.*
- 5. The Capital Programme and Capital Strategy (Appendices 1 and 2) be approved.*
- 6. The Treasury Management Policy 2024/25 (Appendix 3a) and Treasury Management Strategy, including the Minimum Revenue Provision Policy and Annual Investment Strategy 2024/25 (Appendix 3b) be approved.*
- 7. To approve the proposed Fees and charges as set out in Appendix 4.*
- 8. The Annual Delivery Plan for 2024/25 (Appendix 5) be approved.*
- 9. That Executive Board notes the results of the Budget Consultation process at Appendix 6*
- 10. That the alignment of constitutional financial limits across the partnership (Appendix 7) be approved.*
- 11. That Executive Board recommends to Council to reaffirm its previous decision in respect of long term empty properties determined in Appendix 1, and makes a determination for the introduction of the premium for substantially furnished with no residents (second homes), to be introduced at the earliest point 1<sup>st</sup> April 2025.*

## **REASONS FOR RECOMMENDATIONS**

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

## **OTHER OPTIONS CONSIDERED**

*No other options were considered.*

## 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 final Local Government Settlement announced on 5<sup>th</sup> February 2024 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 the final budget and MTFS for the next five years and assumptions used in its development. The budget has been through a budget consultation process with the public and members, draft budget proposals were subject to review by the Overview Committee on 23<sup>rd</sup> January 2024 and Audit and Governance on 24<sup>th</sup> February 2024.

## 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 Thursday 1<sup>st</sup> February 2024 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.
- 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 final local government settlement delivered on 5th February has provided the following support:

Local Government Settlement Information	East Lindsey District Council		
	2023/24 Budget	2024/25 FINAL Settlement	Difference 23/24 - 24/25
	£'000	£'000	£'000
Revenue Support Grant	1,310	1,396	86
Rural Services Delivery grant	779	902	123
Lower Tier Services Grant	0	0	0
Service Grant	249	43	(206)
<b>Sub Total</b>	<b>2,338</b>	<b>2,341</b>	<b>3</b>
Funding Guarantee (4%)	888	998	110
<b>Sub Total</b>	<b>3,226</b>	<b>3,339</b>	<b>113</b>
New Home Bonus	378	434	56
<b>Total Funding</b>	<b>3,604</b>	<b>3,773</b>	<b>169</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 4% 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.
- 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. The budget includes substantial 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 IBD costs have been estimated at £5.3m. The only levy outstanding at the time of writing this report was Witham Fourth, their Board met on 7<sup>th</sup> February, the confirmed levy for Witham Fourth will be updated for Full Council.

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.

The table below illustrates that the estimated IDB levy will consume 75% of all the Council's proposed Council Tax increase for 2024/25 which should be used to finance and support services.

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	Increase from 2021/22 to 2024/25
East Lindsey District Council	£8.0m	£5.3m	£277k	£370k	£1.451m (38%)

5.3. 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. Meetings with DLUHC/DEFRA have now taken place and will continue, and we await a response on this key issue.

## 6. CAPITAL PROGRAMME 2024/25 – 2028/29 AND TREASURY MANAGEMENT/INVESTMENT STRATEGIES

- 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 28<sup>th</sup> February 2024 for approval, if required.
- 6.2. The Councils Capital Strategy is attached at Appendix 2 and focuses on the core principles of capital investment. The Council has been in detailed discussion with government officers regarding this position over the past year regarding proposed regulation changes.
- 6.3. 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. In addition, this Capital Programme now allows for slippage from 2023/24.
- 6.4. Also attached is the Councils Treasury Management Policy 2024/25 (Appendix 3a) and Treasury Management Strategy, including the Minimum Revenue Provision Policy and Annual Investment Strategy 2024/25 (Appendix 3b).

## **7. RESERVES**

- 7.1. General Fund Specific Reserves are budgeted to decrease by £468k in 2024/25, this is predominantly linked to financing the Capital Programme offset by 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 use of reserves 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.

8.3. In order to facilitate delivery and to align constitutions across the SELCP in addition to providing administrative ease for implementation of funding streams it is proposed that some changes are made as part of the budget setting decision making process and these are set out at Appendix 7.

## **9. ADDITIONAL CONSIDERATIONS**

### **9.1 Council Tax Premiums**

The levelling Up and Regeneration Act 2023 enabled authorities to charge a premium up to 100% for unoccupied and unfurnished properties for 1 year and charge a premium up to 100% on properties occupied periodically (second homes). At the end of November 2023, East Lindsey had 366 properties which had been empty for more than two years and subject to a premium charge. It is proposed that Executive Board recommends that Full Council re-affirms its previous decision in respect of long-term empty properties, detailed in Appendix 1, and makes a determination for the introduction of the premium for substantially furnished with no resident (second homes), to be introduced at the earliest time, 1 April 2025.

### **9.2 Fees and Charges**

Appendix 4 sets out the Councils proposal for Fees and Charges for 2024/25. The document also compares the proposed fees and charges against those levied in 2023/24. It is proposed due to continued significant inflationary pressures, to include an annual RPI uplift for all fees and charges, where applicable.

### **9.3 Annual Delivery Plan**

The South and East Lincolnshire Councils Partnership Annual Delivery Plan (Appendix 5) identifies the planned programme of work for the Partnership and sovereign Councils for 2024/25, drawing on the previously approved Partnership Work Programme, as well as wider opportunities that have since been identified.

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

10.1 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

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

## **11. CONCLUSION**

11.1 Executive Board is recommended to approve this report for onward approval by Full Council as part of the formal annual budget setting process.

#### **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. The consultation report is attached.

#### **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 - The Revenue Estimates for the General Fund for 2024/25 (Appendices 1, 1a, 1b).

Appendix 2 – Capital Strategy

Appendix 3 – The Treasury Management Policy Statement and Strategy, including the Minimum Revenue Provision Policy and Annual Investment Plan/Strategy (Appendices 3a, 3b)

Appendix 4 – Fees and Charges 2024/25

Appendix 5 – SELCP Annual Delivery Plan 2024/25

Appendix 6 – Results of the Budget Consultation process

Appendix 7 – Proposed Constitutional Amendment

### **BACKGROUND PAPERS**

None

### **CHRONOLOGICAL HISTORY OF THIS REPORT**

Executive Board – 10<sup>th</sup> January 2024

Overview Committee – 23<sup>rd</sup> January 2024

Audit & Governance – 24<sup>th</sup> January 2024

<b>REPORT APPROVAL</b>	
Report author:	Colleen Warren (Head of Finance – Client) and Stuart Leafe (Strategic Finance Manager)
Signed off by:	Christine Marshall, Deputy Chief Executive Corporate Development <a href="mailto:Christine.Marshall@sholland.gov.uk">Christine.Marshall@sholland.gov.uk</a>
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



**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))**

**BUDGET SETTING REPORT AND ASSOCIATED FINANCIAL STRATEGIES - 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 £4.95 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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**Appendices:-**

- 1 - Revenue Budget and Medium Term Financial Strategy Summary**
  - 1a – MTFS by Account**
  - 1b – MTFS by AD**
- 2 - Capital Strategy**
- 3 - Treasury Management Policy and Investment Strategy**
- 4 - Fees and Charges 2024/25**
- 5 - South and East Lincolnshire Councils Partnership Annual Delivery Plan 2024/25**
- 6 - Consultation Report**
- 7 - Proposed Constitutional Amendment**

## 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	£13.780m
Reserves	£17.756m	£23.200m
Capital Programme (General Fund)	£24.2m	£54.710m

### 1. INTRODUCTION

- 1.1 This Appendix sets out the 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 Financial 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 and changing service demands. The government settlement delivered in early February for East Lindsey included New Homes Bonus (£434k) and 4% Funding Guarantee (£998k).
- 1.5 In 2024/25 savings are mainly required going forward mainly as a result of substantial pressure from the IDB levy in respect of which we are making representation to government to find a long term solution. 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>4.55%</b>	3.10%	3.00%	3.25%	3.25%
Return on Property Fund investments <sup>5</sup>	3.60%	<b>4.00%</b>	4.00%	4.00%	4.00%	4.00%
Utility cost rises <sup>6</sup>	150%	<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 renewal.
2. A pay 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 at £674k for 2024/25.
5. These are the estimated returns on cash and the estimated yield on the current budgeted £23.6m 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. Vehicle fuel costs were increased by 25% in 2023/24 due to national trends, fuel costs have now been rebased to reflect the current fuel costs and actuals from 2023/24.
8. 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 5 February 2024 the Local Government Finance Settlement 2024/25 was delivered. The papers included a continuation of New Homes Bonus for 2024/25 and 4% 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 Another one-year settlement, in addition to this announcement, makes planning the years from 2025/26 onwards very difficult as there is continuing uncertainty of funding and 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 took effect from 1 April 2023. A provision has been put aside for any potential appeals based on intelligence from the Council's advisors to 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 to 2028/29.
- 4.4 It is important that members note that any changes to the retention of Business Rates model from 2026/27 presents a significant uncertainty around future funding levels. There is the potential that as part of the ongoing reassessment of Area Needs the Government could significantly change the current baseline levels. As such the amount of retained business rates that the Council is benefiting from could be significantly reduced under any new arrangements.

Table 2 – Business Rates

	2023/24 £'000	2024/25 £'000	Draft 2025/26 £'000	Draft 2026/27 £'000	Draft 2027/28 £'000	Draft 2028/29 £'000
Net Rates	(10,016)	(13,571)	(14,049)	(14,330)	(14,617)	(14,909)
Transitional Relief (Note 1)	(3,224)	(1,304)	(1,330)	(1,357)	(1,384)	(1,412)
<b>Retained Business Rates</b>	<b>(13,240)</b>	<b>(14,875)</b>	<b>(15,379)</b>	<b>(15,687)</b>	<b>(16,001)</b>	<b>(16,321)</b>
Renewables – Standard	(867)	(867)	(884)	(902)	(920)	(938)
<b>Total Renewables</b>	<b>(867)</b>	<b>(867)</b>	<b>(884)</b>	<b>(902)</b>	<b>(920)</b>	<b>(938)</b>
Tariff	7,827	8,087	8,249	8,414	8,583	8,754
<b>Net Retained Business Rates Income</b>	<b>(6,280)</b>	<b>(7,655)</b>	<b>(8,014)</b>	<b>(8,175)</b>	<b>(8,338)</b>	<b>(8,505)</b>
S 31 Grants relating to Business Rates	(8,060)	(8,908)	(9,086)	(9,052)	(9,233)	(9,198)
<b>Pre- levy income</b>	<b>(14,340)</b>	<b>(16,563)</b>	<b>(17,100)</b>	<b>(17,227)</b>	<b>(17,571)</b>	<b>(17,703)</b>
Levy payment to Lincolnshire Pool	882	1,113	1,177	1,181	1,205	1,210
Net gain to ELDC from the Pool contributed to the Economic Growth Reserve	1,323	1,670	1,765	1,772	1,807	1,814
Contributions to Reserves	1,500	-	-	-	-	-
<b>Business rates used to support the budget</b>	<b>(10,635)</b>	<b>(13,780)</b>	<b>(14,158)</b>	<b>(14,274)</b>	<b>(14,559)</b>	<b>(14,679)</b>
Estimated (Surplus)/Deficit on Collection Fund	(1,432)	(154)	-	-	-	-
Renewables – Additional	(4,086)	(4,086)	(4,168)	(4,251)	(4,336)	(4,423)
<b>Total NNDR 1 Income</b>	<b>(16,153)</b>	<b>(18,020)</b>	<b>(18,326)</b>	<b>(18,525)</b>	<b>(18,895)</b>	<b>(19,102)</b>

1. Business Rates Revaluation effective from 1st April 2023, increases in rates are tapered over 3 years and the Council receives Transitional premium

- 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 economic impacts. 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 MTF5 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 MTF5. 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	50,120
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)	(133,836)	-	-	-	-
	<b>Gross Council tax (c + d) £</b>	<b>(7,565,475)</b>	<b>(8,000,549)</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	1,578.69	75.06	4.99%
Police and Crime Commissioner	304.20	12.96	4.45%
East Lindsey DC	166.59	4.95	3.06%
Parishes (average)*	TBC	TBC	TBC

\*TBC – will be confirmed for Final Budget Full Council report as information is not yet available.

### Council Tax Premiums

4.8 The levelling Up and Regeneration Act 2023 introduced two key changes to council tax premiums (additional Council Tax charges), enabling authorities to: -

- Charge a premium up to 100% for unoccupied and unfurnished properties for 1 year, replacing the current provisions which allows the premium to be charged after 2 years, and
- Charge a premium up to 100% on properties occupied periodically (second homes). This requires a local authority to make a decision at least 12 months before the financial year to which it would apply.

4.9 Whilst Council Tax premiums are a means of increasing revenue, they are intended to incentivise owners to bring empty and under-utilised properties back into use. The government has indicated that it expects local authorities to have regard to guidance issued by the Secretary of State in terms of exceptions to the premiums, and regulations are expected in the new year.

4.10 It is proposed that Executive Board recommends to Council that it: -

- i) Re-affirms its previous decision, made 6<sup>th</sup> March 2019, in respect of long-term empty properties, i.e.
  - For properties unoccupied and unfurnished for 2 years but less than 5 years – 100% premium
  - For properties unoccupied and unfurnished for 5 years but less than 10 years – 200% premium
  - For properties unoccupied and unfurnished for over 10 years – 300% premium

And that consideration will be given to Government guidance and any subsequent regulations made, in respect of exceptions.

- ii) Makes a determination for the introduction of the premium for substantially furnished with no resident (second homes), to be introduced at the earliest time, 1 April 2025.

4.11 It At the end of November, East Lindsey had 366 properties which had been empty for more than two years and subject to a premium charge. No additional revenue will be generated from the re-affirmation of the current approach. In addition, there are 1,283 properties which are substantially furnished but has no resident (second homes). Introducing the premium at the earliest time (1 April 2025) could generate additional revenue of £2.2m, potentially introducing a financial benefit for the council of circa £178k in 2025/26, and a non-financial benefit to the district and communities as an incentive to encourage empty homes back into use.

4.12 Additional revenue generated by premiums may be reduced as a result of Government guidance and anticipated regulation for exceptions, and when empty or second homes are brought back into use.

#### **Revenue Support Grant and Other Government Grants**

4.13 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 Funding Guarantee grant. RSDG for 2024/25 is proposed to be £902k and the Funding Guarantee grant is £998k for 2024/25.

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>(902)</b>	(902)	(902)	(902)	(902)
Services Grant	(249)	<b>(43)</b>	(43)	(43)	(43)	(43)
Funding Guarantee (4% - New Grant)	(888)	<b>(998)</b>	(998)	(998)	(998)	(998)
<b>Total Received</b>	(3,226)	<b>(3,339)</b>	<b>(3,339)</b>	<b>(3,339)</b>	<b>(3,339)</b>	<b>(3,339)</b>
Annual Change in Resource £		<b>(113)</b>	-	-	-	-

### New Homes Bonus

4.14 New Homes Bonus (NHB) allocations were announced as part of the Local Government Finance Settlement for 2024/25. As previously announced, the 2024/25 allocations do not have legacy payments. If the scheme was to be continued in its current form next years payment would reflect just the growth in the previous year.

4.15 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

- 4.16 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.
- 4.17 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)	(3,221)	(3,221)	(3,221)	(3,221)	(3,221)
Market Stall Fees	(100)	(100)	(100)	(100)	(100)	(100)
Kingfisher Caravan Park	(1,054)	(1,086)	(1,086)	(1,086)	(1,086)	(1,086)
Waste Services	(1,424)	(1,728)	(1,728)	(1,728)	(1,728)	(1,728)
Commercial property rental income	(2,208)	(2,558)	(2,558)	(2,558)	(2,558)	(2,558)
Sales, Fees and other Direct Income	(4,807)	(4,452)	(4,452)	(4,452)	(4,452)	(4,452)
<b>TOTAL</b>	<b>(15,099)</b>	<b>(15,077)</b>	<b>(15,077)</b>	<b>(15,077)</b>	<b>(15,077)</b>	<b>(15,077)</b>

Note: Fees and Charges are subject to review in 24/25 updates will be factored in to Final Budget Full Council report. Please also note that 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	<b>2024/25 £'000</b>	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Interest on Investments*	(1,305)	<b>(3,779)</b>	(2,622)	(2,572)	(2,674)	(2,813)
Housing Benefit Subsidy and Rent Rebates Subsidy.	(28,472)	<b>(26,403)</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>(1,934)</b>	(1,934)	(1,934)	(1,934)	(1,934)
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>(2,855)</b>	(2,860)	(2,865)	(2,871)	(2,876)
Use of Reserves	(18,994)	<b>(8,379)</b>	(411)	(451)	(353)	(283)
<b>TOTAL</b>	<b>(93,714)</b>	<b>(46,726)</b>	<b>(37,445)</b>	<b>(37,440)</b>	<b>(37,451)</b>	<b>(37,525)</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 the capital 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>(19,690)</b>	(20,092)	(20,297)	(20,703)	(20,916)
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)	-	-	-	-	-	-
Services Grant (Table 5)	(249)	<b>(43)</b>	(43)	(43)	(43)	(43)
Funding Guarantee (4%) (table 5)	(888)	<b>(998)</b>	(998)	(998)	(998)	(998)
Rural Services Delivery Grant (Table 5)	(779)	<b>(902)</b>	(902)	(902)	(902)	(902)
New Homes Bonus (Table 6)	(378)	<b>(434)</b>	(434)	(434)	(434)	(434)
Council Tax (Table 3)	(7,565)	<b>(8,001)</b>	(8,222)	(8,586)	(8,959)	(9,342)
<b>Funding subtotal</b>	<b>(30,146)</b>	<b>(31,464)</b>	<b>(32,086)</b>	<b>(32,656)</b>	<b>(33,435)</b>	<b>(34,031)</b>
Fees, Charges, Rents (Table 7)	(15,099)	<b>(15,077)</b>	(15,077)	(15,077)	(15,077)	(15,077)
Other Income (Table 8)	(81,191)	<b>(46,726)</b>	(37,605)	(37,601)	(37,611)	(37,685)
<b>Fees, Charges &amp; Other Income subtotal</b>	<b>(96,290)</b>	<b>(61,803)</b>	<b>(52,683)</b>	<b>(52,678)</b>	<b>(52,688)</b>	<b>(52,762)</b>
<b>Gross Budgeted Income</b>	<b>(126,436)</b>	<b>(93,267)</b>	<b>(84,769)</b>	<b>(85,334)</b>	<b>(86,123)</b>	<b>(86,793)</b>

## 2024/25 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.

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>20,751</b>	21,463	22,065	22,650	23,222
Premises	3,125	<b>3,731</b>	3,731	3,731	3,731	3,731
Transport	1,217	<b>1,555</b>	1,555	1,555	1,555	1,555
Supplies & Services	6,367	<b>6,679</b>	6,679	6,679	6,679	6,679
Drainage Board Levies	4,888	<b>5,258</b>	5,258	5,258	5,258	5,258
Transfer Payments	48,754	<b>29,562</b>	29,562	29,562	29,562	29,562
Capital Charges	24,484	<b>7,934</b>	375	587	639	1,245
Third Party Payments	10,155	<b>11,199</b>	11,199	11,199	11,199	11,199
Interest on Borrowing	495	<b>3</b>	3	3	3	3
Contributions From Reserves	10,215	<b>7,912</b>	8,328	8,335	8,171	8,378
<b>Gross Expenditure</b>	<b>128,044</b>	<b>94,584</b>	<b>88,153</b>	<b>88,974</b>	<b>89,447</b>	<b>90,832</b>

- 4.16 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 Pension Triennial Review.



- 4.17 From April 2022 the Council agreed to apply a supplement to the lowest paid members officers to enhance their hourly rate to the same level as the Real Living Wage rate, as set by the Living Wage Foundation. This supplement is also applied to Boston Borough Council and South Holland District Council employees. The budget assumes the continued implementation of a pay supplement to enhance pay to a minimum of £12.00 per hour for all employees of the Council paid on the National Joint Council (NJC) pay rate.
- 4.18 Premises budgets have increased in 2024/25. The main increase being the cost of utility wholesale increases in the price of gas and electricity.
- 4.19 Transport costs have increased from 2023/24 levels due to an increase in maintenance costs associated with the vehicle fleet.
- 4.20 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.
- 4.21 Internal Drainage Board (IDB) increases, in total, average 11.6% for 2024/25 compared to 2023/24 and 38.1% when compared to 2021/22. 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>	2021/22 (Actual) £	2022/23 (Actual) £	2023/24 (Actual) £	<b>2024/25 Budget £</b>	Increase over 2021/22 £	Increase over 2021/22 %
Lindsey Marsh Drainage Board	3,057,100	3,148,320	4,091,378	<b>4,228,287</b>	1,171,187	3.83%
The Witham Third District Internal Drainage Board	359,042	382,480	446,085	<b>551,152</b>	192,110	53.50%
Witham Fourth Internal Drainage Board*	390,589	410,100	443,015	<b>478,456</b>	87,867	22.50%
<b>Total</b>	<b>3,806,731</b>	<b>3,940,900</b>	<b>4,980,478</b>	<b>5,257,895</b>	<b>1,451,164</b>	<b>38.10%</b>

\*Witham Fourth not yet declared – Board Meeting 7<sup>th</sup> February 2024

- 4.22 Transfer Payments – Linked to Capital Programme activity primarily Towns Fund.
- 4.23 Capital Charges – Changes in capital charges relate to revisions to the capital programme between years which do not affect the General Fund bottom line as they funded from reserves.
- 4.24 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 as set out in Table 11 below

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	<b>2024/25 Estimate £'000</b>	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>(61,803)</b>	(52,683)	(52,678)	(52,688)	(52,762)
Gross Expenditure (table 10)	128,044	<b>94,584</b>	88,153	88,974	89,447	90,832
Parish Precepts	3,440	<b>3,729</b>	3,804	3,880	3,958	4,037
Efficiency Target (table 16)	(1,608)	<b>(1,317)</b>	(3,384)	(3,641)	(3,324)	(4,039)
<b>Net Budget</b>	<b>33,586</b>	<b>35,193</b>	<b>35,890</b>	<b>36,535</b>	<b>37,393</b>	<b>38,068</b>
<b>Funded By</b>						
Retained Business rates (table 2)	(17,545)	<b>(19,535)</b>	(20,092)	(20,297)	(20,703)	(20,916)
Business Rates Collection Fund (table 2)	(1,432)	<b>(154)</b>	-	-	-	-
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>(1,943)</b>	(1,943)	(1,943)	(1,943)	(1,943)
New Homes Bonus (table 6)	(378)	<b>(434)</b>	(434)	(434)	(434)	(434)
Parish Precepts	(3,440)	<b>(3,729)</b>	(3,804)	(3,880)	(3,958)	(4,037)
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>(134)</b>	-	-	-	-
<b>Total Funding</b>	<b>(33,586)</b>	<b>(35,192)</b>	<b>(35,890)</b>	<b>(36,536)</b>	<b>(37,393)</b>	<b>(38,068)</b>

5.3 Based on current assumptions the Council has an 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

### OTHER BUDGET ISSUES

5.4 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**

- 6.1 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**

- 6.2 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	1,515	1,431	1,348	1,265	1,181
Repair and Replacement Reserve	1,054	671	750	696	740	854
Carbon Reduction Reserve	398	398	398	398	398	398
Insurance Reserve	767	707	647	587	527	467
Capital Reserve	4,970	1,716	2,150	2,584	3,018	3,452
Economic Growth	658	283	1,948	3,621	5,328	7,043
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	330	398	466	534	602
Wellbeing Reserve	185	92	(1)	(1)	(1)	(1)
Property Fund Reserve	138	138	138	138	138	138
Budget Pressures Smoothing Reserve	742	742	742	742	742	742
Climate Change Reserve	0	481	481	481	481	481
Corporate Priorities Reserve	0	3,899	9,756	15,613	21,470	27,327
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>21,378</b>	<b>29,295</b>	<b>37,179</b>	<b>44,996</b>	<b>53,091</b>
General Fund	1,822	1,822	1,822	1,822	1,822	1,822
<b>Total</b>	<b>23,668</b>	<b>23,200</b>	<b>31,117</b>	<b>39,001</b>	<b>46,818</b>	<b>54,913</b>

## Specific Reserves

6.3 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
		Capital Programme	646
		-	
<u>Repair &amp; Replacement Reserve</u>		<u>Repair &amp; Replacement Reserve</u>	
Replacement and Refurbishment –		Capital Programme	287
Vehicles Payback	(154)	Fleet Maintenance	250
		-	
		<u>Insurance Reserve</u>	60
<u>Capital Reserve</u>		<u>Capital Reserve</u>	
New Homes Bonus	(434)	Capital Programme	3,688
<u>Economic Growth</u>		<u>Economic Growth</u>	
NNDR – Pooling Gain	(1,825)	Capital Programme	2,200
<u>Service Transformation Reserve</u>			
Elections contribution	(50)		
<u>Technology Reserve</u>	(68)	Technology Reserve	72

-		<u>Wellbeing Reserve</u>	93
<u>Climate Change Reserve</u>		-	
Sustainable Warmth	(481)	-	
<u>Corporate Priorities Reserve</u>	(4,899)	<u>Corporate Priorities Reserve</u>	1,000
<b>Contribution To Reserves Total</b>	<b>(7,912)</b>	<b>Contribution From Reserves</b>	<b>8,379</b>
		<b>Net Contribution (To)/From Reserves</b>	<b>468</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 (includes slippage from 23/24 schemes):

<b>Capital Schemes</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>
Capitalised Planned Enhancements	200	200	200	200	200	<b>1,000</b>
Car Park Resurfacing	250	250	250	250	250	<b>1,250</b>
Disabled Facilities Grants	1,779	1,562	1,562	1,562	1,562	<b>8,027</b>
Community Housing Fund	646	-	-	-	-	<b>646</b>
Kingfisher Enhancements	60	-	-	-	-	<b>60</b>
3G Football Pitch Project	121	-	-	-	-	<b>121</b>
Changing Places	75	-	-	-	-	<b>75</b>
IT Investment	270	198	429	769	100	<b>1,766</b>
Neighbourhoods Vehicles	-	-	168	4,270	-	<b>4,438</b>
Sustainable Warmth	8,400	-	-	-	-	<b>8,400</b>
Decarbonisation of Assets	1,591	-	-	-	-	<b>1,591</b>
CDF - Phase 2	2,539	117	-	-	-	<b>2,656</b>
CDF - Pier Transformation	3,597	149	-	-	-	<b>3,746</b>
Horncastle Industrial Estate	400	-	-	-	-	<b>400</b>
<b>Total Projects (Excl Towns Funds, UKSPF &amp; LUF)</b>	<b>19,928</b>	<b>2,476</b>	<b>2,609</b>	<b>7,051</b>	<b>2,112</b>	<b>34,176</b>
Towns Fund - Mablethorpe Leisure and Learning	895	-	-	-	-	<b>895</b>
Towns Fund – Sutton on Sea Colonnade	5,797	-	-	-	-	<b>5,797</b>
Towns Fund – Skegness Foreshore	2,654	-	-	-	-	<b>2,654</b>
Towns Fund - Skegness Railway Station	2,624	-	-	-	-	<b>2,624</b>
Towns Fund - Skegness Town Centre Transformation	812	122	-	-	-	<b>934</b>
Towns Fund - Skegness Learning Campus	7,600	3,506	-	-	-	<b>11,106</b>
Towns Fund - Mablethorpe Campus for Future Living	2,124	267	-	-	-	<b>2,391</b>

Towns Fund – Mobihub	798	-	-	-	-	<b>798</b>
Towns Fund - Mablethorpe High Street	346	-	-	-	-	<b>346</b>
<b>Towns Fund</b>	<b>23,650</b>	<b>3,895</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,545</b>
UKSPF	941	-	-	-	-	<b>941</b>
UKSPF - Rural	996	-	-	-	-	<b>996</b>
<b>UKSPPF</b>	<b>1,937</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,937</b>
LUF: Spilsby Sessions House	4,599	-	-	-	-	<b>4,599</b>
LUF: Alford Manor House	1,736	45				<b>1,781</b>
LUF: Alford Windmill	842	-	-	-	-	<b>842</b>
<b>LUF Projects</b>	<b>7,177</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,222</b>
<b>Total Current Approved Programme</b>	<b>52,692</b>	<b>6,416</b>	<b>2,609</b>	<b>7,051</b>	<b>2,112</b>	<b>70,880</b>
<b>New Projects/Additions</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	720	34	57	1,065	-	<b>1,876</b>
Enforcement - Vehicle	-	35	-	-	-	<b>35</b>
Neighbourhoods Growth	100	-	-	-	-	<b>100</b>
Environmental Services	66	40	40	40	40	<b>226</b>
<b>New Projects/Additions Total</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>Grand Total</b>	<b>54,710</b>	<b>7,545</b>	<b>3,831</b>	<b>9,101</b>	<b>3,302</b>	<b>78,489</b>
<b>Funded By:</b>						
Capital Reserve	3,688	-	-	-	-	<b>3,688</b>
Other Reserve – Economic Growth	2,200	100	100	100	100	<b>2,600</b>
Other Reserve – Housing	646	-	-	-	-	<b>646</b>
Other Reserve – Repair & Replacement	287	75	208	110	40	<b>720</b>
Other Reserve – Technology	72	-	-	-	-	<b>72</b>
Other Reserve – New Initiative/Contingency Reserve	1,000	-	-	-	-	<b>1,000</b>
External Grants	45,372	6,723	2,517	2,517	2,517	<b>59,646</b>
Internal Borrowing	1,445	647	1,006	6,374	645	<b>10,117</b>
<b>Grand Total</b>	<b>54,710</b>	<b>7,545</b>	<b>3,831</b>	<b>9,101</b>	<b>3,302</b>	<b>78,489</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	£60.3m	£43.4m	£42.0m	£45.0m	£49.2m
Investment assumptions - cash investments return	4.40%	<b>4.55%</b>	3.10%	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.

## 8 CONSULTATION

- 8.1 Under the Gunning Principles, the following points are the golden rules of consultation:
- Proposals must contain enough information for the respondent to provide intelligent consideration.
  - Must give adequate time for a response.
  - Responses must be conscientiously taken into account.
- 8.2 Using these principles, the budget consultation process for the 2024/25 budget comprised a number of elements. It was published on the Council's website for consultation by all stakeholders, including the local business community.
- 8.3 Following the budget consultation process, comments received through the Member forums, preceptors and the public exercise were taken into account in preparing and recommending the proposed budget for Executive Board review and formal Council approval on 14th February and 28<sup>th</sup> February 2024 respectively.

## 9. EFFICIENCY TARGETS

- 9.1 The projected budgets recognise an increasingly challenging and uncertain position through the five year period of our financial strategy. The current financial environment requires 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. The Councils new partnership and the outsourced services within its TECKAL company PSPS Ltd provide significant opportunity to drive savings, efficiencies, transformation and improvement across the 3 Councils.
- 9.2 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*	-	3,384	3,641	3,324	4,039
IDB Savings Requirement	1,317	-	-	-	-
<b>Total</b>	<b>1,317</b>	<b>3,384</b>	<b>3,641</b>	<b>3,324</b>	<b>4,039</b>

\*The increase in the budget savings requirement is due to potential changes in investment income levels as capital grant is utilised, impact of potential future pay awards and other pressures including the IDB levy.

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

## 10. SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP PLANS

10.1 As we think of 2025/26, there is great uncertainty with the central funding which could be allocated. 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.

10.2 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.

10.3 As we look forward into 2024/25, the Executive Board will be promoting projects which aim to support our rural hinterland, drive economic growth and 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 2024/25 include:-

- 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

## 11. RISK AND SENSITIVITY

11.1 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

## 12. OPTIONS

12.1 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

## 13. RECOMMENDATION

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

13.2 Recommendation –That Executive Board recommends to Council:

- To approve the General Fund budget 2024/25.
- To approve the associated financial strategies 2024/25 to 2028/29
- To agree the approach to council tax premiums as detailed in paragraph 4.10.

<b>Appendix 1A - MTFS by Account Area</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>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Employee Related Expenditure	18,344	20,751	21,463	22,065	22,650	23,222
Premises Related Expenditure	3,125	3,731	3,731	3,731	3,731	3,731
Transport Related Expenditure	1,217	1,555	1,555	1,555	1,555	1,555
Supplies & Services	6,367	6,679	6,679	6,679	6,679	6,679
Drainage Board Levies	4,888	5,258	5,258	5,258	5,258	5,258
Parish Precepts	3,440	3,729	3,804	3,880	3,958	4,037
Third Party Payments	10,155	11,199	11,199	11,199	11,199	11,199
Transfer Payments	48,754	29,562	29,562	29,562	29,562	29,562
Support Services	-	-	-	-	-	-
Depreciation and Impairment Losses	-	(834)	(834)	(834)	(834)	(834)
Grant payment to parishes	-	-	-	-	-	-
Income	(85,224)	(52,589)	(51,437)	(51,392)	(51,501)	(51,645)
Efficiencies Required	(1,608)	(1,317)	(3,384)	(3,641)	(3,324)	(4,039)
<b>COUNCIL SUB-TOTAL</b>	<b>9,458</b>	<b>27,724</b>	<b>27,596</b>	<b>28,062</b>	<b>28,933</b>	<b>28,725</b>

Direct Revenue Financing of Capital Expenditure	10,007	7,893	175	308	210	140
Capital Charges Contra Entry	14,477	-	-	-	-	-
Minimum Revenue Provision	-	41	200	279	429	1105
Interest on borrowing	495	3	3	3	3	3
Contributions to Reserves	10,215	7,912	8,328	8,335	8,171	8,378
Contributions From Reserves	(11,067)	(8,380)	(411)	(451)	(353)	(283)
<b>NET COST OF SERVICES</b>	<b>33,585</b>	<b>35,193</b>	<b>35,891</b>	<b>36,536</b>	<b>37,393</b>	<b>38,068</b>

**Financing**

Net Retained Business rates	(10,367)	(11,740)	(12,182)	(12,426)	(12,675)	(12,928)
Section 31 Grant	(8,060)	(8,908)	(9,086)	(9,052)	(9,233)	(9,198)
less Pooling Levy returned to LCC	882	1,113	1,177	1,181	1,205	1,210
NNDR share of Collection Fund (Surplus)/Deficit	(1,432)	(155)	-	-	-	-
Revenue Support Grant	(1,310)	(1,396)	(1,396)	(1,396)	(1,396)	(1,396)
New Homes Bonus Grant	(378)	(434)	(434)	(434)	(434)	(434)
Specific Grants	(1,916)	(1,943)	(1,943)	(1,943)	(1,943)	(1,943)
Town & Parish Councils	(3,440)	(3,729)	(3,804)	(3,880)	(3,958)	(4,037)
Share of C Tax Collection Fund (Surplus)/Deficit	(69)	(134)	-	-	-	-
Council Tax	(7,496)	(7,867)	(8,222)	(8,586)	(8,959)	(9,342)
<b>EAST LINDSEY PRECEPT REQUIREMENT</b>	<b>(33,586)</b>	<b>(35,193)</b>	<b>(35,891)</b>	<b>(36,536)</b>	<b>(37,393)</b>	<b>(38,068)</b>

<b>TAX BASE</b>	<b>46,377</b>	<b>47,222</b>	<b>47,930</b>	<b>48,649</b>	<b>49,379</b>	<b>50,120</b>
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<b>EAST LINDSEY BAND D COUNCIL TAX</b>	<b>161.64</b>	<b>166.59</b>	<b>171.54</b>	<b>176.49</b>	<b>181.44</b>	<b>186.39</b>
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<b>Total Council Tax</b>	<b>7,496</b>	<b>7,867</b>	<b>8,222</b>	<b>8,586</b>	<b>8,959</b>	<b>9,342</b>
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<b>PERCENTAGE INCREASE BAND D</b>	<b>3.16%</b>	<b>3.06%</b>	<b>2.97%</b>	<b>2.89%</b>	<b>2.80%</b>	<b>2.73%</b>
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<b>Appendix 1B - MTFS by AD Area</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>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Corporate	274	(481)	(457)	(436)	(416)	(397)
Economic Growth	(11,557)	1,001	1,023	1,043	1,061	1,081
Finance	14,677	13,972	15,275	15,440	15,456	15,433
General Fund Assets	(9,265)	(1,638)	(1,588)	(1,546)	(1,504)	(1,460)
Governance	1,487	1,453	1,473	1,490	1,507	1,525
Leisure and Culture	2,447	2,516	2,516	2,516	2,516	2,516
Neighbourhoods	7,362	8,005	8,195	8,359	8,516	8,671
Planning & Strategic Infrastructure	698	862	932	995	1,059	1,115
Regulatory	3,639	2,429	2,555	2,665	2,772	2,876
Wellbeing & Community Leadership	1,305	921	1,055	1,176	1,290	1,404
Efficiencies Required	(1,608)	(1,317)	(3,384)	(3,641)	(3,324)	(4,039)
<b>COUNCIL SUB-TOTAL</b>	<b>9,459</b>	<b>27,723</b>	<b>27,595</b>	<b>28,061</b>	<b>28,933</b>	<b>28,725</b>
Direct Revenue Financing of Capital Expenditure	10,007	7,893	175	308	210	140
Capital Charges Contra Entry	14,477	-	-	-	-	-
Minimum Revenue Provision	-	41	200	279	429	1,105
Interest on borrowing	495	3	3	3	3	3
Contributions to Reserves	10,215	7,912	8,328	8,335	8,171	8,378
Contributions From Reserves	(11,067)	(8,380)	(411)	(451)	(353)	(283)
<b>NET COST OF SERVICES</b>	<b>33,586</b>	<b>35,192</b>	<b>35,890</b>	<b>36,535</b>	<b>37,393</b>	<b>38,068</b>
<b>Financing</b>						
Net Retained Business rates	(10,367)	(11,740)	(12,182)	(12,426)	(12,675)	(12,928)
Section 31 Grant	(8,060)	(8,908)	(9,086)	(9,052)	(9,233)	(9,198)
less Pooling Levy returned to LCC	882	1,113	1,177	1,181	1,205	1,210
NNDR share of Collection Fund (Deficit)/Surplus	(1,432)	(155)	-	-	-	-
Revenue Support Grant	(1,310)	(1,396)	(1,396)	(1,396)	(1,396)	(1,396)
New Homes Bonus Grant	(378)	(434)	(434)	(434)	(434)	(434)
Council Tax	(1,916)	(1,943)	(1,943)	(1,943)	(1,943)	(1,943)
Specific Grants	(3,440)	(3,729)	(3,804)	(3,880)	(3,958)	(4,037)
Town & Parish Councils	(69)	(134)	-	-	-	-
Share of C Tax Collection Fund (Deficit)/Surplus	(7,496)	(7,867)	(8,222)	(8,586)	(8,959)	(9,342)
<b>FUNDING</b>	<b>(33,586)</b>	<b>(35,193)</b>	<b>(35,891)</b>	<b>(36,536)</b>	<b>(37,393)</b>	<b>(38,068)</b>
<b>TAX BASE</b>	<b>46,377</b>	<b>47,222</b>	<b>47,930</b>	<b>48,649</b>	<b>49,379</b>	<b>50,120</b>
<b>EAST LINDSEY BAND D COUNCIL TAX</b>	<b>£ 161.64</b>	<b>£ 166.59</b>	<b>£ 171.54</b>	<b>£ 176.49</b>	<b>£ 181.44</b>	<b>£ 186.39</b>
<b>Total Council Tax</b>	<b>7,496</b>	<b>7,867</b>	<b>8,222</b>	<b>8,586</b>	<b>8,959</b>	<b>9,342</b>
<b>PERCENTAGE INCREASE</b>	<b>3.16%</b>	<b>3.06%</b>	<b>2.97%</b>	<b>3.06%</b>	<b>2.80%</b>	<b>2.73%</b>

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# East Lindsey

## DISTRICT COUNCIL

### CAPITAL STRATEGY

2024/25 onwards

#### PART 1

#### 1.0 Introduction

#### 1.1 Background

- 1.1.1. This strategy is a high level summary of East Lindsey District Council's approach to longer term capital investment in the future of the district. It guides the development of service capital plans, and sets out the policies and practices that the Council uses to establish, monitor and manage its capital programme, in line with the Medium Term Financial Strategy (MTFS).
- 1.1.2 The Council's priorities provide the backdrop to the MTFS which in turn ensures all new resources, be they revenue or capital, are allocated through the principles on which they are based.
- 1.1.3 The early sections of this document describe the Council's financial position. These clearly suggest a need to ensure that the Council's Capital and Treasury Strategy supports the Council going forward. In addition, guidance around using capital for mixed/commercial purposes and a revision of treasury and investment guidance have recently been released to provide a platform to support and protect councils looking to work in different ways, driven by long term financial pressures. These are explored in the next sections of the document.
- 1.1.4 East Lindsey District Council produces and renews its Capital and Treasury Strategy on an annual basis. The Prudential Code 2021 recognises this as best practice and provides guidance to Local Authorities on how they should administer their Capital and Treasury activities. The Council had awaited this revised guidance to inform its new strategy which suggests a revised approach may be required going forward.

1.1.5 The Council expects continuous improvement in its performance and financial management. This requires strong executive leadership, strong challenge from scrutiny and commitment from employees. The Council's Organisational Improvement plans have provided the framework to help drive and embed the necessary improvements.

1.1.6 This strategy has nine sections;

- Legislative and Best Practice Framework
- About East Lindsey
- Aims of the Strategy
- Financial Position Statement
- Strategic Objectives
- Capital Expenditure
- Capital Resources, and Plans
- Stewardship
- Risk Management

1.1.7 This document sets out how we will support the Council's Corporate Strategy and objectives with the capital resources at our disposal. There are inevitably more demands on the money needed than resources available, meaning that best value has to be sought by the Council on behalf of its residents, local businesses and users of services.

## **PART 2**

### **2.0 Legislative and Best Practice Framework**

#### **2.1 Relevant Legislation**

2.1.1 Councils have the power potentially to do almost anything. This is enshrined through the General Power of Competence (GPOC) in the Localism Act 2011. It is a very broadly expressed power, which overlaps other powers. GPOC, however, has important limits. It cannot be used in breach of other legislation, and is therefore supplemental to specific powers that allow councils to borrow and invest. Councils have the general power to borrow under Section 1 of the Local Government Act 2003. The power to invest is set out in the Local Government Act 2003, Section 12, which gives the Council the power to invest for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs. The power that allows councils to spend for capital purposes is included in the Local Government Act 2003.

## 2.2 Current Guidance & Best Practice

- 2.2.1 The Prudential Code 2021 summarises the overriding matters that should be considered in determining a Capital Strategy. The Prudential Code makes it clear that Councils' capital expenditure plans must be affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved.

### **PART 3**

## **3.0 About East Lindsey**

### 3.1 Facts about the district

- 3.1.1 Extending over 1,762 square kilometres, East Lindsey is the third largest district in the UK. It is also one of the most sparsely populated, with its 142,300 population spread among some 200 settlements. The District does not have a single dominating urban centre. Instead, its distinctive widespread settlement pattern is a legacy of a history of small farming communities with local markets.
- 3.1.2 The District is home to a greater number of older people than the national norm and its coastal towns and villages are popular retirement destinations. The District is a safe and healthy place to live with low crime rates and very little noise, air, light, or water pollution. Many residents have migrated to the District for the quality of life.
- 3.1.3 There are pockets of social deprivation and unemployment is slightly higher than the national mean, average earnings are relatively low and dependence on benefits is high, particularly along the coast where seasonal and temporary employment is common.
- 3.1.4 Four settlements (Louth, Horncastle, Alford and Spilsby) have built on their historic market town roles to grow and serve wider rural hinterlands. On the coast, Mablethorpe and Skegness have grown to serve both a local rural hinterland and a vibrant but seasonal tourism market.
- 3.1.5 These two different groups of settlements have contrasting characters. The former have attractive town centres, with market squares, streets typified by red brick buildings with pantile or slate roofs. The latter have a much more mixed visual character.
- 3.1.6 The Lincolnshire Wolds is the only Area of Outstanding Natural Beauty in the East Midlands region and covers one third of the District's area.
- 3.1.7 The holiday coast between Mablethorpe and Skegness is characterised by lively seaside resort activity. Caravan parks along the coastal plain, accommodating upward of 32,000 static vans, are a popular feature. In addition, this area contains pockets of wild coast and now encompasses a coastal country park.

- 3.1.8 Farming remains the dominant land use across the District. Farm diversification is increasing with more farm based tourism activities becoming a growing feature in the countryside.
- 3.1.9 The District's relative isolation, dispersed settlements, and thinly spread public transport services all add to a high level of car dependency.

## **PART 4**

### **4.0 Aims of the Strategy**

4.1 The specific aims of this strategy are to ensure:

- Physical assets and related resources are efficiently and effectively used to support East Lindsey District Council's priorities. These inputs will then be reviewed against the outputs from capital schemes to demonstrate Value for Money;
- Issues related to property and other assets are fully reflected in the Council's planning, specifically adequate funds for maintenance are available;
- The strategy itself is a useful tool to assist stakeholders' understanding of the Council's decision-making processes and project management of its capital investments;
- Provision is made for delivering corporate priorities and this is demonstrated through effective resource allocation;
- Invest to save projects are encouraged;
- The Council works within the Prudential Code framework and demonstrates robust and linked capital and treasury management;
- Review of the Asset Management Strategic Framework to identify surplus assets which can move through a disposal process to generate new capital resources;
- Capital spending plans are affordable and integrated with the Medium Term Financial Strategy;
- We work effectively with our partners in the South and East Lincolnshire Councils Partnership (SELCP), sharing expert resources and maximising funding opportunities, increasing the voice of the sub-region; and,
- Support for our partners by acting as an enabler in drawing down external funding for community projects. To further act as a match fund provider.

## **PART 5**

### **5.0 Financial Position Statement**

#### **5.1 Financial overview**

5.1.1 When taking financial decisions the considerations are multi-faceted. This means a single decision may impact upon revenue, capital, treasury and assets. These areas are all interlinked and should be fully understood to ensure plans are in place to maintain the Council's financial standing.

#### **5.2 Revenue**

5.2.1 Through to 2028/29 the Council anticipates pressure on revenue budgets due to significant inflationary pressures, changes in customer requirements and reductions in income post covid and due to international events. Each year the ability to balance the budget is becoming more challenging, with options ranging from becoming more efficient, raising additional income and/or reducing services. The Council has an ongoing programme to develop plans to address the known challenges. In addition to this the impacts of changes to the localised business rate retention system, the proposed spending review and fairer funding from 2025/26 and beyond are unknown and have the potential to raise the budget gap significantly. There are no signs of an upturn in Council or indeed Government finances to provide optimism. Therefore the Council must continue to look to become self-financing by seeking alternative sources of finance. The Council will look towards its capital and treasury activities to mitigate and contribute towards relieving pressure on its future revenue budgets particularly as interest rates increase.

#### **5.3 Capital**

5.3.1 Annually the Council is required to invest in assets and projects which have a life of longer than one year. This investment, be it in IT systems, vehicles, property or equipment must be funded. The Council looks towards its capital and treasury activities to provide medium and long term resources for future capital expenditure. The Council also needs to consider ways of innovation that limit the amount of investment required during the timescale of this strategy in light of the significant pressures upon its resources, which may include new borrowing

#### **5.4 Treasury**

5.4.1 The Council holds surplus cash during the year. These funds are largely monies held in reserves or short term cash holdings before payments are made to major preceptors and currently average approximately £33m. Whilst cash is held it is invested with full appreciation of the Prudential Code which requires Councils to consider security, liquidity and yield (in that order). In addition, many councils participate in borrowing to fund their capital programme. The Council will look towards its treasury activities making the best use of borrowing and investing with all decisions being undertaken having an appropriate approach towards prudence

Appendix 2 6 | Page and proportionality, as well as security, liquidity and yield. Treasury management will be expected to make a positive contribution towards both revenue and capital pressures.

## 5.5 Asset Management

5.5.1 The Council has a balance sheet with fixed assets valued at circa £96m. The Council has focused its attentions on areas such as investment in its Company, supporting significant grant funding bids, development of new and improving assets, disposal of surplus assets and developing its Organisational plans. In addition the Council has been successful in bidding for funding both as part of the new SELCP partnership and in its own right. These funds have and will significantly bolster the Councils capital programme and support future plans.

## **PART 6**

## **6.0 Strategic Objectives**

### 6.1 Strategic fit

6.1.1 The financial strategies must support and empower the corporate strategy and priorities of the Council. This intrinsic link works both ways. By adopting the new strategy the Council will be looking to ensure the ongoing provision of both statutory and discretionary services to local residents and businesses. It must have due regard to legislation and guidance. All strategies adopted must also have full regard to the legislative framework and best practice guidance adopted by the sector. These offer clear boundaries and exemplify considerations for decision making and risk management.

6.1.2 This strategy links to a number of other corporate strategies. The key strategies are:

- Treasury Management and Strategy Statement
- Medium Term Financial Strategy
- Risk Management Strategy
- Economic Development Strategic Framework
- Homelessness Strategy
- Asset Management Strategic Framework
- Crime and Disorder Strategy



## **PART 7**

### **7.0 Capital Expenditure**

#### **7.1 Definition and considerations**

7.1.1 The Local Government Act 2003 – which includes the legislation for the capital finance system – does not specify what precisely constitutes capital expenditure. Instead it:

- Refers to “expenditure of the authority which falls to be capitalised in accordance with proper practices”.
- Enables the Secretary of State to prescribe by regulation which local authority expenditure shall be treated as capital expenditure and which shall not be treated as capital expenditure
- Enables the Secretary of State to prescribe by regulation that the spending of a particular local authority shall – or shall not – be treated as capital expenditure

7.1.2 For the purposes of this strategy document, capital expenditure is defined as expenditure to acquire or upgrade assets (such as property, plant and equipment), so that future economic benefit or service potential will flow from the asset for more than one year.

7.1.3 The Council has set a de minimis limit of £5,000 for equipment and £10,000 for land and buildings for expenditure to be considered for capitalisation. The following categories of expenditure will require capital resources to fund their purposes:

1. The acquisition, reclamation, enhancement or laying out of land exclusive of roads, buildings or other structures
2. The acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures
3. The acquisition, installation or replacement of movable or immovable plant, machinery and apparatus and vehicles and vessels
4. The making of advances, grants or other financial assistance towards expenditure incurred or to be incurred on items detailed in points 1 to 3 above or on the acquisition of investments
5. The acquisition of share capital or loan capital in any body corporate
6. The issue of loan instrument in respect of which not all repayments by the authority are due within 1 year of issue
7. Works to increase substantially the thermal insulation of a building
8. Works to increase substantially the extent to which a building can be used by a disabled or elderly person
9. The acquisition of computer software, plus the in-house preparation of it, provided that the intention is to use the software for at least 1 year

7.1.4 Regulations state that expenditure on repair and maintenance which does not increase the life, value or extent of use of an asset is not deemed as capital expenditure.

## 7.2 Future expenditure plans

7.2.1 The Council has approved a five year (short/medium term) funded capital programme. In addition the Council will have an ongoing need for capital expenditure for replacement and renewal of its key assets used in delivering services.

7.2.2 Future capital projects will need to be subject to suitable business cases which will include how such schemes support corporate/strategic priorities. One way of creating capital resources can be through the borrowing of funds and then spending it on capital or through internal borrowing supported by a Minimum Revenue Provision requirement.

## **PART 8**

### **8.0 Capital resources, and plans**

#### 8.1 Capital Expenditure and the Minimum Revenue Provision

8.1.1 One important area of the Capital and Treasury guidance is the Minimum Revenue Provision (MRP) requirement. Where a Council undertakes capital expenditure, financed by borrowing, there is an expectation that each year the Council's revenue account should make a contribution to a reserve which will build up over time so that when the borrowing has to be repaid money is there to do so. Where the Council chooses to invest in assets which will not, or are unlikely to, have sufficient realisable value at the point of redemption to repay the borrowing, then this is essential for prudent management of the Council's affairs. The Council will ensure a suitable MRP policy is in place.

#### 8.2 Other Capital Considerations

##### Capital Receipts

8.2.1 The forward availability of capital receipts will play an important part in both the timing and scope of the capital programme. The Council is looking at ways of obtaining capital receipts through the active marketing of its surplus assets and a review of how assets will be needed in the future to provide value for money services to the community.

#### Section 106 – Planning obligations

8.2.2 The Council has powers under Section 106 to provide for infrastructure and facilities to support the local community alongside planning and development projects.

### 8.3 External Grants and Contributions

- 8.3.1 A partnership approach to service delivery is a core approach for the Council. Through its services, partnership working, supportive funding and innovation, the Council will seek to attract investment into the District. Acquiring grants and external funding is of increasing importance given lower levels of resources through core government funding.

### 8.4 Borrowing

- 8.4.1 Under the 'Prudential' framework for local authority capital, the Council can determine what level of long term borrowing it wishes to undertake to finance its capital priorities, within the framework of prudent, sustainable and affordable borrowing. Given the diminishing resources available to it the Council has to make appropriate decisions regarding servicing the financing costs before it undertakes any new borrowing. Regulations require the Council to approve its 'Prudential Indicators' at least annually, and they are included with the Treasury Management Strategy Statement. As the Council is required to have a balanced revenue budget over the medium term it will be important that the Council robustly reviews future spending proposals and likely resources available before borrowing to finance future capital investment

### 8.5 Revenue contributions

- 8.5.1 The Council's budget and MTFs sets out the approach to the allocation of reserve balances and this Council's approach to managing its surplus cash. The budget makes provision for annual revenue contributions in support of some capital expenditure e.g. Vehicle Replacement. Where applicable specific contributions are identified from reserves or revenue contributions from specific services (such as ICT).

### 8.6 Balances and Reserves

- 8.6.1 East Lindsey District Council holds levels of both general and specific reserves.

### 8.7 New sources

- 8.7.1 The Council is aware of the need to be innovative and to work closely with the Private, Public and Voluntary Sectors to deliver outcomes for local people at a time when there will be reduced levels of capital resources.

## **PART 9**

### **9.0 Stewardship**

#### **9.1 General Governance Issues**

9.1.1 Annually the Council produces a medium term (five years) revenue budget, a medium term (five years) capital programme which is supported by a capital strategy, a treasury management and investment strategy. Sitting behind these are the financial procedure rules within the constitution and treasury management practices which provide day to day operational guidance. The Executive Board and Scrutiny Committees are not excluded from shaping these documents however the Audit and Governance Committee is charged with reviewing and recommending most of these documents to Full Council for approval. The requirement for Full Council to be involved is enshrined within statute.

9.1.2 The Council has adopted a risk management strategy which places the Council as having an open and aware approach towards risk. This should be reflected within the new Strategy.

#### **9.2 Revised Internal Governance**

9.2.1 The Capital Programme will continue to be monitored by the Capital Programme Working Group, with additions to the programme approved by the Executive Board, as part of its quarterly performance monitoring. Full Council will approve all capital additions over £300k, in line with the Council's financial procedure rules.

#### **9.3 Revised External Governance**

9.3.1 The views of the Council's treasury advisors, external auditors, counsel's opinion, professional bodies and peers have been considered in the production of this Strategy. Annually there will be a review of the Capital Strategy and formally approved as part of the budget setting process. This will ensure all matters of consideration and best practice are routinely acknowledged.

#### **9.4 Performance measurement**

9.4.1 The Council is determined to ensure high quality customer-focused services for all its residents and visitors to East Lindsey District Council. The Council also wants to deliver high quality services, although recognises the issues associated with reduced resources that are already impacting on its ability to deliver and maintain them.

9.4.2 Capital projects identify milestones and key outputs and these are used to integrate the delivery of Capital projects into the performance management framework.

#### **9.5 Project evaluation**

9.5.1 All capital projects need to be appraised and options appraisals are also required to ensure value for money in achieving the project objectives and realising benefits. Core principles to be followed, matters to be considered within the capital bidding process are:

- Council Objective/Priority
- Whole life cost of the proposal including the revenue effects
- Affordability and source of funding
- Partnership involvement
- Options appraisal
- Project appraisal
- Risks
- Improvements in service delivery
- Customer facing outcomes
- Other benefits and success criteria
- Efficiencies
- In principle support from the Director and Executive Board Portfolio Holder
- Exit strategy
- Timescales
- Environmental considerations

9.5.2 Project evaluation should include the following activities:

- Feasibility
- Appraisal (to include report, financial appraisal, risk appraisal)
- Budget
- Monitoring and review
- Outturn

9.5.3 These processes will ensure that any capital scheme that feeds into the programme will comply with the principles of the Prudential Code and have appropriate regard to:

- Affordability
- Sustainability
- Prudence
- Proportionality
- Security
- Liquidity
- Yield

## 9.6 Consultation and Communication

9.6.1 The consultation process used to inform our priorities has enabled the Council to identify its strategic objectives to allow prioritisation of resources. The Council also consults annually as part of the budget setting process. This includes a general consultation exercise with the community.

## 9.7 Sustainability

9.7.1 Sustainability Impact Assessments are completed for key Council projects.

## 9.8 Procurement

9.8.1 The purchase of capital assets should be conducted in accordance with Contract Procedure Rules, ensuring value for money, legality and sustainability at all times. Contract standing orders and rules governing the disposal or write off of assets are contained in the Constitution which is regularly reviewed.

## 9. Value for Money

9.9.1 The Council recognises that effective procurement lies at the heart of delivering value for money and is essential if the Council is to obtain real improvements to quality and service costs. The Council seeks to achieve value for money by applying rigorous procurement standards in the selection of suppliers and contractors to ensure efficiency, economy and effectiveness is received throughout the life of a contract. The significant resources applied to capital expenditure require the adopted principles of value for money to be at the heart of the Capital and Treasury Strategy. Specifically the Council will seek to strengthen the outcome indicators as part of post project reviews.

## 9.10 Invest to save

9.10.1 Whilst there are often revenue implications for investing in capital schemes, the Council is keen to invest in areas that result in long-term revenue savings and 'invest to save' schemes. It is also an aim to invest in assets that generate a revenue income in excess of that which could be earned by leaving funds on deposit.

## 9.11 Links to other partners

9.11.1 Partnership working is embedded in the organisation and the Council's approach to working with others has been commended. The Council's thrust in partnership working has three main strands being the SELCP as outlined about, the Greater Lincolnshire Local Economic Partnership, Strategic Service Delivery Partnerships and networking partnerships. In order to address the needs of the local community the integration of the Capital Strategy with those who the Council seeks to work with will be necessary to deliver on shared visions.

## 9.12 Equality

- 9.12.1 As part of the process of preparing business case for potential capital projects Equalities Impact Assessments will be completed when necessary. The Council recognises and values the diversity in the local community and the contribution that people from different backgrounds and cultures bring to the development and wellbeing of the District. East Lindsey District Council is therefore committed to principles of equality in its capacity as an employer and service provider to all sections of the community.

## **PART 10**

### **10.0 Risks and their management**

#### **10.1 Risk Awareness**

- 10.1.1 With the scale of the approach to ensuring that the Council will be better able to provide for future capital spend there are associated risks (and also opportunities).
- 10.1.2 All capital projects will have a risk log that is regularly reviewed and updated. All risks that may affect a project must be considered. These can include political, economic, legal, technological environmental and reputational as well as financial. Large projects will be managed in accordance with the Council's adopted project management principles.
- 10.1.3 A specific risk as a VAT registered body is the recovery of exempt VAT only up to a value of 5% of all the VAT it incurs. This is known as the de-minimis limit. Monitoring and control of exempt input tax is essential for the Council as where exempt input tax exceeds the 5% limit the whole amount is irrecoverable and will represent an additional cost to the Council. Each capital investment will be closely reviewed to assess its VAT implications.

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### **Treasury Management Policy Statement 2024/25**

East Lindsey District Council defines its treasury management activities as:

1. The management of the local authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
2. This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
3. This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

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**East Lindsey**  
DISTRICT COUNCIL

**Draft Treasury Management  
Strategy Statement**

Minimum Revenue Provision Policy Statement and  
Annual Investment Strategy 2024/25

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## 1. Introduction

### 1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as:

*"The management of the local authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

The Council's treasury function is undertaken by Public Sector Partnership Services Ltd (PSPSL) on behalf of the Council. PSPSL is responsible for the:

- Production of the annual treasury management strategy
- Production of regular treasury management policy reports
- Production of treasury management practices
- Production of budget and budget variations relating to the treasury management function
- Production of management information reports
- Provision of adequate treasury management resources and skills, and effective division of responsibilities within the treasury management function
- Arrangement of the appointment of external service providers.

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

## **1.2 Reporting Requirements**

### **1.2.1 Capital Strategy**

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

### **1.2.2 Treasury Management reporting**

The Council is currently required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

- **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers:
  - the capital plans (including prudential indicators);
  - a Minimum Revenue Provision (MRP) Policy (how residual capital expenditure is charged to revenue over time);
  - the Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators; and
  - an Annual Investment Strategy (the parameters on how investments are to be managed).
- **A mid year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Council will receive quarterly update reports.
- **An annual treasury report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

## **Scrutiny**

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit and Governance Committee.

## **Quarterly reports**

In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council/Executive Board but do require to be adequately scrutinised. This role is undertaken by the Audit and Governance Committee. The reports, specifically, should comprise updated Treasury/Prudential Indicators.

### **1.3 Treasury Management Strategy for 2024/25**

The strategy for 2024/25 covers two main areas:

#### **Capital Issues**

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

#### **Treasury management issues**

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, Department for Levelling Up, Housing and Communities (DLUHC) Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

### **1.4 Training**

The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. The Council has addressed this by targeted training courses for relevant members.

The training needs of PSPSL treasury management officers are periodically reviewed and is supplemented by targeted training as necessary and technical advice from our treasury management advisors.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and members.
- Require treasury management officers and members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by Council).
- Have regular communication with officers and members, encouraging them to highlight training needs on an ongoing basis.

Training for members will be arranged as required and the training needs of treasury management officers are periodically reviewed.

A formal record of the training received by officers central to the Treasury function will be maintained by the Treasury and Investments Manager (PSPSL). Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained by Democratic Services.

### **1.5 Treasury management consultants**

PSPSL uses Link Group, Link Treasury Services Limited as its external treasury management advisors for the Council.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

## **2 The Capital Prudential Indicators 2024/25 – 2028/29**

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans are prudent, affordable and sustainable.

## 2.1 Capital expenditure and financing

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members approve capital expenditure forecasts as part of the annual Budget report.

The capital expenditure plans mirror those within the budget report and will be amended throughout the year as spending plans alter.

The following table summarises the capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital Expenditure £'000's	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Towns Fund Projects	23,723	17,853	3,895	-	-	-
UKSPF Projects	1,055	1,937	-	-	-	-
LUF Projects	870	7,176	45	-	-	-
Other General Fund Projects	22,290	27,744	3,605	3,831	9,101	3,302
<b>Total</b>	<b>47,938</b>	<b>54,710</b>	<b>7,545</b>	<b>3,831</b>	<b>9,101</b>	<b>3,302</b>
Financing	(47,733)	(53,265)	(6,898)	(2,825)	(2,727)	(2,657)
<b>Net financing need for the year</b>	<b>205</b>	<b>1,445</b>	<b>647</b>	<b>1,006</b>	<b>6,374</b>	<b>645</b>

## 2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the MRP is a statutory annual revenue charge which broadly reduces the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long term liabilities (e.g. Public Finance Initiative (PFI) schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes.

The CIPFA LAASAC Local Authority Accounting Code Board deferred implementation of IFRS16 Accounting for Leases until 1 April 2024, the 2024/25 financial year.



The Council will be required to adjust figures as at 1 April 2024 and in year for Capital Financing Requirement, external debt (other long-term liabilities), the Authorised Limit and Operational Boundary, to allow for those leases which were previously off-balance sheet being brought onto the balance sheet at 21 March 2025.

It is currently not possible to be precise about such adjustment figures until a detailed data gathering exercise has been completed later in the 2023/24 financial year. The limits may need to be amended mid-year once the detailed impact is known.

As part of the formal governance process, the Council approves the cumulative CFR projections as follows:

£000's	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
CFR – General Fund	205	1,609	2,056	2,783	8,056	7,659
CFR - Non-treasury investments	18,440	18,440	18,440	18,440	18,440	18,440
<b>Total CFR</b>	<b>18,645</b>	<b>20,049</b>	<b>20,496</b>	<b>21,223</b>	<b>26,496</b>	<b>26,099</b>
<b>Movement in CFR</b>	<b>(1,957)</b>	<b>1,404</b>	<b>447</b>	<b>727</b>	<b>5,273</b>	<b>(397)</b>

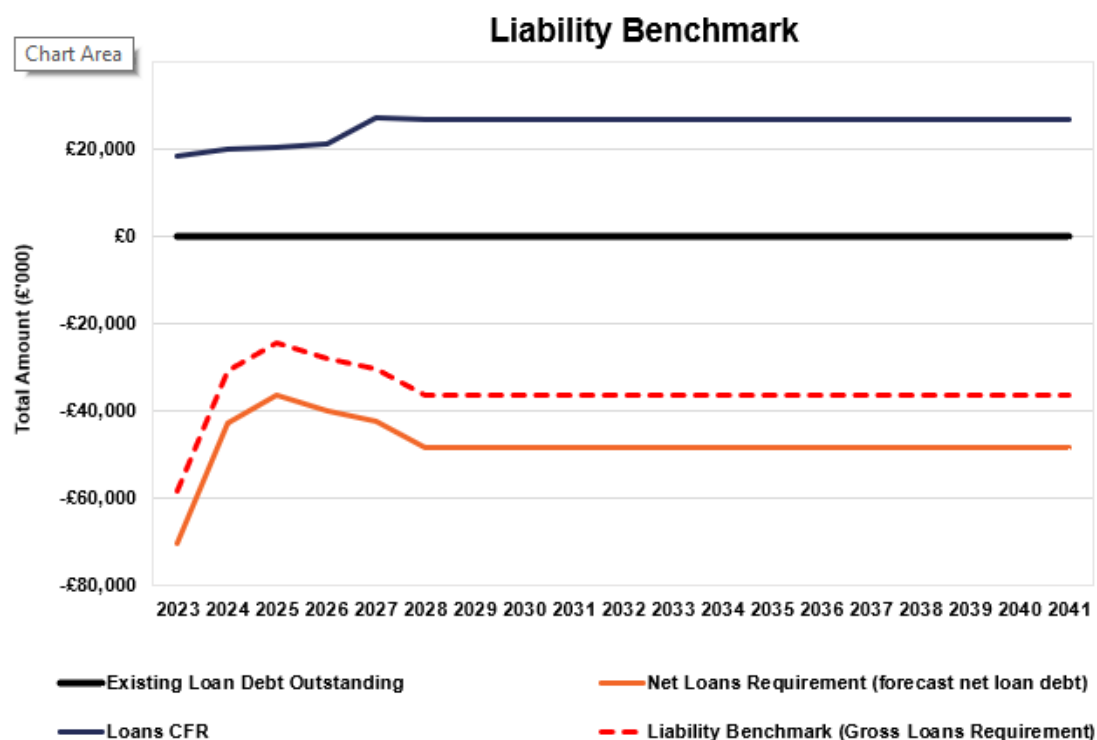
Net financing need for the year above)	205	1,445	647	1,006	6,374	645
Less MRP and other financing movements	<b>(2,162)</b>	<b>(41)</b>	<b>(200)</b>	<b>(279)</b>	<b>(429)</b>	<b>(1,042)</b>
<b>Movement in CFR</b>	<b>(1,957)</b>	<b>1,404</b>	<b>447</b>	<b>727</b>	<b>5,273</b>	<b>(397)</b>

### 2.3 Liability Benchmark

The Council is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Council's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. **Net loans requirement:** this will show the Council's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.



## 2.4 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.).

Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

Year End Resources £m	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
General Fund Balance	1,822	1,822	1,822	1,822	1,822	1,822
Earmarked Reserves	21,846	21,378	29,295	37,179	44,996	53,091
Capital Grants Unapplied	21,631	7,161	3,266	3,266	3,266	3,266
Capital receipts	4,061	4,161	4,261	4,361	4,461	4,561
<b>Total core funds</b>	<b>49,360</b>	<b>34,522</b>	<b>38,644</b>	<b>46,628</b>	<b>54,545</b>	<b>62,740</b>
Working capital*	4,000	4,000	4,000	4,000	4,000	4,000
Under borrowing	(18,645)	(20,050)	(20,497)	(21,055)	(26,328)	(25,163)
<b>Expected investment (excluding provisions)</b>	<b>34,715</b>	<b>18,472</b>	<b>22,147</b>	<b>29,573</b>	<b>32,217</b>	<b>41,577</b>

## 2.5 Minimum revenue provision (MRP) policy statement

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Council has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).

The Council is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. MRP Guidance gives four ready-made options for calculating MRP, but the Council can use any other reasonable basis that it can justify as prudent.

The MRP policy statement requires Full Council approval in advance of each financial year.

The Council is recommended to approve the following MRP Statement:

For all unsupported borrowing the MRP policy will be:

- **asset life method (straight line)** – MRP will be based on the estimated life of the assets.
- **asset life method (annuity)** – MRP will be based on the estimated life of the assets.

Capital expenditure incurred during 2024/25 will not be subject to an MRP charge until 2025/26, or in the year after the asset becomes operational.

The Council will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

MRP in respect of assets acquired under Finance Leases or PFI will be charged at an amount equal to the principal element of the annual repayment.

### Assets held for investment purposes

Where the Council holds investment assets the Council's MRP Policy will be to determine the amount of MRP and VRP (voluntary revenue provision) based on the combined value of its holdings at the end of each financial year. The Council will ensure that any capital receipts generated from the sale of property fund units will be earmarked and set aside when received to reduce the CFR liability by the amount of the original borrowing for units sold if MRP/VRP has not previously been provided for.

The Council will also monitor the performance of its Property Fund holdings on a regular basis with performance reported to the Audit and Governance Committee quarterly.

The Council will have regard to the revised Statutory MRP Guidance when calculating its MRP charge. Amended guidance is currently out for consultation and is intended to be implemented from the 1 April 2024. Once

the consultation has completed and the final guidance is passed into statute, this policy will be reviewed.

For capital expenditure on loans to third parties where the principal element of the loan is being repaid in annual instalments, the capital receipts arising from the principal loan repayments will be used to reduce the CFR instead of MRP.

Any loans issued to Invest East Lindsey Ltd which are classed as capital expenditure will increase the Council's CFR if not financed from reserves. The Council will earmark the proceeds from the repayment of the loans to reduce the CFR and therefore will apply a nominal MRP charge of £1 on such loans and equity investments. This policy will be reviewed annually to ensure the approach remains prudent based on the Company's financial position. If it is deemed that an additional charge is required to ensure prudence a voluntary revenue provision (VRP) will be made.

### **MRP Overpayments**

Under the MRP guidance, charges can be made in excess of the statutory MRP, known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

At the end of the 2022/23 financial year the Council had made VRP contributions of £1,662,054. If this changes during the 2023/24 financial year it will be reported in the Annual Treasury Report.

## **3. Borrowing**

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury/prudential indicators, the current and projected debt positions and the Annual Investment Strategy.

### **3.1 Current portfolio position**

The overall treasury management portfolio as at 31 March 2023 and for the position as at 31 January 2024 based on cost are shown below for both borrowing and investments.

<b>TREASURY PORTFOLIO</b>				
	Actual 31/03/23	Actual 31/03/23	Current 31/01/24	Current 31/01/24
<b>Treasury Investments</b>	<b>£000</b>	<b>%</b>	<b>£000</b>	<b>%</b>
Banks	29,019	36%	10,343	12%
Building Societies - Rated	0	0%	0	0%
Local Authorities	0	0%	3,000	3%
DMADF (H.M.Treasury)	0	0%	0	0%
Money Market Funds	2,380	3%	5,150	6%
Certificates of Deposit	25,000	31%	45,000	52%
<b>Total Managed In House</b>	<b>56,399</b>	<b>70%</b>	<b>63,493</b>	<b>73%</b>
Bond Funds	0	0%	0	0%
Property Funds (At Cost)	24,264	30%	23,603	27%
<b>Total Managed Externally</b>	<b>24,264</b>	<b>30%</b>	<b>23,603</b>	<b>27%</b>
<b>Total Treasury Investments</b>	<b>80,663</b>	<b>100%</b>	<b>87,096</b>	<b>100%</b>
<b>Treasury External Borrowing</b>				
Local Authorities	0		0	
PWLB	0		0	
LOBOs	0		0	
<b>Total External Borrowing</b>	<b>0</b>		<b>0</b>	
<b>Net Treasury Investments / (Borrowing)</b>	<b>80,663</b>		<b>87,096</b>	

The following table shows the Council's forward projections for borrowing. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

<b>£'000's</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>	<b>2028/29 Estimate</b>
Debt at 1 April	20,000	0	0	0	0	0
Expected change in Debt	(20,000)	0	0	0	0	0
<b>Actual gross debt at 31 March</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>The Capital Financing Requirement</b>	<b>18,645</b>	<b>20,049</b>	<b>20,496</b>	<b>21,223</b>	<b>26,496</b>	<b>26,099</b>
<b>(Under) /over borrowing</b>	<b>(18,645)</b>	<b>(20,049)</b>	<b>(20,496)</b>	<b>(21,223)</b>	<b>(26,496)</b>	<b>(26,099)</b>

Within the range of prudential indicators, there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and the following two financial years. This allows some flexibility for limited

early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Section 151 Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

### 3.2 Treasury Indicators: limits to borrowing activity

**The operational boundary.** This is the limit beyond which external borrowing is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary (£'000)	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Debt	35,000	20,000	20,000	20,000	20,000	20,000
Other long term liabilities	3,000	5,000	5,000	5,000	5,000	5,000
<b>Total</b>	<b>38,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>

**The authorised limit for external debt -** This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt, which while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. As part of the formal governance process, the Council approves the following indicators, as shown below:

Authorised Limit (£'000)	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Borrowing	39,000	24,000	24,000	24,000	24,000	24,000
Other long term liabilities	5,000	5,000	5,000	5,000	5,000	5,000
<b>Total</b>	<b>44,000</b>	<b>29,000</b>	<b>29,000</b>	<b>29,000</b>	<b>29,000</b>	<b>29,000</b>

### 3.3 Prospects for interest rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 8 January 2024. These are forecasts for certainty rates, gilt yields plus 80 basis points (bps).

Link Group Interest Rate View 08.01.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
<b>BANK RATE</b>	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

*Additional notes by Link on this forecast table: -*

Our central forecast for interest rates was previously updated on 7 November and reflected a view that the Monetary Policy Committee (MPC) would be keen to further demonstrate its anti-inflation credentials by keeping Bank Rate at 5.25% until at least H2 2024. We expect rate cuts to start when both the Consumer Price Index (CPI) inflation and wage/employment data are supportive of such a move, and when there is a likelihood of the overall economy enduring at least a slowdown or mild recession over the coming months, although most recent Gross Domestic Product (GDP) releases have surprised with their on-going robustness.

Naturally timing on this matter will remain one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.

In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but also international factors such as policy development in the US and Europe, the provision of fresh support packages to support the faltering recovery in China as well as the on-going conflict between Russia and Ukraine, and Gaza and Israel.

#### **PWLB Rates**

- The short and medium part of the gilt curve has rallied since the start of November as markets price in a quicker reduction in Bank Rate through 2024 and 2025. This reflects market confidence in inflation falling back in a similar manner to that already seen in the US and the Euro-zone. At the time of writing there is c70 basis points difference between the 5 and 50 year parts of the curve.

#### **The balance of risks to the UK economy: -**

- The overall balance of risks to economic growth in the UK is even.

**Downside risks to current forecasts for UK gilt yields and PWLB rates include: -**

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).
- **The Bank of England** has increased Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession than we currently anticipate.
- **Geopolitical risks**, for example in Ukraine/Russia, the Middle East, China/Taiwan/US, Iran and North Korea, which could lead to increasing safe-haven flows.

**Upside risks to current forecasts for UK gilt yields and PWLB rates: -**

- Despite the recent tightening in Bank Rate to 5.25%, the Bank of England allows inflationary pressures to remain elevated for a long period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project.
- **The pound weakens** because of a lack of confidence in the UK Government's pre-election fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Projected **gilt issuance, inclusive of natural maturities and Quantitative Tightening**, could be too much for the markets to comfortably digest without higher yields compensating.

**Link Group Forecasts**

We now expect the MPC will keep Bank Rate at 5.25% until the second half of 2024, to combat on-going inflationary and wage pressures, even if they have dampened somewhat of late. We do not think that the MPC will increase Bank Rate above 5.25%.

**Gilt yields and PWLB rates**

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation continues to fall through 2024.

Our target borrowing rates are set two years forward (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out as follows: -



PWLB debt	Current borrowing rate as at 08.01.24 p.m.	Target borrowing rate now (end of Q4 2025)	Target borrowing rate previous (end of Q3 2025)
5 years	4.53%	3.70%	3.80%
10 years	4.67%	3.90%	3.80%
25 years	5.19%	4.20%	4.20%
50 years	4.97%	4.00%	4.00%

**Borrowing advice:** Our long-term (beyond 10 years) forecast for Bank Rate remains at 3% and reflects Capital Economics' research that suggests AI and general improvements in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed Local Authority (LA) to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to factor in Bank Rate reductions for 2024 and later.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are as follows: -

Average earnings in each year	Now	Previously
2023/24 (residual)	5.30%	5.30%
2024/25	4.55%	4.70%
2025/26	3.10%	3.20%
2026/27	3.00%	3.00%
2027/28	3.25%	3.25%
2028/29	3.25%	3.25%
Years 6 to 10	3.25%	3.25%
Years 10+	3.25%	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

Our interest rate forecast for Bank Rate is in steps of 25 basis points (bps), whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

***(End of Link Group Commentary)***

### **3.4 Borrowing strategy**

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Section 151 Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.
- if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

### **3.5 Policy on borrowing in advance of need**

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing activity will be subject to prior appraisal and subsequent reporting through the mid-year and annual reporting mechanisms.

### **3.6 Debt rescheduling**

The Council fully repaid its external borrowing with the PWLB in 2023/24 so rescheduling borrowing is not a consideration for this Council at the moment.

### 3.7 New financial institutions as a source of borrowing and / or types of borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

### 3.8 Approved Sources of Long and Short-Term Borrowing

<b>On Balance Sheet</b>	<b>Fixed</b>	<b>Variable</b>
PWLB	●	●
UK Municipal Bond Agency	●	●
Local Authorities	●	●
Banks	●	●
Pension Funds	●	●
Insurance Companies	●	●
UK Infrastructure Bank	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock Issues	●	●
Local Temporary	●	●
Local Bonds	●	
Local Authority Bills	●	●
Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●
Commercial Paper	●	
Medium Term Notes	●	
Finance Leases	●	●

## 4 Annual Investment Strategy

### 4.1 Investment policy – management of risk

The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

The Council's investment policy has regard to the following:

- DLUHC's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Council's funds are managed by PSPSL with reference to a detailed cash flow forecast on a daily basis for the current year. Protocols are in place to govern the movement of funds within specific limits.

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

The above guidance from the DLUHC and CIPFA place a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "**credit**

**default swaps**” (CDS) and overlay that information on top of the credit ratings.

- **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- This Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in **Appendix 5.3** under the categories of ‘specified’ and ‘non-specified’ investments.
  - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.
  - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- **Non-specified investments limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments to £5m of the total investment portfolio, (see paragraph 4.3).
- **Lending limits**, the maximum total investments to any individual financial institution or its parent group is £5m. The maximum limit for individual money market funds is £7.5m. There is no maximum limit for deposits with the UK Debt Management Agency Deposit Facility (DMADF) as this is effectively the UK Government. The maximum permitted duration of investments for each institution will be determined in accordance with paragraph 4.2.
- **Transaction limits** are set for each type of investment in paragraph 4.2
- This Council will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 4.4).
- Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
- PSPSL has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Council in the context of the expected level of cash balances and need for liquidity throughout the year.

- All investments will be denominated in **sterling**.
- As a result of the change in accounting standards for 2022/23 under IFRS 9, this Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31/3/23. More recently, a further extension to the over-ride to 31/3/25 has been agreed by Government.

However, this Council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.

#### **Changes in risk management policy from last year.**

The above criteria are unchanged from last year.

#### **4.2 Creditworthiness policy**

This Council applies the creditworthiness service provided by Link Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's, and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, and any assigned Watches and Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The end product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years\*
- Dark pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

*\* Please note: the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt.*

The Link creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of F1 and a long term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored daily. PSPSL is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service.

- if a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings PSPSL will be advised of information in movements in CDS spreads against the iTraxx European Financials benchmark and other market data on a daily basis provided exclusively to it by Link. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information and information on any external support for banks to help support its decision making process.

### **Creditworthiness.**

Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

## CDS prices

Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government in the autumn of 2022, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Authority has access to this information via its Link-provided Passport portal.

## 4.3 Limits

Due care will be taken to consider the exposure of the Council's total treasury investment portfolio to non-specified investments, countries, groups and sectors.

- **Non-specified investment limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments to £10m of the total investment portfolio.
- **Country limit.** The Council has determined that it will only use approved counterparties from the United Kingdom or countries with a minimum sovereign credit rating of AA- from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in **Appendix 5.4**. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.
- **Other limits.** In addition:
  - no more than £10m will be placed with any non-UK country at any time;
  - limits in place above will apply to a group of companies;
  - sector limits will be monitored regularly for appropriateness

## 4.4 Investment strategy.

### In-house funds.

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate peaking in the second half of 2023 and possibly reducing as early as the second half of 2024 so an agile investment strategy would be appropriate to optimise returns.

Accordingly, while cash balances are required in order to manage the ups and downs of cash flow (amend as appropriate), where cash sums can be identified



that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

### **Investment returns expectations.**

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to have peaked at 5.25% in Q4 2023.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows: -

Average earnings in each year	
2023/24 (residual)	5.30%
2024/25	4.55%
2025/26	3.10%
2026/27	3.00%
2027/28	3.25%
Years 6 to 10	3.25%
Years 10+	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

### **Investment treasury indicator and limit**

Total principal funds invested for greater than 365 days limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

As part of the formal governance process, the Council approves the treasury indicator and limit, as shown in the following table:

<b>£'000</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
Principal sums invested > 365 days (excluding non-treasury investments)	10,000	10,000	10,000	10,000	10,000
Current treasury investments as at 31 January 2024 in excess of 1 year maturing in each year	0	0	0	0	0

Loans to and equity purchases in Invest East Lindsey do not count towards this limit.

#### **4.5 Investment risk benchmarking**

The Council has not adopted any formal benchmarks in this area, as officers believe that decisions on counterparties and maximum investment levels are adequate to monitor the current and trend position and amend the operational strategy to manage risk as conditions change.

This Council will use an investment benchmark to assess the investment performance of its investment portfolio of the Average 3 Month Sterling Overnight Index Average (SONIA) rate.

#### **4.6 End of year investment report**

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

## **5 Appendices**

- 5.1 Prudential and treasury indicators
- 5.2 Interest rate forecasts
- 5.3 Treasury management practice 1 – credit and counterparty risk management
- 5.4 Approved countries for investments
- 5.5 Treasury management scheme of delegation
- 5.6 The treasury management role of the Section 151 Officer

## APPENDIX 5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2023/24 – 2028/29

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans are prudent, affordable and sustainable. Full details are provided in paragraph 2.1 and summary totals are shown below.

### 5.1.1 Capital expenditure (subject to change during the budget setting process)

Capital Expenditure £'000's	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Towns Fund Projects	23,723	17,853	3,895	-	-	-
UKSPF Projects	1,055	1,937	-	-	-	-
LUF Projects	870	7,176	45	-	-	-
Other General Fund Projects	22,290	27,744	3,605	3,831	9,101	3,302
<b>Total</b>	<b>47,938</b>	<b>54,710</b>	<b>7,545</b>	<b>3,831</b>	<b>9,101</b>	<b>3,302</b>

### 5.1.2 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

#### Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

%	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Total	(8.27%)	(10.05%)	(6.19%)	(5.72%)	(5.47%)	(3.96%)

The estimates of financing costs include current commitments and the proposals in this budget report.

### 5.1.3 Maturity structure of borrowing

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits. The Council is asked to approve the following treasury indicators and limits:

<b>Maturity structure of fixed interest rate borrowing 2024/25</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%
<b>Maturity structure of variable interest rate borrowing 2024/25</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%

### 5.1.4 Control of interest rate exposure

Please see paragraphs 3.3, 3.4 and 4.4.

**APPENDIX 5.2 INTEREST RATE FORECASTS 2023-2026**

Link Group Interest Rate View 08.01.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
<b>BANK RATE</b>	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

PWLB forecasts are based on PWLB certainty rates.

### APPENDIX 5.3 - Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

**SPECIFIED INVESTMENTS:** All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.).

	<b>Minimum 'High' Credit Criteria</b>	<b>Use</b>
Debt Management Agency Deposit Facility	N/A	In-house ( no maximum limit)
Term Deposits – UK Local Authorities	N/A	In-house
Term Deposits – Banks and Building Societies	Minimum colour of green on our external treasury advisers credit rating matrix	In-house
Treasury Bills	UK sovereign rating	In-house
Certificates of Deposit Issued by Banks and Building Societies	Minimum colour of green on our external treasury advisers credit rating matrix	In-house
Bonds Issued by Multilateral Development Banks	AAA	In-house buy and hold
Money Market Funds – CCLA (Church, Charities & Local Authority)	AAA	In-house (£7.5m limit for cash flow purposes)
Money Market Funds CNAV (Constant Net Asset Value)	AAA	In-house
Money Market Funds LVAV (Low Volatility Asset Value)	AAA	In-house
Money Market Funds VNAV (Variable Net Asset Value)	AAA	In-house

#### Term deposits with nationalised banks and banks and building societies

	<b>Minimum Credit Criteria</b>	<b>Use</b>	<b>Max of total investments</b>	<b>Max. maturity period</b>
UK Part Nationalised Banks	Minimum colour of green on our external treasury advisers credit rating matrix	In-house	£5m	1 year
Banks Part Nationalised by AAA or AA- Sovereign Rating Countries – Non UK	Minimum colour of green on our external treasury advisers credit rating matrix	In-house	£5m	1 year

If forward deposits are to be made, the forward period plus the deal period should not exceed one year in aggregate.

**Accounting treatment of investments.** The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

**NON-SPECIFIED INVESTMENTS:** These are any investments which do not meet the Specified Investment criteria. A maximum of £10m treasury investments may be held in aggregate in non-specified investment.

### **Maturities of ANY period**

	<b>Minimum Credit Criteria</b>	<b>Use</b>	<b>Max of non-specified investments</b>	<b>Max. maturity period</b>
Fixed term deposits with variable rate and variable maturities: -Structured deposits	Sovereign rating of AAA to AA- and minimum colour of green on our external treasury advisers credit rating matrix	In-house	£5m	1 year
UK Government Gilts	UK sovereign rating	In-house buy and hold	£5m	2 year
Sovereign bond issues (other than the UK govt)	AAA	In-house buy and hold	£5m	2 year
Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government (e.g. National Rail)	UK sovereign rating	In-house buy and hold	£5m	2 year
Collateralised deposits (see note 1)	UK Sovereign rating	In-house	£5m	1 year



<b>Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)</b>				
Property Funds: <b>(excluding non-treasury investments)</b>		In-house	£8m	
<p><i>The use of property funds can be deemed capital expenditure, and as such will be an application (spending) of capital resources. This Council will seek guidance on the status of any fund it may consider using. Appropriate due diligence will also be undertaken before investment of this type is undertaken.</i></p> <p><i>The Section 151 and Deputy Section 151 Officer will have delegated authority to invest in property funds subject to consultation with the Portfolio Holder for Finance.</i></p>				

<b>Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -</b>				
	<b>Minimum Credit Criteria</b>	<b>Use</b>	<b>Max of non-specified investments</b>	<b>Max. maturity period</b>
1. Government Liquidity Funds	Long-term AAA volatility rating MR1+	In-house	£10m	1 month notice period
2. Ultra-Short Dated Bond Funds with a credit score of 1.25	Long-term AAA volatility rating MR1+	In-house	£10m	1 month notice period
3. Ultra-Short Dated Bond Funds with a credit score of 1.5	Long-term AAA volatility rating MR1+	In-house	£10m	1 month notice period
4. Bond Funds	Long-term AAA volatility rating MR1+	In-house	£10m	1 month notice period
5. Gilt Funds	Long-term AAA volatility rating MR1+	In-house	£10m	1 month notice period

*Note 1 : as collateralised deposits are backed by collateral of AAA rated local authority LOBOs, this investment instrument is regarded as being a AAA rated investment as it is equivalent to lending to a local authority.*

**Maturities in excess of 1 year**

	<b>Minimum Credit Criteria</b>	<b>Use</b>	<b>Max. of total investments</b>	<b>Max. maturity period</b>
Term Deposits – UK Local Authorities	N/A	In-house	£5m	5 year
Term Deposits - Registered Social Landlords	None	In-house subject to due diligence report by Link Group	£5m	5 year
Term deposits – Banks and Building Societies	Sovereign rating of AAA to AA- and minimum colour of orange on our external treasury advisers credit rating matrix	In-house	£5m	2 year
Certificates of Deposit issued by Banks and Building Societies	Sovereign rating of AAA to AA- and minimum colour of orange on our external treasury advisers credit rating matrix	In-house	£5m	2 year
Bonds issued by multilateral development banks	AAA	In-house	£5m	2 year

The maximum total investment to any individual financial institution or its parent group is £5m except for the instant access money market fund which has a limit of £7.5m and the UK Debt Management Agency Deposit Facility (UK Government) which has no maximum limit.

Barclays Bank provides banking services to the Council and the above limits do not include the day to day balance in the Council's current account.

Whilst these are maximum limits, under normal circumstances the Section 151 Officer will ensure lower limits are maintained. The higher limits are required to allow flexibility in the movement of funds if a particular issue or circumstance arose e.g. global banking crisis.

**Environmental, Social and Governance Considerations**

The Council continues to develop its strategy in this area.

The Council is interested in undertaking actions to reduce climate change and as an ethical investor will consider the environmental, social and governance issues.

Officers are working with the Council's external treasury advisors to establish how these issues can be taken into consideration when Link Group formulate their Suggested Credit List which is used by the Council.

**APPENDIX 5.4 - Approved countries for investments**

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service.

***Based on lowest available rating*****AAA**

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

**AA+**

- Canada
- Finland
- U.S.A.

**AA**

- Abu Dhabi (UAE)

**AA-**

- Belgium
- France
- Qatar
- U.K.

**APPENDIX 5.5 - Treasury management scheme of delegation**

- |                                |  |
|--------------------------------|--|
| Council                        | <ul style="list-style-type: none"> <li>- Receive, Review and Approval of Treasury Policy Statement – February/March cycle</li> <li>- Receive, Review and Approval of Treasury Management Strategy Statement incorporating the Annual Investment Strategy and Minimum Revenue Provision Policy – February/March cycle followed by mid year report update. Updates or revisions at other times as required</li> <li>- Receive, Review and Approval of Annual Treasury Outturn Report by 30 September after the year end</li> </ul>                                 |
| Executive Board                | <ul style="list-style-type: none"> <li>- Recommend to Council a Treasury Policy Statement</li> <li>- Recommend to Council a Treasury Management Strategy Statement incorporating the Annual Investment Strategy and Minimum Revenue Provision Policy – February/March cycle followed by mid year report update</li> <li>- Extraordinary Activity and Investment Management arrangements – as soon as possible after significant change occurs</li> <li>- Recommend to Council a Treasury Management Outturn Report by 30 September after the year end</li> </ul> |
| Audit and Governance Committee | <ul style="list-style-type: none"> <li>- Receive Treasury Management Quarterly and Mid Term reports</li> <li>- Receive Treasury Management Outturn Report</li> <li>- Receive Treasury Management Practices annually if amended</li> <li>- Scrutiny of the Treasury Management Strategy before the commencement of each financial year</li> <li>- Scrutiny of Treasury Management performance as part of the Mid Term report and quarterly reports.</li> </ul>  |

**SCRUTINY AND MONITORING**

Council delegates the scrutiny and monitoring of the Treasury Management function to the Audit and Governance Committee. As a minimum they will receive quarterly reports and a Mid Term Treasury report on investment issues and performance. Training will be made available for members of the Audit and Governance Committee to ensure they have the necessary skills to undertake this role. Recommendations will be reported to Executive Board.

The Audit and Governance Committee will also have access to professional and independent advice and support as required in order to undertake this role.

## **APPENDIX 5.6 - The treasury management role of the section 151 officer and deputy**

The S151 Officer's main functions with regards to treasury are to:

- recommend clauses, treasury management policy/practices for approval, review the same regularly, and monitor compliance
- submit regular treasury management policy reports
- submit budgets and budget variations
- receive and review management information reports
- review the performance of the treasury management function
- ensure the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensure the adequacy of internal audit, and liaise with external audit
- recommending the appointment of external service providers
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the Council
- ensure that the Council has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the Council does not undertake a level of investing which exposes the Council to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Council
- ensuring that the Council has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following:
  - Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
  - Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;

- Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
- Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
- Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

As an added safeguard, as part of the Section 151's statutory responsibility, the Chief Finance Officer (CFO) is obliged to notify the Monitoring Officer of any material change proposed to approved treasury policies and of any major breaches which have occurred.

Any significant operational or other changes will be notified and discussed with the relevant Portfolio Holder. This is currently the Portfolio Holder for Finance. Any actions resulting from this will be reported to Audit and Governance. If timescales are such that due to urgency, the formal reporting process cannot be utilised, then emergency authorisation will be sought through existing mechanisms.

The CFO has delegated powers through this policy to take the most appropriate form of borrowing from the approved sources, and to take the most appropriate form of investments in approved instruments.

The CFO may delegate power to borrow and invest to members of staff. All dealing transactions must be conducted by the CFO, or staff authorised by the CFO, to act as temporary cover for leave/sickness. All transactions must be authorised by at least two authorised signatories, one of which must be employed by ELDC.

The CFO and the Monitoring Officer will ensure that the Policy is adhered to, and if not, will bring the matter to the attention of Councillors as soon as possible.

Prior to entering into any capital financing, lending or investment transaction, it is the responsibility of the CFO to be satisfied, by reference to the Monitoring Officer, the Council's Legal Department and external advisors, as appropriate, that the proposed transaction does not breach any statute, external regulation or the Council's Financial Regulations.

It is also the responsibility of the CFO to ensure that the Council complies with the requirements of the Non Investment Products Code for principals and broking firms in the wholesale markets as well as the Financial Services Authority's Code of Market Conduct.

The CFO will ensure an accurate record of daily notifications received and document all investment decisions.

The treasury management function is administered by Public Sector Partnership Services Limited and they will supply the following information to the CFO:

- treasury management strategy statements and practices for approval
- capital strategy reports
- regular treasury management policy reports
- budget and budget variation reports
- management information reports
- adequate treasury management resources and skills, and effective division of responsibilities within the treasury management function, and;
- arranging the appointment of external treasury management advisors.

Where the use of particular instant access accounts, notice accounts and money market funds has been approved by the Section 151 Officer, PSPSL treasury officers have delegated authority to withdraw and deposit funds within the agreed limits contained in this strategy.

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**East Lindsey District Council - Table of Current General Fees and Charges**

**Description**

**Public Protection**

**Alcohol & Entertainment Licences**

New Premises Licence
Premise licence annual fee
Alcohol Personal Licence
Alcohol Personal Licence - change of details/replacement
Temporary Event Notice - Alcohol & entertainment

**Gaming Licences**

Gaming Machine Permit (2 Machines)
Gaming Machine Permit (>2 Machines)
Transfer of LPGM
Variation of LPGM
New Family Entertainment Centre Permit (Grant)
Renewal Family Entertainment Centre Permit
Small Lottery & Societies

**Bingo Premises licence**

Application fee for provisional statement
Application fee new premises
Annual Premises fee (first year)
Annual premises fee (renewal)
Variation of licence
Transfer fee
Application for reinstatement

**Adult Gaming Centre or FEC Premises**

Application fee for provisional statement
Application fee new premises
Annual Premises fee (first year)
Annual premises fee (renewal)
Variation of licence
Transfer fee
Application for reinstatement

**Betting Premises**

Application fee for provisional statement
Application fee new premises
Annual Premises fee (first year)
Annual premises fee (renewal)
Variation of licence

Transfer fee
Application for reinstatement

### **Small Casino Premises Licence**

Application for New Premises
Premises (New) - with existing provisional statement
Provisional statement
Premises (Transfer fee)
Premises (Reinstatement fee)
Premises (Variation)
Premises (Annual Fee)

### **Sex Establishment Licences**

New Sex establishment licence
Renewal Sex establishment licence
Transfer Sex establishment licence

### **Sexual Entertainment Venue**

New sexual entertainment licence
Transfer of sexual entertainment licence
Renewal of sexual entertainment licence

### **Animal welfare licences**

Animal welfare/activity licence
Pet shop & pet vending
Riding Establishment Licence
Zoo Licence
Performing Animal Licence
Animal Boarding
Dangerous Wild Animal Licence

Street Collection
House to House Collection
Street trading licence
Competitive Bidding Licence

### **Caravan Site Licences**

Annual site licence (+£2.15 per unit)
Issuing of new site licence
Transfer site licence
Amend site licence
Fee for depositing site rules
Request copy of licence
Fit and Proper Person fee
Enforcement costs (case basis)

### **Hackney Carriage (HC) & Private Hire (PH) Licences**

Hackney Carriage Licence ( <b>New HCV Drivers Licence</b> )
Hackney Carriage Licence ( <b>Renewal HCV Drivers Licence</b> )
PHV Operator Licence

PHV Vehicle Licence
Drivers badge Lost
Enhanced DBS Disclosure
Replacement HCV or PHV (including I/D Plate)
ID Plate (new)
ID Plate (renewal)
Bracket for ID Plate

### **Scrap Metal Operator Licence**

Scrap Metal Licence - Site licence
Scrap Metal Licence - Collectors' licence
Scrap Metal Licence - change to trading name
Scrap Metal Licence - replacement of existing licence
*NEW* Scrap Metal Licence - change of name and/or address
*NEW* Scrap Metal Licence - change of site manager

### **Permits for small waste incineration**

Application fee for Permit for each Part A(2) activity
Application fee for mobile small waste incineration plant
Fee for late application
Variation to permit
Transfer of permit (total transfer)
Transfer of permit (partial transfer)
Surrender of permit
Annual subsistence charge per each low risk activity
Annual subsistence charge per each medium risk activity
Annual subsistence charge per each high risk activity

### **Permit applications for solvent emissions**

I.) Any <b>Part 1</b> reduced fee activity
II.) PVR I and PVR II activities
III.) Vehicle refinishers
IV.) Any other <b>Part B</b> activity or any other solvent emission activity

### **Permit applications for mobile solvent emissions**

Fee payable for each permit to operate mobile plant (1st permit)
Fee payable for each permit to operate mobile plant (2nd permit)
Fee payable for each permit to operate mobile plant (3rd to 7th permit)
Fee payable for each permit to operate mobile plant (8th and subsequent permit)
Late application fee - permit authorising reduced fee activity
Late application fee - permit authorising any Part B or any other solvent emission activity
Variation of permit - (reduced fee activity)
Variation of permit - (Part B or solvent emission activity)
Partial Transfer of permit - (Reduced fee activity)
Partial Transfer of permit - (Part B activity)
Total Transfer of permit - (Part B activity)
Subsistence Charge - (Any Part 1 reduced fee activity) - LOW RISK
Subsistence Charge - (Any Part 1 reduced fee activity) - MEDIUM RISK
Subsistence Charge - (Any Part 1 reduced fee activity) - HIGH RISK

Subsistence Charge - (II. PVR I & II activities carried on at same service station) - LOW RISK
Subsistence Charge -(II. PVR I & II activities carried on at same service station) - MEDIUM RISK
Subsistence Charge - (II. PVR I & II activities carried on at same service station) - HIGH RISK
Vehicle refinishers, Any Part 2,3 or 4 reduced fee activity - LOW RISK
Vehicle refinishers, Any Part 2,3 or 4 reduced fee activity - MEDIUM RISK
Vehicle refinishers, Any Part 2,3 or 4 reduced fee activity - HIGH RISK
Subsistence charge for each mobile permit (1st & 2nd Permit) - LOW RISK
Subsistence charge for each mobile permit (1st & 2nd Permit) - MEDIUM RISK
Subsistence charge for each mobile permit (1st & 2nd Permit) - HIGH RISK
Subsistence charge for each mobile permit (3rd to 7th Permit) - LOW RISK
Subsistence charge for each mobile permit (3rd to 7th Permit) - MEDIUM RISK
Subsistence charge for each mobile permit (3rd to 7th Permit) - HIGH RISK

### **Food Safety**

Safer Food Service
Penalty - failure to register food business
CIEH Level 2 - Food Safety training (business)
CIEH Level 2 - Food Safety training (Voluntary/Community)
CIEH Level 3 - Food Safety training (Voluntary/Community)
CIEH Level 3 - Food Safety training (Business)

### **Beauty and Fashion**

Tattooist & Beauty Salons Premise
Tattooist & Beauty Salons Personal

### **Land charges**

Standard Search (LLC1 & CON29R)
Standard search LLC1
CON29R
CON29 - optional Enquiry
Additional Parcels of Land (CON29R)
CON29 - Road Proposals
CON29 - optional Enquiry 21 (Flood Defence & Land Drainage Consents)
Additional Parcels of Land (CON29R)
Additional Parcels of Land (LLC1)

### **Houses of Multiple Occupation (HMO's)**

Houses of Multiple Occupation (New licence) + £60 for the 6th and each additional unit
Houses of Multiple Occupation (Renewal) + £60 for the 6th and each additional unit
Houses of Multiple Occupation (Variation)
Printed copy of register of HMO's (collection)
Printed copy of register of HMO's (posted)

### **Housing Standards**

Service of enforcement notice
Remedial works recovery of costs - full costs + £30p/h admin fee
Immigration Inspection charge

Penalty Charge Notice - Remedial action - Smoke and Carbon Monoxide (1-3 alarms required)
Penalty Charge Notice - Remedial action - Smoke and Carbon Monoxide (4 or more alarms)
Failure to comply with remedial notice - First occasion
Penalty fine - Failure to comply with remedial notice - Second occasion
Penalty fine - Failure to comply with remedial notice - third and subsequent occasion

**Penalty Charge Notice - civil penalty as an alternative to prosecution under Housing Act**

Score range 4-10
Score range 10-15
Score range 16-20
Score range 21-25
Score range 26-30
Score range 31-35
Score range 36-40
Score range 41-45
Score range 46-50 (2 or 3 category 1 hazards)
Score range 46-50 (4 or 5 category 1 hazards)
Score range 46-50 (6 or more category 1 hazards)

**Penalty charge notice - Failure to comply with Energy Efficiency Compliance Notice**

Failure to comply - first occasion
Failure to comply - second occasion
Failure to comply - third and subsequent occasion
Where the landlord has registered false or misleading information - first occasion
Where the landlord has registered false or misleading information - second occasion
Where the landlord has registered false or misleading information - third and subsequent occasion
Where a landlord has let a property in contravention to regulations for less than 3 months - first occasion
Where a landlord has let a property in contravention to regulations for less than 3 months - second occasion
Where a landlord has let a property in contravention to regulations for less than 3 months - third and subsequent occasions
Where a landlord has let a property in contravention to regulations for more than 3 months - first occasion
Where a landlord has let a property in contravention to regulations for more than 3 months - second occasion
Where a landlord has let a property in contravention to regulations for more than 3 months - third and subsequent occasions

**Penalty charge notice - The Redress Scheme - Lettings Agency Work and Property Management Work**

Not belonging to redress scheme - first occasion
Not belonging to redress scheme - second occasion
Not belonging to redress scheme - third and subsequent occasions

**Waste Services**

Green waste collection
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Replacement bin
Bin delivery
Bulky waste (4 items)
Healthcare waste
Needles/Sharps collection
Larger bin

**Market Stalls**

New trader pitch/stall hire
Regular trader pitch/stall hire
Casual trader pitch/stall hire
Pitch/Stall Hire (January/February)

**Neighbourhood Services**

FASTTRACK - Tree Preservation Order Copy
Tree Preservation Order Copy
Hedgerow Removal Notice
Tree Survey
Public Toilets - operated in partnership with DANFO
Purchase of disabled toilets RADAR key

**Dog warden services**

Stray dog release fee
Kennelling (per day)
Veterinary fees
Fixed penalty notice for fouling

**Building Control**

**Building Control Domestic fees - Table A**

BC Domestic - Plan - 1 House type
BC Domestic - Plan - 2 House type
BC Domestic - Plan - 3 House type
BC Domestic - Plan - 4 House type
BC Domestic - Plan - 5 House type
BC Domestic - Plan - 6 House type
BC Domestic - Plan - 7 House type
BC Domestic - Plan - 8 House type
BC Domestic - Plan - 9 House type
BC Domestic - Plan - 10 House type
BC Domestic - Inspection - 1 House type
BC Domestic - Inspection - 2 House type
BC Domestic - Inspection - 3 House type
BC Domestic - Inspection - 4 House type
BC Domestic - Inspection - 5 House type
BC Domestic - Inspection - 6 House type
BC Domestic - Inspection - 7 House type
BC Domestic - Inspection - 8 House type
BC Domestic - Inspection - 9 House type

BC Domestic - Inspection - 10 House type
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**Building Control Domestic fees - Table B**

BC Domestic - Plan - Extension of floor area not exceeding 10m <sup>2</sup>
BC Domestic - Plan - Extension of floor area not exceeding 40m <sup>2</sup>
BC Domestic - Plan - Extension of floor area not exceeding 100m <sup>2</sup>
BC Domestic - Plan - Erection or extension of a detached or attached building which consists of a garage, car port or out building having a floor area not exceeding 100m <sup>2</sup> in total and intended to be used in common with an existing building, and which is not an exempt building
BC Domestic - Plan - Conversion of a garage in a dwelling to habitable room(s)
BC Domestic - Plan - Plan - Underpinning
BC Domestic - Plan - Internal alterations/installation of fittings (< £2k)
BC Domestic - Plan - Internal alterations/installation of fittings (< £5k)
BC Domestic - Plan - Internal alterations/installation of fittings (< £25k)
BC Domestic - Plan - Internal alterations/installation of fittings (< £50k)
BC Domestic - Plan - Internal alterations/installation of fittings (< £75k)
BC Domestic - Plan - Window replacement (up to 20 windows)
BC Domestic - Plan - Re-roof (non competent person scheme)
BC Domestic - Plan - Electrical Installation (non competent person scheme)
BC Domestic - Inspection - Internal alterations/installation of fittings (< £50k)
BC Domestic - Inspection - Internal alterations/installation of fittings (< £75k)
BC Domestic - Inspection - Extension of floor area not exceeding 100m <sup>2</sup>
BC Domestic - BC Notice - Extension of floor area not exceeding 10m <sup>2</sup>
BC Domestic - BC Notice - Extension of floor area not exceeding 40m <sup>2</sup>
BC Domestic - BC Notice - Extension of floor area not exceeding 100m <sup>2</sup>
BC Domestic - BC Notice - Erection or extension of a detached or attached building which consists of a garage, car port or out building having a floor area not exceeding 100m <sup>2</sup> in total and intended to be used in common with an existing building, and which is not an exempt building
BC Domestic - BC Notice - Conversion of a garage in a dwelling to habitable room(s)
BC Domestic - BC Notice - BC Notice - Underpinning
BC Domestic - BC Notice - Internal alterations/installation of fittings (< £2k)
BC Domestic - BC Notice - Internal alterations/installation of fittings (< £5k)
BC Domestic - BC Notice - Internal alterations/installation of fittings (< £25k)
BC Domestic - BC Notice - Internal alterations/installation of fittings (< £50k)
BC Domestic - BC Notice - Internal alterations/installation of fittings (< £75k)
BC Domestic - BC Notice - Window replacement (up to 20 windows)
BC Domestic - BC Notice - Re-roof (non competent person scheme)
BC Domestic - BC Notice - Electrical Installation (non competent person scheme)

**Building Control Commercial fees - Table C**

BC Commercial - Plan < 40m <sup>2</sup>
BC Commercial - Extension & New Build - Plan < 100m <sup>2</sup>
BC Commercial - Extension & New Build - Plan < 200m <sup>2</sup>
BC Commercial - Extension & New Build - Inspection < 40m <sup>2</sup>
BC Commercial - Extension & New Build - Inspection < 100m <sup>2</sup>
BC Commercial - Extension & New Build - Inspection < 200m <sup>2</sup>

**Building Control Commercial fees - Table D**

BC Commercial - Plan - Windows & Doors (1-20)
BC Commercial - Plan - Other alterations up to £5,000
BC Commercial - Plan - Other alterations up to £25,000
BC Commercial - Plan - Other alterations up to £50,000
BC Commercial - Inspection charge - Other alterations up to £50,001

**Street naming and numbering**

Renaming/ renumbering of an individual house
Development renumbering due to change in plot numbers or plot positions (Per Plot)
Renaming/ renumbering of street at request of residents
Street Naming/ numbering - up to 5 new properties (+£25 per plot)
Street Naming/ numbering - between 6 - 25 new properties (+£20 per plot)
Street Naming/ numbering - between 26 - 75 new properties (+£15 per plot)
Street Naming/ numbering - more than 76 new properties (+£10 per plot)
Naming numbering following division of an existing property
Additional charge where naming of new street is required
Additional charge where naming of new building is required
Reissuing of address following demolition and reconstruction
Confirmation of address to solicitors/conveyances/occupiers
Dangerous structure - emergency site visit
Demolition control (Section 81 notice)

**Development Control**

Pre-Planning advice - Householder development including alterations and extensions
Pre-Planning advice - Changes of use including siting of caravans
Pre-Planning advice - Development of 1 dwelling
Pre-Planning advice - Development of 2-9 dwellings, or residential development on sites of less than 0.50 hectare including changes of use to residential
Pre-Planning advice - Development of 10-49 dwellings, or residential development on sites of between 0.51 and 1.0 hectare including changes of use to residential of 2-9 units
Pre-Planning - Development of 50+ dwellings, or residential development on sites of more than 1.1 hectare including changes of use to residential
Pre-Planning - Non residential development up to 499 sqm
Pre-Planning - Non residential development between 500 and 999 sqm
Pre-Planning - Non residential development between 1000 and 4,999 sqm
Pre-Planning - Non residential development over 5,000sqm floor area
Pre-Planning - alterations to non-residential development with no new floor space
Pre-Planning - variation or removal of planning conditions
Pre-Planning - Telecommunications development
Pre-Planning - Certificates of lawful development
Pre-Planning - Advertisements
Pre-Planning - Listed building advice
Pre-Planning - 'Start-up' business enquiries
Pre-Planning - Town & Parish Council enquiries



Pre-Planning - Proposals relating to the needs of persons with disabilities
Pre-planning - proposals by registered social landlords (50% discount)

### **Planning Permission**

Advertisement - displayed externally on business premises, the forecourt of business premises or other land within the curtilage of the business premise
Advertisement - Advertisement for the purpose of directing members of the public to a business within the same locality as the advert
Advertisement - all other adverts
OUTLINE APPLICATION - New dwellings £462 per 0.1ha. Max fee £11,432 (increments of £138 per 0.1ha)
OUTLINE APPLICATIONS - BUILDINGS (OTHER THAN DWELLINGS), AGRICULTURAL BUILDINGS, PLANT OR GLASSHOUSES ETC.) PERMISSION IN PRINCIPLE
OUTLINE APPLICATIONS - AGRICULTURAL BUILDINGS ON AGRICULTURAL LAND (OTHER THAN GLASSHOUSES ETC.) PERMISSION IN PRINCIPLE
FULL APPLICATIONS AND APPLICATIONS FOR APPROVAL OF RESERVED MATTERS WHICH INCLUDE LAYOUT, SCALE, APPEARANCE:- Alterations or extensions to existing dwelling houses (excluding flats) <b>One dwelling</b>
FULL APPLICATIONS AND APPLICATIONS FOR APPROVAL OF RESERVED MATTERS WHICH INCLUDE LAYOUT, SCALE, APPEARANCE:- Alterations or extensions to existing dwelling houses (excluding flats) <b>Two or more dwellings</b>
FULL APPLICATIONS AND APPLICATIONS FOR APPROVAL OF RESERVED MATTERS WHICH INCLUDE LAYOUT, SCALE, APPEARANCE:- Carrying out of operation (including erection of a building) within the curtilage of an existing dwelling house (excluding flats)
Erection of dwellings
Erection of buildings (other than dwellings, plant and machinery, agricultural buildings or glasshouses)
Erection of buildings for agricultural purposes other than glasshouses <465sqm
Erection of buildings for agricultural purposes other than glasshouses (465sm - 540sqm)
Agricultural glasshouses and polytonal (including outline applications) <465sqm
Agricultural glasshouses and polytonal (including outline applications) >465sqm
Erection, alteration or replacement of plant and machinery 0.1ha
Reserved matters where applicant's earlier reserved matters applications have incurred total fee equalling that for a full application for entire scheme
APPLICATIONS FOR WORKS OTHER THAN BUILDING WORKS - Playing fields
APPLICATIONS FOR WORKS OTHER THAN BUILDING WORKS - Car parks and service roads or other accesses
OTHER APPLICATIONS - Variation or removal of condition
Change of use of building to one or more separate dwelling/houses
Use of land for: a.) The disposal of refuse or waste materials or for the deposit of materials after minerals have been extracted from land. B.) Storage of minerals in the open
Other changes of use including siting caravans
Operations connected with exploratory drilling for oil or natural gas
The carrying out of any operations (other than operations coming within the above category) for the winning and working of oil or natural gas per 0.1ha where site does not exceed 15ha
The carrying out of any operations (other than operations coming within the above category) for the winning and working of oil or natural gas where the site exceeds 15ha.

Carry out operations not coming within any of the above categories (£234 per each 0.1ha (Maximum fee: a.) Winning and working minerals- £34,934, increments of £138 per 0.1ha. Over 15ha maximum fee £78,000 b.) Other cases £2,028
Application for a new planning permission to replace an extant planning permission:- Applications in respect of major developments
Application for a new planning permission to replace an extant planning permission:- In respect of householder developments
Application for a new planning permission to replace an extant planning permission:- Other developments
Request for determination as to whether the prior approval of the Council will be required for agricultural/forestry buildings and roads or material change of use of any building or other land (Part 3 of GPDO 2015) or Demolition of building (s)
Change of use and to carry out building operations for classes C,M,N & Q (Part 3 of GDPO 2015)
Development by Telecommunication code system operators
Request for written confirmation of compliance with condition(s) attached to a grant of planning permission (Householder development)
Request for written confirmation of compliance with condition(s) attached to a grant of planning permission (All other development)
Application for non-material changes to existing planning permission (Householder)
Application for non-material changes to existing planning permission (all other applications)
<p>Planning Performance Agreements - negotiated on a case-by-case basis. The charges incurred are to be negotiated between the Council and the development proposer, following an initial understanding of both the scheme and the resource implications.</p> <p>The Council will seek to recover costs associated with the resourcing of the agreement (such as Officer time) and including fees incurred from specialists within and external to the Council as may be required. In addition, the fees will cover administration of the agreement, but may exclude the costs associated with drawing up or signing the agreement depending on whether this is undertaken by the Council or the proposer</p>

### **Section 106**

S106 application admin recharge - newly brought in for 2022-23
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### **Parking permits - ELDC Car parks**

12 Months - Parking permit (All areas)
12 Months -Parking permit (Skegness)
12 Months -Parking permit (Louth)
12 Months -Parking permit (Mablethorpe)
12 Months -Parking permit (Horncastle, W.Spa & Coningsby Tattershall)
12 Months -Parking permit (Spilsby)
12 Months -Parking permit (Alford)
9 Months - Parking permit (All areas)
9 Months -Parking permit (Skegness)

9 Months -Parking permit (Louth)
9 Months -Parking permit (Mablethorpe)
9 Months -Parking permit (Horncastle, W.Spa & Coningsby Tattershall)
9 Months -Parking permit (Spilsby)
9 Months -Parking permit (Alford)
6 Months - Parking permit (All areas)
6 Months -Parking permit (Skegness)
6 Months -Parking permit (Louth)
6 Months -Parking permit (Mablethorpe)
6 Months -Parking permit (Horncastle, W.Spa & Coningsby Tattershall)
6 Months -Parking permit (Spilsby)
6 Months -Parking permit (Alford)
3 Months - Parking permit (All areas)
3 Months -Parking permit (Skegness)
3 Months -Parking permit (Louth)
3 Months -Parking permit (Mablethorpe)
3 Months -Parking permit (Horncastle, W.Spa & Coningsby Tattershall)
3 Months -Parking permit (Spilsby)
3 Months -Parking permit (Alford)
Replace Lost permit

**Business Centres**

**Fairfield Enterprise Centre Louth**

Conference room hire - full day
Conference room hire - half day
Conference room hire - per hour
Small meeting room hire - full day
Small meeting room hire - half day
Small meeting room hire - per hour
Pod room hire - per hour
Large booth hire - half day
large booth hire - full day
Refreshment package - Standard (per person)
Refreshment package - Buffet lunch (per person)
Office unit (Rent & services) 1 (per week)
Office unit (Rent & services) 2 (per week)
Office unit (Rent & services) 3 (per week)
Office unit (Rent & services) 4 (per week)
Office unit (Rent & services) 5 (per week)
Office unit (Rent & services) 6 (per week)
Office unit (Rent & services) 7 (per week)
Office unit (Rent & services) 8 (per week)
Office unit (Rent & services) 9 (per week)
Office unit (Rent & services) 10 (per week)
Office unit (Rent & services) 11 (per week)
Office unit (Rent & services) 12 (per week)
Office unit (Rent & services) 13 (per week)
Office unit (Rent & services) 14 (per week)
Office unit (Rent & services) 15 (per week)
Office unit (Rent & services) 17 (per week)

Office unit (Rent & services) 18 (per week)
Office unit (Rent & services) 19 (per week)
Office unit (Rent & services) 20 (per week)
Office unit (Rent & services) 21 (per week)
Office unit (Rent & services) 22 (per week)
Office unit (Rent & services) 23 (per week)
Office unit (Rent & services) 24 (per week)
Office unit (Rent & services) 25/26 (per week)
Office unit (Rent & services) 27 (per week)
Office unit (Rent & services) 28 (per week)
Office unit (Rent & services) 29 (per week)
Office unit (Rent & services) 30 (per week)
Office unit (Rent & services) 31 (per week)
Office unit (Rent & services) 32 (per week)
Office unit (Rent & services) 33 (per week)
Office unit (Rent & services) 34 (per week)
Office unit (Rent & services) 35 (per week)
Office unit (Rent & services) 36 (per week)

**Mablethorpe Business Centre**

Office unit (Rent & services) 1 (per week)
Office unit (Rent & services) 2 (per week)
Office unit (Rent & services) 3 (per week)
Office unit (Rent & services) 4 (per week)
Office unit (Rent & services) 5 (per week)
Office unit (Rent & services) 6 (per week)
Office unit (Rent & services) 7 (per week)
Office unit (Rent & services) 8 (per week)
Office unit (Rent & services) 9 (per week)
Office unit (Rent & services) 10 (per week)
Office unit (Rent & services) 11 (per week)
Office unit (Rent & services) 12 (per week)
Office unit (Rent & services) 13 (per week)
Office unit (Rent & services) 14 (per week)
Office unit (Rent & services) 15 (per week)
Office unit (Rent & services) 16 (per week)
Office unit (Rent & services) 17 (per week)
Office unit (Rent & services) 18 (per week)
Office unit (Rent & services) 19 (per week)
Workshop Unit 1 (Rent & Services) (per week)
Workshop Unit 2 (Rent & Services) (per week)
Workshop Unit 3 (Rent & Services) (per week)
Workshop Unit 4 (Rent & Services) (per week)
Workshop Unit 5 (Rent & Services) (per week)
Workshop Unit 6 (Rent & Services) (per week)
Workshop Unit 7 (Rent & Services) (per week)
Workshop Unit 8 (Rent & Services) (per week)
Virtual Office - Bronze (per month)
Virtual Office - Silver (per month)
Virtual Office - Gold (per month)

**Kingfisher Caravan Park**

Ground rent - standard plot, including water & sewerage
Ground rent - Premium plot, including water and sewerage
Laundrette fees - washing machines - Programme 1
Laundrette fees - washing machines - Programme 2
Laundrette fees - drier £1 then 20p top up after that
Barrier cards

**Property**

Beach Chalet site licence
Beach Chalet site licence

**Other Miscellaneous Fees**

Purchase of empty sandbags (per unit)
Full register - data format (plus £1.50 for each 1000 entries)
Full register - printed format (plus £5.00 for each 1000 entries)
Overseas electors list - data format (plus £1.50 for each 100 entries)
Overseas electors list - printed format (plus £5.00 for each 100 entries)
Edited register - data format (plus £1.50 for each 1000 entries)
Edited register - printed format (plus £5.00 for each 1000 entries)
Marked registers (plus £2.00 for printed version and £1.00 for data version per 1000)
Metal detecting on beaches
Enforcement - High Hedge Fees
Hire of beach wheelchair

**APPENDIX 4**

**2023/24**

**2024/25**

**Fee VAT 5%/20% Total Fee**

**Fee VAT 5%/20% Total Fee**

		Based on rateable value
		Based on rateable value
£37.00	£0.00	£37.00
£10.50	£0.00	£10.50
£21.00	£0.00	£21.00

		Based on rateable value
		Based on rateable value
£37.00	£0.00	£37.00
£10.50	£0.00	£10.50
£21.00	£0.00	£21.00

£50.00	£0.00	£50.00
£150.00	£0.00	£150.00
£25.00	£0.00	£25.00
£100.00	£0.00	£100.00
£300.00	£0.00	£300.00
£300.00	£0.00	£300.00
£40.00	£0.00	£40.00

£50.00	£0.00	£50.00
£150.00	£0.00	£150.00
£25.00	£0.00	£25.00
£100.00	£0.00	£100.00
£300.00	£0.00	£300.00
£300.00	£0.00	£300.00
£40.00	£0.00	£40.00

£409.00	£0.00	£409.00
£409.00	£0.00	£409.00
£174.00	£0.00	£174.00
£324.00	£0.00	£324.00
£409.00	£0.00	£409.00
£409.00	£0.00	£409.00
£409.00	£0.00	£409.00

£409.00	£0.00	£409.00
£409.00	£0.00	£409.00
£174.00	£0.00	£174.00
£324.00	£0.00	£324.00
£409.00	£0.00	£409.00
£409.00	£0.00	£409.00
£409.00	£0.00	£409.00

£389.00	£0.00	£389.00
£389.00	£0.00	£389.00
£124.00	£0.00	£124.00
£224.00	£0.00	£224.00
£389.00	£0.00	£389.00
£389.00	£0.00	£389.00
£389.00	£0.00	£389.00

£389.00	£0.00	£389.00
£389.00	£0.00	£389.00
£124.00	£0.00	£124.00
£224.00	£0.00	£224.00
£389.00	£0.00	£389.00
£389.00	£0.00	£389.00
£389.00	£0.00	£389.00

£409.00	£0.00	£409.00
£409.00	£0.00	£409.00
£174.00	£0.00	£174.00
£274.00	£0.00	£274.00
£409.00	£0.00	£409.00

£409.00	£0.00	£409.00
£409.00	£0.00	£409.00
£174.00	£0.00	£174.00
£274.00	£0.00	£274.00
£409.00	£0.00	£409.00

£409.00	£0.00	£409.00
£409.00	£0.00	£409.00

£409.00	£0.00	£409.00
£409.00	£0.00	£409.00

£8,000.00	£0.00	£8,000.00
£3,000.00	£0.00	£3,000.00
£8,000.00	£0.00	£8,000.00
£1,800.00	£0.00	£1,800.00
£1,800.00	£0.00	£1,800.00
£4,000.00	£0.00	£4,000.00
£5,000.00	£0.00	£5,000.00

£8,000.00	£0.00	£8,000.00
£3,000.00	£0.00	£3,000.00
£8,000.00	£0.00	£8,000.00
£1,800.00	£0.00	£1,800.00
£1,800.00	£0.00	£1,800.00
£4,000.00	£0.00	£4,000.00
£5,000.00	£0.00	£5,000.00

£1,200.00	£0.00	£1,200.00
£200.00	£0.00	£200.00
£200.00	£0.00	£200.00

£1,200.00	£0.00	£1,200.00
£200.00	£0.00	£200.00
£200.00	£0.00	£200.00

£1,200.00	£0.00	£1,200.00
£200.00	£0.00	£200.00
£200.00	£0.00	£200.00

£1,200.00	£0.00	£1,200.00
£200.00	£0.00	£200.00
£200.00	£0.00	£200.00

£350.00	£0.00	£350.00
£350.00	£0.00	£350.00
£350.00	£0.00	£350.00
£1,000.00	£0.00	£1,000.00
£350.00	£0.00	£350.00
£350.00	£0.00	£350.00
£350.00	£0.00	£350.00

£350.00	£0.00	£350.00
£350.00	£0.00	£350.00
£350.00	£0.00	£350.00
£1,000.00	£0.00	£1,000.00
£350.00	£0.00	£350.00
£350.00	£0.00	£350.00
£350.00	£0.00	£350.00

		No fee
		No fee
£500.00	£0.00	£500.00
£98.00	£0.00	£98.00

		No fee
		No fee
£500.00	£0.00	£500.00
£98.00	£0.00	£98.00

£155.00	£0.00	£155.00
£145.00	£0.00	£145.00
£55.00	£0.00	£55.00
£55.00	£0.00	£55.00
£30.00	£0.00	£30.00
£0.00	£0.00	£0.00
£306.00	£0.00	£306.00
		Full recovery

£336.40	£0.00	£336.40
£522.00	£0.00	£522.00
£424.85	£0.00	£424.85
£320.20	£0.00	£320.20
£81.80	£0.00	£81.80
£52.00	£0.00	£52.00
£335.35	£0.00	£335.35
		Full recovery

£130.00	£0.00	£130.00
£120.00	£0.00	£120.00
£335.00	£0.00	£335.00

£130.00	£0.00	£130.00
£120.00	£0.00	£120.00
£335.00	£0.00	£335.00

£139.00	£0.00	£139.00
£2.00	£0.00	£2.00
£44.00	£0.00	£44.00
£40.00	£0.00	£40.00
£20.00	£0.00	£20.00
£12.50	£0.00	£12.50
£11.00	£0.00	£11.00

£139.00	£0.00	£139.00
£2.00	£0.00	£2.00
£44.00	£0.00	£44.00
£40.00	£0.00	£40.00
£20.00	£0.00	£20.00
£12.50	£0.00	£12.50
£11.00	£0.00	£11.00

£1,600.00	£0.00	£1,600.00
£540.00	£0.00	£540.00
£50.00	£0.00	£50.00
£25.00	£0.00	£25.00
£25.00	£0.00	£25.00
£75.00	£0.00	£75.00

£1,600.00	£0.00	£1,600.00
£540.00	£0.00	£540.00
£50.00	£0.00	£50.00
£25.00	£0.00	£25.00
£25.00	£0.00	£25.00
£75.00	£0.00	£75.00

£3,363.00	£0.00	£3,363.00
£3,363.00	£0.00	£3,363.00
£1,188.00	£0.00	£1,188.00
£1,368.00	£0.00	£1,368.00
£235.00	£0.00	£235.00
£698.00	£0.00	£698.00
£698.00	£0.00	£698.00
£1,343.00	£0.00	£1,343.00
£1,507.00	£0.00	£1,507.00
£2,230.00	£0.00	£2,230.00

£3,363.00	£0.00	£3,363.00
£3,363.00	£0.00	£3,363.00
£1,188.00	£0.00	£1,188.00
£1,368.00	£0.00	£1,368.00
£235.00	£0.00	£235.00
£698.00	£0.00	£698.00
£698.00	£0.00	£698.00
£1,343.00	£0.00	£1,343.00
£1,507.00	£0.00	£1,507.00
£2,230.00	£0.00	£2,230.00

£155.00	£0.00	£155.00
£257.00	£0.00	£257.00
£362.00	£0.00	£362.00
£1,650.00	£0.00	£1,650.00

£155.00	£0.00	£155.00
£257.00	£0.00	£257.00
£362.00	£0.00	£362.00
£1,650.00	£0.00	£1,650.00

£1,650.00	£0.00	£1,650.00
£1,650.00	£0.00	£1,650.00
£985.00	£0.00	£985.00
£498.00	£0.00	£498.00
£71.00	£0.00	£71.00
£1,188.00	£0.00	£1,188.00
£102.00	£0.00	£102.00
£1,050.00	£0.00	£1,050.00
£47.00	£0.00	£47.00
£497.00	£0.00	£497.00
£169.00	£0.00	£169.00
£79.00	£0.00	£79.00
£158.00	£0.00	£158.00
£237.00	£0.00	£237.00

£1,650.00	£0.00	£1,650.00
£1,650.00	£0.00	£1,650.00
£985.00	£0.00	£985.00
£498.00	£0.00	£498.00
£71.00	£0.00	£71.00
£1,188.00	£0.00	£1,188.00
£102.00	£0.00	£102.00
£1,050.00	£0.00	£1,050.00
£47.00	£0.00	£47.00
£497.00	£0.00	£497.00
£169.00	£0.00	£169.00
£79.00	£0.00	£79.00
£158.00	£0.00	£158.00
£237.00	£0.00	£237.00



£113.00	£0.00	£113.00
£226.00	£0.00	£226.00
£341.00	£0.00	£341.00
£772.00	£0.00	£772.00
£1,161.00	£0.00	£1,161.00
£1,747.00	£0.00	£1,747.00
£626.00	£0.00	£626.00
£1,034.00	£0.00	£1,034.00
£1,551.00	£0.00	£1,551.00
£385.00	£0.00	£385.00
£617.00	£0.00	£617.00
£924.00	£0.00	£924.00

£113.00	£0.00	£113.00
£226.00	£0.00	£226.00
£341.00	£0.00	£341.00
£772.00	£0.00	£772.00
£1,161.00	£0.00	£1,161.00
£1,747.00	£0.00	£1,747.00
£626.00	£0.00	£626.00
£1,034.00	£0.00	£1,034.00
£1,551.00	£0.00	£1,551.00
£385.00	£0.00	£385.00
£617.00	£0.00	£617.00
£924.00	£0.00	£924.00

£150.00	£30.00	£180.00
£400.00	£0.00	£400.00
£45.00	£0.00	£45.00
£25.00	£0.00	£25.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00

£150.00	£30.00	£180.00
£400.00	£0.00	£400.00
£45.00	£0.00	£45.00
£25.00	£0.00	£25.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00

£120.00	£0.00	£120.00
£55.00	£0.00	£55.00

£120.00	£0.00	£120.00
£55.00	£0.00	£55.00

£76.80	£14.20	£91.00
£20.00	£0.00	£20.00
£71.00	£14.20	£85.20
£10.00	£2.00	£12.00
£10.00	£2.00	£12.00
£20.00	£4.00	£24.00
£6.60	£1.32	£7.92
£10.00	£2.00	£12.00
£3.00	£0.00	£3.00

£76.80	£14.20	£91.00
£20.00	£0.00	£20.00
£71.00	£14.20	£85.20
£10.00	£2.00	£12.00
£10.00	£2.00	£12.00
£20.00	£4.00	£24.00
£6.60	£1.32	£7.92
£10.00	£2.00	£12.00
£3.00	£0.00	£3.00

£660.00	£0.00	£660.00
£480.00	£0.00	£480.00
£120.00	£0.00	£120.00
£10.00	£0.00	£10.00
£12.00	£0.00	£12.00

£687.72	£0.00	£687.72
£500.16	£0.00	£500.16
£125.04	£0.00	£125.04
£10.42	£0.00	£10.42
£12.50	£0.00	£12.50

£360.00	£0.00	£360.00
£30.00	£0.00	£30.00
£120.00	£0.00	£120.00

£375.12	£0.00	£375.12
£31.26	£0.00	£31.26
£120.00	£0.00	£120.00

£310.00	£0.00	£310.00
£328.00	£0.00	£328.00
£300.00	£0.00	£300.00
£1,000.00	£0.00	£1,000.00
£3,000.00	£0.00	£3,000.00

£310.00	£0.00	£310.00
£328.00	£0.00	£328.00
£300.00	£0.00	£300.00
£1,000.00	£0.00	£1,000.00
£3,000.00	£0.00	£3,000.00

£1,000.00	£0.00	£1,000.00
£1,500.00	£0.00	£1,500.00
£2,000.00	£0.00	£2,000.00
£2,500.00	£0.00	£2,500.00
£3,000.00	£0.00	£3,000.00
£5,000.00	£0.00	£5,000.00
£7,500.00	£0.00	£7,500.00
£10,000.00	£0.00	£10,000.00
£15,000.00	£0.00	£15,000.00
£20,000.00	£0.00	£20,000.00
£30,000.00	£0.00	£30,000.00

£1,000.00	£0.00	£1,000.00
£1,500.00	£0.00	£1,500.00
£2,000.00	£0.00	£2,000.00
£2,500.00	£0.00	£2,500.00
£3,000.00	£0.00	£3,000.00
£5,000.00	£0.00	£5,000.00
£7,500.00	£0.00	£7,500.00
£10,000.00	£0.00	£10,000.00
£15,000.00	£0.00	£15,000.00
£20,000.00	£0.00	£20,000.00
£30,000.00	£0.00	£30,000.00

£500.00	£0.00	£500.00
£1,000.00	£0.00	£1,000.00
£1,500.00	£0.00	£1,500.00
£500.00	£0.00	£500.00
£750.00	£0.00	£750.00
£1,000.00	£0.00	£1,000.00
£1,000.00	£0.00	£1,000.00
£1,500.00	£0.00	£1,500.00
£2,000.00	£0.00	£2,000.00
£1,500.00	£0.00	£1,500.00
£2,500.00	£0.00	£2,500.00
£4,000.00	£0.00	£4,000.00

£500.00	£0.00	£500.00
£1,000.00	£0.00	£1,000.00
£1,500.00	£0.00	£1,500.00
£500.00	£0.00	£500.00
£750.00	£0.00	£750.00
£1,000.00	£0.00	£1,000.00
£1,000.00	£0.00	£1,000.00
£1,500.00	£0.00	£1,500.00
£2,000.00	£0.00	£2,000.00
£1,500.00	£0.00	£1,500.00
£2,500.00	£0.00	£2,500.00
£4,000.00	£0.00	£4,000.00

£1,000.00	£0.00	£1,000.00
£2,500.00	£0.00	£2,500.00
£5,000.00	£0.00	£5,000.00

£1,000.00	£0.00	£1,000.00
£2,500.00	£0.00	£2,500.00
£5,000.00	£0.00	£5,000.00

£50.00	£0.00	£50.00
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£50.00	£0.00	£50.00
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£27.00	£0.00	£27.00
£20.83	£4.17	£25.00
£35.00	£0.00	£35.00
		No fee
		No fee
£25.00	£0.00	£25.00

£27.00	£0.00	£27.00
£20.83	£4.17	£25.00
£35.00	£0.00	£35.00
		No fee
		No fee
£25.00	£0.00	£25.00

£13.75	£1.25	£15.00
£13.75	£1.25	£15.00
£15.00	£3.00	£18.00
£9.17	£0.83	£10.00

£13.75	£1.25	£15.00
£13.75	£1.25	£15.00
£13.75	£1.25	£15.00
£9.17	£0.83	£10.00

£20.00	£0.00	£20.00
		No fee
		No fee
		No fee
£0.40	£0.00	£0.40
£4.00	£0.00	£4.00

£20.00	£0.00	£20.00
£0.00	£0.00	£0.00
£0.00	£0.00	£0.00
£0.00	£0.00	£0.00
£0.40	£0.00	£0.40
£4.00	£0.00	£4.00

£45.00	£0.00	£45.00
£10.00	£0.00	£10.00
		Full Cost
£100.00	£0.00	£100.00

£45.00	£0.00	£45.00
£10.00	£0.00	£10.00
£0.00	£0.00	£0.00
£100.00	£0.00	£100.00

£235.52	£47.10	£282.62
£327.68	£65.54	£393.22
£419.84	£83.97	£503.81
£501.76	£100.35	£602.11
£583.68	£116.74	£700.42
£665.60	£133.12	£798.72
£737.28	£147.46	£884.74
£808.96	£161.79	£970.75
£880.64	£176.13	£1,056.77
£952.32	£190.46	£1,142.78
£353.28	£70.66	£423.94
£491.52	£98.30	£589.82
£629.76	£125.95	£755.71
£752.64	£150.53	£903.17
£875.52	£175.10	£1,050.62
£998.40	£199.68	£1,198.08
£1,105.92	£221.18	£1,327.10
£1,213.44	£242.69	£1,456.13
£1,320.96	£264.19	£1,585.15

£250.00	£50.00	£300.00
£340.00	£68.00	£408.00
£440.00	£88.00	£528.00
£520.00	£104.00	£624.00
£610.00	£122.00	£732.00
£700.00	£140.00	£840.00
£780.00	£156.00	£936.00
£850.00	£170.00	£1,020.00
£930.00	£186.00	£1,116.00
£1,000.00	£200.00	£1,200.00
£370.00	£74.00	£444.00
£510.00	£102.00	£612.00
£660.00	£132.00	£792.00
£790.00	£158.00	£948.00
£920.00	£184.00	£1,104.00
£1,050.00	£210.00	£1,260.00
£1,160.00	£232.00	£1,392.00
£1,270.00	£254.00	£1,524.00
£1,380.00	£276.00	£1,656.00

£1,428.48	£285.70	£1,714.18
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£1,500.00	£300.00	£1,800.00
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£327.68	£65.54	£393.22
£450.56	£90.11	£540.67
£225.28	£45.06	£270.34
£266.24	£53.25	£319.49
£225.28	£45.06	£270.34
		POA
£163.84	£32.77	£196.61
£225.28	£45.06	£270.34
£327.68	£65.54	£393.22
£215.04	£43.01	£258.05
£245.76	£49.15	£294.91
£112.64	£22.53	£135.17
£133.12	£26.62	£159.74
£102.40	£20.48	£122.88
£317.44	£63.49	£380.93
£389.12	£77.82	£466.94
£348.16	£69.63	£417.79
£409.60	£81.92	£491.52
£563.20	£112.64	£675.84
£716.80	£143.36	£860.16
£332.80	£66.56	£399.36
£281.60	£56.32	£337.92
		POA
£204.80	£40.96	£245.76
£281.60	£56.32	£337.92
£409.60	£81.92	£491.52
£665.60	£133.12	£798.72
£793.60	£158.72	£952.32
£112.64	£22.53	£135.17
£133.12	£26.62	£159.74
£102.40	£20.48	£122.88

£340.00	£68.00	£408.00
£470.00	£94.00	£564.00
£240.00	£48.00	£288.00
£280.00	£56.00	£336.00
£300.00	£60.00	£360.00
	£0.00	£0.00
£170.00	£34.00	£204.00
£235.00	£47.00	£282.00
£340.00	£68.00	£408.00
£225.00	£45.00	£270.00
£260.00	£52.00	£312.00
£120.00	£24.00	£144.00
£140.00	£28.00	£168.00
£660.00	£132.00	£792.00
£330.00	£66.00	£396.00
£410.00	£82.00	£492.00
£360.00	£72.00	£432.00
£430.00	£86.00	£516.00
£590.00	£118.00	£708.00
£750.00	£150.00	£900.00
£350.00	£70.00	£420.00
£300.00	£60.00	£360.00
		£0.00
£220.00	£44.00	£264.00
£300.00	£60.00	£360.00
£430.00	£86.00	£516.00
£700.00	£140.00	£840.00
£830.00	£166.00	£996.00
£120.00	£24.00	£144.00
£140.00	£28.00	£168.00
£660.00	£132.00	£792.00

£184.32	£36.86	£221.18
£245.76	£49.15	£294.91
£348.16	£69.63	£417.79
£276.48	£55.30	£331.78
£389.12	£77.82	£466.94
£512.00	£102.40	£614.40

£200.00	£40.00	£240.00
£260.00	£52.00	£312.00
£360.00	£72.00	£432.00
£300.00	£60.00	£360.00
£410.00	£82.00	£492.00
£540.00	£108.00	£648.00

£204.80	£40.96	£245.76
£225.28	£45.06	£270.34
£327.68	£65.54	£393.22
£184.32	£36.86	£221.18
£276.48	£55.30	£331.78

£220.00	£44.00	£264.00
£240.00	£48.00	£288.00
£340.00	£68.00	£408.00
£190.00	£38.00	£228.00
£290.00	£58.00	£348.00

£40.00	£0.00	£40.00
£25.00	£0.00	£25.00
		POA
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£100.00	£0.00	£100.00
£100.00	£0.00	£100.00
£50.00	£0.00	£50.00
£25.00	£0.00	£25.00
£0.00	£0.00	£0.00
£0.00	£0.00	£0.00

£40.00	£0.00	£40.00
£25.00	£0.00	£25.00
		POA
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£150.00	£0.00	£150.00
£100.00	£0.00	£100.00
£100.00	£0.00	£100.00
£50.00	£0.00	£50.00
£25.00	£0.00	£25.00
£0.00	£0.00	£0.00
£0.00	£0.00	£0.00

£75.92	£15.18	£91.10
£158.12	£31.62	£189.75
£165.00	£33.00	£198.00
£458.33	£91.67	£550.00
£916.67	£183.33	£1,100.00
£1,833.33	£366.67	£2,200.00
£158.12	£31.62	£189.75
£458.33	£91.67	£550.00
£916.67	£183.33	£1,100.00
£1,833.33	£366.67	£2,200.00
£75.92	£15.18	£91.10
£75.92	£15.18	£91.10
£137.50	£27.50	£165.00
£137.50	£27.50	£165.00
£75.92	£15.18	£91.10
£137.50	£27.50	£165.00
£0.00	£0.00	£0.00
£0.00	£0.00	£0.00

£75.92	£15.18	£91.10
£158.12	£31.62	£189.75
£165.00	£33.00	£198.00
£458.33	£91.67	£550.00
£916.67	£183.33	£1,100.00
£1,833.33	£366.67	£2,200.00
£158.12	£31.62	£189.75
£458.33	£91.67	£550.00
£916.67	£183.33	£1,100.00
£1,833.33	£366.67	£2,200.00
£75.92	£15.18	£91.10
£75.92	£15.18	£91.10
£137.50	£27.50	£165.00
£137.50	£27.50	£165.00
£75.92	£15.18	£91.10
£137.50	£27.50	£165.00
£0.00	£0.00	£0.00
£0.00	£0.00	£0.00

£0.00	£0.00	£0.00
£0.00	£0.00	£0.00

£0.00	£0.00	£0.00
£0.00	£0.00	£0.00

£132.00	£0.00	£132.00
£132.00	£0.00	£132.00
£462.00	£0.00	£462.00
£462.00	£0.00	£462.00
£462.00	£0.00	£462.00
£462.00	£0.00	£462.00
£206.00	£0.00	£206.00
£407.00	£0.00	£407.00
£206.00	£0.00	£206.00
£462.00	£0.00	£462.00
£234.00	£0.00	£234.00
£96.00	£0.00	£96.00
£462.00	£0.00	£462.00
£96.00	£0.00	£96.00
£2,580.00	£0.00	£2,580.00
£462.00	£0.00	£462.00
£462.00	£0.00	£462.00
£462.00	£0.00	£462.00
£234.00	£0.00	£234.00
£234.00	£0.00	£234.00
£462.00	£0.00	£462.00
£234.00	£0.00	£234.00
£462.00	£0.00	£462.00
£508.00	£0.00	£508.00
£257.00	£0.00	£257.00
£38,520.00	£0.00	£38,520.00

£165.00	£0.00	£132.00
£165.00	£0.00	£132.00
£577.50	£0.00	£462.00
£577.50	£0.00	£462.00
£577.50	£0.00	£462.00
£577.50	£0.00	£462.00
£257.50	£0.00	£206.00
£508.75	£0.00	£407.00
£257.50	£0.00	£206.00
£577.50	£0.00	£462.00
£292.50	£0.00	£234.00
£120.00	£0.00	£96.00
£577.50	£0.00	£462.00
£120.00	£0.00	£96.00
£3,225.00	£0.00	£2,580.00
£577.50	£0.00	£462.00
£577.50	£0.00	£462.00
£577.50	£0.00	£462.00
£292.50	£0.00	£234.00
£292.50	£0.00	£234.00
£577.50	£0.00	£462.00
£292.50	£0.00	£234.00
£577.50	£0.00	£462.00
£635.00	£0.00	£508.00
£321.25	£0.00	£257.00
£48,150.00	£0.00	£38,520.00

£234.00	£0.00	£234.00
£690.00	£0.00	£690.00
£68.00	£0.00	£68.00
£234.00	£0.00	£234.00
£96.00	£0.00	£96.00
£206.00	£0.00	£206.00
£462.00	£0.00	£462.00
£34.00	£0.00	£34.00
£116.00	£0.00	£116.00
£34.00	£0.00	£34.00
£234.00	£0.00	£234.00
		Negotiated on case-by-case basis

£292.50	£0.00	£234.00
£862.50	£0.00	£690.00
£85.00	£0.00	£68.00
£292.50	£0.00	£234.00
£120.00	£0.00	£96.00
£257.50	£0.00	£206.00
£577.50	£0.00	£462.00
£42.50	£0.00	£34.00
£145.00	£0.00	£116.00
£42.50	£0.00	£34.00
£292.50	£0.00	£234.00
		Negotiated on case-by-case basis

£0.00	£0.00	£0.00
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£0.00	£0.00	£0.00
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£345.83	£69.17	£415.00
£208.33	£41.67	£250.00
£208.33	£41.67	£250.00
£208.33	£41.67	£250.00
£208.33	£41.67	£250.00
£138.33	£27.67	£166.00
£138.33	£27.67	£166.00
£268.33	£53.67	£322.00
£164.17	£32.83	£197.00

£345.83	£69.17	£415.00
£208.33	£41.67	£250.00
£208.33	£41.67	£250.00
£208.33	£41.67	£250.00
£208.33	£41.67	£250.00
£138.33	£27.67	£166.00
£138.33	£27.67	£166.00
£268.33	£53.67	£322.00
£164.17	£32.83	£197.00

£164.17	£32.83	£197.00
£164.17	£32.83	£197.00
£164.17	£32.83	£197.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£180.83	£36.17	£217.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£78.33	£15.67	£94.00
£78.33	£15.67	£94.00
£95.00	£19.00	£114.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£43.33	£8.67	£52.00
£43.33	£8.67	£52.00
£12.50	£2.50	£15.00

£164.17	£32.83	£197.00
£164.17	£32.83	£197.00
£164.17	£32.83	£197.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£180.83	£36.17	£217.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£113.33	£22.67	£136.00
£78.33	£15.67	£94.00
£78.33	£15.67	£94.00
£95.00	£19.00	£114.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£60.00	£12.00	£72.00
£43.33	£8.67	£52.00
£43.33	£8.67	£52.00
£12.50	£2.50	£15.00

£130.00	£26.00	£156.00
£70.00	£14.00	£84.00
£20.00	£4.00	£24.00
£80.00	£16.00	£96.00
£45.00	£9.00	£54.00
£12.50	£2.50	£15.00
£4.17	£0.83	£5.00
£12.50	£2.50	£15.00
£45.00	£9.00	£54.00
£3.50	£0.70	£4.20
£8.75	£1.75	£10.50
£129.03	£25.81	£154.83
£115.74	£23.15	£138.89
£77.89	£15.58	£93.46
£74.01	£14.80	£88.81
£74.01	£14.80	£88.81
£77.89	£15.58	£93.46
£115.74	£23.15	£138.89
£129.03	£25.81	£154.83
£133.51	£26.70	£160.22
£131.07	£26.21	£157.28
£117.78	£23.56	£141.34
£119.82	£23.96	£143.79
£115.13	£23.03	£138.16
£117.17	£23.43	£140.60
£131.07	£26.21	£157.28
£111.25	£22.25	£133.50

£130.00	£26.00	£156.00
£70.00	£14.00	£84.00
£20.00	£4.00	£24.00
£80.00	£16.00	£96.00
£45.00	£9.00	£54.00
£12.50	£2.50	£15.00
£4.17	£0.83	£5.00
£12.50	£2.50	£15.00
£45.00	£9.00	£54.00
£3.50	£0.70	£4.20
£8.75	£1.75	£10.50
£138.36	£27.67	£166.03
£124.11	£24.82	£148.93
£83.51	£16.70	£100.21
£79.09	£15.82	£94.91
£79.09	£15.82	£94.91
£83.51	£16.70	£100.21
£124.11	£24.82	£148.93
£138.36	£27.67	£166.03
£143.48	£28.70	£172.18
£140.69	£28.14	£168.83
£126.44	£25.29	£151.73
£128.76	£25.75	£154.51
£123.41	£24.68	£148.09
£125.74	£25.15	£150.89
£140.69	£28.14	£168.83
£118.99	£23.80	£142.79



£106.77	£21.35	£128.12
£77.89	£15.58	£93.46
£74.21	£14.84	£89.06
£74.21	£14.84	£89.06
£77.89	£15.58	£93.46
£131.07	£26.21	£157.28
£150.82	£30.16	£180.99
£294.56	£58.91	£353.47
£132.90	£26.58	£159.48
£156.13	£31.23	£187.35
£153.48	£30.70	£184.17
£132.29	£26.46	£158.75
£117.17	£23.43	£140.60
£114.93	£22.99	£137.91
£109.01	£21.80	£130.81
£113.09	£22.62	£135.71
£114.93	£22.99	£137.91
£84.62	£16.92	£101.54

£113.88	£22.78	£136.66
£83.51	£16.70	£100.21
£79.33	£15.87	£95.20
£79.33	£15.87	£95.20
£83.51	£16.70	£100.21
£140.69	£28.14	£168.83
£161.73	£32.35	£194.08
£251.45	£50.29	£301.74
£142.78	£28.56	£171.34
£167.78	£33.56	£201.34
£164.76	£32.95	£197.71
£142.09	£28.42	£170.51
£125.74	£25.15	£150.89
£123.18	£24.64	£147.82
£116.43	£23.29	£139.72
£121.09	£24.22	£145.31
£123.18	£24.64	£147.82
£91.19	£18.24	£109.43

£84.96	£16.99	£101.96
£79.71	£15.94	£95.65
£101.30	£20.26	£121.55
£37.14	£7.43	£44.57
£40.66	£8.13	£48.79
£40.91	£8.18	£49.09
£40.48	£8.10	£48.57
£42.97	£8.59	£51.56
£38.46	£7.69	£46.15
£39.36	£7.87	£47.23
£42.97	£8.59	£51.56
£40.48	£8.10	£48.57
£40.79	£8.16	£48.95
£40.91	£8.18	£49.09
£37.41	£7.48	£44.90
£81.68	£16.34	£98.01
£78.22	£15.64	£93.87
£86.60	£17.32	£103.92
£35.53	£7.11	£42.64
£118.94	£23.79	£142.72
£91.98	£18.40	£110.38
£92.81	£18.56	£111.37
£76.40	£15.28	£91.68
£69.73	£13.95	£83.67
£74.05	£14.81	£88.86
£94.29	£18.86	£113.14
£119.31	£23.86	£143.18
£35.00	£7.00	£42.00
£60.00	£12.00	£72.00
£80.00	£16.00	£96.00

£91.98	£18.40	£110.38
£86.26	£17.25	£103.51
£109.65	£21.93	£131.58
£40.22	£8.04	£48.26
£44.04	£8.81	£52.85
£44.29	£8.86	£53.15
£43.83	£8.77	£52.60
£46.54	£9.31	£55.85
£41.67	£8.33	£50.00
£42.71	£8.54	£51.25
£46.54	£9.31	£55.85
£43.83	£8.77	£52.60
£44.17	£8.83	£53.00
£44.29	£8.86	£53.15
£40.54	£8.11	£48.65
£86.90	£17.38	£104.28
£84.78	£16.96	£101.74
£93.61	£18.72	£112.33
£38.55	£7.71	£46.26
£128.39	£25.68	£154.07
£99.34	£19.87	£119.21
£100.21	£20.04	£120.25
£82.27	£16.45	£98.72
£75.11	£15.02	£90.13
£79.68	£15.94	£95.62
£101.75	£20.35	£122.10
£128.35	£25.67	£154.02
£35.00	£7.00	£42.00
£60.00	£12.00	£72.00
£80.00	£16.00	£96.00

£2,749.24	£549.85	£3,299.09
£3,025.81	£605.16	£3,630.97
£3.33	£0.67	£4.00
£4.17	£0.83	£5.00
£0.83	£0.17	£1.00
£8.33	£1.67	£10.00

£2,905.12	£581.02	£3,486.14
£3,197.37	£639.47	£3,836.84
£3.33	£0.67	£4.00
£4.17	£0.83	£5.00
£0.83	£0.17	£1.00
£8.33	£1.67	£10.00

£125.00	£0.00	£125.00
£250.00	£50.00	£300.00

£125.00	£25.00	£150.00
£250.00	£50.00	£300.00

£0.25	£0.05	£0.30
£20.00	£0.00	£20.00
£10.00	£0.00	£10.00
£20.00	£0.00	£20.00
£10.00	£0.00	£10.00
£20.00	£0.00	£20.00
£10.00	£0.00	£10.00
£10.00	£0.00	£10.00
		No fee
£500.00	£0.00	£500.00

£0.25	£0.05	£0.30
£20.00	£0.00	£20.00
£10.00	£0.00	£10.00
£20.00	£0.00	£20.00
£10.00	£0.00	£10.00
£20.00	£0.00	£20.00
£10.00	£0.00	£10.00
£10.00	£0.00	£10.00
		No fee
£500.00	£0.00	£500.00



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South & East Lincolnshire Councils Partnership

# Partnership Alignment and Delivery Plan 2024/25

# Golden Thread

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# Partnership's Sub-regional Strategy priorities



Our Partnership's Sub-regional Strategy can be viewed at  
[www.selcp.co.uk/SRS](http://www.selcp.co.uk/SRS)



# Purpose of this Plan and tracking



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South & East Lincolnshire Councils Partnership

The Partnership needs to agree a programme of work annually for the following key reasons:

- To provide direction for Members and Officers;
- To deliver on the agreed Partnership priorities, both financial and non-financial; and
- To help direct and manage resources effectively and efficiently across the Partnership.

Note:  
 The Alignment and Delivery Plan sets out projects that Members support the principle of progressing. Some projects will require further decision making as they come forward.  
 Whilst projects are allocated to a specific Directorate in this plan, many projects involve cross-Directorate working to facilitate their delivery.

Action Status	
Completed	C
Not started	NS
On plan	Green
Off plan but mitigation in place to get back on plan	Yellow
Off plan and no mitigation	Red

# Strategic Partnership deliverables 24/25 (1 of 3)

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Project title	Purpose	Project type	Strategic Priority	Delivery by date	Directorate	Assistant Director	Tracking
Secure new funding arrangement for Internal Drainage Boards	Lead the Local Government Association Special Interest Group work to secure a new funding arrangement for Drainage Boards that removes the financial pressure from Councils.	Policy Review	Efficient and Effective	Q4	Corporate Development	Corporate	
Align key elements of Council constitutions	To align key areas of the constitution across the Partnership to bring consistency to decision making processes in line with Peer Review and scrutiny recommendation.	Policy Review	Efficient and Effective	Q4	Corporate Development	Governance	
Implement Terms and Conditions alignment and shared Officer Pay arrangement	To align, as far as possible, officer Terms and Conditions of employment; and create a pay structure for officers shared across 2 and 3 Councils.	People	Efficient and Effective	Q4	Corporate Development	Corporate	
Implement a PSPS transformation programme	Agree a transformation programme with PSPS that supports the transformation of PSPS services and drives cost efficiencies for the Councils and service improvements for customers.	Partnership	Efficient and Effective	Q2	Corporate Development	Corporate	
Develop a Sub-regional Leisure and Culture Offer	Develop an opportunity for an external Leisure & Culture service across the sub-region for the three Councils consideration.	Partnership	Efficient and Effective	Q3	Communities	Leisure and Culture	
Sub-regional Neighbourhoods Service	Develop proposals for future service delivery models across the sub-region, incorporating waste and street scene services (including policy alignment).	Partnership	Efficient and Effective	Q3	Communities	Neighbourhoods	
Economic Strategy	Bring forward actions identified within the approved Strategy for 24/25, working closely with key strategic partners, such as Lincolnshire County Council.	Partnership	Growth and Prosperity	Q4	Growth	Economic Growth	
Housing Stock Conditions Survey	To undertake the survey.	People	Safer Communities	Q3	Communities	Wellbeing and Community Leadership	

# Strategic Partnership deliverables 24/25 (2 of 3)

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Project title	Purpose	Project type	Strategic Priority	Delivery by date	Directorate	Assistant Director	Tracking
Investment in utilities	Lobby external bodies for investment to meet the power, water and digital utility needs of the sub-region; and develop a strategy to address challenges/opportunities.	Partnership	Growth and Prosperity	Q4	Growth	Planning and Strategic Infrastructure	
EV charging	Develop an EV charging framework for the sub-region and engage with the private sector to maximise delivery of EV charging infrastructure.	Policy / Partnership	Growth and Prosperity	Q4	Growth	Strategic Growth and Development	
Inclusive Growth	Develop a strategy to support skills and continued delivery of skills initiatives that respond to the needs of the sub-region.	Partnership	Growth and Prosperity	Q4	Growth	Economic Growth	
Long Term Plan for Towns Programme	With partners, develop and commence delivery of plans to maximise the use of the £20m(each) awarded to Boston, Skegness and Spalding over the next 10 years.	Partnership	Growth and Prosperity	Q2	Growth		
UK Shared Prosperity Fund and Rural England Prosperity Fund	Deliver the 24/25 programme, including the People and Skills strand.	People	Growth and Prosperity	Q3	Growth	Strategic Growth and Development	
National Portfolio Organisation and Cultural Development Fund	Ongoing delivery of both programmes of work focused on arts, cultural and heritage.	Partnership	Growth and Prosperity	Q4	Growth	Economic Growth	
Cultural-led economic interventions	Deliver a targeted programme of placed-based and cultural-led interventions within the sub-region.	Partnership	Growth and Prosperity	Q4	Growth	Economic Growth	
Private Sector Housing Strategy	To compete to Strategy.	People	Safer Communities	Q3	Communities	Wellbeing and Community Leadership	



# Strategic Partnership deliverables 24/25 (3 of 3)

Project title	Purpose	Project type	Strategic Priority	Delivery by date	Directorate	Assistant Director	Tracking
Investment in Transport Network	Lobby external bodies to build the case for investment in road, rail, port and public transport infrastructure.	Partnership	Growth and Prosperity	Q4	Growth	Strategic Growth and Development	
Government funding confidence	Maintain confidence with Government and other partners through the effective delivery of the existing funding streams (Town Deal, LUF, CDF etc); ensuring compliance with all funding administration requirements and monitoring.	Partnership	Growth and Prosperity	Q4	Growth	Economic Growth	
Housing delivery	Maintain support for housing delivery across the sub-region and explore new delivery models and partners, as well as direct delivery.	Policy Review	Growth and Prosperity	Q3	Growth	Planning and Strategic Infrastructure	
Tourism delivery	Support and enhance the tourism offer across the sub-region, including through the Destination Management Plan, Vital & Viable and Boston 400 work.	Policy / Partnership	Growth and Prosperity	Q4	Growth	Economic Growth	
Attainment of Purple Flag Status	Attainment of purple flag status (or equivalent) in the towns of Spalding, Boston and Skegness.	Partnership	Safer Communities	Q4	Communities	Wellbeing and Community Leadership	
Event delivery	Through an internal events team and external partners, establish and deliver a programme of events across the sub-region that supports economic growth and benefit our communities.	Partnership	Growth and Prosperity	Q4	Communities		

# Corporate deliverables 24/25 (1 of 4)

Project title	Purpose	Project type	Strategic Priority	Delivery by date	Directorate	Assistant Director	Tracking
Refresh Partnership Workforce Development Strategy	Refresh the Partnership Workforce Development Strategy.	Policy Review	Efficient and Effective	Q3	Corporate Development	Corporate	
Establish Member Development Group	Establish Partnership-wide Member Development Group to shape member development	Partnership	Efficient and Effective	Q2	Corporate Development	Governance	
Deliver the Lincolnshire Police and Crime Commissioner election	To ensure we undertake the election to timescales and in line with legislative requirements.	Legislative	Efficient and Effective	Q1	Corporate Development	Governance	
Deliver the General Election	To ensure we undertake the election to timescales and in line with legislative requirements.	Legislative	Efficient and Effective	TBD	Corporate Development	Governance	
Council Tax Support Scheme Review	A review is due on the Scheme with a view to considering whether current arrangements remain appropriate.	Policy Review	Safe and Resilient Communities	TBD	Corporate Development		
Consistent approach to room booking	Alignment of meeting room booking arrangements across the Partnership.	ICT Project	Efficient and Effective	Q1	Corporate Development	Corporate	
Launch a Partnership Intranet	Launch a single Partnership Intranet to replace the Council specific intranets in place.	ICT Project	Efficient and Effective	Q1	Corporate Development	Corporate	
Council Tax Support scheme review	Fundamental Review of Schemes.	Policy Review	People	Q3	Corporate Development	Corporate	
Discretionary Rate Relief Policy Review	Review and alignment opportunity.	Policy Review	People	Q3	Corporate Development	Corporate	
Street Naming and Numbering	Alignment of policy across the Partnership.	Policy Review	Efficient and Effective	Q3	Communities	Regulatory	

# Corporate deliverables 24/25 (2 of 4)

Project title	Purpose	Project type	Strategic Priority	Delivery by date	Directorate	Assistant Director	Tracking
Microsoft 365 alignment	Understand the cost implications and benefits of moving to an aligned M365 tenancy – including financial and operational efficiencies generated as a result.	ICT Project	Efficient and Effective	Q4	Corporate Development	Corporate	
Adoption of a Partnership Engagement Charter	Adopt an Engagement Charter across the Partnership setting out our commitment to how we will engage with communities.	Policy Review	All	Q1	Corporate Development	Corporate	
Employee Volunteering	Establish an approach across the Partnership that facilitates employee volunteering through time given by the employer.	Policy Review	Efficient and Effective	Q2	Corporate Development	Corporate	
Assets Service Review	Undertake a Service Review of the Assets Team.	Service Review	Efficient and Effective	Q3	Programme Delivery	General Fund Assets	
Environment Act – Waste Collection	Implement the waste collection requirements under the Environment Act across the Partnership.	Legislative	Environment	Q4 25/26	Communities	Neighbourhoods	
Partnership Play & Playing Fields Strategy	Develop a Partnership Play & Playing Fields Strategy <i>(Dependent on the delivery of the Planning and Assets review of play provision during 23/24).</i>	Policy Review	Healthy Lives	Q4	Communities	Leisure and Culture / Neighbourhoods	
SELCP RIPA Policy	Develop a Regulation of Investigatory Powers Act policy for the three councils.	Policy Review	Efficient and Effective	Q3	Communities	Regulatory	
Markets Management Software Alignment	Deliver the alignment of the Markets Management Software across the Partnership.	ICT Project	Efficient and Effective	Q2	Communities	Leisure and Culture	
Street Scene Software Alignment	Deliver alignment of Street Scene software.	ICT Project	Efficient and Effective	Q4	Communities	Neighbourhoods	
Sustainable Warm Grant Database Transition	Transition the database (ACCOLAID to UNIFORM) used for the sustainable warmth grant activity.	ICT Project	Efficient and Effective	Q3	Communities	Regulatory	
Market Policies	Review and implement changes to the market policies for all three councils within the Partnership.	Policy Review	Efficient and Effective	Q2	Communities	Leisure and Culture	

# Corporate deliverables 24/25 (3 of 4)



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South & East Lincolnshire Councils Partnership

Project title	Purpose	Project type	Strategic Priority	Delivery by date	Directorate	Assistant Director	Tracking
SELCP Disabled Facilities Grant Policy	Develop a single Disabled Facilities Grant Policy for the three councils within the Partnership.	Policy Review	Efficient and Effective	Q4	Communities	Well-Being and Community Leadership	
SELCP Safeguarding Policy	Develop a single Safeguarding Policy for the three councils within the Partnership.	Policy Review	Efficient and Effective	Q4	Communities	Well-Being and Community Leadership	
Depot Provision across SELCP	To ensure the provision of depots across Boston, South Holland and East Lindsey provides the most efficient and effective/fit for purpose arrangement for waste collection and cleansing/grounds maintenance.	Assets	Efficient and Effective	Q3	Communities	Neighbourhoods	
SELCP Public Conveniences Efficiency Assessment	To ensure the provision of public conveniences in each Council area are served by the most efficient and effective service delivery model.	Assets	Efficient and Effective	Q3	Communities	Neighbourhoods	
CCTV Provision within the SELCP area	To assess the current level of CCTV provision across the three councils including ensuring resilience is supported through a range of mechanisms including the benefits of utilising volunteers.	Service Review	Safe and Resilient Communities	Q4	Communities	Well-Being and Community Leadership	
Neighbourhoods Service Review	Undertake a service review of the Neighbourhoods Division.	Service Review	Efficient and Effective	Q4	Communities	Neighbourhoods	
Fleet Replacement Programme	Development of a Fleet Replacement Programme that includes: - Electric/Renewables; Software for maintenance and Locations for delivery.	Assets and ICT Project	Efficient and Effective	Q4	Communities	Neighbourhoods	
Public Protection Service Review	Undertake a Service Review across Public Protection.	Service Review	Efficient and Effective	Q2	Communities	Regulatory	
Building Control Service Review	Undertake a Service Review across Building Control.	Service Review	Efficient and Effective	Q2	Communities	Regulatory	

# Corporate deliverables 24/25 (4 of 4)

Project title	Purpose	Project type	Strategic Priority	Delivery by date	Directorate	Assistant Director	Tracking
Implementation of Trusted Volunteer Scheme	Implement a Trusted Volunteer Scheme for the Partnership.	People	Efficient and Effective	Q2	Communities	Well-Being and Community Leadership	
Housing and Homelessness Policy and Procedures Review	To ensure the Housing and Homelessness Policy and Procedures remain fit for purpose across the Partnership.	Policy Review	Efficient and Effective	Q4	Communities	Well-Being and Community Leadership	
Planning Enforcement Policy Review	Update Planning Enforcement Policy.	Policy Review	Efficient and Effective	Q3	Growth	Planning and Strategic Infrastructure	

# Local deliverables – Boston (1 of 2)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
Deliver BBC Peer Review	Host the Local Government Association for a Peer Review of Boston Borough Council	Partnership	Q2	Leader	Corporate Development	Corporate	
Implementation of enhanced revenues and benefits software	Improvement to Revenues and Benefits software to allow online service access for customers and online completion of key enquiries (pre-cursor to automation opportunities).	ICT Project	Q4	Finance	Corporate Development	Corporate	
Local Authority Housing Fund	Progress housing delivery through the Local Authority Housing Fund and similar interventions..	Asset project	Q3	Planning and Housing	Programme Delivery	Strategic Growth and Development	
PE21/Rosegarth delivery	Support delivery of the PE21/Rosegarth Levelling Up Fund project.	Asset project	Q1	Leader	Programme Delivery	Planning and Strategic Infrastructure	
Leisure Centre delivery	Support the delivery of the leisure centre Towns Fund scheme and lead on building works to completion.	Asset project	Q4	Leader	Programme Delivery	Strategic Projects	
Boston Town Centre Strategy	Deliver the action plan for Boston Town Centre in accordance with the vision and strategic objectives set out in the Boston Town Centre Strategy.	Partnership	2023-2027	Deputy Leader	Communities		
Green Flag Award Central Park	Deliver Green Flag status for Central Park .	Asset Project	Q4 25/26	Deputy Leader	Communities	Neighbourhoods	
New Leisure Operator	Successfully establish and deliver the monitoring programme for the new Leisure operator for Boston Leisure Centre.	Partnership	Q1	Communities (Place)	Communities	Leisure and Culture	
Waste Collection Round Review	Implementation of Waste Collection Round Review.	Service Review	Q2	Environment	Communities	Neighbourhoods	

# Local deliverables – Boston (2 of 2)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
Depot and Fleet Review	Review the depot and fleet arrangements including maintenance.	Assets Project	Q4	Environment	Communities	Neighbourhoods	
Town Centre Community Forum	Establish a Town Centre Community Forum.	People	Q1	Deputy Leader	Communities	Well-Being and Community Leadership	
Quadrant	Continued delivery of the Quadrant and support the progression of Q2 / South 6 allocation.	Growth	Q4	Leader	Growth	Planning and Strategic Infrastructure	
Employment land	Explore options for additional employment land, including delivery of Local Development Orders.	Growth	Q4	Leader	Growth	Planning and Strategic Infrastructure	
Review of assets	Explore opportunities for increasing income and efficient use of assets whilst also considering disposal where appropriate. This may include Asset Transfer.	Assets Project	Q3	Finance	Programme Delivery	General Fund Assets	
Review of services and income generation	Explore opportunities for commercialisation and charging, where appropriate, to external parties who are making use of those services.	Commercialisation	Q2	Finance	Cross Directorate	Cross Directorate	
Review of contracts	Review contracts with a view to considering alternative options for delivery that are more efficient and cost effective.	Commercialisation	Q3	Finance	Cross Directorate	Cross Directorate	

# Local deliverables – East Lindsey (1 of 3)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
Deliver ELDC Peer Review	Host the Local Government Association for a Peer Review of East Lindsey District Council.	Partnership	Q2	Leader	Corporate Development	Corporate	
Delivery of Uniform Case Management System	Complete Phase 2 delivery of the system for Planning and Building Control.	ICT Project	Q4	Deputy Leader	Corporate Development	Corporate	
Local Authority Housing Fund	Progressing housing delivery, including homes under the Local Authority Housing Fund.	Asset Project	Q1	Housing, Communities and Aging Better	Programme Delivery	Strategic Growth and Development	
Invest East Lindsey	Oversee and lead on a way forward for Invest East Lindsey.	Partnership	Ongoing	Finance	Programme Delivery	General Fund Assets	
Embassy Theatre, Skegness	Complete the building works for the Embassy Theatre, Skegness.	Asset Project	Ongoing	Coastal Economy	Programme Delivery	Strategic Projects	
Mobihub, Mablethorpe	Progress the land exchange work linked to the Mobi-hub project.	Asset Project	Ongoing	Planning	Programme Delivery	Strategic Projects	
Leisure Centre, Mablethorpe	Complete the Mablethorpe Leisure Centre build.	Asset Project	Q3	Finance	Programme Delivery	Strategic Projects	
Campus for Future Living, Mablethorpe	Complete the build of the Campus for Future Living in Mablethorpe.	Asset Project	Q1	Housing, Communities and Aging Better	Programme Delivery	Strategic Projects	
King George Planning Field, Sutton on Sea	The introduction of new facilities.	Asset Project	Q2	Operational Services	Programme Delivery	Strategic Projects	
	A revised sustainable management arrangement.		Q3			Strategic Projects	



# Local deliverables – East Lindsey (2 of 3)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
Colonnade, Sutton on Sea	Complete the building of the Sutton on Sea Colonnade and associated lease arrangements.	Asset Project	Q2	Operational Services	Programme Delivery	Strategic Projects	
Skegness Foreshore	Progress the Skegness Foreshore Towns Fund Scheme.	Asset Project	Q4	Coastal Economy	Programme Delivery	General Fund Assets	
Public Space Protection Order - Skegness	Deliver a Public Space Protection Order for Skegness subject to a robust evidence base and public consultation including agreement through the democratic processes within the Council.	Legislative	Q4	Deputy Leader	Communities	Well-Being and Community Leadership	
3g Pitch Development	Deliver a 3g Pitch project in the district.	Assets Project	Q4	Deputy Leader	Communities	Leisure and Culture	
Pride in Place Phase two	Further development of the Pride in Place Service (supported through additional capital provision - sand clearance, sweepers, continued bin replacement programme).	People and Assets Project	Q3	Operational Services	Communities	Neighbourhoods	
Strategic Flood Risk Assessment	Evidence for Local Plan Review.	Policy Review	Q1	Planning	Growth	Planning and Strategic Infrastructure	
Local Plan Review	Submission for Examination.	Policy Review	Q3	Planning	Growth	Planning and Strategic Infrastructure	
Wolds Visitor Centre	Feasibility study and partner engagement into the establishment of a Visitor Centre.	Collaboration	Q2	Market Towns and Rural Economy	Growth	Economic Development	
Fairfield Enterprise Centre	Work with Lincolnshire County Council to support investment in relation to Industrial Estates and Business Centres, with a particular focus on Louth as an initial focus.	Collaboration	Q4	Market Towns and Rural Economy	Growth	Economic Development	

# Local deliverables – East Lindsey (3 of 3)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
Theddlethorpe NWS	Engage with partners and support the Community Partnership approach and assist with the Community Investment Fund.	Partnership	Q4	Leader	Growth	Planning and Strategic Infrastructure	
Flood risk	Continue to work with partners on approaches to flood risk issues.	Partnership	Q4	Planning	Growth	Planning and Strategic Infrastructure	
Caravan scrutiny	Implement the action plan in response to scrutiny review.	Policy Review	Q4	Planning	Growth	Planning and Strategic Infrastructure	
Skegness Gateway	Take the scheme forward to delivery.	Partnership	Q4	Planning	Growth	Planning and Strategic Infrastructure	
Vital and Viable	Continue to deliver the actions from the Vital and Viable scheme; and support implementation of associated improvements.	Partnership / Policy	Q4	Market Towns and Rural Economy	Growth	Economic Development	

Officers are undertaking further activity to identify initiatives that deliver against these headings:

- 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 initiatives

# Local deliverables – South Holland (1 of 3)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
SHDC Peer Challenge follow up	A follow up by the Local Government Association to the 2023 SHDC Peer Challenge.	Review	Q1	Leader	Corporate Development	Corporate	
HRA Transformation Programme to be agreed	To ensure regulatory compliance in light of new legislation.	Service Review	Q1	Deputy Leader (Cabinet)	Corporate Development	Housing	
Implement new Governance arrangements for HRA	To ensure effective governance for the HRA, including effective performance management framework.	Service Review	Q4	Deputy Leader (Cabinet)	Corporate Development	Housing	
Review interconnected services for HRA commissioned services	To ensure value for money where the HRA commissions or provides third party services.	Service Review	Q4	Deputy Leader (Cabinet)	Corporate Development	Housing	
Maximising use of Priory Road offices	Review space usage at Priory Road Offices, including the rental of unused areas.	Asset Project	Q3	Assets and Strategic Planning	Programme Delivery	General Fund Assets	
Review of Asset Register	Review of Asset Register to identify surplus sites for sale or income generation.	Asset Project	Q3	Assets and Strategic Planning	Programme Delivery	General Fund Assets	
Housing Development opportunities	To progress activity to secure housing investment and delivery opportunities for the HRA and Welland Homes.	Asset Project	Q4	Deputy Leader (Cabinet)	Programme Delivery	Strategic Growth and Development	
Health and Wellbeing Hub, Spalding	Support and progress the Levelling Up funded Health and Wellbeing Hub.	Asset Project	2025	Deputy Leader (Council)	Programme Delivery	Strategic Growth and Development	
Land Charges HMLR Migration	To migrate the local land charges register to HM Land Registry.	Service Review	Q4	Public Protection	Communities	Regulatory	

# Local deliverables – South Holland (2 of 3)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
Food Enterprise Zone	Progress the delivery and marketing of the South Lincolnshire FEZ to bring forward the development of the site.	Asset Project	Q4	Leader	Programme Delivery	Strategic Growth and Development	
	Develop power and infrastructure strategy for phase 2, that meets the needs of the agri-food sector.		Q4		Growth		
Welland Homes Review	Review of Welland Homes future options.	Service Review / Asset Project	Q1	Deputy Leader (Cabinet)	Programme Delivery	Strategic Growth and Development	
Waste Collection Transformation	To deliver a transformed waste collection service that meets legislative requirements and is optimum efficiency.	Service Review / Partnerships	Q4 25/26	Environmental Services	Communities	Neighbourhoods	
Carbon Reduction	Conduct a carbon footprint analysis exercise, establish an agreed carbon reduction target and subject to this develop a Carbon Reduction Plan.	Policy Review	Q4	Leader	Communities	Regulatory	
Environment Policy	To seek approval for an Environment Policy.	Policy Review	Q4	Leader	Communities	Regulatory	
Dog Control Public Space Protection Order	Consult on and subject to the outcome deliver a Dog Control Public Space Protection Order.	Policy Review	Q2	Public Protection	Communities	Regulatory	
Animal Welfare Policy	Develop an Animal Welfare Licensing Policy for the Council.	Policy Review	Q4	Public Protection	Communities	Regulatory	
Street Drinking Public Space Protection Order	Review of Public Space Protection Order for Street Drinking in Spalding.	Policy Review	Q4	Leader	Communities	Well-Being and Community Leadership	
Replacement of back-office planning, land charges and building control system	Procure and develop an implementation plan for a new system due to existing system retirement.	ICT Project	Q3	Assets and Strategic Planning	Growth	Planning and Strategic Infrastructure	

# Local deliverables – South Holland (3 of 3)

Project title	Purpose	Project type	Delivery by date	Portfolio Holder	Directorate	Assistant Director	Tracking
Chequers Yard, Holbeach	Progress delivery of Chequers Yard, Holbeach, including proposals for a health hub for the town.	Partnership	Q3	Leader	Growth	Strategic Growth and Development	
Gateway employment land scheme, Spalding	Support scheme delivery.	Partnership	Over a number of years	Leader	Growth	Strategic Growth and Development	
Spalding Western Relief Road	Working with Lincolnshire County Council, pursue funding for the delivery of section 1 of Spalding Western Relief Road and to work with landowners to bring forward existing consents.	Partnership	Q4	Leader	Growth	Strategic Growth and Development	
Spalding & Holbeach Town Centre Improvement Plan	To deliver the projects within the Spalding and Holbeach Town Centre Improvement Plan; and transition Spalding into the longer-term plan for towns vision.	Partnership	Q3	Leader	Growth	Strategic Growth and Development	
Business Improvement Board	To support the newly formed Spalding Business Board in progressing a Business Improvement District for the town.	Partnership	Q3	Leader	Growth	Strategic Growth and Development	
Review approach to derelict buildings in Spalding Town Centre	Review approach to derelict buildings to identify regeneration opportunities.	Review	Q4	Leader	Programme Delivery	General Fund Assets	
Review of assets	Explore opportunities for increasing income and efficient use of assets whilst also considering disposal where appropriate. This may include Asset Transfer.	Assets Project	Q3	Finance	Programme Delivery	General Fund Assets	
Review of services and income generation	Explore opportunities for commercialisation and charging, where appropriate, to external parties who are making use of those services.	Commercialisation	Q2	Finance	Cross Directorate	Cross Directorate	
Review of contracts	Review contracts with a view to considering alternative options for delivery that are more efficient and cost effective.	Commercialisation	Q3	Finance	Cross Directorate	Cross Directorate	

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**East Lindsey District Council  
Budget 2024-25  
Consultation Report  
Published**



**East Lindsey**  
DISTRICT COUNCIL

### Introduction to this consultation

1. This report details the responses received for the Budget 2024/25 consultation undertaken between 15<sup>th</sup> January 2024 and 2<sup>nd</sup> February 2024.
2. The exercise was performed to seek residents' views on the Council's Budget proposals for 2024/25.

### Methodology

3. A media release was issued to local newspapers to promote the consultation and social media activity was ongoing throughout the consultation period.
4. A link to the electronic questionnaire was made available on the Council's website and in the e-Messenger. Paper copies of the questionnaire were available on request. Two people provided comments via email and these have been included in the results.
5. It should be noted that base data has been rounded to the nearest number (so may add up to between 99% and 101%).

### Response Rate

6. 37 electronic responses were received.

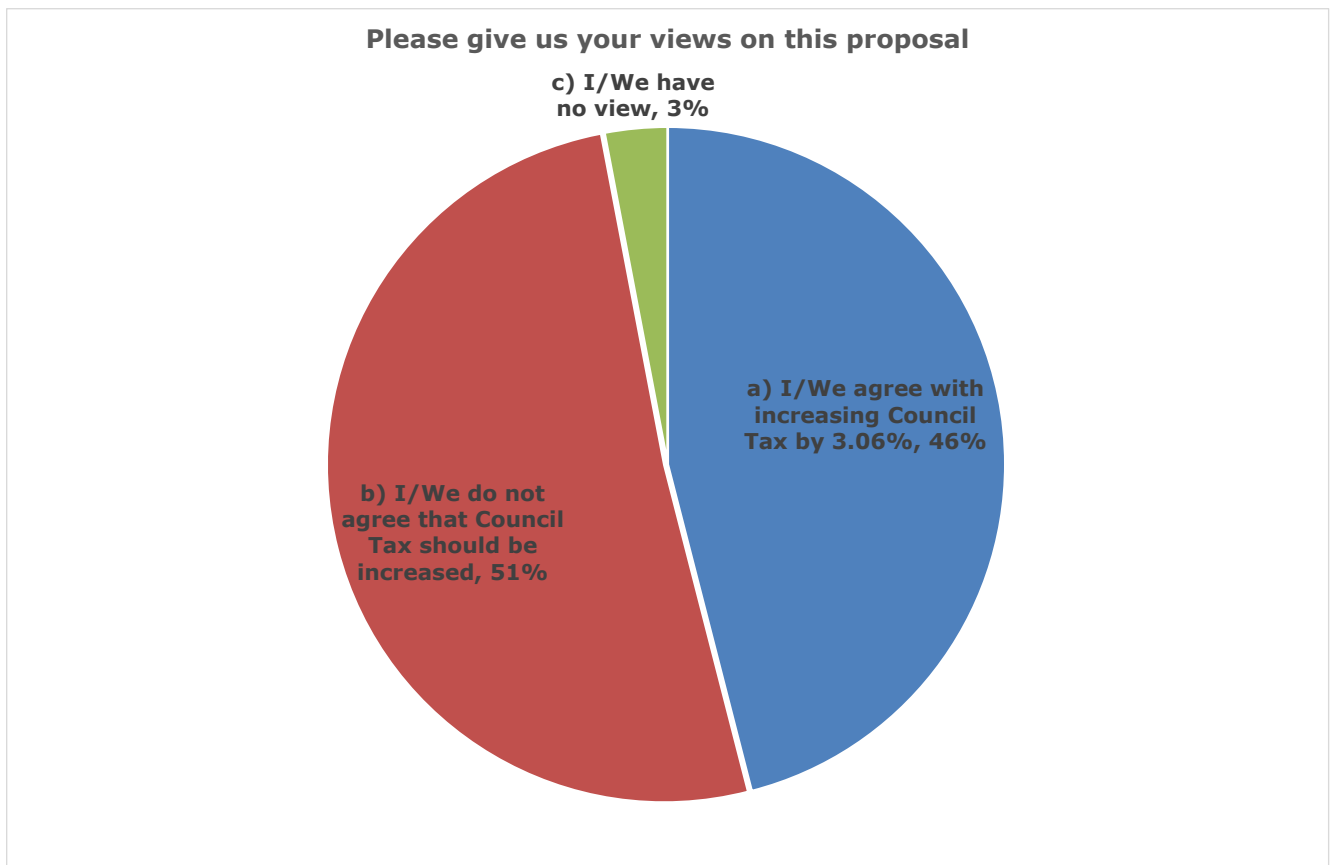


## Results and Analysis

7. 96% of all respondents responding to the consultation responded as 'A resident', with the remaining 4% responding as 'Other'. The respondent that responded as 'Other' stated that they responded as 'someone who works within the East Lindsey boundary.'

### Council Tax

8. All respondents were advised that the Government was allowing the Council to put up its Council Tax by a maximum of £5 next year (based on a Band D property). The Council was therefore proposing a £4.95 (3.06%) increase for 2024/25 - an extra 10p per week for a Band D property. A 3.06% increase was proposed for all Council Tax Bands. All respondents were asked their views on the proposal. The chart below shows that 46% of all respondents 'agreed with increasing Council Tax by a maximum of £5 next year (3.06%)', 51% 'did not agree', with the remaining 3% of all respondents 'stating that they had 'no view' about the Council Tax being increased by a maximum of £5 next year (3.06%)'.



### Budget and Medium Term Financial Strategy

9. All respondents were asked if they had any comments to make in respect of the proposed Budget and associated papers. A mixture of comments were made: a couple of respondents felt that despite Council Tax rising annually, the services provided had reduced. Two respondents expressed their surprise at the amount of

reserves the Council held and suggested that they should be used to help those in the community that were struggling. A number of respondents stated that rising the Council Tax would have a financial impact on those residents that were already struggling due to the cost-of-living crisis. Furthermore, they could not afford to pay more money. One respondent said they had been unaware of how much money the Internal Drainage Board were given although flood prevention and mitigation were a priority. A further respondent felt that an increase of £5 was reasonable as emergency services would inevitably need additional money for modern equipment. They also commented that they did a great job with the resources they had. A full list of comments is included below:

- Just cut back to the minimum you have to legally provide, cut your councillor allowances to get them out of the trough and stop using residents as cash cows.
- Would like to see more information on how future inflationary pressures will be managed and which services are likely to become vulnerable if this methodology is continued.
- I find the contents of the news release most interesting. I was unaware that, of a projected total ELDC income for 2024/25 of £10,760,000, some £5,158,000 will be spent on Internal Drainage Board expenses, mainly the energy that is required to keep pumps pumping. Clearly, with rainfall likely to continue above the historic average, flood prevention and mitigation must be a priority. But I would question whether the source of energy needs to remain diesel power and (presumably mains) electricity. I am not an expert on land drainage, but I presume pumping stations have accompanying sluice gates. Could water-powered turbines be installed and employed when water is falling through them, and stored either in pumped water reservoirs or in static batteries, or as a last resort exported to the grid? Alternatively, or perhaps in addition, are the pumping station rooftops big enough to accommodate solar panels, or is there enough nearby land to accommodate a wind turbine? I realise that these investments would cost money, but they would pay for themselves in a few years, and might be appropriate for finance by loans.
- Note the increase in reserves. This is wrong. The people are hurting with services dwindling. Use that money.
- Council Tax always rising but services get reduced or cut.
- Please could you provide information on the cost to other bands of property, is it 3.95% for all bands?
- The Council sits on fairly large reserves which should be there to help the struggling community. Several Town Councils take some of the highest charges in the country whilst providing a very poor return
- No prices ever stay the same and I'm unsure of the demographic of those who are over 65 in the area but would assume it is high. If this is the case, more money is being taken out of the system than put in. £5 seems fair to me. The refuse, fire service, police sides will always want more money and the latest equipment. Some of these do a great job with what they have, there are a lot of areas in these that are flippant as well. I have seen how London councils bidding for contracts works and feel it can be open to

corruption/fraud. Which is not always easy to track, virtually impossible. But things can be put in place to help stop this flow.

- Why waste money on so-called decarbonisation and green initiatives when there are budgetary constraints? This is not where money should be going when there are other priorities. Environmental activism is not the job of the council, and these acts are being imposed on people without due consultation.
- Residents are already suffering the cost-of-living crisis and cannot afford more on Council Tax as it's hard to see what we get from the current rates
- As a working resident all I ask for is value for money and support for our local economy
- Please review the Rowntree foundation latest work on poverty and note that 1 in 3 children in East Lindsey now live in poverty. A rise in Council Tax will exacerbate that.
- We get nothing for Council Tax, why increase it
- Given the restriction of raise to the maximum of £5 this draft budget does the best it can.
- I don't see why you do not make the maximum increase allowed (£5). The 5p difference would not make much difference to the taxpayer but would help the council
- Budgets are already stretched at home, increases across Council, Parish, policing etc is normal every year yet we see services downgraded. Enough is enough, I'm taxed on my pension, my fuel, tv, alcohol.
- Failed politics, failed councils, failing services, incompetence, and serial mismanagement of funds. But our taxes are rising despite worse services

10. All respondents were advised that in view of the cost-of-living crisis and financial pressures that both businesses and individuals were experiencing, the Council was looking to find different and innovative ways of working. The Council asked all respondents what changes they thought the Council could implement in order to support that. A full list of suggestions are listed below:

- Abolish itself? Stop messing about with green/net zero nonsense. Let the market do everything else
- If by innovative the Council means competing with the private sector in non-public service areas than I disagree with this. I have concerns about the risk of trying to run as a private sector business without the relevant skills and knowledge. There are also increased risks in doing so but effectively using the public's money as collateral. I believe that the Council should focus its energies on public sector services.
- Councils have made huge errors in the past in going down routes of investing in projects that end up going wrong. Councils do not have the right to play the field with our money.
- Cut down the salaries, perks, and golden handshakes to officers.
- Lincs has a reputation for being stuck in the past. The tag line for Skegness should be "Skegness is embracing..." and we should lead the way in adopting innovative, green solutions for our services. Link up with Lincoln uni to find cheaper, greener solutions for the area
- Use more common sense over money spent

- Take into account people's heating and water costs when calculating whether they are eligible for council tax relief, council tax and energy and water costs take most of a single person's wages if they are on minimum wage leaving them with little to invest in the local economy, that would be a massive help to people, and you could save money on other initiatives. Stop wasting money on vanity projects. Stop building on flood plains, stop allowing building in areas where there are few jobs and infrastructure.
- Do not kill off tourism to the area by implementing second home council tax uplift. Those who rent out properties would not be required to pay extra anyway and therefore it would only penalise those who own a second home but do not rent it out. Studies have shown that implementing this does not increase income for a council nor free up housing. The government sold off council houses and are now looking to punish homeowners for their past failures to plan ahead.
- The council needs to prioritize spending our money locally using local trades and suppliers along with concerted efforts to get the fit to work off benefits and making a contribution to society.
- Get rid of management, reduce the amount of expenses at meetings, it was interesting to see refreshments at a full council meeting, not something Louth town has, they are frivolities, councillors who don't earn their expenses should not get paid, that would save money too.
- Reducing council tax
- I see little to no point in investing in further housing projects unless and only if additional community resources are also provided to accommodate the housing. By circumventing the fact that a large planning application with a school, shop, GP facilities was refused but by then agreeing to several smaller allocations of housing (eventually amounting to the same number of properties) in exactly the same place without the facilities is clearly wrong and not advantageous to the residents who live in the community. Residents / Constituents are not stupid.
- Finding better ways to stop wasting money where is it not needed. Too much money gets wasted, services get reduced or cut and not always for the better usually makes it worst.
- Reduce to 4-day week for office employees and close offices with strict energy saving.
- Make sure that you focus on key statutory services
- Loaded questionnaire
- To pay towards drainage of dykes etc. why not put a level of £10 on all holiday homes. They don't pay water rates.

11. The table below shows the investment areas all respondents supported. As can be seen from the table the majority of respondents did support the proposed investment areas as follows:

- 84% of all respondents supported 'Market Towns and rural areas'
- 70% of all respondents supported 'Driving and supporting Economic Growth'
- 81% of all respondents supported 'Supporting the vulnerable'

There were four investment areas that all respondents were not very supportive of. These are, as follows:

- 41% of all respondents supported 'Supporting healthy living'
- 35% of all respondents supported 'Decarbonisation and continued investment in green initiatives'
- 43% of all respondents supported 'Invest to save initiatives'
- Just under half (49) of all respondents supported 'the delivery of affordable housing'

<b>Do you support the following investment areas?</b>			
	<b>Yes</b>	<b>No</b>	<b>Don't know</b>
Market Towns and rural areas	84%	8%	8%
Driving and supporting Economic Growth	70%	19%	11%
Supporting the delivery of affordable housing	49%	38%	14%
Supporting the vulnerable	81%	14%	6%
Supporting healthy living	41%	41%	19%
Decarbonisation and continued investment in green initiatives	35%	46%	19%
Invest to save initiatives	43%	32%	24%

12. All respondents were given the opportunity to provide any other comments. One respondent felt that a lot of money was wasted on healthy living, yet another supported it. Two respondents commented that new housing especially affordable housing should not be a priority due to the demand on services not meeting their needs. A couple of respondents felt that market and coastal towns needed investing in and a further couple suggested reducing higher tier management at the Council. There was one comment about improving the bus services however this was not under the remit of the District Council's but under Lincolnshire County Council. A full list of comments are included below, including those received via email:

- It's hard to disagree with the statements as written and I would like to see how these are prioritised. I would also like to see coastal towns which are often more deprived included within the priorities. they invest to save depends on the individual investment context.
- Above all, I support decarbonisation and continued investment in green initiatives. As a professional meteorologist for 40 years, having analysed and predicted weather worldwide, now retired from my last position as Met Office Chief Defence Forecaster, I understand atmospheric processes and the grave dangers of inaction in this respect.
- What about coastal? Markets should be inclusive including Mablethorpe even though ELDC do not count Mablethorpe as a market town. Get rid of some of the executive positions. Coastal/ inland should be combined into one. Slime down the executives to one in the community's remit. Put more into looking after service for residents and stop pandering to businesses who very often take out of the area without investing back.

- A lot of money is wasted on things like supporting healthy living, this should be an individual responsibility not a burden on council taxpayers who follow a healthy regime.
- Reducing high management. Less unnecessary meetings
- New housing should not be a priority when current services cannot meet the needs of the current population. Brownfield sites should be used before any agricultural land is built on It appears that the budget for services is dropping from £249k to £39k, given the cost of running services is going up how will services be delivered on this much reduced budget
- Too much upper management on elevated salary who don't seem to provide what is needed for the community they're meant to serve
- As above, demographic of East Lindsey is over 65 and low income. Affordable housing should be of low priority as most own their houses and low income are the service and seasonal people who travel in or are already in the area. Green initiatives for such a council should be held to a minimum everyone is doing enough already. Market Towns need investment to bring seasonal holiday money to the areas so in the Winter they can just tick over. Healthy living is always worthwhile long term as long as it is used, keep people out of the hospital and doctors more. Vulnerable in our society can be preyed on with ease they should always be supported.
- Improved Bus Services
- ELDC needs to invest in the replacement/ purchase of sand removal equipment for the areas affected by substantial sand ingress with the notification that the Environment Agency are pulling out of this activity. This ingress has an effect not only on the residents of the areas affected as it reduces their ability to exercise, but also to Businesses as it affects their ability to trade, but also increases their maintenance costs. Also, to fauna and flora affecting availability of light and moisture.
- All I ask is that you do your best to support the working council taxpayers in our area and spend our money wisely on things that are needed to support regional growth and not vanity projects.
- Economic growth matched with carbon reduction and efficiency.
- None
- Worthless, loaded questionnaire

Appendix 7

Proposed Constitutional Limits/Financial Amendments:

East Lindsey

- 1 To increase the Executive Board sign off limits from £300,000 to £500,000 to align this limit across the partnership.
- 2 To increase the s151 sign off limit from £50,000 to £75,000 to allow this to align across the partnership.
- 3 To allow the s151 officer to agree to accept MOA s113 charges for staff into the budget for East Lindsey where this approval does not currently exist.
- 4 To delegate authority for the s151 officer to accept grant where there is no negative impact on the Councils budget in order to facilitate its delivery.
- 5 For Executive Board to be delegated authority to authorise use of the Corporate Priorities Reserve in-line with the priorities approved as part of the Budget Setting process and to amend the Revenue and Capital Programmes in accordance with these approvals.

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