

24 December 2019

Executive

A meeting of the Executive will be held on **Tuesday, 7 January 2020** in **County Offices, Newland, Lincoln Lincs LN1 1YL** at **10.30 am** for the transaction of business set out on the attached Agenda.

Yours sincerely



Debbie Barnes OBE
Head of Paid Service

Membership of the Executive
(8 Members of the Council)

Councillor M J Hill OBE, Executive Councillor for Resources and Communications (Leader of the Council)

Councillor Mrs P A Bradwell OBE, Executive Councillor for Adult Care, Health and Children's Services (Deputy Leader)

Councillor C J Davie, Executive Councillor for Economy and Place

Councillor R G Davies, Executive Councillor for Highways, Transport and IT

Councillor E J Poll, Executive Councillor for Commercial and Environmental Management

Councillor Mrs S Woolley, Executive Councillor for NHS Liaison and Community Engagement

Councillor C N Worth, Executive Councillor for Culture and Emergency Services

Councillor B Young, Executive Councillor for Community Safety and People Management

**EXECUTIVE AGENDA
TUESDAY, 7 JANUARY 2020**

Item	Title	Forward Plan Decision Reference	Pages
1	Apologies for Absence		
2	Declarations of Councillors' Interests		
3	Announcements by the Leader, Executive Councillors and Executive Directors		
4	Minutes of the Meeting of the Executive held on 17 December 2019		5 - 10
KEY DECISIONS - ITEMS TO BE RESOLVED BY THE EXECUTIVE			
5	Spalding Western Relief Road <i>(To receive a report from the Executive Director - Place, which seeks approval to pursue the Spalding Western Relief Road Highway Scheme as described in the Report. Approval is also sought for the scheme as a whole, including the route, and for the delivery of the Scheme in sections as described in the Report. Finally the Report seeks approval for the acquisition of land by agreement and to progress the delivery of section 5 as the first section of the phased delivery including the letting of a construction contract for the works)</i>	I017458	11 - 156
6	Medium Term Financial Strategy and Council Budget 2020/21 <i>(To receive a report from the Executive Director – Resources, which sets out the Council's Medium Term Financial Strategy covering the next three years and outlines the budget proposals for the next financial year 2020/21. The Executive is asked to make proposals for the Council's budget for 2020/21 based on these estimates, and to refer these proposals for internal and external consultation)</i>	I018713	157 - 214
7	Joint Lincolnshire Flood Risk & Water Management Strategy 2019-2050 <i>(To receive a report from the Executive Director – Place, which invites the Executive to approve, and adopt on behalf of the Council, the Joint Flood Risk and Water Management Strategy 2019-2050 as attached at Appendix A and Strategic Vision at</i>	I018630	215 - 328

NON KEY DECISIONS - ITEMS TO BE RESOLVED BY THE EXECUTIVE

- 8 Formation of a Company for Legal Services** **I018865** 329 - 370
(To receive a report from the Executive Director – Resources, which seeks approval for the final form and constitution of a company wholly owned by the County Council with the object of the company being licensed by the Solicitors Regulation Authority for the purpose of providing legal advice and services)

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Please Note: for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details set out above.

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**EXECUTIVE
17 DECEMBER 2019**

PRESENT: COUNCILLOR M J HILL OBE (LEADER OF THE COUNCIL)

Councillors Mrs P A Bradwell OBE (Executive Councillor for Adult Care, Health and Children's Services) (Deputy Leader), C J Davie (Executive Councillor for Economy and Place), R G Davies (Executive Councillor for Highways, Transport and IT), E J Poll (Executive Councillor for Commercial and Environmental Management), Mrs S Woolley (Executive Councillor for NHS Liaison and Community Engagement) and B Young (Executive Councillor for Community Safety and People Management).

Councillor R B Parker (Chairman of the Overview and Scrutiny Management Board) was also in attendance.

Officers in attendance:-

Debbie Barnes OBE (Chief Executive), David Coleman (Chief Legal Officer), Andrew Crookham (Executive Director Resources), Cheryl Evans (Democratic Services Officer), Glen Garrod (Executive Director - Adult Care and Community Wellbeing), Michelle Grady (Assistant Director for Strategic Finance), Andy Gutherson (Executive Director Place), Tony McGinty (Consultant in Public Health), Andrew McLean (Assistant Director - Transformation), Sophie Reeve (Assistant Director - Commercial), Sadie Rossington (Business World Project Manager), Jasmine Sodhi (Performance and Equalities Manager), Janice Spencer OBE (Interim Director of Children's Services), Fiona Thompson (Head of Human Resources) and Nigel West (Head of Democratic Services and Statutory Scrutiny Officer).

39 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor C N Worth (Executive Councillor for Culture and Emergency Services).

40 DECLARATIONS OF COUNCILLORS' INTERESTS

There were no declarations of interest.

41 ANNOUNCEMENTS BY THE LEADER, EXECUTIVE COUNCILLORS AND EXECUTIVE DIRECTORS

There were no announcements.

**42 MINUTES OF THE MEETING OF THE EXECUTIVE HELD ON
5 NOVEMBER 2019**

The Leader confirmed that further to Minute 38 – *County Mixed Dry Recyclables Procurement*, appropriate assurances had been provided to the Leader of the Council; Councillor E J Poll and Councillor B Young regarding the terms of the contract.

RESOLVED

That the minutes of the meeting held on 5 November 2019 be signed by the Chairman as a correct record.

43 BUSINESS WORLD ERP SYSTEM RE-DESIGN

A report by the Executive Director – Commercial set out a proposal to the Executive to approve the re-design of the enterprise resource planning system, referred to as 'Business World'. This would entail moving to the business world platform, operated by Hoople Limited. To facilitate this, the report included proposals to acquire shares in Hoople Limited, which would thus become a 'teckal' company of the County Council, with contracts being awarded to Hoople Limited using exception provisions in the procurement rules.

The estimated cost of the project would be £1.8 million, with an expected completion date of April 2021. The report outlined several benefits of a system re-design, including avoiding the problems since the system's implementation in 2015, initially as 'Agresso', then subsequently as 'Business World'. In addition, the system could be updated more easily and be flexible to future needs. It would enable an integrated finance and people management platform, and provide improved management information.

The Chairman of the Overview and Scrutiny Management Board referred to the Board's support for the recommendations to the Executive and the factual clarifications given to the Board, when it had considered the proposal on 28 November 2019.

The Chairman of the Board specifically highlighted the need for a change in culture and mind-set in how staff used the current system and the new platform should be designed to prevent staff from using 'workarounds'.

The following comments were made in response to questions by the Executive:

- There would be regular performance monitoring via the Council's Corporate Leadership Team and the Overview and Scrutiny Management Board.
- The proposed contract term would be for a period of seven years, plus one year, plus one year. A withdrawal notice of 18 months would be incorporated into the contract, which would enable the County Council to serve notice, if required.

- The Hoople platform was already used to deliver services to Herefordshire Council, Rutland Council and other public bodies and so it already had an established configuration that could meet the needs of a Council.
- Governance arrangements would be monitored to ensure that the agreement was being delivered.
- It was advised that the future recurrent costs would show a saving of circa £200,000 per annum, including reduced costs from third party providers as Hoople would provide these services in future instead.
- Additional system development costs would only be incurred if Lincolnshire wished to implement a change in the standard build.
- It was confirmed that the Council's liability for any debts or liabilities of the company would be limited to the value of its shares in Hoople Limited.

RESOLVED

- (1) That the Business World enterprise resource planning system be re-designed, in order to rectify the issues that the Council and schools are facing.
- (2) That the re-design be effected by moving to the existing Business World platform operated by Hoople Limited.
- (3) That approval be given to the Council becoming a member of Hoople Limited, by the acquisition of shares in the company.
- (4) That the Assistant Director - Corporate Transformation, Programmes and Performance be appointed as the Council's representative to exercise the Council's powers as member of the company.
- (5) That approval be given to the entering into a contract by the Council with Hoople Limited, for the implementation and ongoing provision of services for making available to the Council Hoople Limited's Business World platform and the hosting of the Council's data on that platform.
- (6) That the commissioning of specialist external consultancy services to support the Council to prepare the existing Business World system for migration to the Hoople platform be approved.
- (7) That the Executive Director – Commercial, in consultation with the Leader of the Council and the Executive Councillor for Highways, Transport and IT, be delegated authority to take all decisions necessary to ensure the entering into of the above arrangements, to include the final form and entering into of all contracts and other legal documentation with Hoople Limited and other third parties.

44 DIRECTOR OF PUBLIC HEALTH ANNUAL REPORT

Tony McGinty (Consultant in Public Health) presented the Director of Public Health's Annual Report to the Executive, entitled: *The Burden of Disease in Lincolnshire*.

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The annual report had been compiled, using the *Global Disease Burden* methodology, which showed how disease affected populations in terms of morbidity and mortality. It also showed which risk factors were the main drivers of each disease and made it possible to compare diseases and their impacts on the population against other diseases. This information can be used to plan change to improve the population's health.

Applying the methodology to Lincolnshire had identified a 'top ten' of diseases, which recorded a high impact in terms of 'disability adjusted life years'. These ten diseases were: ischaemic heart disease; low back pain; chronic obstructive pulmonary disease; stroke; lung cancer; Alzheimer's disease; headache disorders; diabetes; depressive disorders; and neck pain. The Director set out how these risk factors, which caused these diseases, might be addressed, with a strong emphasis on prevention and early detection. This emphasis was reflected in the NHS Long Term Plan, and the Health and Wellbeing Board was expected to take this forward in the coming year.

It was also reported to the Executive that the Health Scrutiny Committee for Lincolnshire would be considering the report in a workshop session on 18 December 2019, and the report would be considered by the Adults and Community Wellbeing Scrutiny Committee on 15 January 2020.

The Executive welcomed the Director of Public Health's Annual Report. It was confirmed that the report had been presented to the local NHS, including General Practitioners.

RESOLVED

That the annual report of the Director of Public Health 2019, entitled the *Burden of Disease in Lincolnshire*, be noted and arrangements be made for its publication.

45 COUNCIL BUSINESS PLAN 2019 - 2020 PERFORMANCE REPORT, QUARTER TWO

Consideration was given to a report from the Executive Director – Commercial, which presented an overview of performance for Quarter 2 against the Council Business Plan.

The Performance and Equalities Manager advised that of the 14 commissioning strategies reported in Quarter 2: eight had performed really well; five had performed well; and one had mixed performance. A summary of those measures where services had highlighted success in Quarter 2 was detailed at Appendix A to the report. Similarly, a summary of those measures where the target had not been achieved in Quarter 2 was detailed at Appendix B.

The Overview and Scrutiny Management Board's Chairman advised that the Board had considered the report on 28 November 2019 and had agreed to support the recommendation to the Executive. The Board had requested the Children and Young

People Scrutiny Committee to consider the indicator relating to child protection plans; and the Public Protection and Communities Scrutiny Committee to consider the adult re-offending indicator in more detail.

The Board had agreed, in the interests of celebrating success, to send a letter to staff in Children's Services to congratulate them on the work being undertaken in Early Years and Children's Centres to support children in getting the best start in life; and on their recent Ofsted result.

RESOLVED

That the Quarter 2 performance 2019/2020 be noted.

The meeting closed at 11.30 am.

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Open Report on behalf of Andy Gutherson, Executive Director – Place

Report to:	Executive
Date:	07 January 2020
Subject:	Spalding Western Relief Road
Decision Reference:	I017458
Key decision?	Yes

Summary:

This Report seeks approval to pursue the Spalding Western Relief Road Highway Scheme as described in the Report.

Approval is sought for the scheme as a whole, including the route, and for the delivery of the Scheme in sections as described in the Report. Finally the Report seeks approval for the acquisition of land by agreement and to progress the delivery of section 5 as the first section of the phased delivery including the letting of a construction contract for the works.

Recommendation(s):

That the Executive:-

- (1) Approves the carrying out of the Spalding Western Relief Road Scheme ("the Scheme")
- (2) Approves the route shown on the plan attached at Appendix A to this Report as the preferred route for the Scheme and the land shown on the said plan as land comprised in the site of a highway as proposed to be constructed by the Council as highway authority
- (3) Approves the delivery of the Scheme in five sections as described in the Delivery Strategy attached at Appendix B to this Report
- (4) Approves in principle the procurement and award of a contract for section 5 of the Scheme
- (5) Approves the acquisition by agreement of any land or properties and any third party interests in land and properties as required for the Scheme on terms determined by the Executive Director – Place in consultation with the Executive Councillor for Highways, Transport and IT.

- (6) Authorises the Executive Director – Place to agree the final form and approve the entering into of all agreements and contracts necessary to secure the construction and completion of section 5 of the Scheme to include (but without limitation):
- (i) any agreement or contract related to funding for section 5 of the Scheme
 - (ii) any contract awarded pursuant to paragraph 4; and
 - (iii) any contract or agreement made with statutory undertakers, Network Rail or the like in connection with the Scheme.

Alternatives Considered:

The main alternatives include:

1. Delivery of the SWRR as one project instead of 5 separate projects, however this was discounted due to the poor likelihood of attracting third party funding to develop a scheme of that size in one process. This would also result in significant delay to the progress of the scheme which would severely jeopardise the highway improvements delivered by the scheme as well as the planned growth in the South East Lincolnshire Local Plan, which the County Council is a partner of.
2. Not to progress the SWRR further. This would result in an inability to deliver highway improvements required to deliver the environmental, traffic and other benefits highlighted in the Reasons for Recommendation section in this Report and to meet planned growth in the adopted South East Lincolnshire Local Plan, to which the County Council is a partner. Without the full scheme neither the benefits nor the development commitments in the local plan can be delivered.
3. Progress the Scheme on an alternative route especially in the middle sections of the SWRR, known as Sections 2 to 4. The pros and cons of the various route options are set out in the Report.

Reasons for Recommendation:

The SWRR Scheme has been promoted through a significant number of policy documents published by both the County Council and South Holland District Council. The need for the SWRR Scheme and the benefits it will bring are widely recognised and that has been reflected in the grant of planning consent.

It is recommended that the SWRR is approved and is delivered in line with the appended Delivery Strategy as this provides the strongest likelihood that the whole project will be delivered. The Scheme provides the following benefits:

- The road will mitigate the significant impact which the rail line has on bisecting Spalding. It's important to stress that there is an expectation of greater levels of rail freight in the future which will further increase the level-crossing barrier downtime in Spalding.

- The road will result in a reduction of traffic congestion in Spalding town centre.
- The road will enhance connectivity by improving north, south and west links around Spalding.
- The road will reduce the strategic through traffic, particularly between the east and west, and the east and south, by providing a link between the A151 Bourne Road to the west of the town and the A1175/A16 to the south and east of the town.
- The road will provide alternative routes for local traffic passing through Spalding avoiding congestion in the town centre and increasing journey time reliability.
- The road will facilitate access to planned Sustainable Urban Extensions in various locations to the west of Spalding which cannot be progressed without elements of the SWRR.

The recommended preferred route (Route Option 3 Central Alignment) has the benefits set out in section 5 of this Report.

1. Background

The Spalding Western Relief Road (SWRR) will be a 6.5km road linking the A1175 and A16 to the south and east of Spalding, to the B1356 Spalding Road to the north of Spalding, via the B1172 Spalding Common.

The SWRR is a strategic infrastructure project essential to delivering the growth of Spalding and required to address the strategic transport connectivity around the town as well as addressing specific transport problems within Spalding. These strategic ambitions are set out in the South East Lincolnshire Local Plan (SELLP) which was formally adopted by South East Lincolnshire Joint Planning Committee on the 8th March 2019.

The SWRR scheme includes a number of complex interdependencies and has required joint working and collaboration between a number of partners including LCC, SHDC, Network Rail, the Local Internal Drainage Board and key landowners some of which are promoting key aspects of the proposed development being considered as part of the Northern Spalding SUE and Southern Spalding SUE development proposals.

The scheme in a strategic context, is to remove through-traffic in the town centre by providing an alternative route with a bridge over the railway line negating the need for north-south traffic to cross at grade via the town centre level crossings and secondly to distribute new development traffic generated by future residential development.

2. Scheme Objectives

The objectives defined in the Delivery Strategy (attached at Appendix B) were jointly developed by LCC and South Holland District Council (SHDC), these are:

Reference	Objective
SWRR 1	To support and facilitate sustainable population and commercial growth within South Holland in accordance with the emerging South East Lincolnshire Local Plan
SWRR 2	To deliver economic benefits by reducing delays and improving journey times
SWRR 3	To mitigate the impact of increased freight passing through Spalding and the associated increase in level crossing barrier downtime
SWRR 4	To reduce traffic congestion in Spalding town centre
SWRR 5	To have regard to the aims of the SHDC Economic Development Strategy and Lincolnshire County Council's LTP which seek to deliver environmental and traffic benefits
SWRR 5	To enhance connectivity by improving west to south links around Spalding
SWRR 7	To enhance quality of life for residents of Spalding by improving air quality, reducing carbon emissions and addressing issues of town centre safety
SWRR 8	To improve the reliability of public transport by minimising delays in the town centre
SWRR 9	To support and encourage walking and cycling by reducing town centre traffic and providing safe links

3. SWRR Delivery

The proposal for the scheme is to deliver a 7.3m wide all-purpose single carriageway road in five sections, as follows:

- Section 1: Spalding Common to Holland Park (Southern Connection)
- Section 2: Holland Park to Bourne Road
- Section 3: Bourne Road to North of Vernatt's Drain
- Section 4: North of Vernatt's Drain
- Section 5: North of Vernatt's Drain to Spalding Road (Northern Connection)

The SWRR scheme delivery process will be led by LCC and supported by South Holland District Council (SHDC). LCC will manage the process up to and including construction, including the procurement and appointment of a construction partner.

The Delivery Strategy document at Appendix B to this Report presents the expected delivery timescales and estimates of the costs of delivery of each section of the route. It is important to stress that both these elements may change if the delivery extends beyond the proposed timescales.

Lincolnshire County Council (LCC) working in conjunction with South Holland District Council (SHDC) was successful in a bid to Homes England for Housing Infrastructure Marginal Viability Funding (HIF). This bid amounted to a sum of £12m to assist in building Section 5 to support the delivery of housing growth in the Northern Spalding Sustainable Urban Extension (SUE).

The phased delivery of the SWRR has a total estimated cost of approximately £100m. The table below shows the estimated delivery of each section of the SWRR.

4. SWRR Funding

Description	Section				
	1	2	3	4	5
Timescale	2021-2022	By 2036	By 2036	By 2036	2020-2021
Planning	Outline Planning Application approved	Determined at a later date dependent on funding - Potential for one Planning Application covering Sections 2, 3 and 4			Outline Planning Application approved
Cost	£29.1 m	£44.8 m			£27.6 m
Funding Stream	75% developer contribution being secured	No funding stream identified to date, although there is an expectation of a high level of developer funding.			HIF contribution of £12m with the remaining £15m identified in LCC's budget
Delivery Lead	LCC will be the delivery lead on all sections of SWRR, taking responsibility for each stage of the scheme's development from preliminary design, planning, detailed design, legal orders, and procurement and construction management.				
Delivery Partners	<ul style="list-style-type: none"> • SHDC • Developer • Network Rail 	<ul style="list-style-type: none"> • SHDC • Developers 			<ul style="list-style-type: none"> • SHDC • Developers • Network Rail

Section 1 capital funding has yet to be secured both from the developer (this is actively progressing) and from LCC to construct the project. Revenue funding was however utilised in financial year 2018/19 to progress this section which resulted in a planning application being submitted in February 2019. Further revenue funding has also been allocated from the 2019/20 Advance Design Block to progress the detailed design which commenced in August 2019.

Section 5 capital funding has been identified and secured in line with the delivery timescales in the appended Delivery Strategy included with this report as Appendix B. This consists of £12m HIF contribution to support the delivery of housing growth in the Northern Spalding Sustainable Urban Extension (SUE), £1m contribution from SHDC with the remaining £13.2m identified in LCC's capital budget. As with Section 1, revenue funding was utilised in financial year 2018/19 to progress this section which resulted in a planning application being submitted in February 2019.

Planning applications for both Sections 1 and 5 were approved on the 29th July 2019 by the LCC Planning and Regulation Committee.

Funding for Sections 2, 3 and 4 has yet to be identified.

5. Sections 2 – 4 Feasibility Study

The Council's thinking on and the circumstances affecting the determination of a route for a Spalding Western Relief Road have evolved over the past 12 years to a point where a preferred route for all the central sections can and should now be determined. The aim must be to design a strategic highways infrastructure scheme that can be delivered in a manner that ensures value for money within the strict bounds of environmental protection and engineering and safety requirements and is consistent with the planning and other strategic aims for the town of Spalding.

The initial plan for the delivery of the SWRR involved the approval and delivery of each stage separately from any strategic conception of the overall route of the road as a whole.

By a decision dated 21st March 2012 the Executive Councillor for Highways and Transportation approved a preferred route for Phase 2 as then defined and approved the seeking of planning permission in respect of that route. The route is known as the "allotment route" and is further discussed below. It should be noted that the route only covered what is now known as section 2 of the proposed SWRR and therefore did not constitute a route for the middle sections of the SWRR as a whole and did not incorporate a fully strategic vision of the highway infrastructure needs of the town.

Subsequently to this decision, the Council began to develop in close collaboration with SHDC its Spalding Transport Strategy. In addition the process of development of the SELLP had to be taken into account both as a core element of the wider strategy for the town of Spalding that should be taken into account in developing infrastructure and because it would govern the planning framework in which any full preferred route would need to be progressed.

At the time, there was also a national change in policy for major infrastructure delivery. There has been a reduction in direct local authority funding and a greater expectation that public infrastructure will contribute to and be partially funded from local growth and in particular the bringing into development of new housing supply. This change has the potential to make a piece of public infrastructure financially unviable if it does not fit into local growth plans as reflected in the Local Plan.

It also renders impractical a piece-meal stage by stage approach to the delivery of a major piece of infrastructure such as a relief road. Without a strategic vision for the route of the whole road, an understanding of how it fits into the local planning and wider growth strategy for the area and how it aligns to the conditions attached to various sources of funding a road cannot be embarked on with any confidence that it will be delivered.

The Council has not progressed with the delivery of any of the SWRR to date including Phase 2 as defined in March 2012. In the meantime the strategic framework in which the scheme has to be progressed has changed. If the SWRR is to be delivered in the interests of Spalding then the Council must look again at the best route, this time for the road as a whole and in the existing context. The

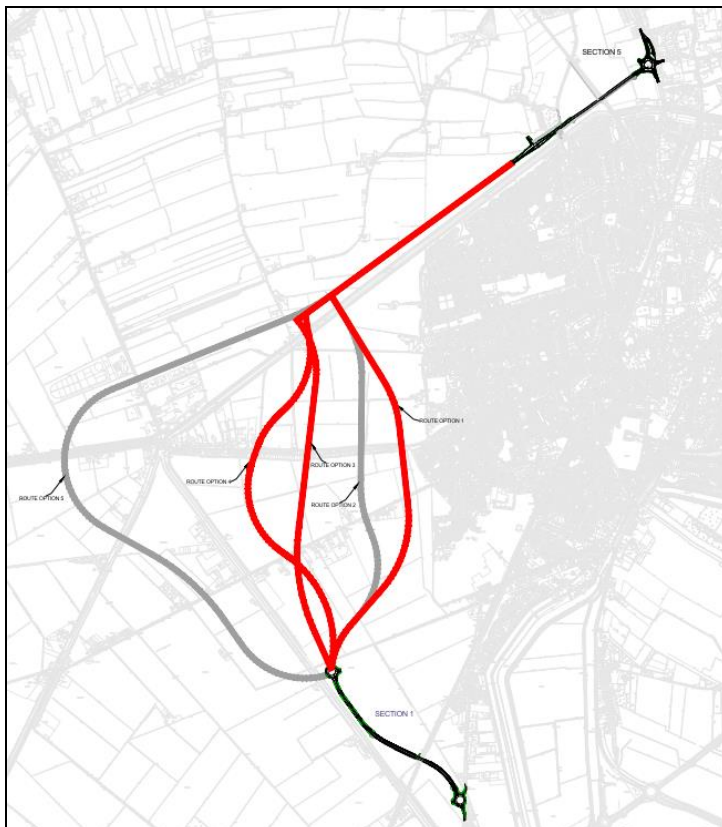
route options certainly include the existing preferred allotment route up to Bourne Road but the potential northern extension of that route needs to be analysed alongside other potential routes to define the best option within the planning, policy and funding framework that applies today.

The remainder of this section sets out a summary of the Council's options appraisal in relation to sections 2 to 4.

Sections 2 to 4 of the Spalding Western Relief Road (SWRR) known as the middle sections are expected to be delivered over the implementation period of the South East Lincolnshire Plan (SELLP). A Stage 1 Feasibility Report was prepared, which considered five route options against doing nothing. A sifting exercise was applied which utilised the relative scoring of discipline based assessments, using the Department for Transport's (DfT's) Early Assessment and Sifting Tool (EAST). The options that came forward, referred to as Sections 2 to 4 of the SWRR were:

- Route Option 1:** The 'Allotment Route' to the far east and outside of the safeguarded road corridor that was described in the 2019 adopted South East Lincolnshire Local Plan
- Route Option 2:** An easterly alignment within the safeguarded road corridor
- Route Option 3:** A westerly alignment within the safeguarded road corridor
- Route Option 4:** An alignment through the 'Trojan Wood' factory site that is west and outside the safeguarded road corridor
- Route Option 5:** A wide west alignment beyond Pode Hole
- Option 6:** Do nothing benchmark

Figure: Routes Considered in EAST Assessment



Each option considered aspects that were aligned to the DfT Transport Business Case guidance and reporting structure such as:

- Strategic effects
- Economic benefits
- Managerial requirements
- Commercial considerations
- Financial burden

The EAST assessment is used to judge how well each option performs against criteria belonging to each aspect with any environmental constraints, industrial/commercial properties and local plan designations also being included.

The sifting process narrowed the initial range of potential alignments of Sections 2 to 4 of the SWRR from six down to three. Route Options 2, 5 and 6 scored poorly in the EAST and were discounted, leaving three route options to be further assessed in detail:

- **Route Option 1:** The 'Allotment Route' to the far east and outside of the safeguarded road corridor that was described in the 2019 adopted South East Lincolnshire Local Plan.
- **Route Option 3:** A westerly alignment within the safeguarded road corridor – often called the 'central route'.
- **Route Option 4:** An alignment through the 'Trojan Wood' factory site that is west and outside the safeguarded road corridor and referred to as the 'Trojan Wood route'.

Each of the route options were looked at in detail and variants provided that sought to minimise effects on the constraints imposed in each case.

For Option 1, an alternative came forward to avoid the allocated residential component along the route and replace the traffic light junction at Bourne Road with a roundabout constructed within the land allocated for educational uses.

Option 3 costs were re-evaluated to take account of the need to purchase the nine properties falling within the boundary of the preferred route across Bourne Road.

Finally, Option 4 through the Trojan Wood site was developed to minimise the impact on adjacent properties and thereby incorporate a staggered Junction north of Bourne Road, but this was discounted on traffic grounds, with an inability to accommodate east-west movements and queuing satisfactorily.

The preferred options comparison is outlined below.

Aspect	Route 1A (Allotments)	Route 1C (Roundabout)	Route Option 3 (Central Route)	Route Option 4 (Trojan Wood)
Route Outline	<p>This route is the furthest east and nearest to the Spalding built-up area.</p> <p>Although the route does not require the demolition of residential property, land from a commercial property is required on Bourne Road.</p> <p>The route passes through several allocated housing areas (including Vernatt's SUE) and a proposed education facility, allocation sites for additional housing adjacent to a proposed education facility, and through the allotment.</p> <p>The route requires the construction of several junctions, a bridge and a stopping up order along Horseshoe Road. The route includes a connection between Monks House Lane and Woolram Wygate.</p>	<p>This easterly route is the closest to the Spalding built-up area.</p> <p>The route does not require the demolition of residential property, but land from three dwellings and a commercial property is required on Bourne Road.</p> <p>The route avoids allocated housing areas (including Vernatt's SUE) but a proposed education facility is reduced in size with a junction required to the south of the allocated area.</p> <p>The route requires the construction of several junctions, a bridge and a stopping up order along Horseshoe Road. The route includes a connection between Monks House Lane and Woolram Wygate.</p>	<p>This route passes to the west of Neame Ley Nursery but does not require the demolition of any properties along Horseshoe Road.</p> <p>The alignment does require the demolition of properties along Bourne Road and the construction of a junction within the designated Vernatt's SUE. The route also requires the construction of several other junctions, a bridge and a stopping up order along Horseshoe Road.</p>	<p>This route passes to the west of Neame Lea Nursery and does not require the demolition of residential dwellings on Bourne Road.</p> <p>Although the route does not require the construction of a junction within the Vernatt's SUE boundary, it does require the extension of Section 4 of the Relief Road.</p> <p>Moreover, the existing water course will require diversion to facilitate this route. The route also requires the construction of several junctions, a bridge and a stopping up order along Horseshoe Road.</p>

Aspect	Route 1A (Allotments)	Route 1C (Roundabout)	Route Option 3 (Central Route)	Route Option 4 (Trojan Wood)
Route Length	<p>The "Allotment" Route is the shortest and furthest east alignment.</p> <p>Total length of Sections 2 to 4 is 4,800 metres and the length of the Monks House Lane link road is 420 metres.</p> <p>This alignment is generally smooth, with no sub-standard curvature and minimal super elevation required. It intersects Bourne Road at a proposed Junction, which would be located approximately 170 metres west of the existing Monks House Lane/Bourne Road/Broadway signal-controlled junction. This route option crosses Vernatt's Drain perpendicularly.</p>	<p>The length of Sections 2 to 4 is 4,800 metres with an alignment that is constrained by the entry deflection that is needed to accommodate a five approach junction. The new roundabout allows Monks House Lane to form the northern connection of the relief road to Section 4 and the junction also incorporates Broadway and the Bourne Road. Monks House Lane would require significant improvement close to existing residential properties. This route option crosses Vernatt's Drain perpendicularly.</p>	<p>The Central Route is the second shortest route option between Sections 1 and 5.</p> <p>This route cannot utilise either of the two corridors on Bourne Road that avoid the acquisition of residential property.</p> <p>Total length of Sections 2 to 4 is 5,000 metres and the length of the Monks House Lane link road is 780 metres.</p> <p>This alignment is generally smooth, with no sub-standard curvature and minimal super-elevation required. No sub-standard curves are required and its junction with Bourne Road has a minimal skew angle. The route crosses Vernatt's Drain on a 10° skew.</p>	<p>The West Alignment Route is the least direct and longest route option between sections 1 and 5.</p> <p>Total length of Sections 2 to 4 is 5,200m and the length of the Monks House Lane link road is 850 metres.</p> <p>This alignment is generally sinuous, with super-elevated curves required along a significant extent of sections 2 and 3. The route crosses Bourne Road with a 70° intersection angle and crosses Vernatt's Drain with a 30° skew.</p>

Aspect	Route 1A (Allotments)	Route 1C (Roundabout)	Route Option 3 (Central Route)	Route Option 4 (Trojan Wood)
Highway Design	Route Option 1a is a more direct alignment than Route Option 4 and has fewer constraints than Route Option 3. However, it has an undesirable junction arrangement with Bourne Road due to the proximity with the Bourne Road/Monks House Lane junction and it also compromises land earmarked in the Local Plan for a school and for future housing development.	Route Option 1c is also a more direct alignment than Route Option 4 but has significant constraints with an undesirable junction arrangement with Bourne Road due to the proximity with the Bourne Road/Monks House Lane and it also compromises land earmarked in the Local Plan for a school.	Route Option 3 has significant constraints due to the requirement to acquire residential properties to the south of Bourne Road; however, it provides the most direct route through the middle section of the SWRR corridor.	Route Option 4 has the lowest impact because the proposed alignment does not necessitate the acquisition of residential properties. However, the engineering requirements of finding a corridor through the Trojan Wood commercial property make it the least desirable route from a highway geometry and buildability perspective with a likely need to 'stagger' the Bourne Road junction when minimising residential land take.
Property Acquisition	Does not require any residential land, but it poses significant planning risk. One industrial property is required. Allocated land compensation estimated.	Does require land from three residential properties and has some planning risk because of the need to acquire some land allocated for education uses. One industrial property is required. Allocated land compensation estimated.	Five properties are likely to be needed to be demolished to accommodate the road corridor with a further four adjacent properties significantly impacted. As a consequence the costs for the Route Option 3 have been revised to incorporate the purchase of nine properties.	One large Industrial Unit and land associated with a second commercial property/residential unit. Property frontages associated with two residential units and one industrial unit may also be required.
Estimated Scheme Cost (Based on 2026 outturn costs)	£50.86m Additional £10.11m over Option 3	£45m Additional £4.25m over Option 3	£40.75m	£42.99m Additional £2.24m over Option 3

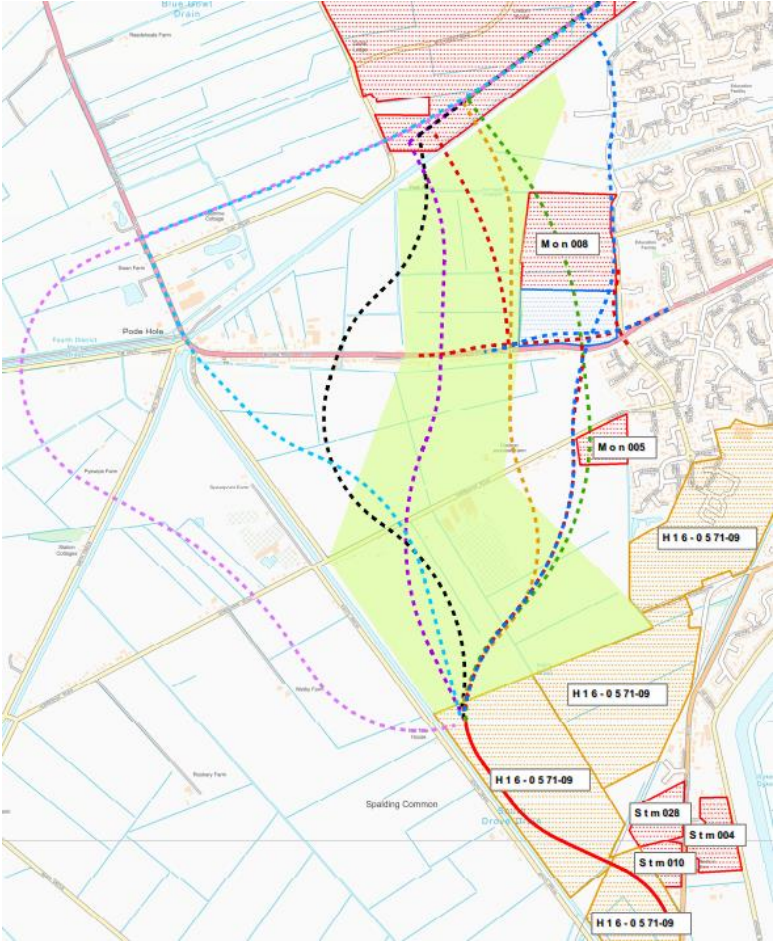
All costs have been estimated using the same criteria and therefore the relative costs and benefits of each option are clear.

The variants of the preferred options were investigated following feedback from the Feasibility Study findings and the relative costing of the alternatives were developed to account for the likely effects of inflation and of compensation.

The variants included adapting Route Option 1 to skirt some of the allocated land and to consider alternative junction forms (1c) and considering the need to obtain

all nine properties with Option 3. All of the route options including variants considered as part of the options appraisal are shown as follows.

All Route Options



Priority Ranking

A ranking exercise has been undertaken to score each of the routes that passed the initial sift plus one Route 1 variant against the various planning and design aspects.

Aspect	Route Option 1a Allotments	Route Option 1c Roundabout	Route Option 3 Central	Route Option 4 Trojan
Highway Design	Yellow	Yellow	Green	Yellow
Transport Planning	Red	Red	Yellow	Yellow
Drainage	Yellow	Yellow	Green	Green
Land Ownership	Green	Yellow	Yellow	Yellow
Planning	Red	Red	Green	Yellow
Environment	Green	Yellow	Yellow	Yellow
Landscape	Green	Green	Yellow	Yellow

Aspect	Route Option 1a Allotments	Route Option 1c Roundabout	Route Option 3 Central	Route Option 4 Trojan
Outturn Cost	Additional £10.1m compared to Route Option 3	Additional £4.25m compared to Route Option 3	£40.75m	Additional £2.2m to Route Option 3
Residential Properties	0	3 Property frontages	9 Properties	Possible Frontages
Commercial Properties	1	1	0	Up to 2

In terms of aggregate ranking scores, Route Option 1a and 1c through the Allotments is the least feasible of the alternatives. The other two routes both score closely, albeit with different benefits, and both are feasible in facilitating a scheme which meets the overall SWRR.

Summary Costs

Option	Option 1a	Option 1c	Option 3b	Option 4a
Route	Allotments	Roundabout	Central 9 properties	Trojan Wood Non Staggered
Main Residential Properties	0	3	9	2 - frontages only
Main Commercial Properties	1	1	0	2 of which 1 is frontage only
Main Structures	1	1	1	1
Length (km)	4.8	4.8	5.0	5.2
Cost (2019 prices)				
Site Clearance	£101,303	£101,609	£100,453	£103,498
Roads	£11,593,841	£11,729,966	£12,762,056	£13,240,674
Traffic lights	£540,000	£450,000	£375,000	£375,000
Main Structures	£2,400,000	£2,400,000	£2,400,000	£2,400,000
Other/Pumping Station	£750,000	£750,000	£250,000	£250,000
Contingency	£771,834	£774,163	£797,246	£821,417
Preliminaries	£4,052,128	£4,064,357	£3,348,434	£3,449,950
Landscaping	£152,838	£153,300	£157,871	£162,657
Construction Costs	£20,361,945	£20,423,395	£20,191,060	£20,803,196
Statutory Utilities	£509,049	£510,585	£504,776	£520,080
Property/Land Purchase/Compensation	£12,052,109	£6,361,869	£4,194,521	£5,094,980
Surveys	£3,461,531	£3,471,977	£3,028,659	£3,120,479
Base Estimate	£36,384,633	£30,767,826	£27,919,017	£29,538,734
Uncertainty	£8,684,020	£8,684,020	£8,195,213	£8,561,659
Inflation	£5,786,815	£5,065,617	£4,637,067	£4,892,091
TOTAL including Inflation to 2026	£50,855,468	£44,517,463	£40,751,296	£42,992,485

The preferred Route Option 3 would affect nine residential properties although it is not possible in the absence of more detailed design to identify precisely where the road goes and therefore which properties would need to be demolished and which would be severely affected. In order to secure the land needed to proceed with the Scheme, the Council is open to acquiring all nine properties by agreement.

The Table shows revised costs reflecting uplifted residential compensation costs arising out of the acquisition of 9 residential properties on Route Option 3 and a reassessment of the risk associated with commercial compensation. This narrows the costs across all options. The values are expressed as 2026 build costs and so

if the route was not completed until 2036, it would be expected that these costs, across all alternatives, would rise possibly by 30%.

Although the estimated route option costs have developed from the engagement in September/October the recommendations remains unchanged from the Feasibility Report conclusions when comparing the performance RAG scores with the high level costs.

6. Legal Advice

Independent legal advice was obtained regarding the preferred options for the route. The advice identified that Route Option 3 provided the support that a Compulsory Purchase Order and Side Roads Order would require in order to purchase land and properties to deliver the scheme.

In summary the advice was that changing from Route Option 3 which was within the safeguarded corridor in the SELLP would need to be justified taking into account that the inclusion of the safeguarded corridor within the development plan should have taken on board the effects of the route including the effects on residential properties.

Which route to promote is always a difficult choice to make, especially where residential accommodation is concerned but it is one that Councils seeking to bring forward schemes in the public interest have to face. The legal advice is not that the selection of an alternative route to Route Option 3 would be unlawful but it would need careful justification if a successful challenge to any subsequent Compulsory Purchase or Side Roads Orders is to be avoided.

7. Middle Section Summary

Route Option 1 does not require any residential land, but it does pose significant planning risk being outside the safeguarded corridor and having an impact on land allocated for other purposes in the SELLP. It is more expensive than option 3 and 4, which does not include potential compensation costs that may be due to local plan allocated site owners objecting to the change of use.

Route Option 3 has the highest resident impact leading to the loss of up to 9 residential properties. This loss of residential provision is a relevant consideration for the Executive in determining a route although the Scheme as a whole will bring into development a significant number of residential properties. Route Option 3 is estimated to be the most cost effective solution, being £2.2m less than Route Option 4 and at least £3.8m less than Route Option 1. It should be recognised that these sums are as estimated today and this section of the road will not be developed for some time.

Route Option 3 does not carry similar levels of planning risk to Options 1 and 4 as it is within the safeguarded corridor within the SELLP. Again, however, it should be borne in mind that the middle sections will not be constructed for some time and that the SELLP will go through at least one review before these sections are likely to be constructed. This planning advantage together with its benefits in highway

design and traffic terms means that Route Option 3 is also the option which is most likely to successfully defend published legal orders, including a Compulsory Purchase Order of the residential properties and is the reason why it is recommended.

However Route Option 4 is likely to be the least contentious route providing that commercial engagement is successfully progressed, following the early provisional route options discussions with the 'Trojan Wood' owners. This route does not require the loss of residential properties and would bring into development the same amount of new housing as Route Option 3. In net terms, therefore, it has less effect on the availability of housing in the town than Option 3. This route carries greater risk of delivery than option 3, as per the ranking above. In particular the fact that it is not within the safeguarded corridor means it carries planning risk which may be capable of being mitigated in future versions of the SELLP although this cannot be guaranteed. This option may, as a result, pose difficulties in justifying this route over route option 3 through the legal orders process.

As stated above Routes 3 and 4 both score closely, albeit with different benefits and drawbacks. Ultimately both are feasible in facilitating a scheme which meets the overall SWRR objectives.

8. Progression of Section 5

Section 5 comprises a circa 1km length of road linking the B1356 Spalding Road with Section 4 of the scheme. The B1356 Spalding Road is the main route between Spalding and Pinchbeck. The section will comprise a five-arm roundabout junction on the B1356 Spalding Road which will provide access to the SWRR, Enterprise Way and the Vernatt's Drain SUE. The junction will replace the existing priority controlled junction located on Enterprise Way which currently has issues of traffic congestion during peak periods.

At the western extent of the section, a three-arm signalised junction with associated pedestrian and cycle facilities will be provided for access into the Vernatt's SUE. The section will also include a three-span bridge over the Sleaford to Peterborough railway line. The bridge has been designed to meet the requirements of the further electrification of the Sleaford to Peterborough railway line by Network Rail.

Consideration has been given to whether a Side Roads Order (SRO) was required for Section 5 of the SWRR. There is a need for the creation of the new cul-de-sac for residents on Spalding Road as the proposal is for the B1356 Spalding Road, Pinchbeck to be realigned west to allow for the creation of the new 5-Arm Roundabout.

However, the delay involved in seeking an SRO would risk the loss of £12m HIF funding from Homes England for Section 5 and therefore the date of any commencement of section 5. If this can therefore be avoided it will ensure the securing of important funding for the whole scheme and accelerate the delivery of a key phase of the Scheme.

In fact it is considered that the proposed design for Section 5 would adequately deliver appropriate mitigation for the new cul-de-sac to avoid the need for an SRO.

Therefore, there are grounds on which the Council could continue without a SRO and manage the highway rights which would not be extinguished and therefore the continuing responsibilities and liabilities that would be incurred.

The recommendations in the Report therefore do not make provision for the use of such powers.

9. Property Acquisition for Section 5

Section 5 of the SWRR, related to the Vernatt's SUE, requires the acquisition of the land necessary for its construction. This includes the acquisition and subsequent demolition of a pair of semi-detached properties located opposite the intersection of Spalding Road with Enterprise Way.

Land acquisitions for Section 5 are proceeding. Initial engagement of land owners has begun and Heads of Terms ("HOTs") will be developed with the key landowners and stakeholder Network Rail ("NR"). It is considered therefore that LCC will not need to use compulsory purchase powers to acquire the land. However, should issue arise with the agreements, LCC have the fall-back position of utilising these powers.

10. State Aid

State Aid advice has been obtained on all Phases of the SWRR and these have been considered as part of any land deals being taken forward. In respect of the SWRR as a whole the advice is that the construction of the road does not constitute State Aid. Principally this is because the SWRR as a whole is a road which when built will be open to all potential users free of charge and without discrimination: and it will provide benefits to those in the area generally (e.g. by reducing traffic through Spalding itself and facilitating the strategic movement of traffic). The fact that the road may be constructed with a view also to facilitating growth and the fact that land may be brought into development as a result of its construction does not affect this position. It does not therefore prevent proceeding with Section 5 as long as it can be seen as a part of the delivery of the wider scheme.

State Aid could potentially arise if elements of the design and construction were put in place solely to benefit an individual undertaking such as a landowner with development plans. This may be the case with, for example, the construction of a roundabout giving access to the development site. No State Aid will arise, however, if the landowner(s) in question contribute financially to the scheme in an amount equal to or in excess of the cost of those elements of the works. In the case of the SWRR, the section 106 contributions to be made by landowners will be more than sufficient to outweigh the costs of works which may be said to benefit them exclusively.

This will be kept under review as the scheme progresses to ensure that all necessary s106 contributions are secured.

It should be noted however that the State Aid analysis is dependent on the highways justification for the SWRR in its entirety and therefore approval for the scheme as a whole is required. The determination of a route for the middle sections enables the approval of the whole scheme thereby supporting the State Aid analysis.

11. Section 5 Programme

It is currently proposed to commence pre-construction works in winter 2019 including ecological mitigation works, archaeology, and site compound and vegetation clearance. Main construction works commencing with the 5 arm roundabout are due to start in Spring 2020 followed by construction of the road, bridge over the railway line and a signalised 'T' junction to connect Section 5 to the proposed Section 4 of the scheme.

12. Consultation

Consultation as part of the planning process for Sections 1 and 5 of the SWRR was undertaken after the applications were both submitted in February 2019. This was subject to public consultation/notification in accordance with the statutory requirements and standards as set out in the Council's Statement of Community Involvement. It included displaying site notices at locations in and around the proposed route, and in the local press (displayed on 28 March and 26 April 2019, respectively). Notification letters were also sent to over 268 individual properties and comments invited to be made within 30 days – this being the minimum timeframe set out in legislation for proposals subject to Environment Impact Assessment. The 30 day timeframe is not however a 'cut-off' date and comments received after this date were still accepted and taken into account and summarised in the report that was eventually considered by the Planning & Regulation Committee.

The 2019 Local Plan deliberations in respect of the need for a SWRR were public events and similar comments were made during the planning process for Sections 1 and 5. There was general agreement that a relief road was needed and that it would be better if the full route was constructed at the same time to avoid the end sections becoming residential cul de sacs, There was some concern over the connection of the relief road sections to the A16 along currently congested routes and local objection to routes within the proximity of nearby dwellings.

This feedback prompted early engagement with local residents to start the dialogue in respect of the complete SWRR and to demonstrate the Highway Authority commitment to the full scheme.

Therefore the series of engagement events between the 12th and 16th February 2019 were not consultation meetings for Sections 1 and 5. They were events that were organised to engage local residents and to start the process of planning for the development of the 'middle sections' of the Spalding Western Relief Road

(SWRR). As part this engagement with residents questionnaires were completed on the preferred routes by attendees and on-line. The analysis report for this is shown as Appendix C.

One to One meetings were arranged by LCC and South Holland District Council (SHDC) in early April 2019 with residents from Bourne Road and Horseshoe Road, to seek views on the early stages of planning for the 'middle sections of the route. The consensus remained that the Relief Road was needed but not in locations that would impact on residents, ecology or visual appearance of the area.

Further One to One meetings were arranged by LCC and South Holland District Council (SHDC) in mid-October 2019 with residents from Bourne Road that may be affected by an emerging preferred route of the scheme.

13. Legal Issues:

Human Rights

The Council has addressed the implications arising from the SWRR Scheme in respect of the Human Rights Act 1998. The Human Rights Act 1998 incorporated the European Convention on Human Rights (the "Convention") into domestic law. The Convention includes provisions in the form of Articles, the aim of which is to protect the rights of the individual.

The Council has carefully considered the rights of property owners under the Convention against the wider public interest.

Article 1 of the First Protocol to the Convention.

This protects the right of everyone to the peaceful enjoyment of possessions. No one can be deprived of possessions except in the interest and subject to the relevant national and international laws.

Article 6.

This entitles those affected by the Scheme to a fair and public hearing. This includes property rights and can include opportunities to be heard in the consultation process.

Article 8.

This protects private and family life, home and correspondence. No public authority can interfere with these interests except if it is in accordance with the law and is necessary in the interests of national security, public safety or the economic well-being of the country.

Article 14.

This protects the right to enjoy rights and freedoms in the Convention free from discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, or national or social origin.

The European Court of Human Rights has recognised that “regard must be had to the fair balance that has to be struck between competing interests of the individual and of the community”. Both public and private interests are to be considered in the exercise of the Council’s powers and duties as a local authority. Any interference with a Convention right must be necessary and proportionate.

The proposed Scheme and in particular Route Option 3 through the middle sections clearly will impact on the residents of properties on Bourne Road who are affected by the proposed route. That impact will be significant and will impact on those residents’ peaceful enjoyment of their possessions and their enjoyment of their home and will affect their family life.

Balanced against this the Scheme is an important piece of highway infrastructure which will benefit the town of Spalding generally as set out in this Report. On balance it is considered that the interference with the rights of residents is necessary and proportionate. Route Option 3 is the most appropriate in highway terms. It is the least expensive and is within the safeguarded corridor established by the local plan following extensive consultation and engagement.

The residents have had the opportunity to respond to the Council’s proposals and for their comments to be taken into account as set out in section 12 above.

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- * Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- * Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- * Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
- * Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons’ disabilities

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding

Compliance with the duties in section 149 may involve treating some persons more favourably than others

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process

Consideration has been given to the Equality Act 2010 and as indicated in the Report the design will take account of the needs of people with a protected characteristic such as people with a disability. An Equality Impact Assessment will be undertaken as part of the development of the Scheme to ensure all impacts are identified and mitigated where possible.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision

Consideration has been given to the JSNA and the JHWS and the scheme has benefits for both the health and wellbeing of people in Spalding due to the following reasons:

Objective SWRR 7 is to enhance quality of life for residents of Spalding by improving air quality, reducing carbon emissions and addressing issues of town centre safety.

Objective SWRR 9 is to support and encourage walking and cycling by reducing town centre traffic and providing safe links.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area

Consideration has been given to section 17 of the Crime and Disorder Act 1998 and the scheme is not considered to have any direct effect on crime and disorder.

14. Conclusion

The SWRR Scheme has been promoted through a significant number of policy documents published by LCC and SHDC. The need for the SWRR scheme and the benefits it will bring are widely recognised in support of improving traffic congestion in the town of Spalding and enabling future housing growth as reflected in the SELLP.

The Executive is invited to approve the Scheme and its delivery strategy as set out in Appendix B, the preferred route for the Scheme including the middle, the letting of a contract for the delivery of section 5 and the acquisition of properties necessary for the Scheme by agreement.

15. Legal Comments:

The Council has the power to adopt the recommendations.

The legal considerations in deciding whether or not to proceed are set out in detail in the Report.

The decision is consistent with the Policy Framework and within the remit of the Executive.

16. Resource Comments:

Endorsing the proposals for the delivery of the five sections of the Spalding Western Relief Road will commit costs to the revenue advance design budget of the council, which is part of the approved revenue budget of the Highways Service. The cost implications of various route options are specified in the body of the report, However, apart from section 5 this report does not commit any expenditure to the Council's capital programme; this commitment would only arise in relation to sections other than section 5 on approval of a capital scheme appraisal.

The Council has already included in the approved capital programme a net contribution of £13.2m to section 5 of the SWRR. This, with the £12m secured HIF funding and £1m contribution from SHDC, provides a budget of £26.2m for this scheme. There is currently no budget in the approved capital programme to deliver any other sections of the road either by a direct contribution, or forward funding any proposed developer contributions.

17. Consultation

a) Has Local Member Been Consulted?

The local members have been consulted on the SWRR Delivery Strategy.

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The Highways and Transport Scrutiny Committee met on 09 December 2019 to consider the Spalding Western Relief Road Highway Scheme.

As part of the consideration of this item the Committee welcomed local residents who presented a petition calling on the County Council to amend the route of the proposed Spalding West Relief Road.

The Committee supported the carrying out of the Spalding Western Relief Road Scheme, including the delivery of the Scheme in sections, the acquisition of land by agreement and to progress the delivery of section 5 as the first section of the phased delivery including the letting of a construction contract for the works.

The Committee did not support the proposed 'route option three' and formally resolved to recommend 'route option four' to the Executive, with an alignment through the 'Trojan Wood' factory site to the west and outside the safeguarded road corridor.

The Committee voted (*8 in favour with 3 abstentions*) to support recommendations 1, 3, 4, 5 and 6 included in the Executive report, and to recommend 'Route Option 4 - Trojan Wood factory site' as the preferred route for the Scheme.

In addition, the Committee highlighted the following comments for further consideration by the Executive:

- Members of the Committee highlighted the serious impact on the lives of local residents in relation to the potential planning blight which could be caused by adopting route option three.
- Local Councillors highlighted that while option three would be slightly cheaper, officers had not quantified the reported impact on the feelings and anxiety of local residents. In addition, the Committee highlighted that route option four would require an additional £2.24m over option three, but would minimise the impact on adjacent properties.
- A member of the Committee highlighted serious concerns in respect of the reported shortcomings in the notification of the scheme and engagement with local residents.

d) Have Risks and Impact Analysis been carried out?

The risks and impact analysis have been undertaken for the scheme.

e) Risks and Impact Analysis

See the body of the Report and Appendices A and B.

18. Appendices

These are listed below and attached at the back of the report	
Appendix A	Spalding Western Relief Road Preferred Route
Appendix B	Spalding Western Relief Road Delivery Strategy
Appendix C	Spalding Western Relief Road Sections 2 - 4 Analysis Report

19. Background Papers

The following Background Papers within the meaning of section 100D of the Local Government Act 1972 were used in the preparation of this Report

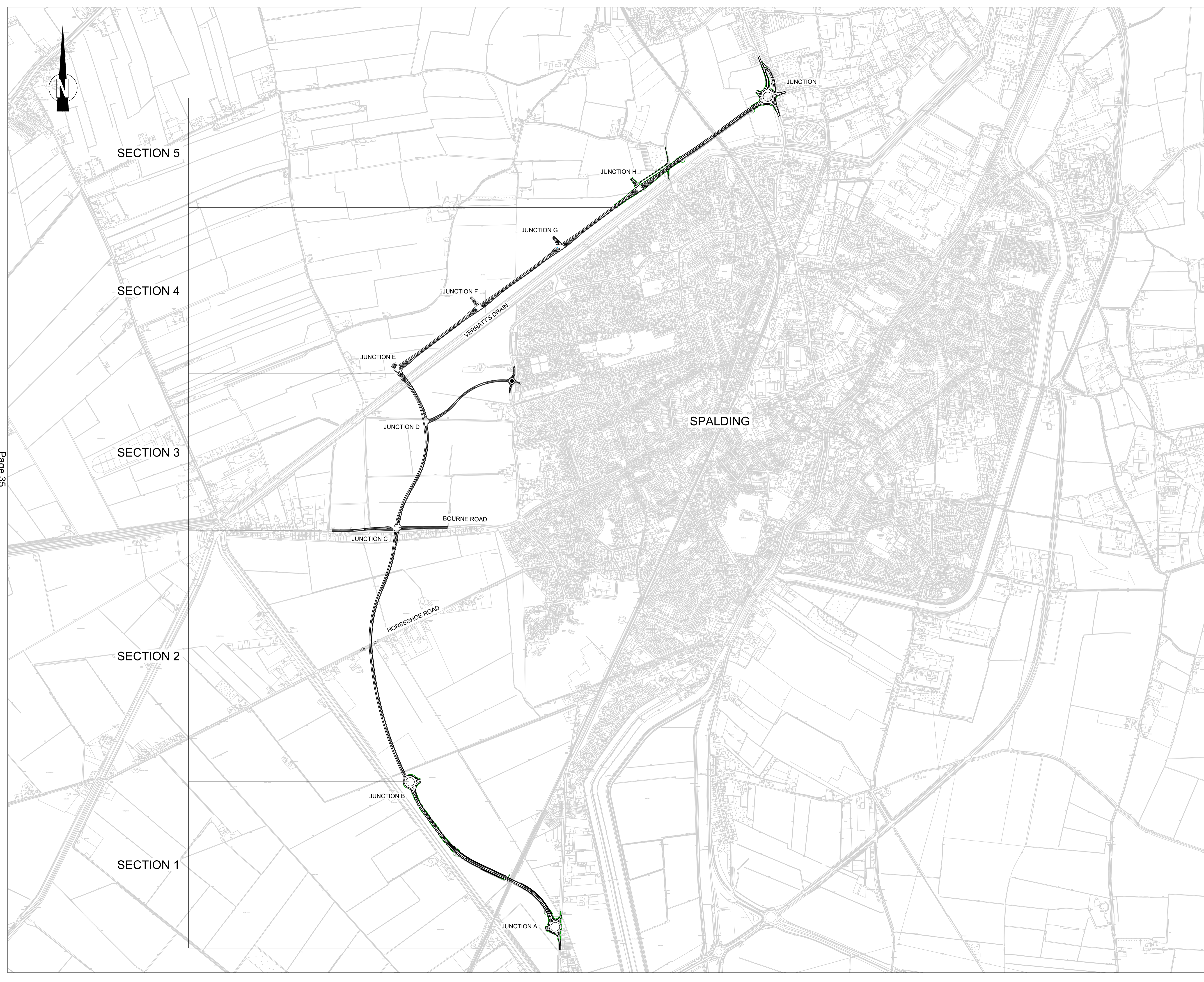
Background Paper	Where it can be viewed
South East Lincolnshire Local Plan	http://www.southeastlincslocalplan.org/adopted-plan/
Local Transport Plan	https://www.lincolnshire.gov.uk/transport-and-roads/strategy-and-policy/local-transport-plan/34380.article
Spalding Transport Strategy 2014-2036	https://www.lincolnshire.gov.uk/transport-and-roads/strategy-and-policy/spalding-transport-strategy/118463.article
Executive Report – 21 st March 2012	http://lincolnshire.moderngov.co.uk/Data/Executive%20Councillor%20-%20Highways%20and%20Transport/20120321/Agenda/02009%20-%20Spalding%20Western%20Relief%20Road%20-%20REPORT.pdf

This report was written by Teresa James, who can be contacted on 01522 555587 or Teresa.james@lincolnshire.gov.uk .

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NOTES:

1. HIGHWAY LAYOUT SHOWN ON THE PLAN IS THE OUTPUT OF A HIGH LEVEL FEASIBILITY STUDY
2. FEASIBILITY LAYOUT HAS BEEN UNDERTAKEN BASED ON OS MAPPING AND LIDAR DATA. ADDITIONAL SURVEY WORK IS REQUIRED TO VERIFY THE ASSUMPTIONS MADE AT THIS STAGE OF THE DESIGN.
3. EXACT JUNCTION LAYOUTS, SIZES AND LOCATIONS ARE SUBJECT TO FURTHER PRELIMINARY DESIGN WORK AND JUNCTION CAPACITY ASSESSMENTS.
4. THE HIGHWAY ALIGNMENT IS SUBJECT TO FURTHER PRELIMINARY DESIGN WORK BY STRUCTURAL, GEOTECHNICAL AND DRAINAGE ENGINEERS.



DRAFT

FOR INFORMATION

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FOR THIRD PARTY USE THIS DRAWING SHALL BE DEEMED CURRENT ONLY AT THE DATE OF APPROVAL. PLEASE CHECK FOR AMENDMENTS BEFORE USE.

P01 Draft Issue		Drawn By:	CAD By:	Approved By:
Amendment Details				

Drawing 1st Approval

1st Approval by:	Date:
Drawn/Designed by:	CAD Drawing Creation
AI	AI
Created By:	Date:
AI	18/11/2019

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Secondary: (Do not scale from this drawing)

Lincolnshire COUNTY COUNCIL
Highways Alliance
TECHNICAL SERVICES PARTNERSHIP
CROWN HOUSE
GRANTHAM STREET
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Customer Service Centre: (01522) 782070



Scheme Reference	Originator	Volume	Location
70059770	- WSP	- HML	- XX
	- DR	- CH	- 1000
	Type	Role	Number

Purpose	Revision	Suitability
FOR INFORMATION	P01	S2
Alternative Scheme Code:	Road No:	

Parish:	Structure No:	SCN No:	Site Ref:
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Description:
SPALDING WESTERN RELIEF ROAD
SECTIONS 2-4
ROUTE OPTION 3
HIGHWAY LAYOUT

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Spalding Western Relief Road

Delivery Strategy



March 2019

Document Control Sheet

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Executive Summary

WSP, through the Lincolnshire County Council Technical Services Partnership, has been jointly appointed by Lincolnshire County Council (LCC) and South Holland District Council (SHDC) to develop proposals for the Spalding Western Relief Road (SWRR).

The SWRR will be a 6.5km road linking the A1175 and A16, via the B1172 Spalding Common, in the south to the B1356 Spalding Road in the north. The scheme will deliver a 7.3m wide all-purpose single carriageway road.

SWRR is identified in the fourth Local Transport Plan as one of LCC four major scheme priorities for the short and medium term. The scheme is needed to both resolve transport issues and to support proposed growth around the town.

The delivery of the SWRR is expected to relieve traffic congestion, improve journey time reliability, improve air quality in Spalding Town Centre and support the delivery of future strategic residential developments, as allocated in the South East Lincolnshire Local Plan (SELLP). This includes the Holland Park and the Vernatt's Sustainable Urban Extensions (SUE).

The SELLP describes how the scheme is likely to be required to be delivered in sections as the project requires a pool of developments from which to secure contributions towards its delivery. This is reflected in the proposed Local Plan SUE policies for the town. Therefore, it is necessary for the scheme to be delivered in five sections which are envisaged to be delivered in separate stages. The different sections of the SWRR are summarised below:

- Section 1: Spalding Common to Holland Park
- Section 2: Holland Park to Bourne Road
- Section 3: Bourne Road to North of Vernatt's Drain
- Section 4: North of Vernatt's Drain
- Section 5: North of Vernatt's Drain to Spalding Road

Funding for Section 1 has yet to be secured. Section 5 funding has been identified and secured and Planning Applications were submitted in early March 2019 with determination expected to be in summer 2019.

Sections 2, 3 and 4 of the SWRR are expected to be delivered over the implementation period of the SELLP with an expectation of a high level of developer funding. The specific alignment of Sections 2, 3 and 4 is yet to be determined and a safeguarded road corridor for the scheme has been identified in the SELLP.

The scheme in a strategic context, is to remove through-traffic in the town centre by providing an alternative route with a bridge over the railway line negating the need for north-south traffic to cross at grade via the town centre level crossings and secondly to distribute new development traffic generated by future residential development. The benefits of the scheme include:

- Mitigating the impact of the expected increase in level-crossing barrier downtime in Spalding resulting from increased rail-freight traffic passing through the town.
- Reduce traffic congestion in Spalding town centre.
- Enhance connectivity by improving west to south links around Spalding.
- Removal of strategic through traffic, particularly between the east and west, and the east and south, by providing a link between the A151 Bourne Road to the west of the town and the A1175/A16 to the south and east of the town.
- The road will provide alternative routes for local traffic passing through Spalding avoiding congestion in the town centre and increasing journey time reliability.
- Facilitating access to the Holland Park and the Vernatt's SUE's.

As well as vehicular traffic movements, the SWRR will support walking and cycling in the area through the provision of pedestrian and cycle facilities, both along its length and at various locations across its corridor.

At the present time, the following delivery strategy is proposed,

- Town Centre Improvements – 2021 (cost £3.2m)
- SWRR Section 5 – By 2021 (cost £27.6m)
- SWRR Section 1 – By 2022 (cost £29.1m)
- SWRR Section 2 – 4 By 2030 (cost c£44.8m)

The totals include work within the Town Centre (circa £3.2m) plus the phased delivery of the SWRR which has a total cost of £101m at 2018 prices. The cost estimates for Sections 1 and 5 are based upon the preliminary design submitted for each Planning Application and the cost estimates for Sections 2, 3 and 4 are based on high level design assumptions. The cost estimates for Sections 2, 3 and 4 will be refined as each section is progressed further.

The governance and project management of the project will be organised at the following levels:

1. Executive Management
2. Project Board
3. The Senior Responsible Owner
4. Project Assurance
5. Project Manager
6. Delivery Teams

The scheme delivery process will be led by LCC and supported by SHDC. LCC will manage the process up to and including construction including the procurement and appointment of a construction partner.

The following are the key remaining high-level tasks required to deliver the scheme:

- Completion of option selection and feasibility design (completed for Sections 1 and 5)
- Preliminary design (completed for Sections 1 and 5)
- Planning Application (completed for Sections 1 and 5)
- Secure funding (completed for Sections 1 and 5)
- Detailed design
- Tender documentation and drawings
- Stage 2 scheme review
- Road Safety Audits
- Utility diversion consultation
- Procurement process
- Stage 3 scheme review
- Tender award
- Planning condition discharge
- Construction phase

A Risk Register has been developed for the SWRR to enable the design team to identify any key risks associated with the proposed scheme that they are either aware of, or that are likely to be raised as the scheme progresses, and more information becomes available.

The Risk Register covers a number of different aspects, such as:

- Strategic Relationships/ Policy
- Economics/ Funding
- Land/ Statutory Processes
- Consents/ Approvals
- Contractual
- Third Parties - Public
- Third Parties - Stats
- Environment
- Design
- Construction

The Risk Register includes details of the nature of the risk, potential impacts and possible mitigation measures that need to be undertaken to either remove the risk, or to minimise the impact of that risk from both a cost and programme perspective, should it occur.

1 Introduction

1.1 Project Background

WSP, through the Lincolnshire County Council Technical Services Partnership, has been jointly appointed by Lincolnshire County Council (LCC) and South Holland District Council (SHDC) to develop proposals for the Spalding Western Relief Road (SWRR).

The SWRR is identified in the fourth Local Transport Plan as one of LCC's four major scheme priorities for the short and medium term and the scheme is needed to both resolve transport issues and to support future growth around the town.

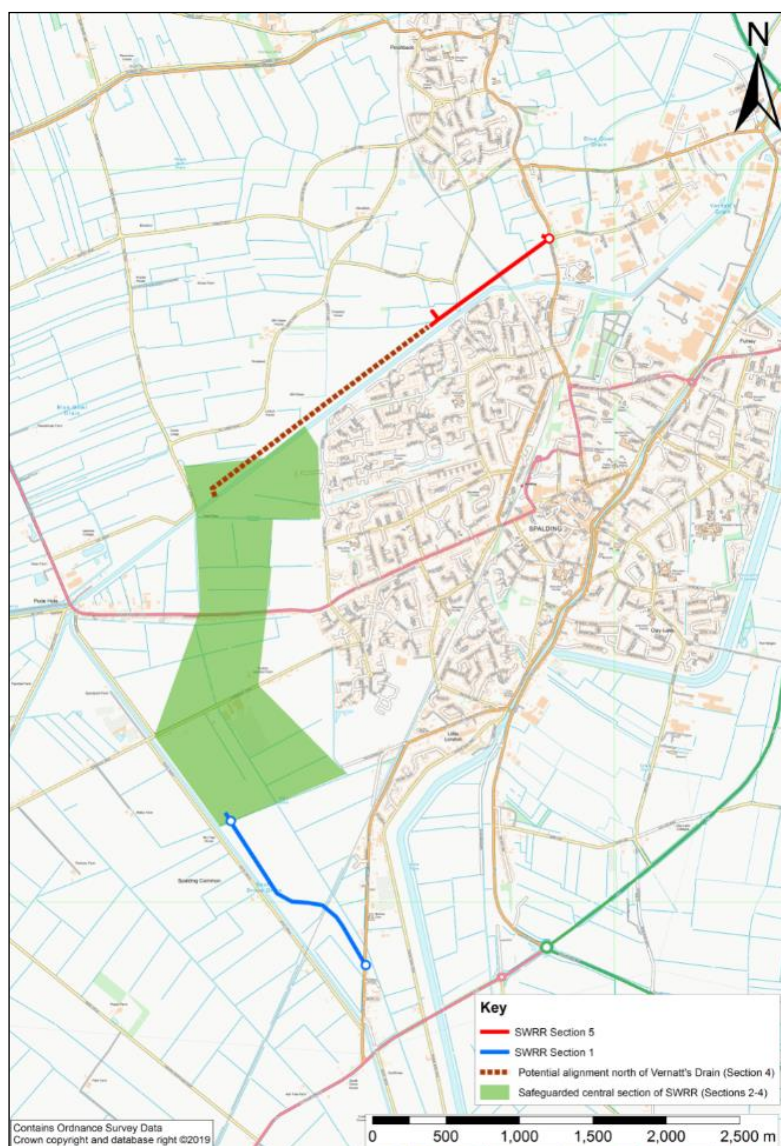
The delivery of the SWRR is expected to relieve traffic congestion, improve journey time reliability, improve air quality in Spalding Town Centre and support the delivery of future strategic residential developments, as allocated in the South East Lincolnshire Local Plan (SELLP). This includes the Holland Park and the Vernatt's Sustainable Urban Extensions (SUE).

The SELLP describes how the scheme is likely to be required to be delivered in sections as the project requires a pool of developments from which to secure contributions towards its delivery. This is reflected in the proposed Local Plan SUE policies for the town. Therefore, it is necessary for the scheme to be delivered in five sections which are envisaged to be delivered in separate stages. The different sections of the SWRR are shown Figure 1-1 and are summarised below:

- Section 1: Spalding Common to Holland Park
- Section 2: Holland Park to Bourne Road
- Section 3: Bourne Road to North of Vernatt's Drain
- Section 4: North of Vernatt's Drain
- Section 5: North of Vernatt's Drain to Spalding Road

Further details of the individual sections are provided in Chapter 4, with Chapter 5 through to Chapter 9 discussing each of the five sections in turn.

Figure 1-1 – SWRR Sections



1.2 Purpose of the report

The purpose of this report is to set out a process to deliver the scheme over South East Lincolnshire Local Plan period. The report presents the overall delivery strategy including delivery timescales and costs to delivery each section of the route.

1.3 Structure of the Report

Following this introduction, the remainder of this report is structured as follows:

- **Chapter 2** sets out the national, regional and local policy context relevant to the delivery of the SWRR.
- **Chapter 3** presents the SWRR objectives and principles.
- **Chapter 4** presents an overview of the approach to delivering SWRR.
- **Chapters 5 to 9** details the strategy for delivering each of the five individual SWRR sections.

- **Chapter 10** sets out the various funding mechanisms which could be utilised to deliver the scheme.
- **Chapter 11** presents the approach to governance and procurement.
- **Chapter 12** discusses the risks and dependencies associated with delivering the SWRR.

2 Policy Context

This section of the Delivery Strategy provides an overview of the current policy context as it relates to the scheme. The following documents have been considered:

- National Planning Policy Framework (2018)
- South East Lincolnshire Local Plan (2019)
- 4th Lincolnshire Local Transport Plan (2013)
- Spalding Transport Strategy (2014)

2.1 National Planning Policy Framework (2018)

The National Planning Policy Framework (NPPF) set out the Government's planning policies for England and how these should be applied. It is a framework to guide locally prepared plans. The NPPF states (Para 11) that '*plans and decisions should apply a presumption in favour of sustainable development*'.

For plan making, it states that '*plans should positively seek opportunities to meet the development needs of their area*'. For decision taking, where proposals accord with an up-to-date development plan, '*development should be approved without delay*'.

Transport issues should be considered at the earliest stages of plan-making and development proposals to deliver sustainable transport outcomes.

The NPPF states that applications for development should:

- 'give priority first to pedestrian and cycle movements, both within the scheme and with neighbouring areas; and second – so far as possible – to facilitating access to high quality public transport, with layouts that maximise the catchment area for bus or other public transport services, and appropriate facilities that encourage public transport use;
- address the needs of people with disabilities and reduced mobility in relation to all modes of transport;
- create places that are safe, secure and attractive – which minimise the scope for conflicts between pedestrians, cyclists and vehicles, avoid unnecessary street clutter, and respond to local character and design standards;
- allow for the efficient delivery of goods, and access by service and emergency vehicles; and
- be designed to enable charging of plug-in and other ultra-low emission vehicles in safe, accessible and convenient locations.'

Furthermore, significant development should be in sustainable locations that limit the need to travel and offer a genuine choice of transport modes.

The NPPF states that development '*should only be prevented or refused on highways grounds if there would be an unacceptable impact on highway safety, or the residual cumulative impacts on the road network would be severe*'.

In the assessment of development proposals, it should be ensured that:

- ‘appropriate opportunities to promote sustainable transport modes can be – or have been – taken up, given the type of development and its location;
- safe and suitable access to the site can be achieved for all users; and
- any significant impacts from the development on the transport network (in terms of capacity and congestion), or on highway safety, can be cost effectively mitigated to an acceptable degree.’

It is a necessity for all developments that generate a significant amount of movement to provide a transport assessment or transport statement, to assess the likely impacts of the proposal.

The delivery of the SWRR will facilitate residential growth within Spalding meeting the needs of existing and future residents. The scheme will increase journey time reliability for strategic traffic including freight.

The Planning Applications for each section of the route will be supported with Transport Assessment in accordance with the NPPF.

2.2 South-East Lincolnshire Local Plan (2018)

The South-East Lincolnshire authorities are committed to meeting the physical infrastructure and service needs of Boston Borough and South Holland District.

The South East Lincolnshire Local Plan (SELLP) was adopted in March 2019 and will guide development and the use of land in South East Lincolnshire up to March 2036. Key elements of the Local Plan vision are summarised below:

- Growth will be concentrated in South East Lincolnshire’s most sustainable settlements.
- The majority of development will be focussed in Boston and Spalding;
- The delivery of new sustainably-designed homes (both market and affordable), as well as additional employment opportunities, will meet the needs of all the population.
- The delivery of all new and/or improved infrastructure to support growth will be phased to ensure that new development is both sustainable and deliverable.
- South East Lincolnshire will be better connected by sustainable modes of transport.
- South East Lincolnshire’s important heritage and natural assets, landscapes and townscapes will have been protected, conserved, and enhanced where appropriate.

The document sets out 12 strategic priorities which are the main principles which will be followed to deliver the Local Plan vision. These priorities or principles cover five different themes which include sustainable development, the economy, housing, the environment and transport. The following priorities are of direct relevance to the SWRR.

- Strategic Priority 6: *'To provide enough choice of land for housing to ensure that the housing stock better meets local housing needs and aspirations, including for older people, first time buyers and those in need of affordable and starter housing.'*
- Strategic Priority 11: *"To improve accessibility for all to jobs, services and facilities by sustainable and public transport, to make travel as easy and affordable as possible, both within the area and along key links to and from South East Lincolnshire".*
- Strategic Priority 12: *'To improve South East Lincolnshire's highway infrastructure, to tackle congestion, improve road safety and make journeys as easy as possible particularly for those living in rural areas and to enhance efficiencies for business.'*

As well as providing a strategic link, the SWRR will facilitate the release of developable land for a range of housing types as well as providing additional capacity on the transport network improving journey time reliability and reducing congestion within the town centre.

Policy 1: Spatial Strategy states that *'within the settlement boundaries of Boston and Spalding development will be permitted that supports their roles as Sub-Regional Centres'*. This is supported by the Spalding Housing Paper and the Strategic Housing Land Availability Assessment which allocates land for housing development.

SELLP Policy 5 recognises the importance of ensuring the delivery of sufficient physical infrastructure and service needs capacity to meet the needs generated by development proposals, stating that *'planning permission will be granted for new development provided that developers can demonstrate that there is, or will be sufficient physical infrastructure and service needs capacity to support and meet the needs of the proposed development.'*

As part of the wider SWRR scheme, Policy 12 sets out the approach to supporting the sustainability of designated Sustainable Urban Extensions, whilst Policy 29 recognises that the delivery of the Spalding Western Relief Road is a priority to achieve a more sustainable transport network.

The SELLP shows a commitment to the development and execution of the SWRR, the completion of which is expected to be within the Local Plan period.

Policy 29: Delivering a More Sustainable Transport Network, aims to focus improvement efforts towards solutions that are, as a priority, based on *'management of the existing network and provision of sustainable forms of travel'*. For the road based network, a priority is *'enabling the delivery of the Northern and Southern*

sections of the Spalding Western Relief Road, associated junctions and crossing points’.

For cycling, walking and other sustainable transport, a priority is:

‘ensuring that major new developments provide for walking and cycling routes and/or links to existing networks’.

The delivery S5 of the SWRR will ensure that development is achieved in a manner that meets the growth needs of Spalding, whilst complementing and improving upon the amenity of existing neighbourhoods. Suitable walking and cycling facilities will be provided as part of the scheme. These will link with the proposed SUE’s and the wider urban areas.

The SWRR supports the SELLP by facilitating development in Spalding and delivering sustainable growth. This scheme in line with local policy as the SWRR delivery is to be phased. The Sustainable Urban Extensions which the scheme will facilitate will comprise of mixed land use and affordable housing. The scheme contributes to an integrated high-quality walking and cycling network

2.3 4th Lincolnshire Local Transport Plan (2013)

The 4th Lincolnshire Local Transport Plan (LTP4) covers a 10-year period from 2013/14 to 2022/23 setting out policies and programmes for Transport. The LTP recognises Spalding Western Relief Road as one of four major transport schemes to be prioritised in the short to medium term.

A summary of the Local Transport Plan objectives is provided below:

- to assist the sustainable economic growth through improvements to the transport network;
- to improve accessibility by widening travel choices, especially for those without access to a car;
- to make travel for all modes safer;
- to maintain the safe and efficient movement of people and goods;
- to protect and enhance the built and natural environment by reducing the adverse impacts of traffic, including HGVs;
- to improve the quality of public spaces;
- to improve the quality of life and health of residents and visitors by encouraging active travel and tackling air quality and noise problems;
- to minimise carbon emissions from transport;

The SWRR was identified as one of four major schemes by LCC from an initial sift of major local transport schemes to be prioritised for development. A full appraisal of

each of the four schemes was undertaken based upon the DfT's Early Assessment Sifting Tool (EAST) to prioritise and to determine internal allocation of funding.

Chapter 10 explains that the SWRR is being promoted considering future concerns about road network disruption in Spalding and the impact of congestion on its economy. Within Chapter 10, supporting the larger towns, the SWRR has been identified as a scheme that will not only reduce network disruption in Spalding, but provide a link between the B1172 and B1356 for future residential developments like the Holland Park SUE, and that will remove the necessity for strategic through traffic (including freight) to travel through the town centre. The SWRR is also being promoted to support the Vernatt's SUE which has been identified in the SELLP.

The Strategy identifies that proposals by Network Rail to route additional freight trains along upgraded lines may stand to increase barrier down time at level crossings resulting in additional road network disruption in the town centre. Furthermore, proposals to create a rail freight Interchange to the South West of Spalding, whilst transferring freight from road to rail, may increase rail traffic through the centre of the town, resulting in further level crossing down time.

The scheme contributes to the LTP objectives including assisting sustainable economic growth through improvements to the transport network. The scheme has been identified as a priority for the County through a sifting exercise based on existing problems and meeting future objectives. The scheme addresses existing transport issues and assists future sustainable development.

2.4 Spalding Transport Strategy (2014)

The Spalding Transport Strategy (STS) was published in 2014 and covers the period from 2014 to 2036. This document provides an overview of current and future challenges to travelling in and around Spalding and provides an approach to the improvement and provision of transport and access for the town and the surrounding area.

The Transport Strategy states the SWRR is an important local scheme that will support sustainable residential growth by *“opening up development sites including Holland Park”* and relieve traffic congestion by providing an *“alternative route to the congested A151 route which passes through the centre of Spalding”*

The delivery of the SWRR has been identified as a major scheme that will support the new housing and employment growth in Spalding and accommodate the associated traffic. The time frame for delivery has been classified as short to medium term for the Southern Phase of the SWRR with the extension expected to be executed in the medium to longer term.

The implementation of the SWRR addresses the following Strategy Objectives described within the Spalding Transport Strategy:

- SP1: To support the sustainable economic growth of Spalding and its environs through transport improvements.
- SP2: To ensure transport infrastructure meets the needs of existing and proposed developments.
- SP3: To address town centre congestion by creating an efficient transport network.
- SP7: To reduce the number and severity of road accidents by reducing the potential for conflict.

The SWRR fully supports the Spalding Transport Strategy. The delivery of the scheme will address current and future transport challenges and facilitate sustainable growth within the town.

3 Objectives and Principles

This chapter provides an overview of the principles and justification behind the development of the SWRR.

3.1 Route Rationale and Key Principles

The SWRR in a strategic context is to remove through-traffic in the town centre by providing an alternative route with a bridge over the railway line negating the need for north-south traffic to cross at grade via the town centre level crossings and secondly to distribute new development traffic generated by future residential development.

As outlined in the SELLP (para 8.2.1), the SWRR ‘will provide an alternative route to the congested A151 which passes through the centre of Spalding and are subject to increasing delays resulting from level-crossing ‘downtime’. It is anticipated that the existing level crossing barrier downtime will increase in the future due increased freight being moved on the railway. The implementation of the full route will directly mitigate the effects of this on the local highway, in particular the unreliable journey time for through traffic using the A151 level crossing.

The scheme is a strategic route, but it will also support the SELLP by facilitating access to the sites of the two major Sustainable Urban Extensions (SUE) identified for Spalding: Holland Park SUE and Vernatt’s Drain SUE. The SWRR will support walking and cycling in the area, through the provision of pedestrian and cycle facilities, both along its length and at various locations across its corridor.

3.2 SWRR Objectives

The objectives for the SWRR were developed jointly by LCC and SHDC and are shown in

Table 3-1.

Table 3-1 SWRR Objectives

SWRR 1	To support and facilitate sustainable population and commercial growth within South Holland in accordance with the emerging South East Lincolnshire Local Plan
SWRR 2	To deliver economic benefits by reducing delays and improving journey times
SWRR 3	To mitigate the impact of increased freight passing through Spalding and the associated increase in level crossing barrier downtime
SWRR 4	To reduce traffic congestion in Spalding town centre
SWRR 5	To have regard to the aims of the SHDC Economic Development Strategy and Lincolnshire County Council’s LTP which seek to deliver environmental and traffic benefits
SWRR 5	To enhance connectivity by improving west to south links around

	Spalding
SWRR 7	To enhance quality of life for residents of Spalding by improving air quality, reducing carbon emissions and addressing issues of town centre safety
SWRR 8	To improve the reliability of public transport by minimising delays in the town centre
SWRR 9	To support and encourage walking and cycling by reducing town centre traffic and providing safe links

4 SWRR Overview

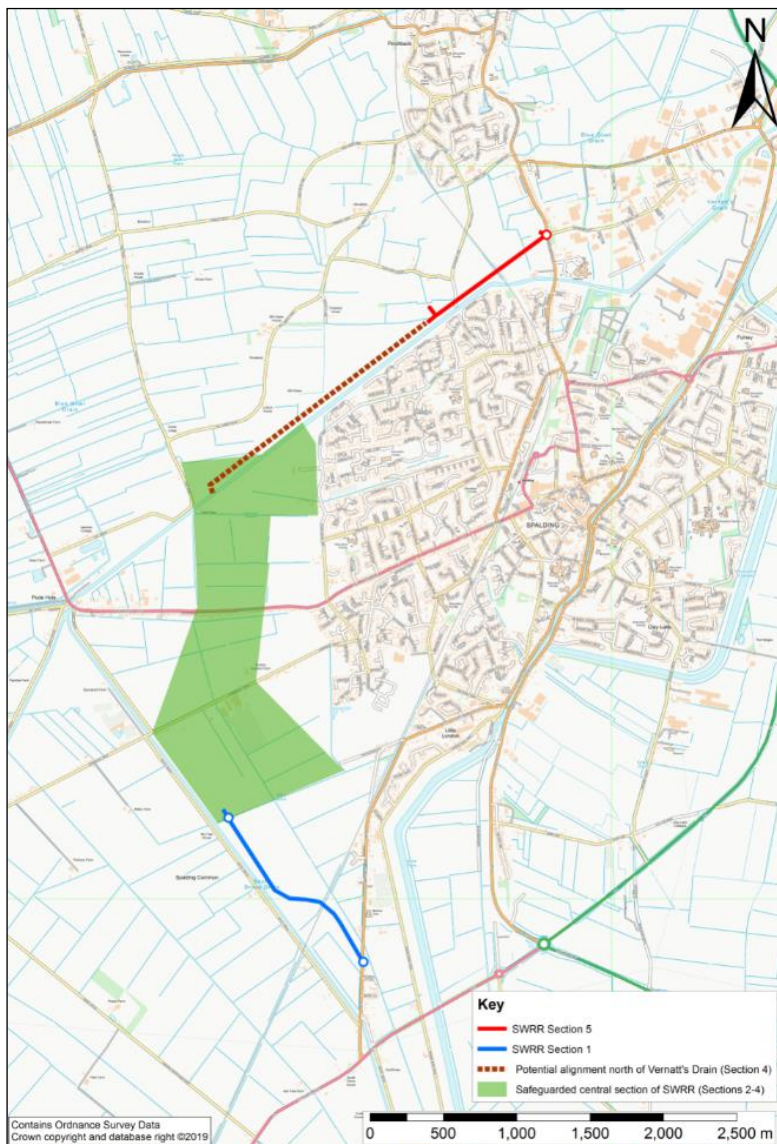
4.1 Overview

The SWRR will be a 6.5km road linking the A1175 and A16, via the B1172 Spalding Common, in the south to the B1356 Spalding Road in the north. The scheme will comprise a 7.3m all-purpose single carriageway road, with 1m hard strips and associated pedestrian and cycle facilities.

The SELLP sets out that to fund and deliver the scheme, a pool of developments from which to secure funding towards the scheme delivery will be required. It is therefore necessary, given this approach for the scheme to be delivered in five separate sections. These different sections of the SWRR are shown in Figure 4-1 - SWRR Alignment and are summarised as follows:

- Section 1: Spalding Common to Holland Park
- Section 2: Holland Park to Bourne Road
- Section 3: Bourne Road to North of Vernatt's Drain
- Section 4: North of Vernatt's Drain
- Section 5: North of Vernatt's Drain to Spalding Road

Figure 4-1 - SWRR Alignment



SWRR will serve as a relief road around the west of Spalding providing an alternative route for traffic currently within the town and acting as a bypass for strategic traffic.

The route will include two grade-separated railway crossings (Section 1 and Section 5) which will provide an alternative route for strategic traffic and relieve the existing pinch points on the network caused by the existing town centre level crossings. It is expected that the barrier downtimes at the level crossings is likely to increase in the future due to the intensification of the railway line for freight traffic and therefore, without appropriate mitigation, journey time reliability at these areas on network is likely to decrease. It is considered that the delivery of the scheme in full would mitigate this by providing additional route choice which is unconstrained by the railway line.

The road will have a design speed of 50mph, although the speed limit is likely to be lower on the approach to junctions or where visibility is constrained. It is envisaged that street lighting will be provided at junctions and on the non-motorised user facilities (low level lighting) to limit the environmental impact of the scheme.

To encourage and promote pedestrian and cycle connectivity, the SWRR will be constructed with pedestrian and cycle provision along its entire length which will consist of shared pedestrian and cycle ways with appropriate provision provided at crossing points and desire lines. These facilities will be designed according to current design standards and will link the two proposed SUE's to the town centre providing the opportunity for trips on foot and by cycle.

4.2 SWRR Sections

The following provides a summary of each of the five sections as detailed below.

Section 1: Spalding Common to Holland Park

Section 1 will comprise a circa 1.2km road connecting the B1172 Spalding Common to Section 2 of the scheme. The section will provide access to the Holland Park SUE.

The section will run in a north-west alignment and include a four-arm roundabout on the B1172 Spalding Common which will provide access to the SWRR from the south and include access into the Holland Park SUE. The section will link to Section 2 via a three-arm roundabout with one arm providing access into the Holland Park SUE.

This section will include a three-span bridge over the Sleaford to Peterborough railway line which, once the scheme is delivered in full will provide an alternative strategic route over the railway line without the need to negotiate the level crossings within the town centre.

Section 2: Holland Park to Bourne Road

The section is approximately 1.5km long and will link Section 1 to Section 3. The Section will cross Horseshoe Road where no junction will be provided. It is expected that Horseshoe Road will be stopped up either side of the SWRR with both the eastern and western sections of Horseshoe Road becoming cul de sacs with pedestrian and cycle access being maintained.

At the northern end of Section 2, there will be a new junction on Bourne Road. Although the design has not yet been developed it is envisaged the junction will be a four-arm signalised junction with appropriate cycle and pedestrian facilities provided.

Options regarding the alignment of this section within the safeguarded road corridor set out in the SELLP are currently being developed through public engagement and feasibility studies and a preferred alignment will be confirmed at a later date.

Section 3: Bourne Road to North of Vernatt's Drain

The section will be a circa 1km link between Bourne Road and a junction immediately north of Vernatt's Drain (the terminal point of Section 4). The link will provide access from Bourne Road into the western extent of the Phase 3 of the Vernatt's SUE, via a new bridge over Vernatt's Drain. A link will be provided from Section 3 into Monks House Lane.

As with Section 2, options regarding the alignment of this section within the safeguarded road corridor are currently being developed and a preferred alignment being confirmed at a later date.

Section 4: North of Vernatt's Drain

The section comprises a 1.8km link between Section 3 and Section 5. It runs along the north of Vernatt's Drain and provides access into the Vernatt's SUE via a number of junctions.

The alignment of the southern section of Section 4 is dependent upon the alignment of Section 3. Accordingly, the location of the tie in points is yet to be determined and will be developed at a later date in conjunction with Section 2 and 3.

Section 5: North of Vernatt's to Spalding Road

Section 5 comprises a circa 1km length of road linking the B156 Spalding Road with Section 4 of the scheme. The B1356 Spalding Road is the main route between Spalding and Pinchbeck. The section will comprise a five-arm roundabout junction on the B156 Spalding Road which will provide access to the SWRR, Enterprise Way and the Vernatt's Drain SUE. The junction will replace the existing priority controlled junction located on Enterprise Way which currently has issues of traffic congestion during peak periods.

At the western extent of the section, a three-arm signalised junction with associated pedestrian and cycle facilities will be provided for access into the Vernatt's SUE. The section will also include a three-span bridge over the Sleaford to Peterborough railway line.

4.3 Infrastructure Delivery Timescale

The delivery of the Section 5, in tandem with delivering the approved Section 1 at Holland Park, will unlock the delivery of the central sections and as a result, the current projected delivery timeline for all five sections of SWRR is as follows:

- **Section 5:** Construction to start late 2019 and delivered by 2021.
- **Section 1:** Construction to start in early 2021 and completion in 2022.
- **Section 2 to 4:** Delivered by 2036 (within the SELLP period).

The timescale identified is based on the funding availability that has been secured for Section 5. It is assumed that funding for the other sections of the SWRR may be secured on a phased basis.

4.4 Planning and Statutory Processes

It is envisaged that separate Planning Applications will be pursued for each section, the assembly of necessary land parcels and discussion with developers regarding funding requirements.

Section 1 - Planning Applications - Funding has yet to be secured. At this stage, the Planning Application was submitted in early March 2019 with the application expected to be determined by late summer 2019.

Section 5 – Planning Applications - Funding for Section 5 has been secured and the Planning Application was submitted in early March 2019 with the application expected to be determined by late summer 2019.

Section 2, 3 and 4 – Public Engagement & Planning Applications - A period of public engagement on Sections 2, 3 and 4 was undertaken in early 2019, and Planning Applications for each section is envisaged to be prepared by 2021.

4.5 Partnerships

Planning Agreements with developers will be required to deliver infrastructure that is 75% funded by private sector contribution. Network Rail, local developers, Lincolnshire County Council as Highway Authority and South Holland District Council as lead Planning Authority will be the key partners.

4.6 Land acquisition

The design of the road sections and junction layout will make allowance for the build footprint of the full SWRR and the requirement for Third Party land is detailed in the respective sections that deal with the proposed construction.

4.7 Public Consultation and Engagement

There have been various public consultation events held on the scheme proposals since 2011. A further statutory six-week consultation period will be undertaken following the submission of each Planning Application.

The scheme is included in the SELLP which has now been adopted. The preparation of the SELLP was subject to a significant amount of public consultation which included 16 'drop-in' exhibition sessions across South Holland over the course of the different stages of its preparation.

Notwithstanding this, a LCC and SHDC elected to hold Non-Statutory Engagement Events to discuss ideas and options for Sections 2 to 4 with the public in February 2019.

4.8 Delivery Strategy Summary

Table 4-1 summarises the current SWRR delivery strategy. The table shows total scheme costs of £101 million (excluding town centre improvements). The cost estimates for Section 1 and 5 are based on the preliminary design for each section which was submitted in March 2019. The cost estimate for sections 2, 3 and 4 are based on high level design assumptions. The costs shown in 2018 prices inclusive of inflation and Risk.

Table 4-1: SWRR Delivery Strategy

Description	Section				
	1	2	3	4	5
Timescale	2021-2022	By 2036	By 2036	By 2036	2020-2021
Planning	Outline Planning Application submitted	Determined at a later date dependent on funding - Potential for one Planning Application covering Sections 2, 3 and 4			Outline Planning Application submitted
Cost	£29.1 m	£44.8 m			£27.6 m

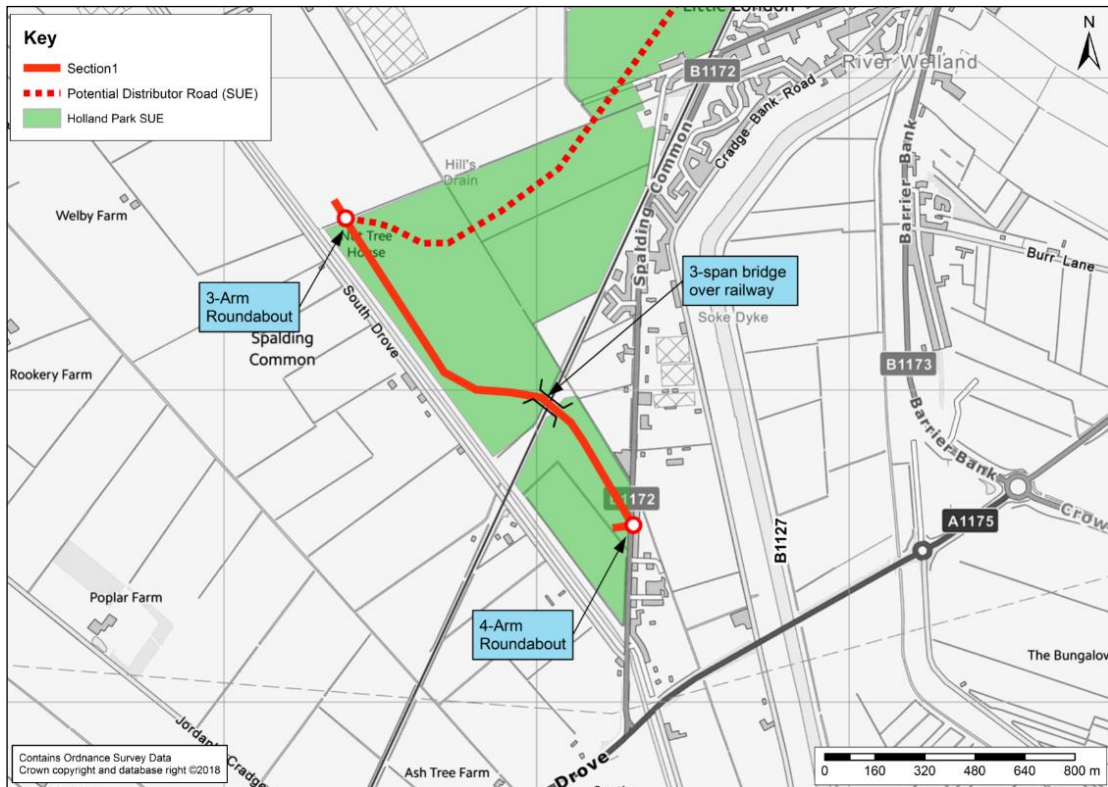
Funding Stream	75% developer contribution being secured	No funding stream identified to date, although there is an expectation of a high level of developer funding	HIF contribution of £12m with the remaining £15m identified in LCC's budget
Delivery Lead	LCC will be the delivery lead on all sections of SWRR, taking responsibility for each stage of the scheme's development from preliminary design, planning, detailed design, legal orders, procurement and construction management.		
Delivery Partners	<ul style="list-style-type: none"> • SHDC • Developer • Network Rail 	<ul style="list-style-type: none"> • SHDC • Developers 	<ul style="list-style-type: none"> • SHDC • Developers • Network Rail

5 Section 1: Spalding Common to Holland Park

5.1 Description

The proposed scheme comprises a 1.2km single carriageway road linking the B1172 Spalding Common to the Holland Park SUE. The proposed link will lie east of South Drove Drain and in a north-south orientation. The approximate scheme alignment is shown in Figure 5-1.

Figure 5-1 – SWRR Section 1



The proposals include a four-arm roundabout at the southern end of the Section at its junction with B1172 Spalding Common, which will also provide access to the Holland Park SUE.

The section will also include a three-span bridge over the Sleaford to Peterborough railway line to provide a barrier free alternative to the frequent level crossings of the rail line in the town.

At the northern end of the section, a roundabout will be provided to connect to future Section 2 of the SWRR and provide access into the Holland Park SUE.

It is envisaged that the link from the roundabout into the Holland Park SUE will continue through the development to form a junction with Horseshoe Road, providing access to Spalding Town Centre via Broadway and Bourne Road.

In summary, S1 comprises the following elements:

- A four-arm roundabout with B1172 Spalding Common.

- A 7.3m wide single carriageway extending for approximately 1.2km.
- Three-span Bridge over the railway line.
- A three-arm roundabout with the proposed S2 of SWRR and the Holland Park SUE distributor road.

5.2 Non-Motorised User Provision

Section 1 will provide a footway along its western side, and a segregated shared use two-way footway/cycleway on its eastern side. The bridge will provide a continuous, barrier free route for pedestrians and cyclists over the railway line.

Uncontrolled formal pedestrian and cycle crossings will be provided on all arms of the roundabout junctions.

The proposed walking and cycling routes will connect to existing provision alongside the River Welland, on Cradge Bank and the minor road network in the south west of Spalding as well as providing links to the Holland Park SUE.

5.3 Status

A preliminary design for the section, including the bridge over the railway line has been developed. A Planning Application was submitted in March 2019 and is due for determination in late summer 2019.

5.4 Phasing

Funding for the scheme has yet to be secured via Section 106 contribution for the Holland Park SUE. This section of the SWRR will be delivered in one phase and in parallel with Section 5 will be the first Section (s) of SWRR to be commenced and completed.

5.5 Scheme Costs

The estimated costs for this section of the scheme have been determined using the preliminary design submitted as part of the Planning Application and includes the following:

- Highway works
- Structures
- Preliminaries
- Statutory Undertakers
- Third party involvement e.g. Network Rail
- Land costs
- Surveys, design development, procurement and scheme supervision
- Scheme risks.

All the above cost elements have been used to determine a gross scheme base estimate, against which an allowance for risk and inflation has then been applied. The estimated cost for this section of the scheme is £29.1 million.

5.6 Delivery

Whilst this section of the scheme will be delivered as part of the Holland Park SUE, the development and delivery of the scheme will be led by LCC and supported by SHDC. LCC will manage the process up to and including construction, including the procurement and appointment of a construction partner.

The following are the key remaining high-level tasks required to deliver the scheme:

- Planning Application (submitted March 2019 and expected to be determined late summer 2019)
- Detailed design
- Tender documentation and drawings
- Stage 2 scheme review
- Road Safety Audits
- Utility diversion consultation
- Network Rail engagement
- Procurement process
- Stage 3 scheme review
- Tender award
- Planning Condition discharge
- Construction phase

Construction of Section 1 of SWRR is programmed to start in mid to late 2020 with completion in 2022.

6 Section 2: Holland Park to Bourne Road

6.1 Description

Section 2 of the SWRR will be a 1.5km link between the Section 1 and Bourne Road. The Section will cross Horseshoe Road where no junction will be provided. It is expected that Horseshoe Road will be stopped up either side of the SWRR with both the eastern and western sections of Horseshoe Road becoming *cul de sacs* with pedestrian and cycle access being maintained.

At the northern end of Section 2, there will be a new junction on Bourne Road. Although the design has not yet been developed it is envisaged the junction will be a four-arm signalised junction with appropriate cycle and pedestrian facilities provided.

Section 2 will facilitate the removal of strategic traffic between the west and south-east of Spalding, from passing through the town, by providing a link between the A151 Bourne Road and the A1175/ A16 via Section 1.

In summary, Section 2 comprises the following infrastructure:

- Starts immediately north of the three-arm roundabout with Section 1 of SWRR and SUE distributor road
- A 7.3m carriageway with 1m hard strips
- A new four-arm junction on Bourne Road. The specific form of the junction will be developed at a later date; however, it is envisaged it is likely to be a four-arm signal controlled junction with appropriate pedestrian / cycle facilities.

Options regarding the alignment of this section within the safeguarded road corridor set out in the SELLP are currently being developed through public engagement and feasibility studies and a preferred alignment will be confirmed at a later date.

6.2 Non-Motorised User Provision

The section will include pedestrian and cycle provision along its length which will consist of shared pedestrian and cycle ways with appropriate provision provided at crossing points and desire lines. These facilities will be designed according to current design standards and will link to the surrounding areas.

The proposed junction at Bourne Road will include pedestrian / cycle crossing facilities.

Horseshoe Road does not currently have footway provision outside of the Spalding settlement boundary. It is not considered necessary to provide additional provision at this location as there is likely to be a reduction in traffic due to the closure of the road to through traffic; it is not proposed to provide footways. Journeys by foot will be facilitated by footways on SWRR with journeys from Horseshoe Road possible either southbound to Holland Park or northbound to Bourne Road, from where access to the wider town could be made.

The stopping up of Horseshoe Road provides the opportunity to promote the road as signed cycle route due to the reduced traffic volumes on Horseshoe Road. The route

can be signed as a cycle route into the Spalding urban area from SWRR as an alternative to the busier Bourne Road.

The pedestrian and cycle ways on the SWRR will link into existing footways on Bourne Road.

6.3 Status

A safeguarded road corridor has been included for this section in the SELLP, although no alignment has been determined.

Option development regarding the alignment of this section within the safeguarded road corridor is currently being developed through public engagement and feasibility studies with a preferred alignment being confirmed at a later date.

6.4 Phasing

Funding for section 2 is yet to be secured, however it is envisaged that Section 2 will be delivered by 2036.

6.5 Costs

The estimated cost for this section of the scheme have been determined using high level design assumptions and includes the same elements as set out in Section 5.4 of this report. It should be noted that cost estimates for this section do not include as more detail as Section 1 and 5.

Estimated Costs for Sections 2 - 4 are £44.8 million.

6.6 Delivery

The scheme delivery process will be led by LCC and supported by SHDC. LCC will manage the process up to and including construction including the procurement and appointment of a construction partner.

The following are the key remaining high-level tasks required to deliver the scheme:

- Completion of option selection and feasibility design
- Preliminary design
- Planning Application
- Secure funding
- Detailed design
- Tender documentation and drawings
- Stage 2 scheme review
- Road Safety Audit
- Utility diversion consultation
- Procurement process
- Stage 3 scheme review
- Tender award
- Planning condition discharge

- Construction phase

Construction of Section 2 of SWRR is anticipated to be completed by 2036.

7 Section 3: Bourne Road to North of Vernatt's Drain

7.1 Description

Section 3 of the SWRR will be a 1km link between Bourne Road and a junction immediately north of Vernatt's Drain (the terminal point of Section 4). The link will provide access from Bourne Road into the western extent of the Phase 3 of the Vernatt's SUE, via a new bridge over Vernatt's Drain.

An additional link will be provided from a SWRR junction north of Bourne Road to the Derwent Way junction on Monks House Lane. This will provide access to the SWRR from the Wygate Park area of the town, without traffic having to pass through the constrained Bourne Road/ Monks House Lane junction.

In summary, Section 3 comprises the following infrastructure:

- A new four-arm junction Bourne Road. The specific form of the junction will be developed at a later date; however, it is envisaged it is likely to be a four-arm signal controlled junction with appropriate pedestrian / cycle facilities.
- A 7.3m carriageway with 1m hard strips.
- Three-arm signalised junction with the Monks House Lane link.
- Monks House Lane link (7.3m with 1m hard strips) between three arm signalised junction and the Monks House Lane/ Derwent Way junction with a priority junction with Derwent Way.

7.2 Non-Motorised User Provision

The section will include pedestrian and cycle provision along its entire length which will consist of shared pedestrian and cycle ways with appropriate provision provided at crossing points and desire lines. These facilities will be designed according to current design standards and will link the surrounding areas.

The proposed junction at Bourne Road will include crossing facilities.

The bridge over Vernatt's Drain will provide sufficient height clearance over the banks of the Drain to enable the footpath on the southern bank to remain open and the maintenance of the Vernatt's Drain and its embankments.

Pedestrian and/ or cycle ramps could be provided from both sides of the bridge down to the shared footway/ cycleway on the southern bank of Vernatt's Drain.

A crossing could be provided in the vicinity of the junction of SWRR and Monks House Lane and this will provide a formal signalised crossing facility for footpath users across SWRR.

The pedestrian and cycle ways on the SWRR will link into existing network of footways and cycleways including those on Bourne Road and Monks House Lane.

7.3 Status

A safeguarded road corridor has been included for this section in the SELLP, although no alignment has been determined.

Option development regarding the alignment of this section within the safeguarded road corridor is currently being developed through public engagement and feasibility studies and a preferred alignment being confirmed at a later date.

7.4 Phasing

Funding for section 3 is yet to be secured, however it is envisaged that Section 3 will be delivered by 2036.

7.5 Costs

The estimated costs for this section of the scheme have been determined using high-level design assumptions and include the same elements as set out in Section 5.4 of this report. It should be noted that cost estimates for this section do not include as much detail as Section 1 and 5.

Estimated Costs for Sections 2 - 4 are £44.8 million.

7.6 Delivery

The scheme delivery process will be led by LCC and supported by SHDC. LCC will manage the process up to and including construction including the procurement and appointment of a construction partner.

The following are the key remaining high-level tasks required to deliver the scheme:

- Completion of option selection and feasibility design
- Preliminary design
- Planning Application
- Secure funding
- Detailed design
- Tender documentation and drawings
- Stage 2 scheme review
- Road Safety Audits
- Utility diversion consultation
- Procurement process
- Stage 3 scheme review
- Tender award
- Planning condition discharge
- Construction phase

Construction of Section 3 of SWRR is likely to be completed by 2036.

8 Section 4: North of Vernatt's Drain

8.1 Description

Section 4 is a 1.8km link between Section 3, which terminates at a junction just north of Vernatt's Drain, and Section 5, which terminates at a junction to the west of the Sleaford to Peterborough railway line. It runs along the north of Vernatt's Drain and provides access into the Vernatt's SUE via a number of junctions.

The alignment of the southern section of Section 4 is with is dependent upon the alignment of Section 3. Accordingly, the location of the tie in points is yet to be determined and will be developed at a later date in conjunction with Section 2 and 3.

In summary, Section 4 comprises the following infrastructure:

- Commences at a three-arm signalised junction with Section 3 and the Vernatt's SUE Phase 2/ 3 distributor road, immediately north of Vernatt's Drain.
- A 7.3m carriageway with 1m hard strips
- Two intermediate three arm signalised junctions providing access into the Vernatt's SUE.
- Bridge over Vernatt's Drain
- Terminates immediately south a three-arm signalised junction with Section 4 and the Vernatt's SUE Phase 3 distributor road.
- Terminates immediately to the west of the three-arm signalised junction with Section 5.

8.2 Non-Motorised User Provision

The section will include pedestrian and cycle provision along its entire length which will consist of shared pedestrian and cycle ways with appropriate provision provided at crossing points and desire lines. These facilities will be designed according to current design standards and will link the surrounding areas.

Pedestrians and cyclists will cross the SWRR at formal signalised controlled crossings at the signalised junctions.

Overall, this NMU provision will link into existing facilities on the south side of Vernatt's Drain and through the Wygate Park area into the rest of the Spalding urban area.

8.3 Status

A safeguarded road corridor has been included for this section in the SELLP, although no alignment has been determined.

Option development regarding the alignment of this section within the safeguarded road corridor is currently being developed through public engagement and feasibility studies and a preferred alignment being confirmed at a later date.

8.4 Phasing

Funding for section 4 is yet to be secured, however it is envisaged that Section 4 will be a delivered by 2036.

8.5 Costs

The estimated costs for this section of the scheme have been determined using the high-level design assumptions and includes the same elements as set out in Section 5.4 of this report. It should be noted that cost estimates for this section do not include as much detail as Section 1 and 5. Estimated Costs for Sections 2 - 4 are £44.8 million.

8.6 Delivery

The scheme delivery process will be led by LCC and supported by SHDC. LCC will manage the process up to and including construction including the procurement and appointment of a construction partner.

The following are the key remaining high-level tasks required to deliver the scheme:

- Completion of option selection and feasibility design
- Preliminary design
- Planning Application
- Secure funding
- Detailed design
- Tender documentation and drawings
- Stage 2 scheme review
- Road Safety Audits
- Utility diversion consultation
- Procurement process
- Stage 3 scheme review
- Tender award
- Planning condition discharge
- Construction phase

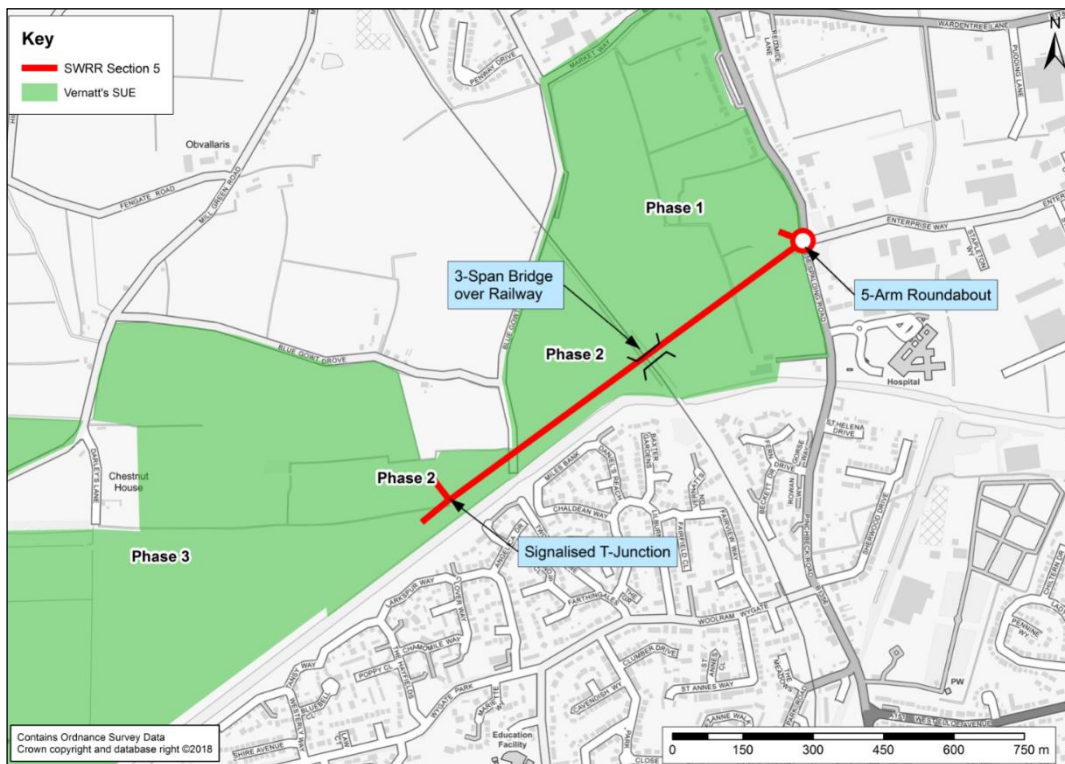
Construction of Section 4 of SWRR is likely to be completed by 2036.

9 Section 5: North of Vernatt's Drain to Spalding Road

9.1 Description

The proposals for Section 5 of the SWRR comprise a 1km single carriageway road between the B1356 Spalding Road and the Vernatt's SUE. The proposed section of highway will be located parallel to and north of Vernatt's Drain. **Figure 9-1** shows the alignment of the route.

Figure 9-1 – SWRR Section 5



At the eastern end of the scheme, a five-arm roundabout will tie into the existing highway on Spalding Road, which is the main route extending north from Spalding towards Pinchbeck, and will provide an access into Phase 1 of Vernatt's SUE.

Section 5 will also include a three-span bridge over the Sleaford Peterborough railway line that will create an unimpeded route for traffic west of the town centre, thereby relieving congestion within the town centre caused by the frequent use of level crossings.

Section 5 of the SWRR falls within the Lincolnshire Local Plan allocation for the Vernatt's SUE. The Vernatt's SUE is a strategic residential development that will be located to the north-west of Vernatt's Drain. In this context, Section 5 will permit barrier-free movement over the railway line which will open up Phases 2 and 3 of the Vernatt's SUE.

The T-junction at the western end of Section 5 will also be a point of continuation onto Section 4 of the SWRR. Implementation of Section 5 prior to that of Section 2, 3 and 4 is a fundamental priority for the full delivery of the SWRR.

In summary, Section 5 comprises the following infrastructure:

- A 7.3m wide single carriageway.
- A new five-arm roundabout to replace the existing priority junction with the B1356 Spalding Road and Enterprise Way. The new roundabout will provide access to the new road and to Phase 1 of the Vernatt's SUE.
- A three-span bridge over the Sleaford to Peterborough railway line. This will negate the need for east – west through traffic to travel over the existing level crossings in Spalding Town Centre.
- A signalised T-junction inclusive of pedestrian and cycle facilities located at the western end of S5 to provide access to the Vernatt's SUE.
- Shared pedestrian and cycleway along the northern side of carriageway.
- Pedestrian footway along the southern side of the carriageway.
- Diversion of existing pedestrian / cycle route at Blue Gowt Lane.

9.2 Non-Motorised User Provision

A continuous footway will be provided along the northern side of Section 5 of the SWRR. A portion of this between the signalised T-junction and Two Plank Lane will be segregated shared use footway/cycleway.

A fully segregated shared use two-way footway/cycleway will be provided the south side of Section 5. This will comprise a 1.5m wide footway accompanied by a 3.0m wide two-way cycleway. There will be signalised pedestrian/cycle toucan crossings on each arm of the roundabout with Spalding Road/Enterprise Way, and on each arm of the T-Junction to Vernatt's SUE.

The NMU provision will connect to existing routes on the Spalding Road/ Pinchbeck Road corridor, which provides connection to the town centre and towards the employment areas east of Spalding Road.

The alignment of Section 5 will cause the severance of the existing foot/cycle route on Blue Gowt Lane presently crossing the development corridor to the west of the proposed railway bridge. A pedestrian/cycle diversion is proposed to navigate this severance created because of the planned embankment to the railway bridge. The diversion will add approximately 420m of foot/cycle way to the route between Blue Gowt Lane and Two Plank Lane.

For non-motorised users coming from Blue Gowt Lane to the north, users will be diverted west when the embankment is reached. The diversion will cross the SWRR at the T-junction where a formal signal-controlled crossing is proposed for pedestrians and cyclists. The diversion will continue east along the southern side of the SWRR to reconnect with Blue Gowt Lane and the footbridge over Vernatts Drain

9.3 Status

A preliminary design for the section, including the bridge over the railway line has been developed. A Planning Application was submitted in March 2019 and is due for determination in late summer 2019.

9.4 Phasing

Funding for the scheme was secured in February 2018 when £12 million was awarded from the Ministry of Housing, Communities and Local Government Housing Infrastructure Fund (HIF) for the development of Section 5. A key condition of this funding was that the scheme had to be delivered by 2022. It is therefore expected that the scheme will be constructed by 2022.

9.5 Costs

The estimated costs for this section of the scheme have been determined using the preliminary design submitted as part of the Planning Application and includes the following:

- Highway works
- Structures
- Preliminaries
- Statutory Undertakers
- Third party involvement e.g. Network Rail
- Land costs
- Surveys, design development, procurement and scheme supervision
- Scheme risks.

All the above cost elements have been used to determine a gross scheme base estimate, against which an allowance for risk and inflation has then been applied. The estimated cost for this section of the scheme is £27.6 million.

9.6 Delivery

The scheme delivery process will be led by LCC and supported by SHDC. LCC will manage the process up to and including construction including the procurement and appointment of a construction partner.

The following are the key remaining high-level tasks required to deliver the scheme:

- Preliminary design
- Planning Application
- Detailed design
- Tender documentation and drawings
- Stage 2 scheme review
- Road Safety Audits
- Utility diversion consultation

- Network Rail engagement
- Procurement process
- Stage 3 scheme review
- Tender award
- Planning condition discharge
- Construction phase

Construction of Section 5 of SWRR is programmed to be undertaken during the period 2020 to 2022.

10 Approach to Funding

10.1 Funding Options

Due to the scale of the full scheme there is a number of funding options open to the delivery partners and these will vary both over time and for each section as the scheme progresses.

The following are the main funding options:

- ***Funding from Council Capital funds***

Funding of the scheme, either individual sections or the entire road could be possible in theory through the Local Authority capital budgets. However, this would be a very significant and long term drain on the Councils' finite resources, which are subject to many other requests for funding and not solely from transport. There is also a need to replenish capital funds to support other projects and schemes in the long term

In support of such an approach it could be possible to fund improvements through hypothecation of revenues, from car parking charges for example. However, this would divert monies from other Council priorities and could require an increase in such revenue streams so as not to reduce other activities.

- ***Forward funding from Council Capital funds with recovery***

An alternative approach to funding through Council capital funds would be to forward fund the scheme from capital budgets with a planned and agreed recovery of expenditure from third parties. With the recovery of expenditure, monies can be 'rolled-over; to fund subsequent stages of delivery.

This is already current practice in Lincolnshire whereby the currently under construction Lincoln Eastern Bypass is being partly funded by the County Council and an agreement with the local District Councils has been made to recover monies, via s106 Agreements, from appropriate development contributions.

Alternatively, the County Council could directly negotiate with developers to deliver the scheme on their behalf, with the developer funding the element of the scheme that is necessary to release land for particular sites.

Such an approach requires a robust legal agreement to ensure funds are recovered from developers, either directly or via s106 Agreements. The most significant risk to this approach is that the private sector cannot, or does not, deliver the full funding agreed within the required timescales, perhaps due to a slower build out rate or not fully building out a site.

- ***Direct agreements with developers***

s106

A more standard approach would be to secure funding directly from developers through s106 Agreements. Such an approach is potentially limited by the maximum number of five agreements that can fund one project. In addition, the funding stream may not be sufficiently timely to deliver a scheme in the short term or, indeed, provide the level of funding necessary to deliver larger schemes.

Community Infrastructure Levy

An approach now being used by a number of Local Authorities is the Community Infrastructure Levy (CIL) whereby a 'roof tax' is levied on each development within the CIL charging area. The funds are applied to schemes identified in the Local Authority's Infrastructure Delivery Plan.

However, a CIL approach is not being followed in the South East Lincolnshire Local Plan area and, therefore, is not an option open to SWRR. The likely financial contributions from s106 agreements are likely to be greater than they would be through a CIL.

- ***Local Enterprise Partnership funding***

Significant central government funding has been delegated on a sub-national basis through the Local Enterprise Partnerships (LEP) through arrangements such as the DfT's Local Growth Deals. Over the medium to long term, sections of SWRR could be funded through further bidding opportunities either to or through the LEP; these are likely to need support through the development of a Business Case.

- ***DfT Major Schemes***

The Department for Transport's (DfT) major scheme programme is an established approach to funding large scale transport schemes. At present, there are no funds specifically identified for major schemes, however, DfT is in the process of releasing new funds as part of its drive to deliver new highway capacity within the to be confirmed, Major Road Network.

The designation of the Major Road Network and other funding mechanisms like the Major Schemes approach may provide opportunities for SWRR. Like bidding through the LEP, applications for funding to the DfT are likely to require the support of a Business Case and associated WebTAG compliant traffic modelling and appraisal.

Applications through the LEP and to the DfT are likely to require some element of match funding from other sources.

- ***DfT periodic funding opportunities***

In addition to the DfT's Major Scheme programme, the department also periodically releases opportunities to apply for funds through specific bids, such as the National Productivity Improvement Fund. These may provide opportunities to secure funding but there is a lack of significant forward visibility of possible opportunities over the medium to long term. Due to the often short timescales for bids to be submitted, it is vital to have projects developed to a stage sufficient to support such opportunities, potentially including having Planning Permission and design detail in place.

These opportunities are also likely to require some element of match funding from other sources to have been secured.

- ***Other central government periodic funding opportunities***

In addition to DfT, other central government departments also release periodic opportunities to bid for significant amounts of funding for infrastructure projects. The recent Housing Infrastructure Fund success is an example of potential opportunities to provide further funding for some elements of SWRR.

Such opportunities require projects to be well developed and are likely to require some element of match funding from other sources.

Like the DfT periodic funding, there is often no significant forward visibility of possible opportunities over the medium to long term.

- ***Other sources***

There are a number of other sources which promoters can look to utilise to fund transport schemes including other government agencies and bodies such as the Environment Agency, Network Rail and Highways England. Such opportunities require schemes to support the objectives of these organisations and at present no specific opportunities are identified.

10.2 Legislative Framework

Planning obligations under Section 106 (s106) of the Town and Country Planning Act 1990 (as amended), are focused on site specific mitigation of the impact of development. They are used to secure financial contributions to provide infrastructure or affordable housing, and the powers of an s106 Agreement can be used to:

- restrict the development or use of land
- require specified operations or activities to be carried out in, on, under or over the land
- require land to be used in any specified way

- require a sum or sums to be paid to an Authority on a specified date or dates or periodically

To be consistent with the National Planning Policy Framework (NPPF) (paragraph 203), a s106 Agreement needs to be,

- necessary to make a development acceptable in planning terms
- directly related to a development
- fairly and reasonably related in scale and kind to a development.

The NPPF also states at paragraph 205 that:

'Where obligations are being sought or revised, Local Planning Authorities should take account of changes in market conditions over time and, wherever appropriate, be sufficiently flexible to prevent planned development being stalled.'

The Government in response to its consultation on measures to speed up the negotiation and agreement of s106, has subsequently made changes to Planning Policy Guidance (PPG) and these emphasize the s106 legal and policy tests and the relationship with all local plans, with an early engagement by the Local Planning Authority with applicants and infrastructure providers, a greater emphasis on public access to information and the s106 being available as part of the planning register.

The s106 is a formal document, which states that it is an obligation for planning purposes, and it therefore identifies the relevant land, the person entering the obligation and their interest and the relevant Local Authority that would enforce the obligation. If it is not complied with, it is enforceable against the person that entered into the obligation and any subsequent owner and can be enforced by injunction. However, a person bound by the obligation can seek to have it modified or discharged after five years.

The most common obligations that are included for funding within an s106 agreement include:

- Public open space
- Affordable housing
- Education
- Highways
- Town Centre improvements

The Government also views s106 as providing only a partial and sometimes variable or inequitable response to securing funding contributions for infrastructure. Hence, the provision for the Community Infrastructure Levy (CIL).

There can be a unitary obligation or multi-party agreement and the legal tests for when it can be used are set out in regulations 122 and 123 of the Community Infrastructure Levy Regulations 2010 as amended in 2015.

In terms of developer contributions, the Community Infrastructure Levy (CIL) did not replace s106 Agreements, but the introduction of CIL did result in a tightening up of the s106 tests.

Section 106 Agreements, should therefore be focused on addressing the specific mitigation required by a new development whereas CIL can address the broader impacts of development. There should be no circumstances however where a developer is paying CIL and s106 for the same infrastructure in relation to the same development.

The existing Infrastructure Delivery Plan 2016 - 2036 allows for a total infrastructure cost of over £200m for Boston, Spalding and the surrounding area and clearly should that sum be realised or even increased as schemes come forward the contribution from the private sector via CIL or some other mechanism will be essential to reduce potential funding gaps.

Finally, one aspect that CIL introduced in relation to securing funds from multiple landowners was a pooling restriction to prevent Councils from collecting more than five separate planning obligations for the same scheme.

It should be noted therefore that whilst CIL is not mandatory, and indeed not adopted in Spalding, Planning Permission granted without appropriate mitigation, or subject to an s106 Agreement which includes planning obligations where the pooling restriction has been exceeded, may remain unlawful.

10.3 Proposed Approach

The proposed approach for funding SWRR is to use a range of funding sources from both the public and private sectors, and from both Local and Central Government. This approach will seek to limit a long-term drain on Local Authority budgets, secure funding at a sustainable level from private sector interests and spread the funding risk across a number of sources. The approach would also aim to be flexible, to enable new sources of funding in the medium and long term to be used as appropriate, while giving greater levels of certainty for the earlier stages of delivery. In addition, it would maximise the opportunities to secure match-funding to support any bids for Central Government monies.

The approach can be broadly as follows:

- Forward funding of individual sections of the SWRR through Local Authority capital budgets
- Recovery of forward funding from private sector developers of the SUE's
- Rolling-over of recovered monies to fund subsequent sections of SWRR
- Utilisation of Central Government or Local Enterprise Partnership funding opportunities, when they arise, to speed up the forward-funding process, and potentially reduce the drain on Local Authority budgets including where it can be proven that there is, or could be, a market failure in private sector funding.

The proposed funding approach for each section is as follows:

Section 1

As part of the Holland Park SUE, LCC is reaching a legal agreement with the developer to part fund Section 1 of the scheme.

LCC will deliver and forward fund the section with recovery of funds from the developer commensurate with a highway standard appropriate for a development distributor rather than a relief road. LCC will therefore be funding the difference to bring the design up to a relief road standard.

Section 2

In comparison to Sections 1, 4 and 5, Section 2 will be relatively low cost due to the lack of any major structures. However, due to there being no associated land allocations in the South East Lincolnshire Local Plan, it is presently unclear what the level of potential s106 funds may be. Furthermore, as the timescales for the delivery of this section are likely to be within the plan period up to 2036, funding may need to rely on Local Authority capital budgets (potentially including funds recovered from Sections 1 and 5) and periodic Central Government/ LEP funding opportunities.

Section 3

Like Section 2, there is no land allocations associated with this section in the South East Lincolnshire Local Plan. As delivery is likely to be within the plan period up to 2036, opportunities for funding need to be kept under review over the long term including identifying the level of housing that is likely to be associated with the section in the plan period beyond 2036. The section may also need to rely on local authority capital budgets (including recovered funds) and periodic central government/ LEP funding opportunities.

Section 4

Like Section 2, this section is likely to be relatively low cost compared to Sections 1, 3 and 5; however, it is of significant length and will require three junctions. This section is likely to be more expensive to deliver than Section 2 due to the bridge over Vernatt's Drain and the Monk's House Lane Link. The approach for this section will be to look to developers of the Vernatt's SUE to provide funding, either in one phase or more depending on the likely development build-out. This section may also require some forward funding or use of periodic Central Government/ LEP funding opportunities if the SWRR timescales are to be accelerated.

Section 5

The project has secured Central Government funding in the form of Homes England Housing Infrastructure Fund (HIF), to pay for the link between and supported, where possible within delivery timescales by monies secured from LCC. This funding will also deliver a higher capacity Junction design to support traffic demand for the whole SWRR corridor.

Residual Funding

Forward funding of some elements of the SWRR is required, and in some cases funding will be recovered, to an agreed level, from developers. The proposals for

developer contributions will be developed in consultation with LCC, SHDC and developers.

11 Governance and Procurement

11.1 Governance

The scheme delivery process will be led by LCC and supported by SHDC. LCC will manage the process up to and including construction including the procurement and appointment of a construction partner.

From a governance and project management perspective the project will be organised at the following levels:

1. Executive Management
2. Project Board
3. The Senior Responsible Owner
4. Project Assurance
5. Project Manager
6. Delivery Teams

Escalation of issues will transition through these levels, each of which has set levels of authority.

Executive Management

The Executive Management of the project is provided by LCC's Executive Councillor for Highways Transport and IT (currently Councillor R. Davies) and the LCC Interim Director of Place (Mr A. Gutherson). The Executive Management team oversees the management of the programme and would act as the client for the SWRR scheme ensuring that it is being delivered in accordance with the project plan and in line with the budget and specified timeframe.

Executive Management Project Board

The Project Board provides the strategic platform for key decision making and providing guidance on exceptional issues to the Delivery Teams. The Board meets monthly. Board members include Councillor Richard Davies (Executive Councillor for Highways Transport and IT - LCC), Councillor Nicholas Worth (Portfolio Holder for Growth and Commercialisation - SHDC), Senior User (Andy Gutherson - LCC), Senior Responsible Owner (Paul Rusted - LCC), Project Manager (Teresa James - LCC), Senior Supplier (Ian Turvey - WSP) and SHDC representative (Paul Jackson - SHDC).

The key responsibilities of the Project Board are:

- Agreeing and finalising the Project Plan.
- Liaison between the Delivery Team and Executive Management, Study Partners & Senior Management.
- Overall responsibility for the risk management including the management and mitigation of strategic risk.

- The assurance that the project remains on course to deliver the required quality and to meet the business plan including reviewing resource provision as required.
- The approval and funding for significant changes to the project.
- Responsible for publicity and dissemination of information about the SWRR programme and scheme.
- Review, comment and improve on the Project delivery processes and procedures as required
- Resolve issues escalated by the Delivery Team
- Establish formal reporting arrangements and implement an audit strategy as required.

Stakeholders including key development partners feed into the Project Board through the Project Manager.

Senior Responsible Owner

The Senior Responsible Owner (Paul Rusted - Infrastructure Commissioner) has the responsibility for the delivery of highways and transportation services and includes the following responsibilities:

- Appointment of the Project Manager and Chair of the Project Board meetings.
- Monitoring and control of progress including ensuring that the project is subject to review at appropriate stages.
- Approve the milestone reports and initiate follow on action as necessary
- Ensure that a project or programme of change meets its objectives and delivers the projected benefits
- Own the project or programme brief and business case.
- Development of the project or programme organisation structure and logical plans.
- Formal project closure
- Post implementation review
- Problem resolution and referral

Senior Users

The Senior Users for the scheme are heads of Highways and Transportation for Lincolnshire County Council represented by Andy Gutherson (LCC Interim Director of Place). As Senior Users they also represent the views and interest of the following Users who are not specifically on the Project Board, which could include Greater Lincolnshire Local Enterprise Partnership, City of Lincoln Council and South Holland District Council.

As Senior Users they are responsible for the specification of the needs of all those who will use the final product(s), for user liaison with the project team, and for

monitoring that the solution will meet those needs within the constraints quality, functionality and ease of use.

Senior Supplier

At this stage, the Senior Supplier is Ian Turvey, WSP's lead for Transport Planning within the Technical Services Partnership. During the delivery (construction) stages, the Senior Supplier will change to the Project Director from LCC's delivery partner (contractor). As Senior Supplier they are accountable for the quality of products delivered by the Supplier(s) and have the authority and responsibility to commit or acquire supplier resources as required.

Project Manager

The role of the Project Manager is to manage all aspects of the delivery of the SWRR programme and act as the primary contact between the Project Board and Delivery Teams.

The Project Manager is Teresa James (Senior Project Leader - LCC), appointed by the Project Board and is responsible for the following elements of the programme:

- Management of project resources
- Reporting to the Project Board
- Management of the production of deliverables
- Monitoring the project
- Coordination of the Delivery Team
- Primary Contact for the Delivery Team
- Preparing and maintaining the Project Plan/ Stage Plan
- Management of project risks, including the development of contingency plans
- Change control and any required configuration management
- Reporting through agreed reporting lines on project progress
- Identifying and obtain any support and advice required for the management, planning and control of the project
- Managing project administration
- Conducting end project evaluation

Delivery Teams

At present, the Delivery Team is the Design Team but will also include and the Site Team once a contractor has been appointed. It is anticipated that these Delivery Team Leaders will report on progress on a regular basis to the Project Manager. Project Progress meetings will also be held regularly, every four weeks, to discuss progress, issues, risk, and fees. Attendees include the Project Manager, Senior Supplier and Senior Responsible Owner.

Project Assurance

As part of the delivery of the project there will be a need for independent audit or assurance of the work package delivery. The Project Assurance Role considers the end product of each work package against the work package plan and product specification and confirms to Project Board that it is fit for purpose, through Gateway Review processes.

Once funding has been secured, the structure will be developed in more detail at an Inception Meeting. This meeting will be used to confirm the Governance structure and the roles and responsibilities of the entire delivery team including the contractor.

11.2 Engagement

A Stakeholder Strategy will be required as the project progress, however, a number of key stakeholders and engagement stages have already been considered.

Network Rail

Engagement and agreements with Network Rail will be vital to the delivery of SWRR, particularly Sections 1 and 5, which include bridges across railway lines. Network Rail will need to be consulted on a number of matters, but of primary importance will be the design of the bridges and programming of construction to ensure that appropriate timely possessions over the railway lines can be planned and secured.

Environment Agency / Internal Drainage Board

The requirement in Section 3 to provide a new bridge over Vernatt's Drain will require engagement with the Environment Agency and/ or the Internal Drainage Board. In addition, impacts of the wider scheme on drainage and flooding will need to be discussed with these two stakeholders.

Statutory Consultees

The full range of statutory consultees will need to be consulted on during the scheme development process to ensure that designs meet the appropriate requirements and that objections are limited at the planning and orders stages.

Statutory Undertakers

An understanding of the services/ utilities currently in place within the SWRR corridor and future needs for new developments will need to be understood to complete the design and plan the construction of the scheme.

Public Consultation

Public consultation and engagement will be required at various stages of the work to develop the scheme, prior to the Planning Applications being submitted, once the Planning Applications have been submitted and during the construction phases.

Procurement Strategy

The aim of the Procurement Strategy is to ensure that procurement reflects Lincolnshire County Council's (LCC) core values, corporate aims and objectives.

The key objectives of procurement are:

- The achievement of optimum value and resulting savings, including:

- Reducing the risk of contractual failures, time and cost overruns and poor quality.
- Minimising the cost of procurement
- Demonstrating compliance with regulatory requirements.
- Supporting the delivery of LCC's Corporate and strategic objectives.
- Contributing to LCC's reputation for services delivered in an efficient and effective manner.

LCC seek value for money in all procurements, which includes the balancing cost and the qualitative features of the products that are relevant to and contribute to LCC's requirements. Value for money, savings and efficiencies depend on the choice of the correct procurement method, contracting option, an appropriate and adequate specification and post monitoring of the contract to ensure compliance.

Governance, Regulation & Control

Procurement, and therefore this Strategy, needs to comply with the processes and procedures defined in EU Procurement Directives enacted into UK law and LCC's Contract and Procurement Procedure Rules (CPPRs).

All procurement activity must:

- Comply with these CPPRs, Public Contract Regulations 2015, Financial Regulations, applicable Grant Fund spending regulations, and with all UK and European Union (EU) legal requirements
- Follow the EU procurement treaty principles by being undertaken in a Transparent, Non-Discriminatory and Proportionate manner
- Achieve Best Value for public money spent
- Be consistent with the highest standards of integrity
- Ensure fairness in allocating public contracts
- Ensure that Non-Commercial Considerations do not influence any Contracting Decision
- Be consistent with LCC's relevant Commissioning Strategies

11.3 Tendering Routes

The current EU works threshold is £4,104,394 and when measuring this against the estimated works cost which will be far in excess of this value it's clear that the procurement award will adhere to a full tendering process. There are two routes the tendering process can take; the first is for LCC to commence a competitive tender which will entail:

- Pre-tender market research and consultation
- Pre-qualification questionnaires
- Selection and suitability criteria
- Standards and award criteria

- Communication with bidders, including OJEU notification process
- Undertaking a tender
- Clarification of tender documents, by bidders
- Tender evaluation
- Scoring meeting
- Presentation for tenderers
- Clarification of bids by evaluators
- Tender award
- Written procurement report

The other route which LCC may adopt is through the Midlands Highway Alliance (MHA), Medium Schemes Framework Package 3 (MSF3). Tendering through MSF3 will offer two main options:

- Option 1: Mini-Competition - Tenderer selection based on Mini-Competition
- Option 2: Direct Call-off - Tenderer selection based on quality criteria weighted to suit the Work Package, with prices derived from a number of tendered Model Projects weighted to suit the Work Package

Option 1: Mini-Competition is a similar process to LCC tendering the scheme directly as per tendering route 1, although many of the previously highlighted actions have already been completed as part of the MSF awarding process.

Option 2: Direct Call-off predetermines a tenderer for the scheme based on example projects the tenderers priced/ assessed when securing their position on the MSF. Again, many of the actions will already have been completed as part of the MSF awarding process. This option tends to be less competitive than Option 1, however it allows for Early Contractor Involvement (ECI), which will most likely offer savings and further efficiencies. This would be particularly invaluable when considering the design, approval and buildability of the bridge over the rail line.

12 Risks and Dependencies

One of the key aspects of any proposed scheme such as the SWRR is the level of risk that is associated with it, which at this stage is mainly focussed around the proposed design. However there also needs to be consideration of the delivery of the scheme, including construction.

It is also important to understand the scheme dependencies i.e. those key stages that will follow on from the current position, and will enable the scheme to be developed through to construction.

12.1 Risks Register

Risk Registers are prepared as part of an assessment / design process, and look to identify those issues that have the potential to increase or reduce the overall cost of a scheme. The risks can then be managed and appropriate mitigation measures put in place to decrease the probability of the risk occurring.

The risk analysis draws on the Scheme Risk Register compiled Project Team following a risk workshop. The Risk Register is updated through the life time of the project.

The Risk Register is relatively simple in terms of the risk analysis modelling methods used and has identified a subjective assessed financial impact or “most likely” risk outcome for each of the parameters, summing them to define the total scheme assessed risk.

The Risk Register is then refined by a risk model; an analysis of the initial conditions is then carried out using a technique, called Monte Carlo simulation, to generate a distribution of possible outcomes from the input distributions. A distribution of the possible outcomes is generated by letting the computer recalculate the spreadsheet repeatedly, each time using different randomly selected sets of values for the individual risks, based on the initial conditions set by the project team. In effect, the computer is trying all possible “what if” scenarios, that is to say, all valid combinations of the input variables, to simulate all possible outcomes. It then builds up a distribution curve based on the range of outcomes and their frequency of occurrence.

The Risk Register covers a number of different aspects, such as:

- Strategic Relationships/ Policy (STP)
- Economics/ Funding (ECF)
- Land/ Statutory Processes (LAN)
- Consents/ Approvals (CAP)
- Contractual (CTR)
- Third Parties - Public (PUB)
- Third Parties - Stats (STA)
- Environment (ENV)

- Design (DES)
- Construction (CON)

Table showing the top ten risks by value as of February 2019.

Table 12-1: Summary of Top Ten Risks by Value

Risk ID	Risk Description	Risk Value
A18	Risk that the cost of the preferred option(s) will be greater than any available funding.	£1,200,000
A22	Construction does not commence by the end of 2021 as required for HIF funding	£1,200,000
B4	Public inquiry	£1,200,000
H16	Overhead power cables may need diverting	£1,200,000
H17	The high-pressure gas mains runs in the area of the bridge in S5	£1,200,000
I7	The EA may request that road levels are raised by approx. 2m to ensure that it remains safe and operational during times of flood.	£1,200,000
P18	Contaminated materials found on site	£1,200,000
A21	Planning Application timetable (post submission)	£640,000
B16	Unable to gain access to far side of rail line for construction of rail bridge	£640,000
D6	Landscape and Visual Intrusion mitigation not sufficient	£640,000

Based on all the risks that have been identified within the current version of the Risk Register, the current risk cost for the scheme if all risks occurred is estimated at £11.0m, based upon the overall scheme cost estimate. The 85th percentile risk cost based on the risk model is £3.6m.

However, this is simply an estimate based upon the currently identified risks, which will need to be considered as the scheme develops. This will then need to be reviewed regularly during each subsequent stage of the project.

12.2 Dependencies

As part of the Delivery Strategy process, a number of critical dependencies have been identified that will enable the scheme to move from its current position, through to construction and final opening as follows:

- Outlining planning permission for Sections 1 and 5 (expected to be determined late Summer 2019)
- Obtaining planning permission for Sections 2 ,3 and 4
- Obtaining statutory orders

- Securing agreements with relevant third parties
- Securing funding (sections 2, 3 and 4 only)
- Procurement
- Discharge of planning conditions
- Commencement of construction

Details of each of the dependencies listed above are as follows:

Planning Permission

As indicated in Section 4 of this report, Planning Applications for Section 1 and Section 5 of the scheme were submitted in March 2019. A Planning Application/s will need to be submitted sections 2, 3 and 4 once funding becomes available.

Statutory Orders

The proposed scheme will require the closure/ improvement of some sections of the existing public highway, which it is proposed would be undertaken under a Side Roads Order application, which usually uses the provisions of an agreement under Section 8 of the Highways Act (1980), exercising powers under Sections 8, 14 and 125 of the Highways Act 1980.

These same powers are generally used regarding the construction of the new highway. Pursuant to the above, and in order for the proposed scheme to be constructed, it will be necessary for LCC to secure agreement with all landowners whose land is impacted by the scheme.

Should it prove difficult for the LCC to get all necessary land agreements in place, then LCC can seek to secure any such outstanding parcels of land required for the scheme, through the promotion of a Compulsory Purchase Order (CPO). Use of a CPO will also ensure that any restrictive covenants that are in place upon those areas of land required for the scheme are extinguished.

Third Party Agreements/ Approvals

It is anticipated that agreements/ approvals will be required from a number of Third Parties that are likely to be involved in the proposed scheme, including the following:

- Network Rail: discussions will be required to cover a number of different aspects, including Shared Value Policy, Approval in Principle (AiP) for the proposed bridge structures, impact of new structures on existing signal sighting and their GSM-R (Global System for Mobile Communications - Railway) network, bonding of the new structures for possible future Overhead Line Electrification (OLE), and monitoring of potential track movement during scheme construction. Early engagement was undertaken in 2018.
- Internal Drainage Board: discussions regarding the possible impact of the proposed scheme on the existing drainage channels in the area, including Vernatt's Drain and Hill's Drain.
- Statutory Undertakers: discussions regarding any existing equipment within the vicinity of the proposed scheme that will need to be diverted, as well as

any wayleaves/easements required for any new statutory infrastructure to be provided.

Securing Funding

Section 10 of this report sets out the different options that are available in terms of securing funding for the proposed SWRR scheme.

Procurement

There are several options available to the Local Authority about how a contractor for the proposed scheme can be procured. As well as the procurement route, it will also be necessary for the Local Authority to determine the form of the contract to be tendered, with input likely to be required from the team involved in the detailed design of the scheme.

This will ensure that the contractor appointed will have the most appropriate experience given the nature of the scheme, in particular working with key third parties such as Network Rail.

Discharge of Planning Conditions

Subject to securing Planning Permission for each of the five sections of the proposed SWRR set out within this report, decision notices will undoubtedly include a mixture of pre-commencement and pre-opening conditions that will need to be fulfilled.

These conditions will cover a wide variety of issues including timeline for scheme commencement, scheme alignment, design standards to be considered, environmental and ecological mitigation, planning agreements for securing developer contribution, materials and final finishes.

Commencement of Construction

Having procured the scheme contractor and discharged all necessary pre-commencement Planning Conditions related to that section of the proposed SWRR scheme, construction can finally commence.

Dependencies will be reviewed regularly as the project progresses and as part of the project management, programming and assurance processes.

Spalding Western Relief Road Sections 2 to 4

ENGAGEMENT SUMMARY REPORT



April 2019

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This Report is presented to Lincolnshire County Council in respect of Spalding Western Relief Road and may not be used or relied on by any other person or by the client in relation to any other matters not covered specifically by the scope of this Report.

Notwithstanding anything to the contrary contained in the Report, WSP working as Lincolnshire County Council Highways Alliance is obliged to exercise reasonable skill, care and diligence in the performance of the services required by Lincolnshire County Council and WSP shall not be liable except to the extent that it has failed to exercise reasonable skill, care and diligence, and this report shall be read and construed accordingly.

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1 Introduction

1.1 Project Background

WSP, through the Lincolnshire County Council Technical Services Partnership, has been jointly appointed by Lincolnshire County Council (LCC) and South Holland District Council (SHDC) to develop proposals for the Spalding Western Relief Road (SWRR).

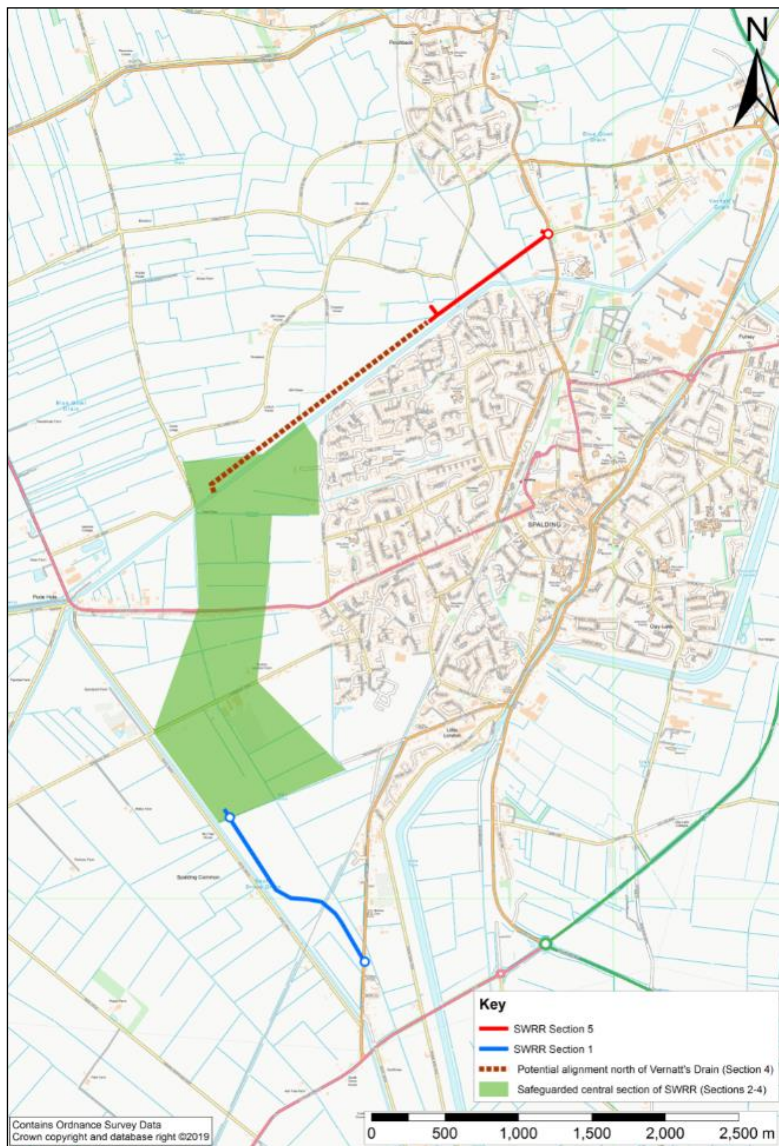
SWRR is identified in the fourth Local Transport Plan as one of Lincolnshire County Council's four major scheme priorities for the short and medium term. The scheme is needed to solve transport issues and to support future growth around the town.

The delivery of the SWRR is expected to relieve traffic congestion, improve journey time reliability, improve air quality in Spalding Town Centre and support the delivery of future strategic residential developments, as allocated in the South East Lincolnshire Local Plan (SELLP). This includes the Holland Park Development and the Vernatt's Drain Sustainable Urban Extension (SUE).

The SELLP describes how the scheme is likely to be required to be delivered in sections as the project requires a pool of developments from which to secure contributions towards its delivery. This is reflected in the proposed Local Plan SUE policies for the town. Therefore, it is necessary for the scheme to be delivered in five sections which are envisaged to be delivered in separate stages. The different sections of the SWRR are shown Figure 1-1 and are summarised below:

- Section 1 (S1): Spalding Common to Holland Park
- Section 2 (S2): Holland Park to Bourne Road
- Section 3 (S3): Bourne Road to North of Vernatt's Drain
- Section 4 (S4): North of Vernatt's Drain
- Section 5 (S5): North of Vernatt's Drain to Spalding Road

Figure 1-1 - SWRR Route Alignment



Further details of the timetable and strategy regarding the delivery of the scheme is contained in the Spalding Western Relief Road Delivery Strategy (2019).

1.2 Section 1 and Section 5

Funding for Section 1 and Section 5 of the SWRR has been secured and the Planning Applications were submitted in early March 2019 with determination expected to be in summer 2019.

1.3 Sections 2 to 4

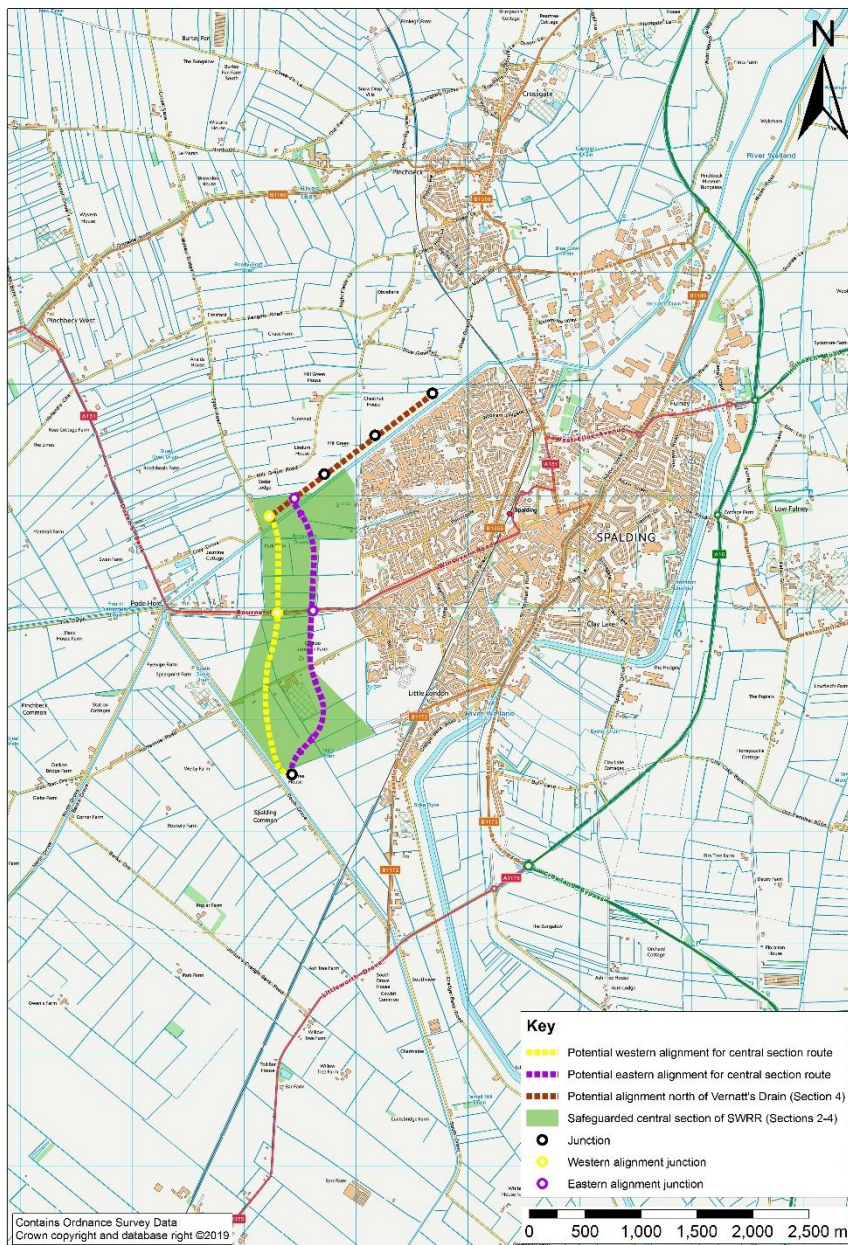
Sections 2 to 4 of the SWRR is expected to be delivered over the implementation period of the SELLP with funding secured via contributions from the SUE's. The specific alignment of each section is yet to be determined and a safeguarded road corridor for the scheme has been identified

in the SELLP. An extract from the SELLP Policy Map showing the safeguarded road corridor is contained in **Appendix A**.

1.4 Purpose of this Report

The specific alignment of Section 2 to 4 is not yet determined and LCC are exploring potential options for the scheme. These options will be between the western and eastern extremities of the safeguarded road corridor as shown in **Figure 1-2**.

Figure 1-2 - SWRR Western and Eastern Alignment



To develop proposals further, LCC has undertaken a public engagement exercise to determine the public's view. The results of this engagement exercise will feed into the process for developing a preferred scheme.

The purpose of this report is to summarise the approach taken for the engagement exercise, set out the findings and detail the next steps in the process.

1.5 Report Content

Following this Introduction, the report is set out as follows:

- **Chapter 2** sets out the approach and scope of the engagement;
- **Chapter 3** details the general findings of the questionnaire;
- **Chapter 4**
- **Chapter 5** sets out the responses from all respondents who gave a postcode which could be located on Bourne Road and Horseshoe Road;
- **Chapter 6** provides the results for all respondents who gave a postcode which could be located in Pinchbeck;
- **Chapter 7** details the results of respondents who gave a postcode within central Spalding; and
- **Chapter 8** sets out overall conclusion of the engagement exercise and identifies the next steps.

2 Engagement Scope and Approach

2.1 Background

Consultation for the SWRR scheme was undertaken in 2011 when the Spalding Transport Strategy was prepared. Further consultation regarding the land allocations and safeguarded road corridor was carried as part of the SELLP process which led to the adoption of the Local Plan in March 2019. There is no statutory requirement for LCC to undertake further consultation at this stage of the process because no design work has been undertaken for Sections 2 to 4. However, this early engagement exercise is designed to give members of the public the opportunity to make observations and comments on the route prior to the SWRR central section being designed.

Statutory consultation will be undertaken at a later date once the design and Planning Applications for each section are prepared.

The engagement exercise was undertaken via a number of public drop-in events within Spalding and Pinchbeck as well as by an engagement questionnaire which was available for completion by the public online or by a hard copy. The events and distribution of the questionnaire were undertaken during February and March 2019.

2.2 Methods of Communication

To maximise the quality and scope of the engagement, a range of advertising and communication methods were used to advise the public of the drop-in events and engagement questionnaire availability. These included the following:

- Leaflet added to 'Simply Spalding' (circulation understood to be 15,000)
- Advert in local newspapers ('Spalding Guardian', 'Spalding Today', 'The Voice' and the 'Lincolnshire Free Press')
- Article on LCC website <https://www.lincolnshire.gov.uk/news/drop-in-sessions-about-spalding-western-relief-road-planned-for-february/133324.article>
- Information on social media platforms

2.3 Public Drop-in Events

Four public drop-in events were held to provide stakeholders and the wider general public with an opportunity to gain further information on the scheme and to meet members of the project team. The times, dates and locations of where the events were held are as follows:

- Woodland Hotel in Spalding: Tuesday 12 February, 2pm to 8pm
- Pinchbeck Community Hub and Library: Wednesday 13 February, 2pm to 8pm
- Woodland Hotel in Spalding: Thursday 14 February, 2pm to 8pm
- Woodland Hotel in Spalding: Saturday 16 February, 11am to 2pm

A range of display information and event material was presented at these events prepared by the LCC communication team. Copies of the display board and event material is contained in **Appendix B**.

The events were attended by members of the project team and included representatives from LCC, SHDC and WSP. Table 2-1 shows the study team attendance at each of the public drop in events.

Table 2-1 – Study Team Attendance

	Tues 12/02 The Woodlands Hotel (2pm-8pm)	Weds 13/02 Pinchbeck Library (2pm- 8pm)	Thurs 14/02 The Woodlands Hotel (2pm-8pm)	Sat 16/02 The Woodlands Hotel (11am-2pm)
LCC Lead	Teresa James	Richard Hardesty	Teresa James	Teresa James
LCC COMM's	Joe Degand	Joe Degand	Joe Degand	N/A
LCC Other Staff	Rob Hewis	Rob Hewis	Rob Hewis	Samantha Hardy
WSP Staff	Peter Ramsey / Andy Carpenter	Ian Turvey / Andy Ivey	Lucy Low	Ian Turvey
SHDC Officers	Paul Jackson	Polly Harris - Gorf	Polly Harris - Gorf	Phil Norman

2.4 Questionnaire

A key method for obtaining views from both stakeholders and the public was through a questionnaire. The questionnaire was provided in hard copy, for completion at the drop-in events and electronically for completion via LCC's website. This allowed members of the public who were unable to attend the drop-in sessions to submit their views on Section 2, Section 3 and Section 4 of the scheme to LCC.

The results from the combined questionnaire responses are presented in **Section 3** with a copy of the questionnaire contained in **Appendix C**.

3 General Findings

3.1 Introduction

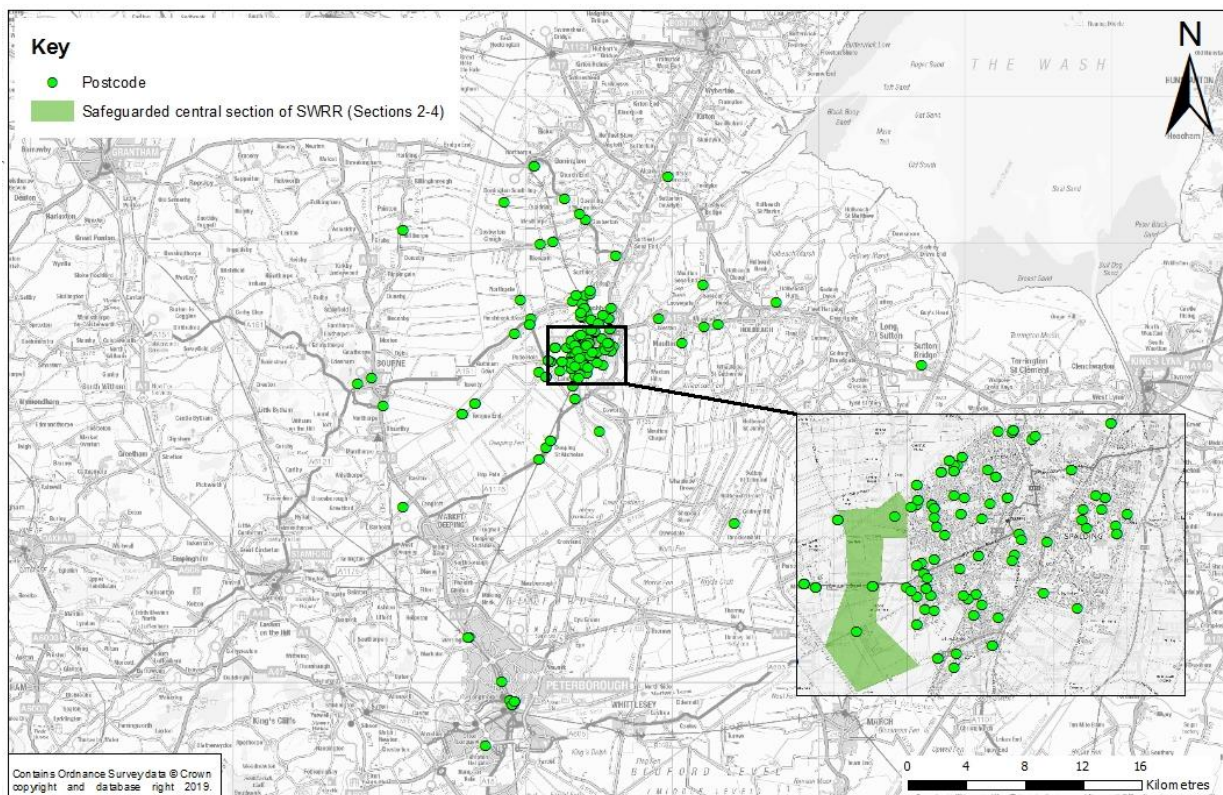
This section of the report sets out the general results from the questionnaire. A copy of the questionnaire is contained in **Appendix C**.

3.2 Sample Size and Postcode Analysis

The questionnaire was completed by a total of 618 respondents with 557 respondents completing the online questionnaire and 61 completing a hard copy of the questionnaire.

The respondents were requested to provide a postcode so that it could be analysed and plotted using GIS software. In total 302 (49%) out of the 618 respondents provided postcodes. The plotted postcodes are shown on Figure 3-1.

Figure 3-1 - Location of Respondent Postcode



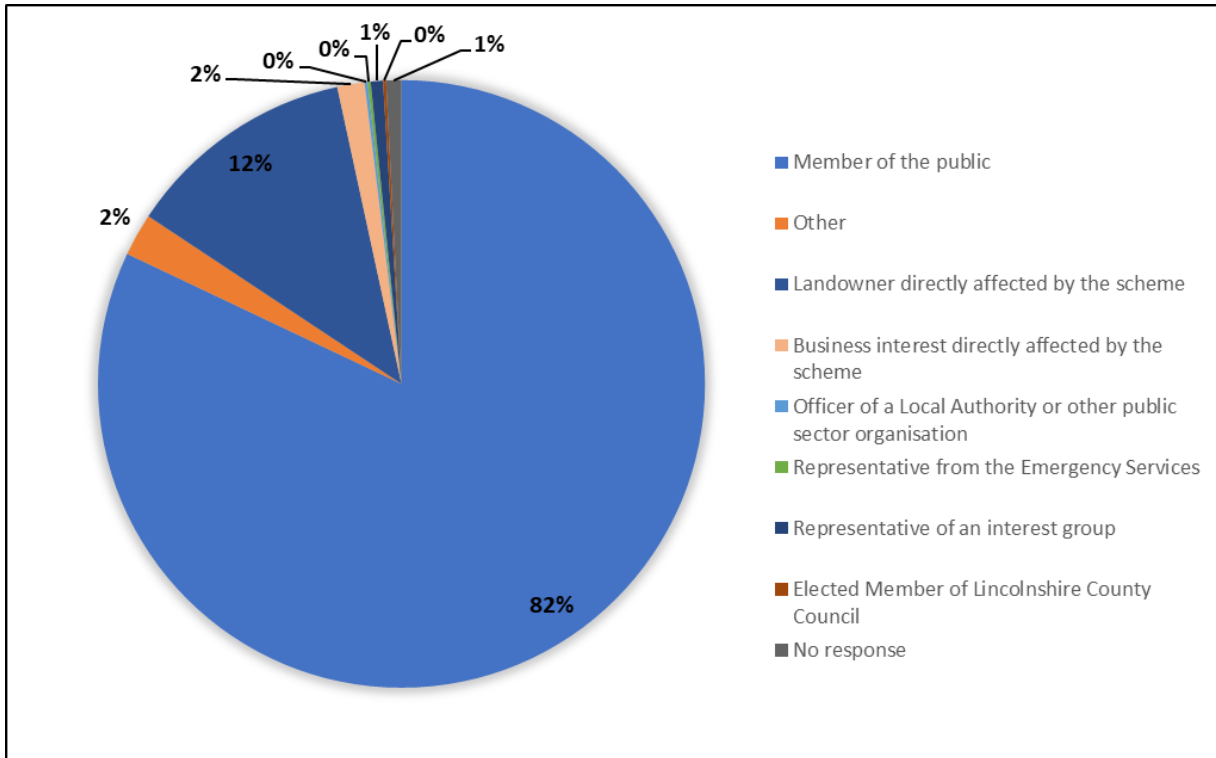
Sample Size = 302

Analysis of the postcode data indicates that the majority of respondents live within the Spalding and Pinchbeck area.

3.3 Question 1: What is your main Interest in the scheme?

The results of Question 1 are summarised in Figure 3-2.

Figure 3-2 - What is your main interest in the scheme?



A total of 507 respondents, representing 82% of total respondents, categorised themselves as a 'Member of the public' and 76 respondents (12% of total respondents) indicated that they are a 'Landowner directly affected by the scheme'. The third largest category, representing 14 respondents, is 'Other'. The respondents who ticked this option were asked to provide further details on their interest in the scheme. All 14 stated that they were a resident or homeowner, with five stating that they live on Bourne Road.

Nine respondents specified that they have a 'Business interest directly affected by the scheme' while four stated that they are 'Representative of an interest group'. The remaining respondents consisted of an 'Officer of a Local Authority or other public-sector organisation', a 'Representative from the Emergency Services' and an 'Elected Member of Lincolnshire County Council'. Five respondents did not state their interest in the scheme.

3.4 Question 2: If you are representing an organisation, business or group, please tell us its Name?

Of those representing an organisation, business or group, two respondents reported a connection with 'South Lincs Plant Hire & Sales Ltd.' and a further two stated that they were responding on behalf of the Lincolnshire Wildlife Trust. The full list of organisations, businesses and/or groups is set out in Table 3-1.

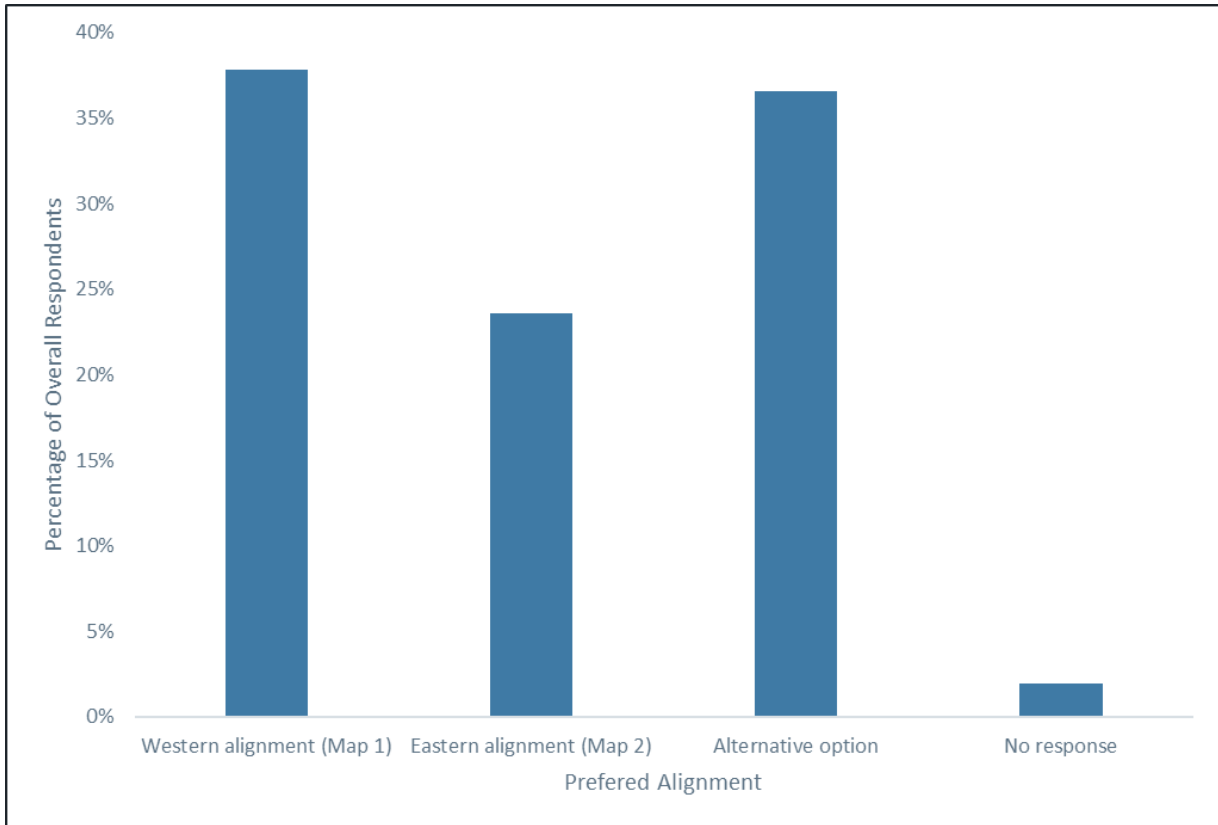
Table 3-1 – If you are representing an organisation, business or group, please state its name

Name	Number of representatives
South Lincs Plant Hire & Sales Ltd	2
The Lincolnshire Wildlife Trust	2
Trojan Wood Limited	1
Ivo Resource & Day Centre	1
Spalding and District Civic Society	1
Mr Smith	1
D.J. Walker Plumbing and Heating Ltd	1
PEDALS - Spalding's Cycle Action Group	1

3.5 Question 3: Which of these options for the central section of the scheme do you prefer?

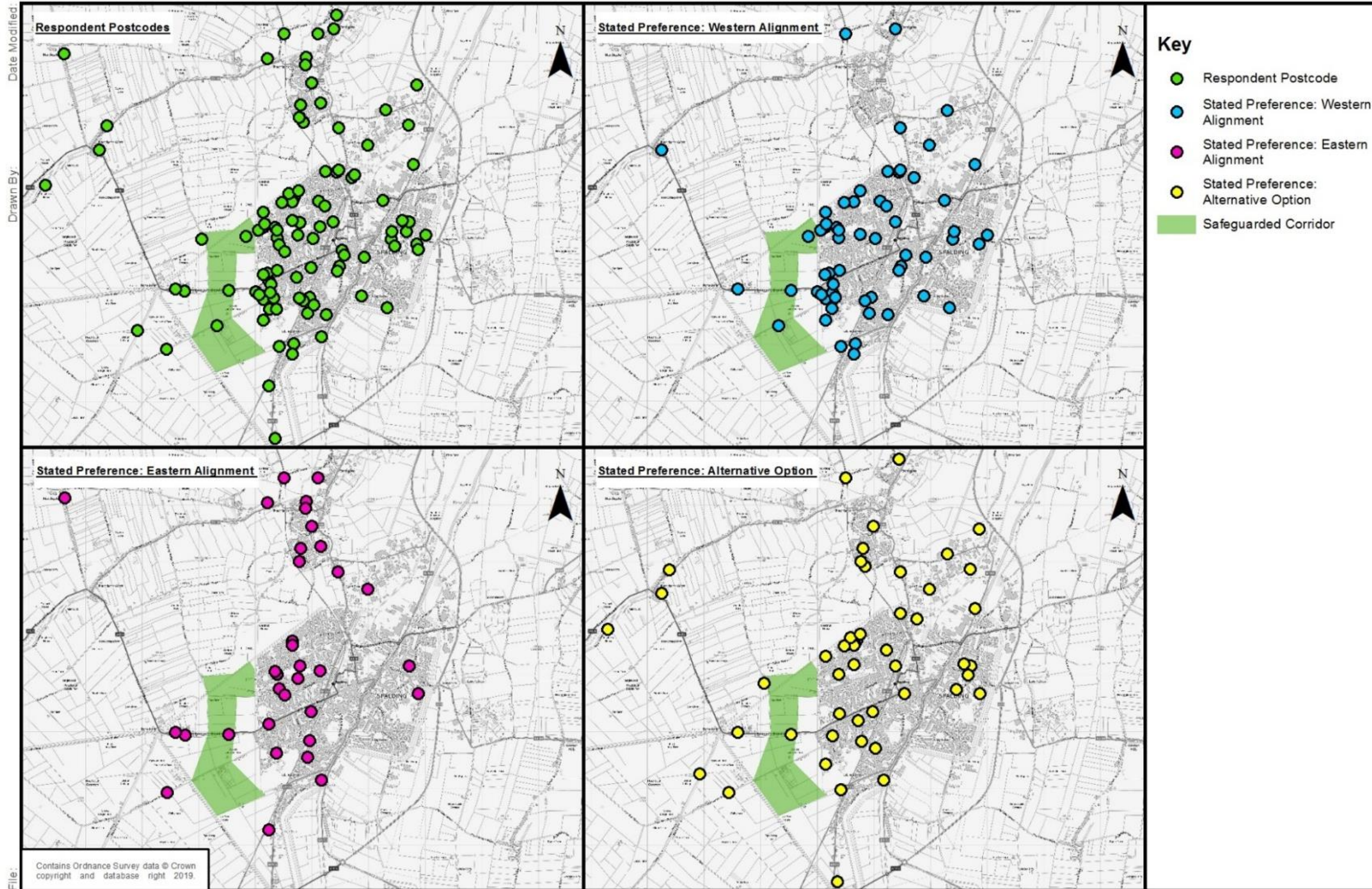
Respondents were asked to choose one answer from three options. The greatest preference was for a 'Western alignment'. 234 respondents selected this as their preferred option, representing 38% of the total responses as shown by Figure 3-3. The second greatest preference was for an 'Alternative option' where 227 respondents (37%) stated this as their preference. An 'Eastern alignment' was the least popular choice with 146 respondents (24%) selecting it as their preferred option. Twelve respondents did not provide an answer to the question.

Figure 3-3 - Which of these options for the central section of the scheme do you prefer?



To understand if there is any obvious pattern regarding where respondents live and their stated preference, respondent's postcodes along which their preferred option has been plotted in GIS as shown in Figure 3-4

Figure 3-4 - Respondents Post Code by Preferred Option



Sample size = 302

3.6 Question 4: Please tell us why you chose this option?

Question 4 required respondents to state why they chose a particular option for Question 3. The comments have been grouped into themes and each theme with more than five related responses is summarised in Table 3-2 and Table 3-3.

Table 3-2 – Reasons for choosing the Western Alignment (Map 1) in response to Q4: Please tell us why you chose this option

Preferred Route Option	Reason for Preference	Number of Respondents
Western alignment (Map 1)	Further away from residential properties	65
	Road alignment/cost	39
	Further away from Spalding	15
	Facilitate expansion of Spalding	14
	Environmental impacts	12
	Less intrusive/invasive/disruptive	8
	No preference	8
	Less impact on green space/allotments	7
	Safety	5
	No reason specified	5

Table 3-2 shows that 65 respondents chose a Western Alignment as their preferred option because it would be located further away from existing housing in comparison to an Eastern Alignment.

The likely perceived scheme cost associated was stated by 39 respondents as the reason for choosing a Western Alignment. In particular, the comments relate to a Western Alignment appearing straighter, more direct and marginally shorter. It should be noted that at present there are no scheme costs associated with either alignment as a design has not been developed to a sufficient detail. The plans shown at the drop-in events and questionnaire (**Appendix B** and **Appendix C**) show indicative routes that can be developed as part of future feasibility and design work.

Table 3-2 shows that 15 respondents stated that they would prefer a Western Alignment because it is not as close to Spalding as an Eastern Alignment would be. Related to this, 14 respondents selected a Western Alignment as their preferred route as it would provide the most space for Spalding to expand into.

There were 12 respondents who stated that a Western Alignment would have less of an environmental impact in comparison to an Eastern Alignment. These comments mainly related to noise, vehicle emissions, light pollution and congestion. Seven respondents believe that a Western Alignment will have less of a negative impact on

the availability of green spaces, including Monkhouse Park and the allotments on Horseshoe Road.

There were eight respondents who said that a Western Alignment would be less intrusive/invasive and/or disruptive while a further five stated that a Western Alignment looked as though it would be safer than an Eastern Alignment. The comments relating to safety focused on the potential for road traffic accidents due to poor visibility and overtaking traffic. Two respondents recommended that road safety lessons be learned from the design of the A16.

Eight respondents stated that they had no real preference for either a Western Alignment or an Eastern Alignment and five did not specify why they chose a Western Alignment as their preferred option.

Table 3-3 - Reasons for choosing the Eastern Alignment (Map 2) in response to Q4: Please tell us why you chose this option

Preferred Route Option	Reason for Preference	Number of Respondents
Eastern Alignment (Map 2)	Less properties affected	40
	Closer to Spalding	14
	Less impact on green space/allotments	8
	No reason specified	6
	Road alignment / cost	5

Table 3-3 shows that 40 respondents chose an Eastern Alignment as their preferred option because it is perceived that less properties would be affected in comparison to the Western Alignment. One response focused on the Eastern Alignment causing less disruption to Pode Hole.

There were 14 respondents who preferred an Eastern Alignment because of its closer proximity to Spalding in comparison to a Western Alignment. The benefits of this included preventing urban sprawl, bringing the Bourne Road junction closer to the town centre, and reducing the impact on existing homes.

Eight respondents believe that an Eastern Alignment will have less of a negative impact on the availability of green spaces. One of the responses stated, “*Should the project choose the Western Alignment for the relief road, this would cause more Grade 1 agricultural land to be lost to the development corridor that would exist between the road and the western boundaries of Spalding*”.

Five respondents provided comments focusing on the alignment of the road being the reason why they chose an Eastern Alignment over a Western Alignment. Six

respondents did not specify why they chose an Eastern Alignment as their preferred option.

A variety of alternative options were given in response to Question 4. They have been summarised in Table 3-4.

More than 40 respondents expressed views relating the SWRR not being needed or wanted. The majority of concerns centred on the impact of the full scheme on existing housing. The comments also focused on the need to concentrate on improving existing roads and transport links. A number of respondents believe the SWRR is being developed to support new housing developments rather than as a Relief Road for the Town as a whole.

Table 3-4 – Alternative options quoted in response to Q4: Please tell us why you chose this option

Alternative Options	Number of Respondents
Reinstate the original option of going through the allotments	30
Upgrade the existing bypass to dual carriageway	5
Cross Bourne Road through Kingsway Tyres and/or Trojan Wood Limited	5
Improve South Drove possibly with a 'diagonal bridge replacing the current Horseshoe Road Bridge' to link Pode Hole to the existing bypass	5
Follow the river to the north across Dozens Bank (A151) then south over the Delph and North Drove following South Drove over the railway line and onto the A1175	4
A bridge over the level crossing on Winsover Road	3
Reroute the railway line	2
'Run the road all the way up to Pode Hole where Vernatt's meets the A151' and create a roundabout to slow traffic coming in from Bourne Road	2
Improvements to Monks House Lane and an extension through to the A16 (possibly via The Race ground or Broadway and B1172 Spalding Common)	2
'Yellow route from South Drove to Pode Hole, then diagonally across green area to cross Vernatt's at a point further towards Pinchbeck than currently proposed purple route'	2
'Use the roundabout near the Crematorium on the Gosberton Road as this will not divide Pinchbeck and Spalding and the road can then sweep around to join up from the West of Surfleet, cross the railway and river Glen and join in at the western end of Dozens Bank'	1

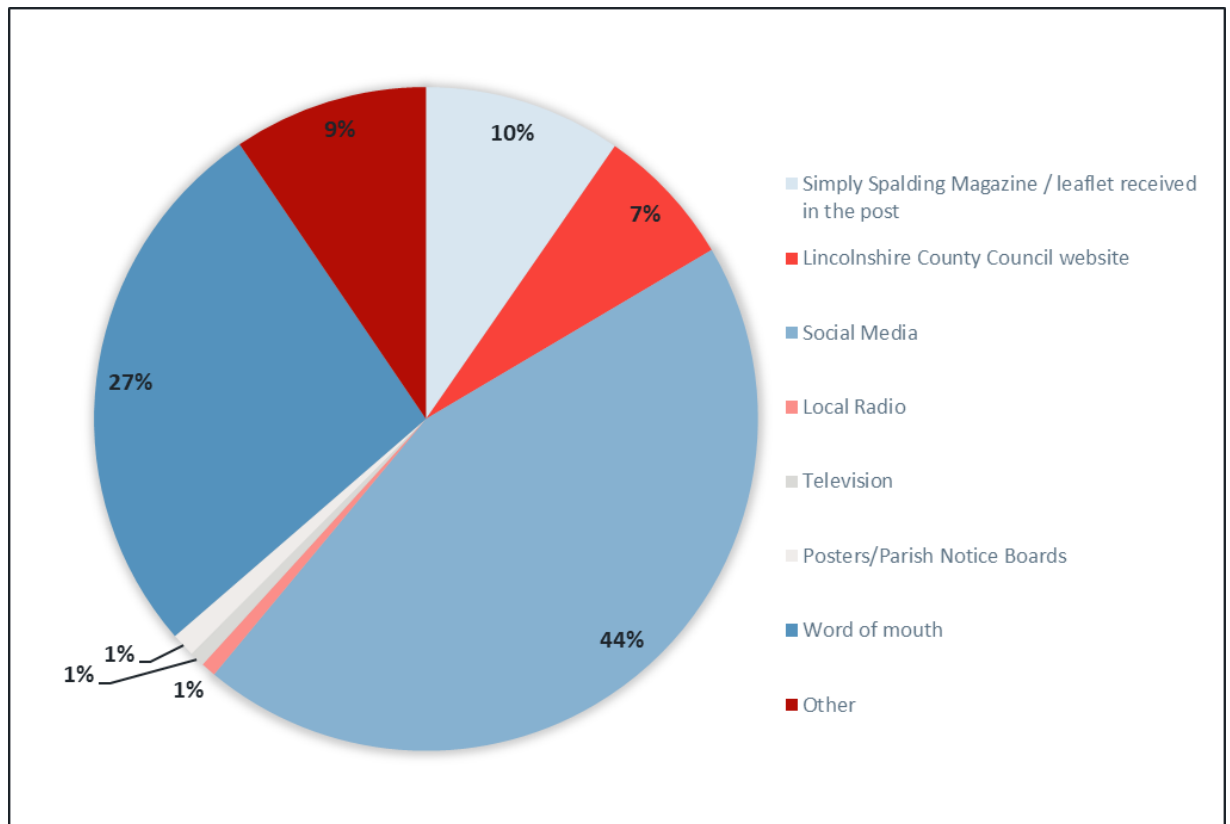
'Potential alignment north of Vernatt's drain (section 4), 3rd junction east (closest to Lindum House, Mile Green Road) to join potential Western Alignment for central section route and junction of Bourne Road'	1
'Send the traffic down to Pode Hole, where there is already a business park that could benefit from better infrastructure, then run alongside Vernatt's drain all the way up to Enterprise Way'	1
'The better route would be from Spalding Common to the allotments on Bourne Road, round the back of the new Secondary School and over the Vernatt's drain'	1
'Build it further away from the Vernatt's Drain, so that it comes off Spalding Road at an equal distance between the nearest dwellings of Spalding and Pinchbeck, crosses the railway at the Blue Gowt crossing (and underpass would be less of an eyesore) then crosses through the fields with least impact on existing homes / farm homes in the area, until it reaches Bourne Road'	1
'Any middle section should have run down Broadgate and continued to Spalding Common'	1
'Start the road with a roundabout at the furthestmost top right-hand edge of the safeguarding corridor along Vernatt's Drain (opposite Wygate Park) and run the road to join up with the Western Alignment roundabout (yellow) on the Bourne Road. This will allow a link to be made off the roundabout to Monk's House Lane (with a restriction to prevent heavy good vehicles using it) so the residents of the housing estate can easily access the road going north'	1
'Follow the river and cross over the junction of Pode Hole'	1

3.7 Question 5: How did you hear about this survey and the drop-in events?

Question 5 asked '*How did you hear about this survey and the drop-in events?*' and respondents were prompted to tick all applicable answers.

Figure 3-5 describes how respondents heard about the events. A total of 305 respondents stated that they heard about the survey and drop-in events through social media. Figure 3-5 shows that this was the most popular response and accounted for 44% of all responses. There were 184 (27%) respondents who heard by word-of-mouth while 66 (10%) read about the survey and drop-in events in the 'Simply Spalding' Magazine or on a leaflet received in the post. The LCC website was the source of information for 47 respondents and other sources included posters/Parish Council notice boards (8 respondents), local radio (5 respondents) and television (5 respondents).

Figure 3-5 - How did you hear about this survey and the drop-in events?



An additional 66 respondents ticked 'other' in response to question 5 and were asked to expand upon their choice in question 5a. The answers to question 5a included:

- Leaflet through door from Local Councillor Angela Newton or Gary Taylor - 13 respondents
- The Voice local newspaper - 11 respondents
- Local newspaper (not specified) - 7 respondents
- Spalding Guardian website - 4 respondents
- Spalding Today - 3 respondents
- Lincolnshire Free Press - 2 respondents
- Head office of British Horse Society
- Local estate agent
- The 'Spalding and South Holland Voice'
- Local newspaper website (not specified)
- Drop-in event at Pinchbeck
- Spaldinium
- Contacted by land agents
- LCC internal communication (employee)

3.8 Question 6: Did you attend any of our public engagement events?

Question 6 asked respondents whether they attended one of the drop-in events held in Spalding and Pinchbeck. There were 211 (34%) of the 618 respondents who stated that they attended one or more public drop-in events and 394 respondents (64%) who stated they did not attend an event. There were 14 respondents did not provide an answer to the question which accounted for the remaining 2%.

3.9 Question 6a: Did you find the event useful?

There were 109 respondents who stated that they found the event useful and 109 who indicated that they didn't find the event useful.

Respondents who attended an event were asked to expand upon their answer. Of those who found the event(s) useful, the answers covered topics such as:

- There were opportunities to air views, ask questions and talk to those involved in the project
- The information leaflets and maps were useful
- The event(s) provided a better understanding of the timescales and the overall plan
- The staff were friendly and helpful

Of those who didn't find the event(s) useful, the answers to question 7a were as follows:

- The maps were difficult to see as they were too small
- The information was not detailed enough and didn't provide any clarity on dimensions, development integration or speed limits
- The staff spent too long with some attendees meaning that others did not get a chance to ask questions
- There were too many attendees and not enough staff
- The staff could not answer some questions
- The venue was inappropriate
- The staff gave the impression that decisions have already been made

Some respondents provided recommendations for future public engagement events, which included:

- Showing a large map displaying the whole route rather than individual sections
- Hold half hour events with a projector showing the plans and a Question and Answer session enabling all attendees to hear and contribute
- Provide a plan showing existing property and planning approvals in the vicinity of the route(s)
- Make the information shown at the event(s) public via local media, leaflets etc.
- Ensure that all affected parties are informed of the scheme prior to the engagement events

There were 400 respondents who did not complete Question 6a, presumably because they did not attend an event.

3.10 Question 7: What age group are you in?

The results of Question 7 are shown in Figure 3-6.

Figure 3-6 - What age group are you in?

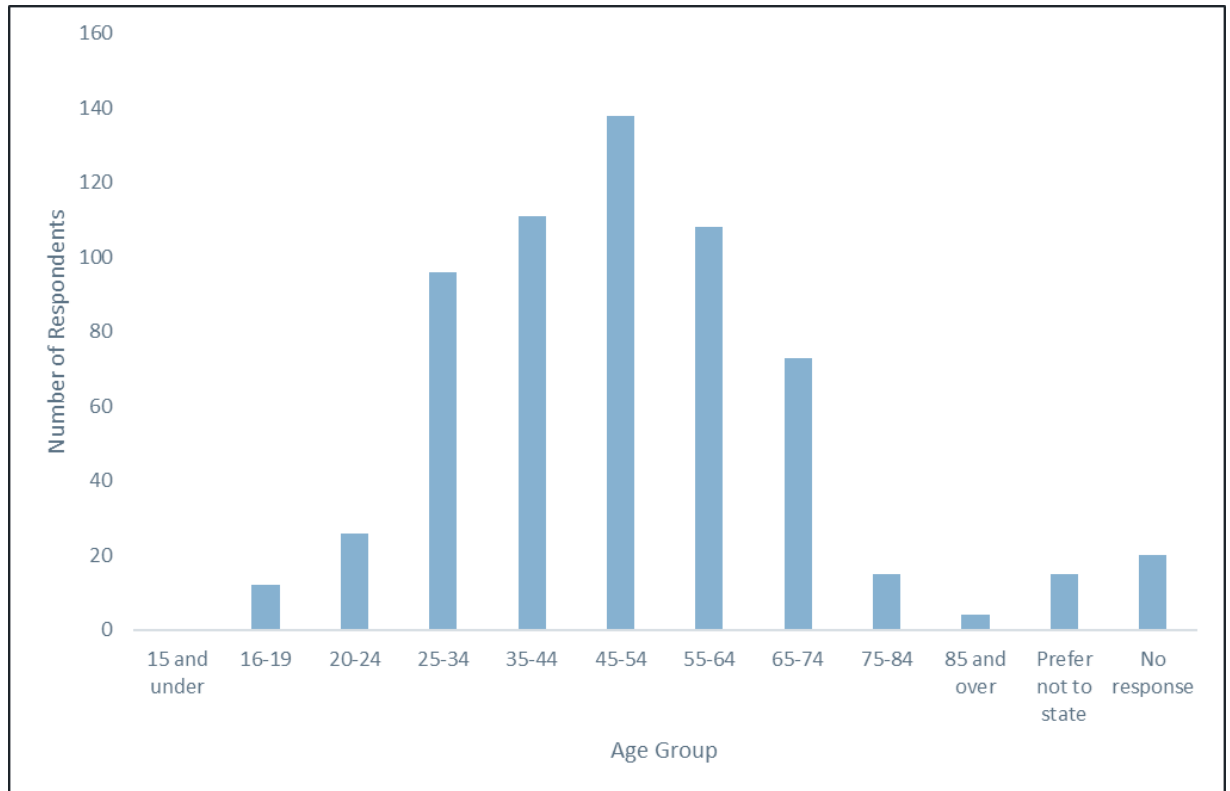


Figure 3-6 shows that the greatest number of respondents were between 45 and 54 years of age and 138 (22%) people fell into this category. The responses show that the second and third highest groups were the 35 to 44 years and 55 to 64 year age groups with 111 (18%) and 108 (17%) of respondents respectively. There were four respondents aged 85 or over and no respondents aged 15 or under. Twenty-one respondents did not provide an answer to the question and 15 ticked 'prefer not to state'.

4 Safeguarded Road Corridor

4.1 Introduction

Out of the 302 respondents who provided full postcode data, 15 gave a postcode which could be located within the safeguarded road corridor. This section of the report provides a summary of the following four questions for respondents who gave a postcode within the safeguarded road corridor:

- Question 1: What is your main Interest in the scheme?
- Question 3: Which of these options for the central section of the scheme do you prefer?
- Question 4: Please tell us why you chose this option?
- Question 5: How did you hear about this survey and the drop-in events?

4.2 Question 1: What is your main interest in the scheme?

Table 4-1 shows the response to Question 1 for those respondents living within the safeguarded road corridor.

Table 4-1 – Response to Question One for Respondents Who Gave a Postcode within Safeguarded Road Corridor

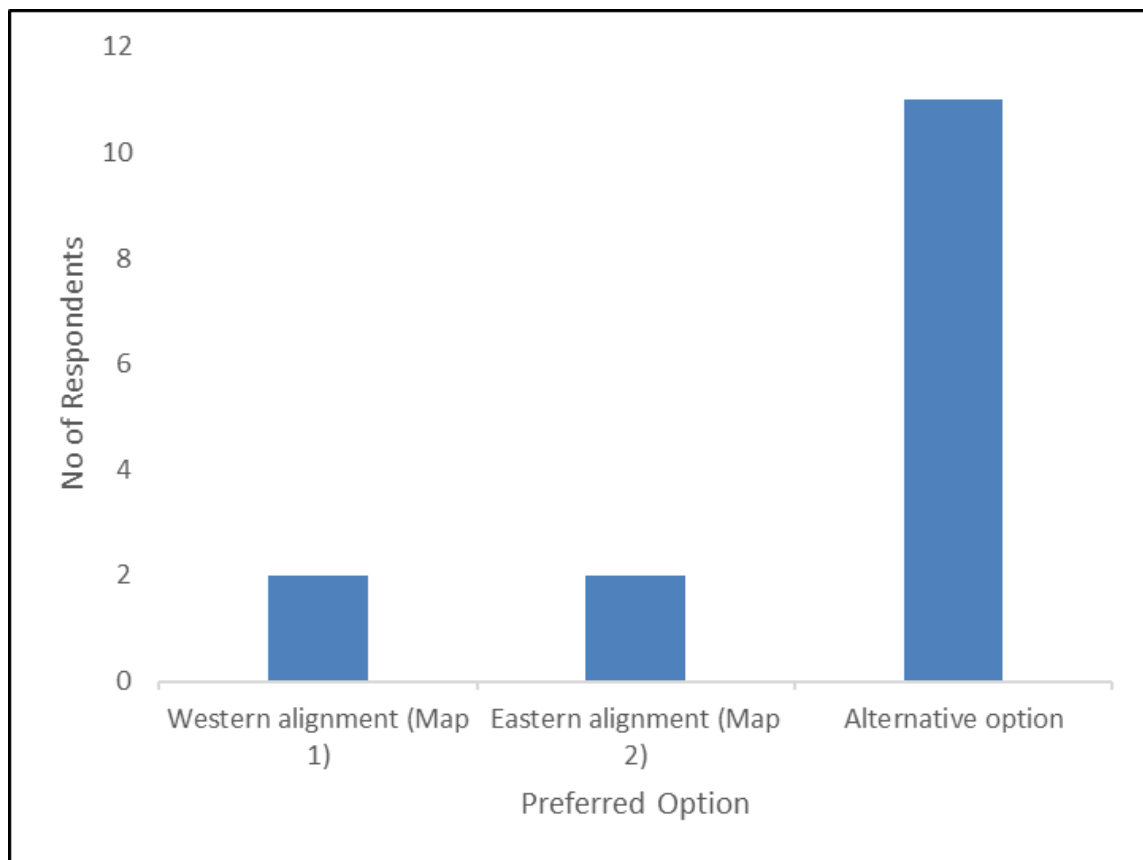
Q1: What is your main interest in the scheme	Bourne Road (N=14)	Horseshoe Road (N=1)	Total (N=15)
Member of the public	29%	0%	27%
Other	0%	0%	0%
Landowner directly affected by the scheme	71%	0%	67%
Business interest directly affected by the scheme	0%	100%	6%
Officer of a Local Authority or other public-sector organisation	0%	0%	0%
Representative from the Emergency Services	0%	0%	0%
Representative of an interest group	0%	0%	0%
Elected Member of Lincolnshire County Council	0%	0%	0%
No response	0%	0%	0%
Total	100%	100%	100%

Table 4-1 shows that 14 respondents gave a postcode within the safeguarded road corridor on Bourne Road and that 71% stated they were landowner directly affected by the scheme. The remaining 29% all stated they were a member of the public. There was just one respondent who gave a postcode located in the safeguarded road corridor on Horseshoe Road. On review of the questionnaire this was for a business called “South Lincs Plant Hire”.

4.3 Question 3: Which of these options for the central section of the scheme do you prefer?

Figure 4-1 shows which option the respondents preferred. The figure demonstrates that the majority of respondents (11) would prefer an alternative option. There were two respondents who preferred the western alignment and two who preferred the eastern alignment.

Figure 4-1 - Which of these options for the central section of the scheme do you prefer - Safeguarded Road Corridor Responses



Sample Size = 15

4.4 Question 4: Please tell us why you chose this option?

This question focused on why a respondent stated a preferred preference and a number of themes have been identified for each option. These are shown in Table 4-2.

Table 4-2 - Identified Themes from Question 4 - Bourne Road / Horseshoe Road – Safeguarded Road Corridor?

	Western Alignment	Eastern Alignment	Alternative Alignment
Facilitate expansion of Spalding	1	-	-
No reason specified	1	-	2
Less properties affected	-	2	-
Road not needed	-	-	2
Impact on their home	-	-	8
Total	2	2	12

Sample size = 15

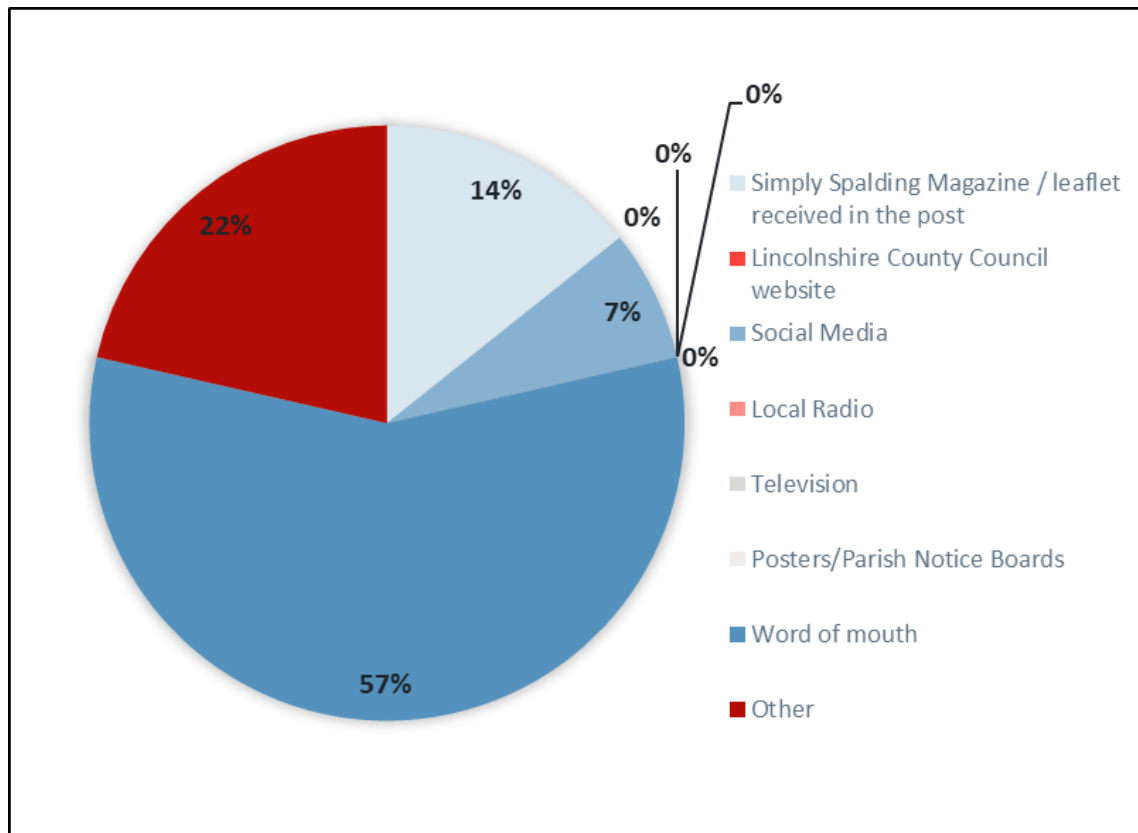
It is difficult to draw robust conclusions from the small sample size; however, the table shows that the respondents who preferred the western alignment stating this was because it “facilitated the expansion of Spalding” and that those who preferred the eastern alignment said this was because less properties would be affected.

There were eight respondents who stated their preference for an alternative alignment due to the impact on their home with two stated the road was not needed.

4.5 Question 5: How did you hear about this survey and the drop-in events?

Figure 4-2 shows how the respondents heard about the drop-in events. It shows that the majority (57%) heard through word of mouth. This was followed by 22% hearing via LCC’s website, 14% via the leaflet on Simply Spalding and 7% through social media platforms.

Figure 4-2 - How did you hear about this survey and the drop-in events – Safeguarded Road Corridor



Sample Size = 15

Summary

- 13% of respondents preferred a 'western alignment'
- 13% preferred an 'eastern alignment'
- 74% preferred an 'alternative alignment'

5 Bourne Road / Horseshoe Road

5.1 Introduction

Out of the 302 respondents who provided full postcode data, 49 gave a postcode which could be located on either Horseshoe Road or Bourne Road. This section of the report provides a summary of the following four questions for those respondents who gave a post code in these areas.

- Question 1: What is your main Interest in the scheme?
- Question 3: Which of these options for the central section of the scheme do you prefer?
- Question 4: Please tell us why you chose this option?
- Question 5: How did you hear about this survey and the drop-in events?

5.2 Question 1: What is your main Interest in the scheme?

Table 5-1 shows the response to question 1 for those who gave a postcode on either Horseshoe or Bourne Road.

Table 5-1 - Response to Question One for Respondents Who Gave a Postcode on Horseshoe Road or Bourne Road

Q1: What is your main interest in the scheme	Bourne Road (N=41)	Horseshoe Road (N=8)	Total (N=49)
Member of the public	51%	0%	43%
Other	5%	0%	4%
Landowner directly affected by the scheme	42%	88%	49%
Business interest directly affected by the scheme	2%	12%	4%
Officer of a Local Authority or other public-sector organisation	0%	0%	0%
Representative from the Emergency Services	0%	0%	0%
Representative of an interest group	0%	0%	0%
Elected Member of Lincolnshire County Council	0%	0%	0%
No response	0%	0%	0%
Total	100%	100%	100%

Sample Size = 49

Table 5-1 shows that 51% of respondents stated they were members of the public, 42% stated they were landowner directly affected by the scheme, 5% stated other and 2% stated they were a business directly affected by the scheme.

5.3 Question 3: Which of these options for the central section of the scheme do you prefer?

Table 5-2 shows which option the respondents preferred. The table demonstrates that 53% preferred an alternative option, 37% preferred the eastern alignment and 10% preferred the western alignment. This shows a different pattern to the results presented in the general finding chapter of this report where the western and alternative options were more evenly weighted.

Table 5-2 – Which of these options for the central section of the scheme do you prefer?

Q2: Which of these options for the central section of the scheme do you prefer	Bourne Road (N=41)	Horseshoe Road (N=8)	Total (N=49)
Western alignment (Map 1)	10%	13%	10%
Eastern alignment (Map 2)	37%	38%	37%
Alternative option	54%	50%	53%
No response	0%	0%	0%
Total	100%	100%	100%

Sample Size = 49

5.4 Question 4: Please tell us why you chose this option?

The themes identified for Question 4 are shown in Table 5.2. The table shows that the respondents who preferred the western alignment stated it was because it was further away from residential properties (3 respondents), would be less disruptive (2 respondents) and would facilitate the expansion of Spalding (1 respondent).

Twenty respondents preferred the eastern alignment with the main reason for this being less properties would be affected.

There were 16 respondents who stated their preference for an alternative alignment was due to the impact on their home. Nine said they preferred an alternative route outside of the safeguarded road corridor with 3 stating the road was not needed. Two respondents stated environmental impacts was the reason.

Table 5-3 –Identified Themes from Question 4 - Bourne Road / Horseshoe Road

Theme	Western Alignment	Eastern Alignment	Alternative Alignment
Further away from residential properties	3	-	-
Facilitate expansion of Spalding	1	-	-
Environmental impacts	-	-	1
Less intrusive/invasive/disruptive	2	-	-
Less impact on green space/allotments	-	2	-
No reason specified	1	4	3
Closer to Spalding	-	2	-
Less properties affected	-	12	-
Road not needed	-	-	3
Impact on home	-	-	16
*Other Route	-	-	9
Total	7	20	32

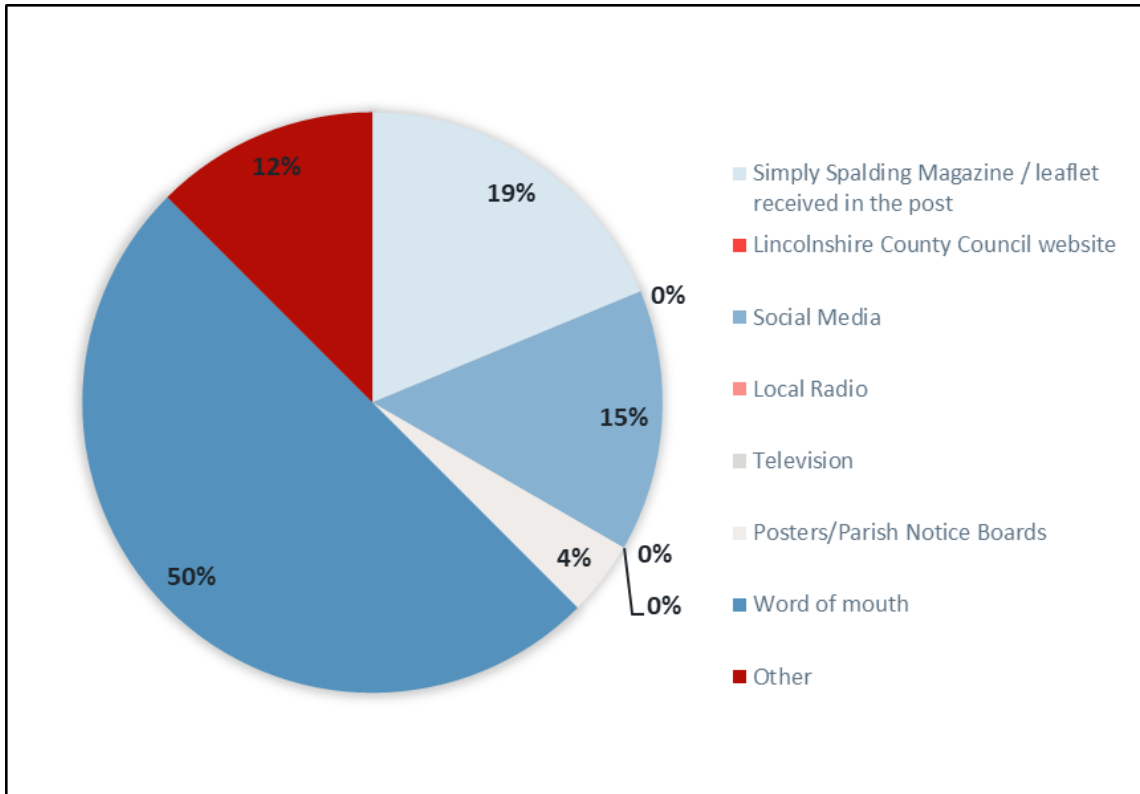
Sample Size = 49

*other route – See table 3-4 for details.

5.5 Question 5: How did you hear about this survey and the drop-in events?

Figure 5-1 shows how the respondents heard about the drop-in events. It shows that the majority (50%) heard through word of mouth. This was followed by 19% hearing via the leaflet in Simply Spalding, 15% via social media platforms, 12% via LCC's website and 4% on posters / parish notice boards.

Figure 5-1 - How did you hear about this survey and the drop-in events – Bourne Road / Horseshoe Road



Sample Size = 49

Summary

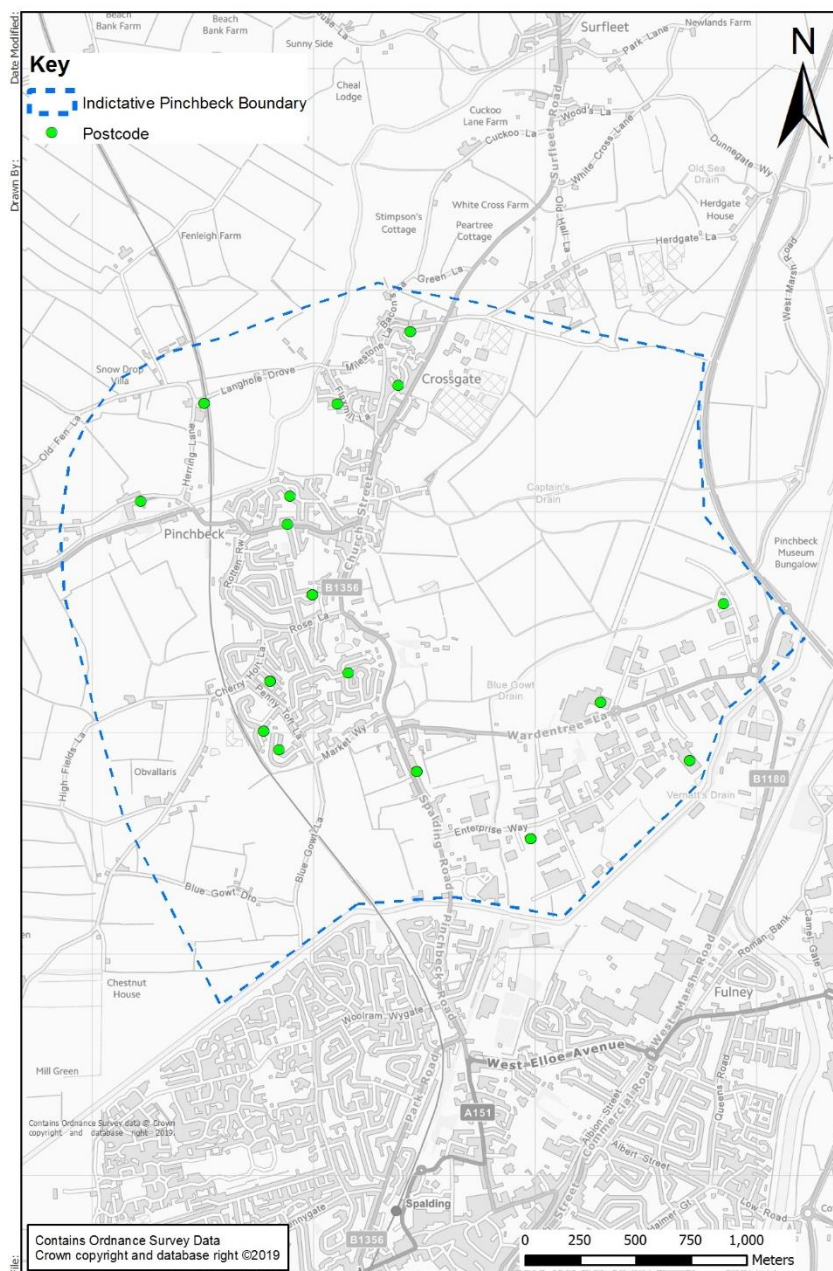
- 10% of respondents preferred a 'western alignment'
- 37% preferred an 'eastern alignment'
- 53% preferred an 'alternative alignment'

6 Pinchbeck

6.1 Introduction

Out of the 302 respondents who provided full postcode data, 36 gave a postcode which could be located within Pinchbeck. Figure 6-1 shows the indicative area which defined the Pinchbeck Area for the purpose of this summary. It should be noted that is for the analysis and is indicative only.

Figure 6-1 - Indicative Pinchbeck Boundary and Post Code Locations



This section of the report provides a summary of the following four questions for respondents who gave a postcode within Pinchbeck:

- Question 1: What is your main Interest in the scheme?
- Question 3: Which of these options for the central section of the scheme do you prefer?
- Question 4: Please tell us why you chose this option?
- Question 5: How did you hear about this survey and the drop-in events?

6.2 Question 1: What is your main Interest in the scheme?

Table 6-1 shows the response to question one for those who gave a postcode located in Pinchbeck.

Table 6-1 – What is your main Interest in the Scheme – Pinchbeck Postcodes

Q1: What is your main interest in the scheme? Please select one	Total Responses	%
Member of the public	33	92%
Other	0	0%
Landowner directly affected by the scheme	2	6%
Business interest directly affected by the scheme	0	0%
Officer of a Local Authority or other public-sector organisation	0	0%
Representative from the Emergency Services	0	0%
Representative of an interest group	0	0%
Elected Member of Lincolnshire County Council	1	3%
No response	0	0%
Total	36	100%

Sample Size = 36

The table shows that the majority (92%) stated they were members of the public. There were just two respondents (6%) which stated they were landowners directly affected by the scheme. One respondent stated they were an Elected Member of Lincolnshire County Council.

6.3 Question 3: Which of these options for the central section of the scheme do you prefer?

Table 6-2 shows which option the respondents preferred. The table demonstrates that 44% preferred an alternative option, 36% preferred the eastern alignment and 17% preferred the western alignment.

Table 6-2 – Which of These Options for the Central Section Do You Prefer - Pinchbeck

Q2: Which of these options for the central section of the scheme do you prefer	Total Responses	%
Western alignment (Map 1)	6	17%
Eastern alignment (Map 2)	13	36%
Alternative option	16	44%
No response	1	3%
Total	36	100%

Sample Size = 36

6.4 Question 4: Please tell us why you chose this option?

The themes identified for Question 4 are shown in Table 6.3.

Table 6-3 - Identified Themes from Question 4 – Pinchbeck

Theme	Western Alignment	Eastern Alignment	Alternative Alignment
Less properties affected	-	4	-
Road alignment/cost	4	1	-
Environmental impacts	-	-	1
Less impact on green space/allotments	-	4	-
Closer to Spalding	-	5	-
Impact on home/s	-	-	5
Road not needed / would not reduce congestion	-	-	4
Upgrade Existing Highway	-	-	1
Other Route	-	-	7
Other	-	-	2
No reason specified	1	1	1

Sample Size = 36

The table shows that four respondents who preferred the western alignment stated it was because of the road alignment or stated cost was the reason. One respondent did not specify a reason for preferring the western alignment.

Out of the respondents who preferred the eastern alignment, five said this was because it was closer to Spalding, four said less properties would be affected, four said it would have less impact on green space/allotments and one said it was due to the alignment or cost. One respondent did not specify a reason for preferring the eastern alignment.

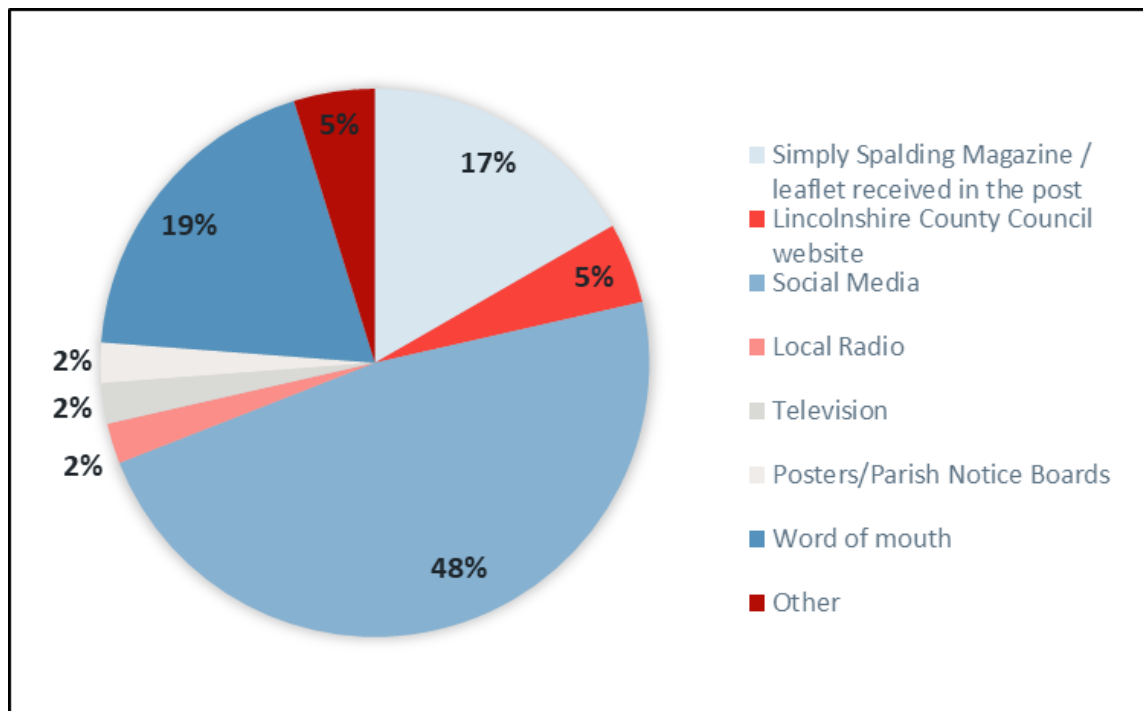
There were seven respondents who stated they preferred another alignment, five said this was because of impacts on home/s, four stated the road was not needed or

would not reduce congestion. One stated that funding should be spent on upgrading the existing highway and one preferred an alternative alignment because of environmental impacts. One respondent did not specify a reason for preferring an alternative alignment.

6.5 Question 5: How did you hear about this survey and the drop-in events?

Figure 6-2 shows how the respondents heard about the drop-in events. It shows that the majority (48%) heard through word of mouth. This was followed by 19% and 17% hearing through social media and the leaflet in Simply Spalding respectively. 5% of respondents heard about the walk-in events through the LCC Website or stated "other". The remaining 6% was split equally between television, local radio and posters / parish notice boards.

Figure 6-2 - How did you hear about this survey and the drop-in events – Pinchbeck



Sample Size = 36

Summary

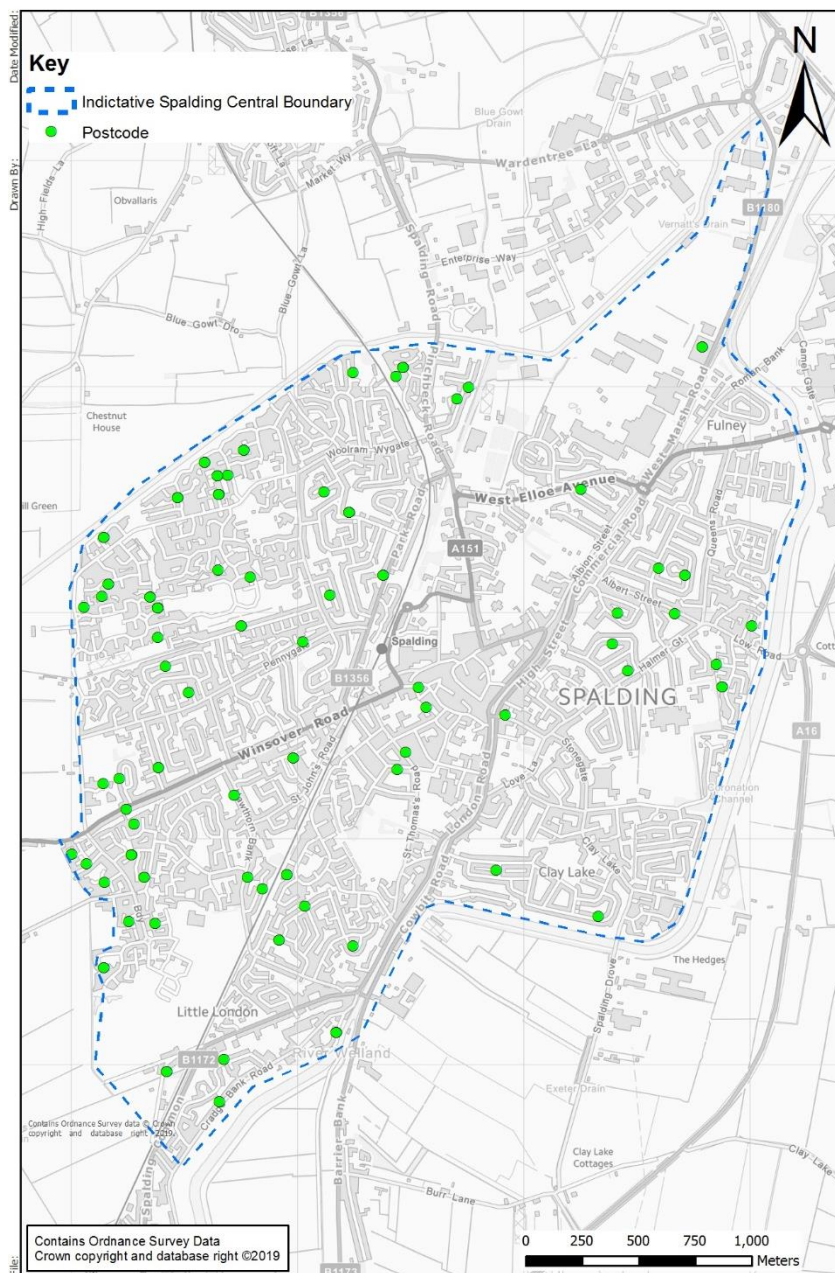
- 17% of respondents preferred a 'western alignment'
- 36% preferred an 'eastern alignment'
- 44% preferred an 'alternative alignment'

7 Spalding Central

7.1 Introduction

Out of the 302 respondents who provided full postcode data, 111 gave a postcode which could be located within the Spalding Urban Area. Figure 7-1 shows the indicative area which defined Spalding Central for this analysis. It should be noted that the boundary is indicative only.

Figure 7-1 - Indicative Central Spalding Boundary and Post Code Locations



This section of the report provides a summary of the following four questions for respondents within Spalding Town Centre.

- Question 1: What is your main Interest in the scheme?
- Question 3: Which of these options for the central section of the scheme do you prefer?
- Question 4: Please tell us why you chose this option?
- Question 5: How did you hear about this survey and the drop-in events?

7.2 Question 1: What is your main Interest in the scheme?

Table 7-1 shows how the respondents answered question 1. A total of 101 respondents, representing 91% of respondents which could be located with Spalding Central (see Figure 7-1), categorised themselves as a 'member of the public' and 7 respondents (6% of total respondents) indicated that they are a 'landowner directly affected by the scheme'. This was followed by "other", Officer of a Local Authority or other public-sector organisation with 1%.

Table 7-1 - What is your main Interest in the scheme? – Spalding Central

Q1: What is your main interest in the scheme? Please select one	Total Responses	%
Member of the public	101	91%
Other	1	1%
Landowner directly affected by the scheme	7	6%
Business interest directly affected by the scheme	0	0%
Officer of a Local Authority or other public-sector organisation	1	1%
Representative from the Emergency Services	0	0%
Representative of an interest group	0	0%
Elected Member of Lincolnshire County Council	0	0%
No response	1	1%
Total	111	100%

Sample Size = 111

7.3 Question 3: Which of these options for the central section of the scheme do you prefer?

Table 7-2 shows which option the respondents preferred. There were 52% of respondents who preferred the western alignment, 17% who preferred an eastern alignment and 31% who preferred an alternative alignment. This shows a different pattern to the results presented for residents living within a closer proximity to the safeguarded road corridor.

Table 7-2 - Which of these options for the central section of the scheme do you prefer? – Spalding Central

Q2: Which of these options for the central section of the scheme do you prefer	Total Responses	%
Western alignment (Map 1)	58	52%
Eastern alignment (Map 2)	19	17%
Alternative option	34	31%
No response	0	0%
Total	111	100%

Sample Size = 111

7.4 Question 4: Please tell us why you chose this option?

The themes identified by respondents who gave a post code within central Spalding (see Figure 7-1) for Question 4 are shown in Table 7.3.

Table 7-3 - Identified Themes from Question 4 - Spalding Central

Theme	Western Alignment	Eastern Alignment	Alternative Alignment
Less properties affected	10	4	6
Less impact on green space/allotments	5	-	-
Road alignment/cost	10	1	2
Further away from Spalding	19	-	-
Facilitate expansion of Spalding	1	-	-
Environmental impacts	6	1	4
Less intrusive/invasive/disruptive	9	-	-
Closer to Spalding	-	8	-
Impact on home/s	4	-	15
Road not needed / would not reduce congestion	1	-	4
Other Route	-	-	4
Other	1	1	4
No preference	4	-	-
No reason specified	15	6	4

Sample Size = 111

The table shows that of the respondents who preferred the western alignment, 19 stated that it was because it was further away from Spalding, ten stated it was because less residential properties would be affected and ten stated that it was due to the road alignment or cost. Nine respondents stated the western alignment would be preferred because it would be less disruptive and six stated was because it would have less impact on the environment. The remaining reasons why respondents preferred the western alignment was because its perceived to impact less impact on green space/allotments (5) on home/s (4), it would facilitate expansion of Spalding

(1), the road not needed and would not reduce congestion (1). There were four respondents who stated no preference and 15 did not specify a reason.

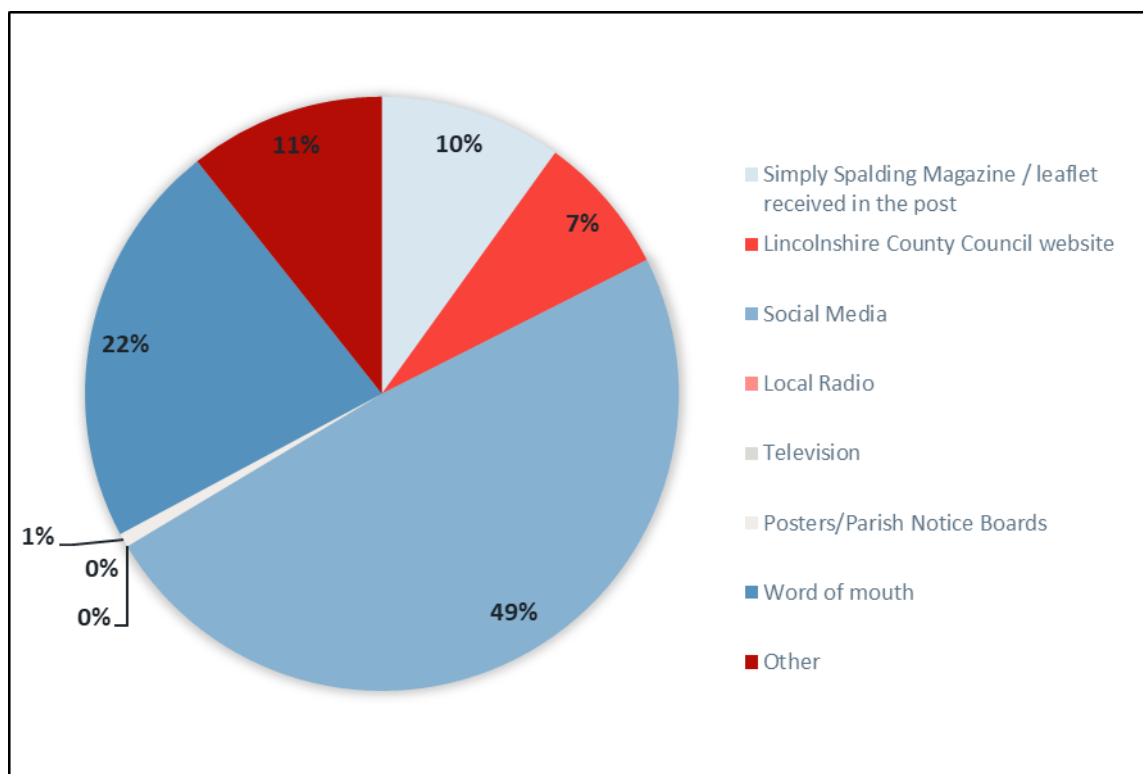
Out of the respondents who preferred the eastern alignment, eight said this was because it was closer to Spalding, four said less properties would be affected, the road alignment and cost was stated once as was less impact on the Environment. Six respondents did not specify a reason.

There were 15 respondents who gave a postcode in central Spalding said they preferred an alternative alignment because it would have less impacts on people home/s with six stating that less properties would be affected. Four stated that the road was not need and would not ease congestion, four respondents stated environmental impact as their reason, four suggested another route and two stated alignment and cost. It should be noted that some respondents stated that the road was not needed and would be a waste of money.

7.5 Question 5: How did you hear about this survey and the drop-in events?

Figure 7-2 shows how the respondents heard about the drop-in events. Its shows that the majority (49%) heard through word of mouth. This was followed by 22% via social media and 11% who stated "other". 10% heard via the leaflets in Simply Spalding and 7% heard about the events via through the LCC Website.

Figure 7-2 - How did you hear about this survey and the drop-in events - Spalding Central



Sample Size = 111

Summary

- 52% of respondents preferred a 'western alignment'
- 31% preferred an 'eastern alignment'
- 17% preferred an 'alternative alignment'

8 Conclusions and Next Steps

8.1 Engagement Overview

The engagement approach undertaken for Sections 2 and 4 of the Spalding Western Relief Road can be summarised as follows:

- LCC undertook an engagement exercise specifically for Section 2, Section 3 and Section 4 of the SWRR which included a series of drop-in events and an engagement questionnaire
- The drop-in events were advertised via leaflets in 'Simply Spalding', adverts in local newspapers, online articles and social media platforms
- Four drop-in events were held, three in Spalding and one in Pinchbeck
- A total of 618 respondents completed either an online or hard copy questionnaire.

8.2 Key Findings

This report has presented the engagement findings shown in Table 8-1.:

Table 8-1 – Summary of Preferred Alignment Option

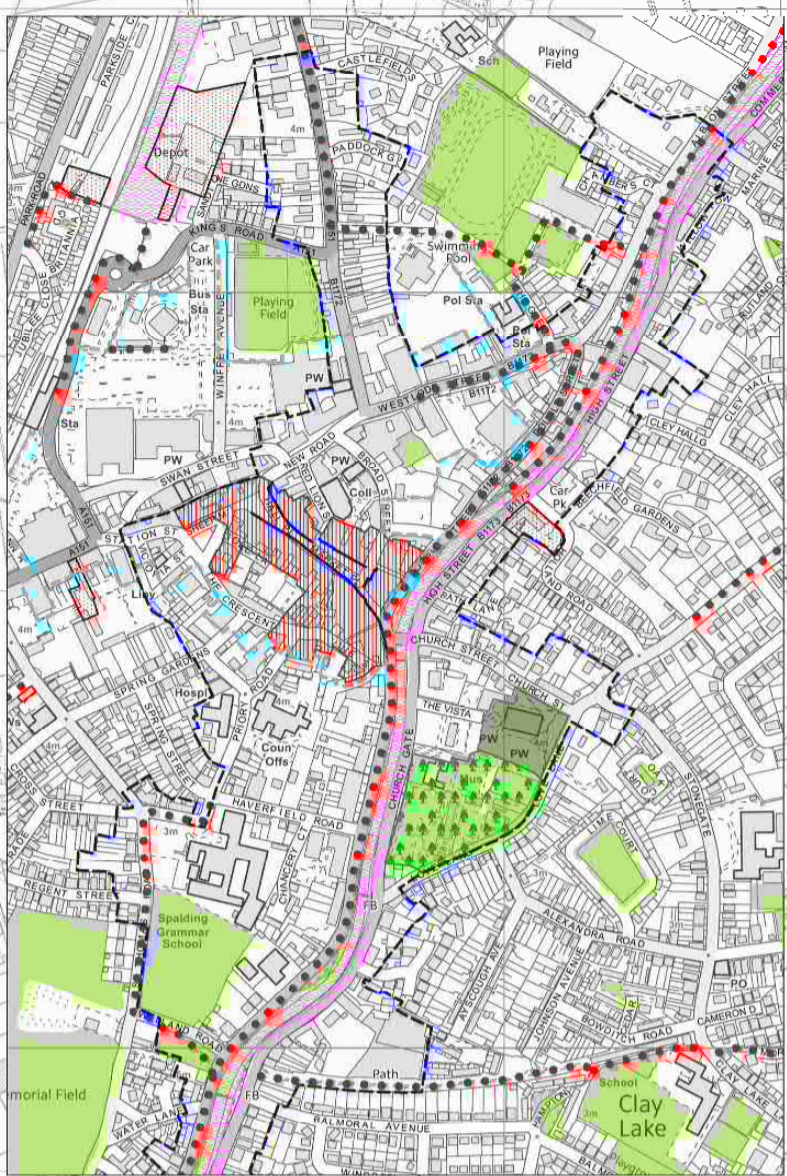
Alignment	Safeguarded Corridor (N=15)	Bourne Road / Horseshoe Road (N=49)	Pinchbeck (N=36)	Spalding Central (N=111)	Total Respondents (N=618)
Western	13.3%	10%	17%	52%	38%
Eastern	13.3%	37%	36%	17%	24%
Alternative	73.3%	53%	44%	31%	37%
Total	100%	100%	100%	100%	100%

8.3 Next Steps

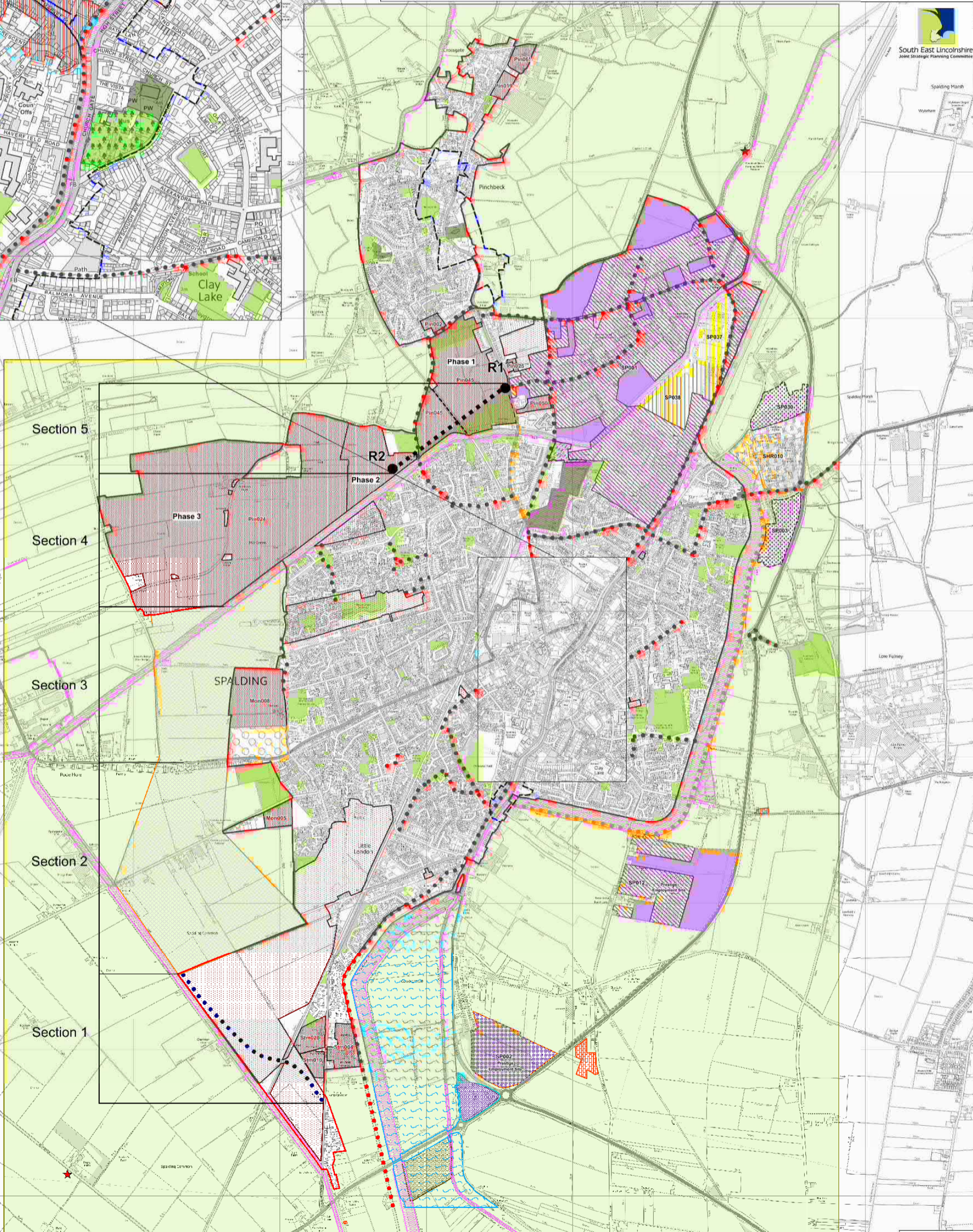
The next step in the evolution of the SWRR will be as follows:

- LCC will consider the public's views and then further work regarding the feasibility of a preferred route will be undertaken.
- Feasibility and option development to identify preferred option to be taken forward for design.

Appendix A – Extract from South East Lincolnshire Local Plan



	Inset Map Boundary			Springfields Shopping and Festival Gardens	Policy 9,27
	Countryside	Policy 1,9,19,22,23		Primary Shopping Area	Policy 24,26
	Settlement Boundary	Policy 1,19,22,23		Primary Shopping Frontage	Policy 26
	Town Centre Boundary	Policy 24,25,26,27		SSSI	Policy 28
	Conservation Area	Policy 29		Local Wildlife Site	Policy 28
	Housing Commitment	Policy 11		Local Nature Reserve	Policy 28
	Housing Allocation	Policy 11,15		Flood Storage Area	Policy 4
	Existing Residential Gypsy/Traveller Site	Policy 20		Recreational Open Space	Policy 32
	Existing Main Employment Area	Policy 7		Green Infrastructure	Policy 32
	Proposed Main Employment Area	Policy 7		Historic Park and Garden	Policy 29
	Established Employment Site	Policy 7		Section 1 (Southern Section) of SWRR: Indicative Road Line	Policy 15,33,35
	Existing Mixed Use Employment Site	Policy 7		Extend SWRR Safeguarding Corridor to the north of Site Mon008	Policy 15,33,35
	Proposed Mixed Use Employment Site	Policy 7		Section 5 (Northern Section) of SWRR: Indicative Road Line	Policy 15,33,35
	Existing Restricted Use Site	Policy 7		Roundabout 1	Policy 15,33,35
	Proposed Restricted Use Site	Policy 7		Roundabout 2	Policy 15,33,35
	Prestige Employment Site	Policy 8		Extent of SWRR Delivery Strategy Sections	Policy 15,33,35
	Proposed Education Facilities	Policy 5		Cycle Route	Policy 33
				Proposed Cycle Route	Policy 33
				Ancient Monument	Policy 29



Appendix B – Drop-In Events Notice Board Materials

Spalding Western Relief Road

The Spalding Western Relief Road (SWRR) is a major highways project that is currently being planned and designed by Lincolnshire County Council, in partnership with South Holland District Council.

When built, the relief road will provide a new strategic route around the west side of the town, linking Spalding Common in the south to Spalding Road/Pinchbeck Road in the north.

Current plans are to apply for planning permission for the southern and northern parts of the road this spring, with a view to breaking ground on-site during Winter 2019/20.

The benefits of the relief road will include:

- ◆ Reduced congestion and improved journey times
- ◆ Supporting economic and housing growth in South Holland
- ◆ Meeting current and future transport demands
- ◆ Lessened impact of more freight passing through Spalding
- ◆ Improved public transport and encouraging walking and cycling

Some key facts about the project are:

- ◆ The full route is 6.3km
- ◆ The route for the central, western part of the new road is still being defined
- ◆ Current plans include two new roundabouts (at the Littleworth Drove and B1356 Spalding Road junctions) and two new vehicle bridges over the rail line, as well as any other roundabouts and structures part of the central section once designed

For more information about the Spalding Western Relief Road, visit www.lincolnshire.gov.uk/swrr.

Spalding Western Relief Road

Panoramic view of Spalding Western Relief



Below are illustrations of what sections of the Spalding Western Relief Road could look like.



Artist's render of a section of the new relief road



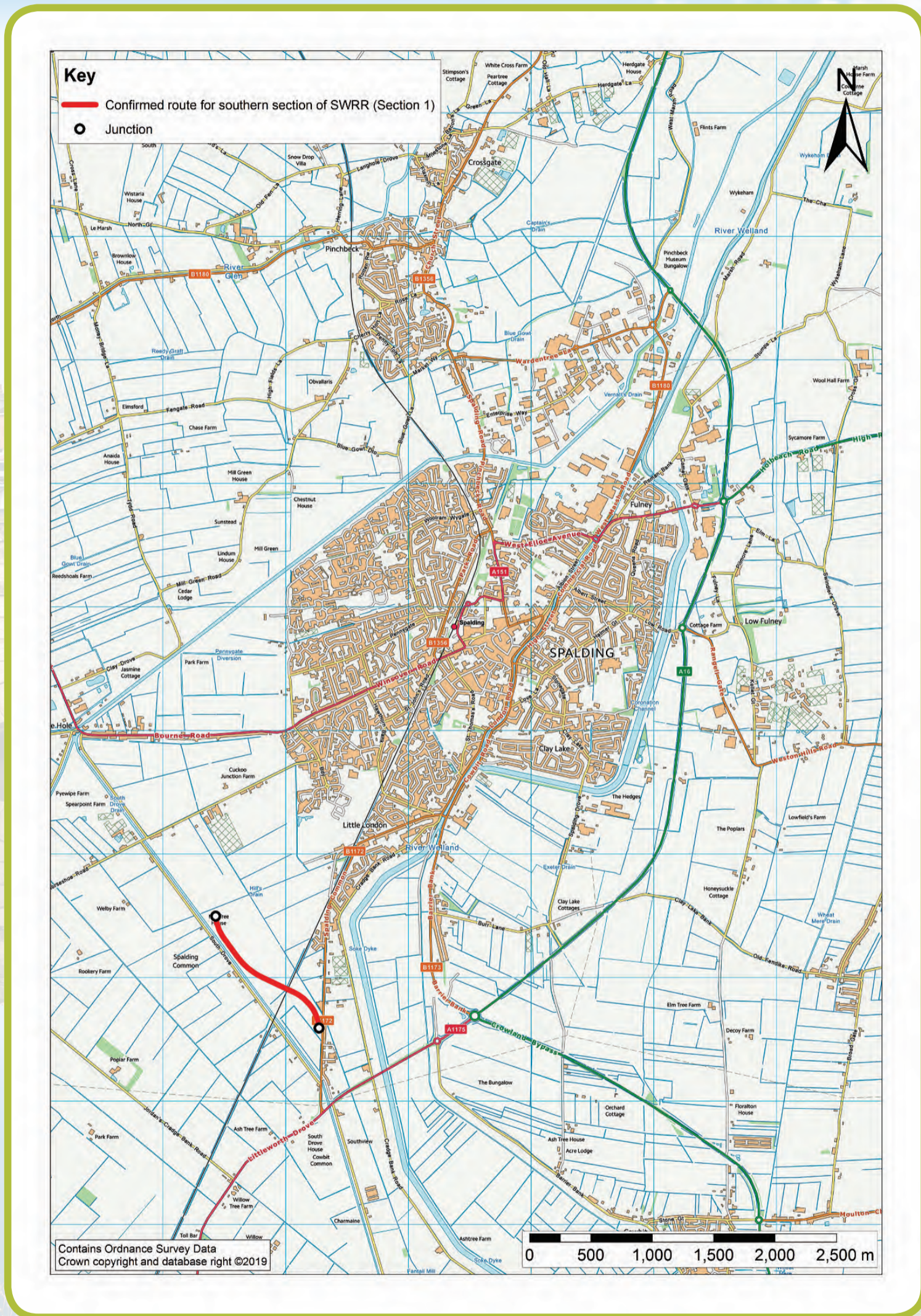
Artist's render of new Spalding Western Relief Road bridge



Artist's render of a section of the new relief road

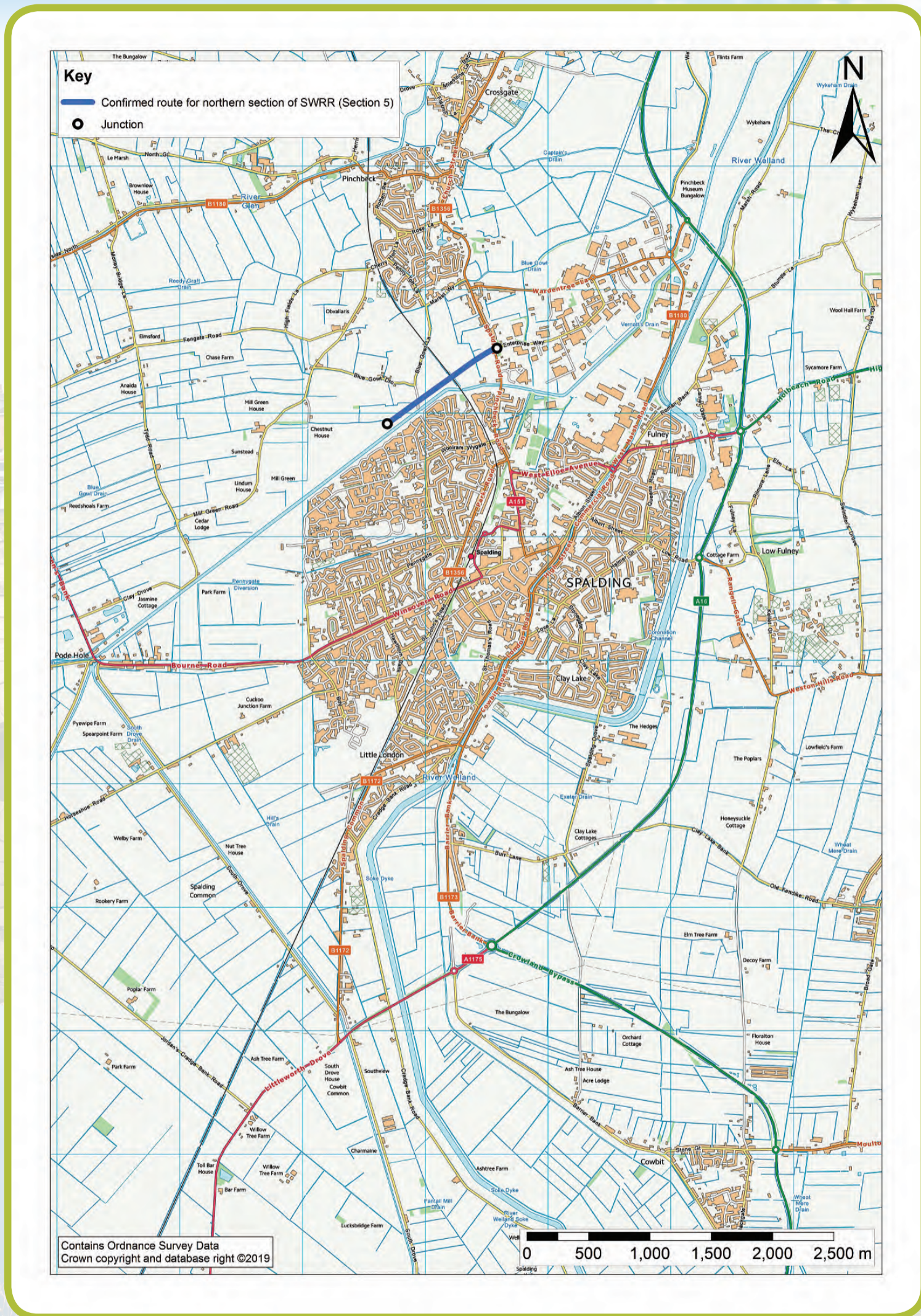
Spalding Western Relief Road

Southern section of relief road (Section 1)



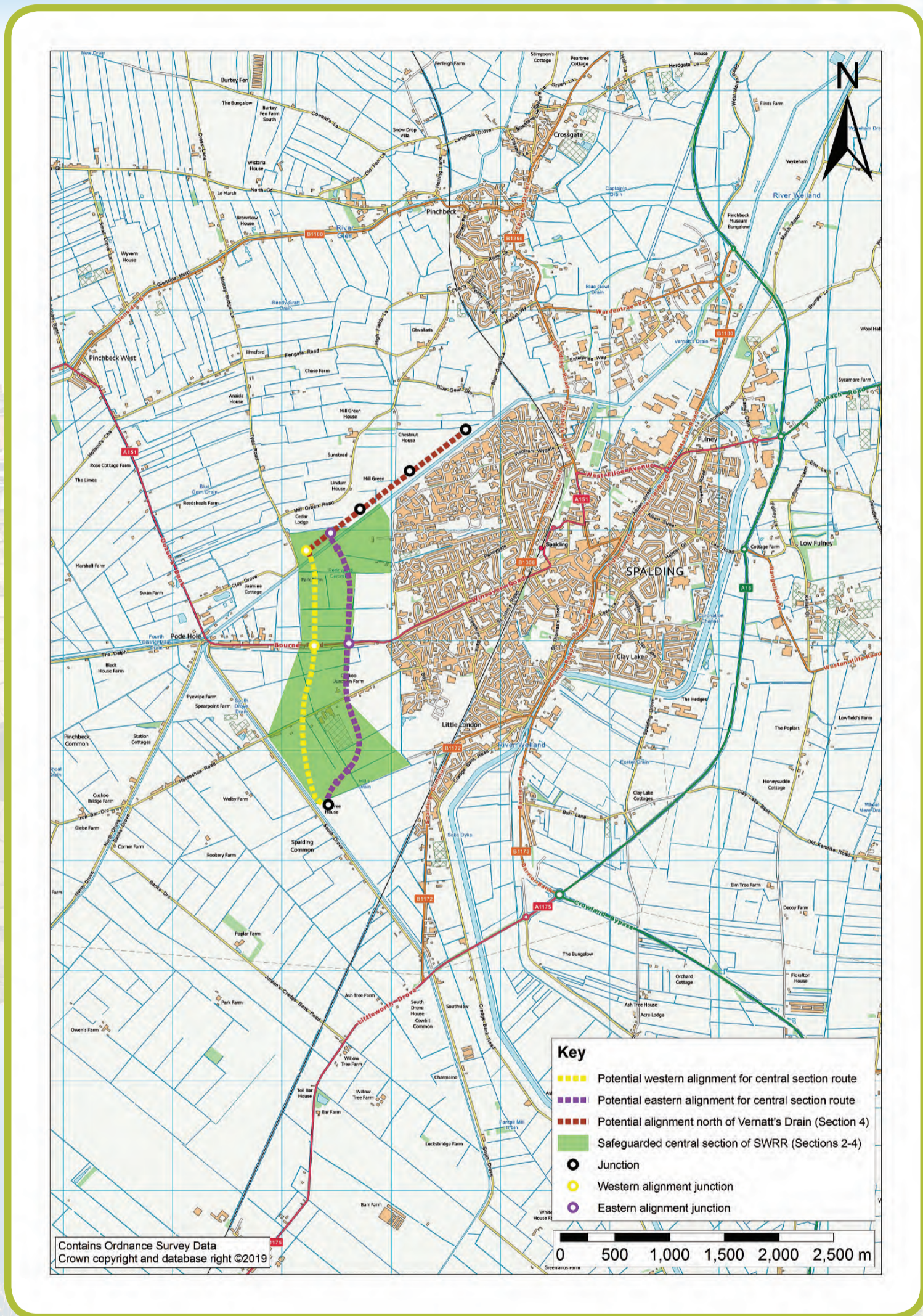
Spalding Western Relief Road

Northern section of relief road (Section 5)



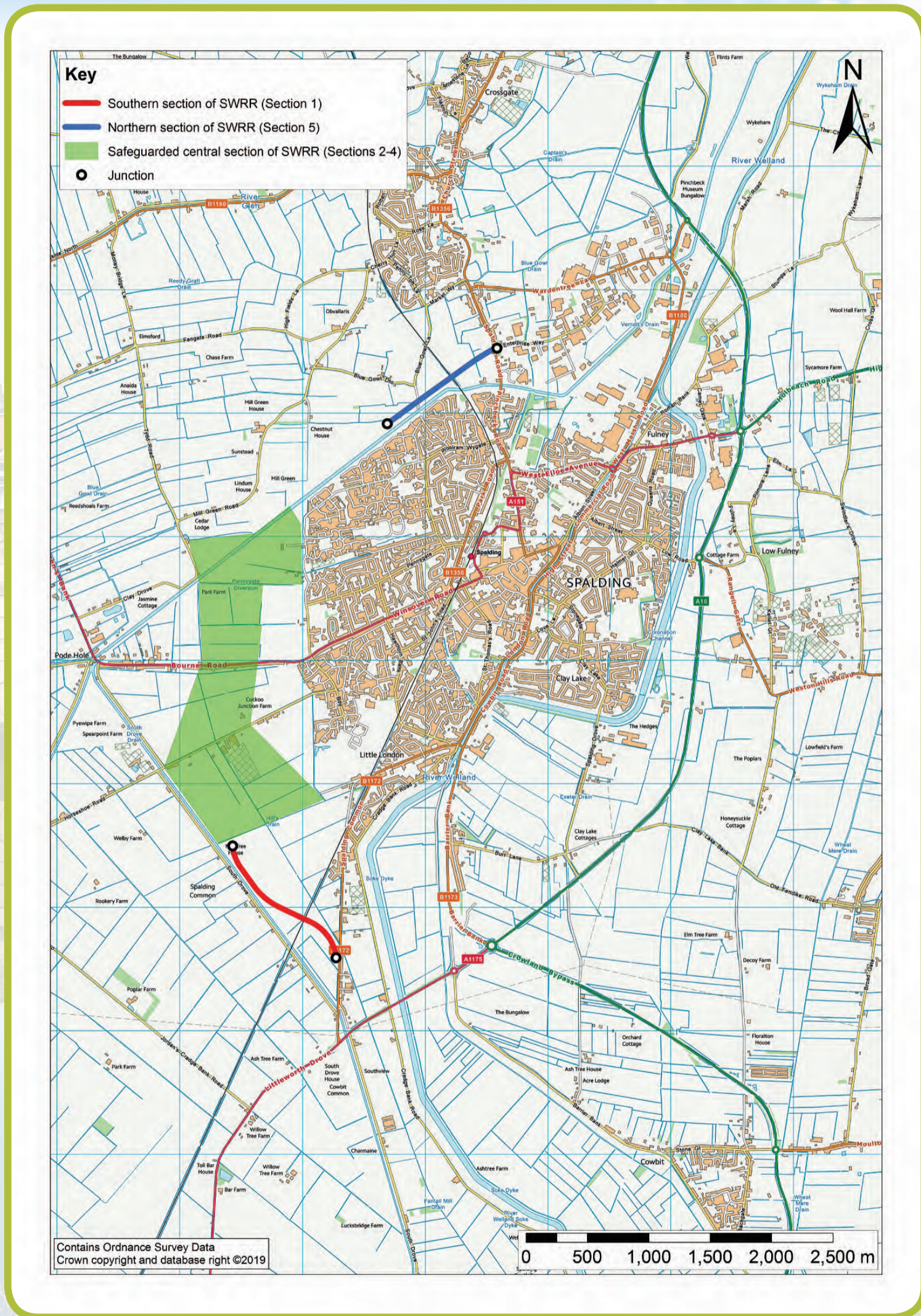
Spalding Western Relief Road

Potential alignments for central section (Sections 2-4)



Spalding Western Relief Road

Route plan for Spalding Western Relief Road



Appendix C – Engagement Questionnaire

Spalding Western Relief Road

Questionnaire



Spalding Western Relief Road Central Section Alignment

Engagement Questionnaire

The Spalding Western Relief Road (SWRR) is a major highways project that is currently being planned and designed by Lincolnshire County Council, in partnership with South Holland District Council.

When built, SWRR will provide a new strategic road around the west side of the town, linking Spalding Common in the south to Spalding Road/Pinchbeck Road in the north.

The new road will improve journey times, reduce congestion in the town centre and help support housing growth within South Holland, among many other benefits.

The alignment of the southern and northern sections of the new relief road has already been decided.

However, until now, there has only been a safeguarding corridor (or a broad area where the road could go) covering the central sections of the new relief road (which will cross Horseshoe Road and Bourne Road and then run adjacent to Vernatt's Drain). A preferred alignment of the relief road within this safeguarded corridor now needs to be developed.

We want to hear your views on the alignment of this central section of the Spalding Western Relief Road.

Your views will be carefully considered and will help us to continue understanding the best way forward for the scheme before moving forward with detailed design of the central section.

Please visit our web page at <https://www.lincolnshire.gov.uk/swrr> for more detailed background information, a list of public events and to keep up-to-date with the progress of the scheme.

1 What is your main interest in the scheme?

- Member of the public
- Statutory interest
- Business interest directly affected by the scheme
- Landowner directly affected by the scheme
- Elected Member of a Parish Council
- Elected Member of a District Council
- Elected Member of Lincolnshire County Council
- Officer of a Local Authority or other public sector organisation
- Representative of an interest group
- Representative from the Emergency Services
- Other

If other, please tell us your main interest in the scheme:

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2 If you are representing an organisation, business or group, please tell us its name:

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Supplementary Questions

5 How did you hear about this survey and the drop-in events? Please select all that apply.

- Simply Spalding Magazine / leaflet received in the post
- Lincolnshire County Council website
- Social Media
- Local Radio
- Television
- Posters/Parish Notice Boards
- Word of mouth
- Other

If other, please tell us how:

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6 Did you attend any of our public engagement events?

- Yes (please answer Question 6a)
- No (please skip to Question 7)

6a Did you find the event useful?

- Yes
- No

Please tell us why:

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A Little About You

Your Personal Data

Lincolnshire County Council takes our responsibilities to your personal data very seriously. We will manage your personal data in line with Data Protection Legislation.

There is no intent to identify individuals from this survey, only to identify trends in certain areas. For more information on what we do with your personal data, please see

<https://www.lincolnshire.gov.uk/privacy>

It is your choice to answer the following questions. If you do choose to answer them, this will help us to make informed decisions.

To help us to analyse if we have engaged with the communities that may be affected by this activity, please provide the first five digits of your post code.

Post Code

7 Age – What age group are you in?

- 15 and under
- 16-19
- 20-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-74
- 75-84
- 85 and over
- Prefer not to state

Thank you for completing the questionnaire.

Your responses and comments will be collated and used to help develop proposals for the central sections of the Spalding Western Relief Road.

Return Address:

Lincolnshire County Council
c/o Teresa James
Crown House
Grantham Street
Lincoln
LN2 1BD



8 First Street
Manchester
M15 4RP

wsp.com

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Executive
Date:	07 January 2020
Subject:	Medium Term Financial Strategy and Council Budget 2020/21
Decision Reference:	I018713
Key decision?	Yes

Summary:

This report outlines budget proposals for the next financial year 2020/21. The Provisional Local Government Finance Settlement for 2020/21 has not been issued at the time of writing this report, but it is expected that the settlement will be in line with the funding announced in the Local Government Finance Settlement 2020/21 Technical Consultation released on 9 October 2019. The budget proposals for 2020/21 are therefore estimated at this stage.

The Executive is asked to approve the proposals for the Council's budget for 2020/21, set out in this report and based on these estimates, for internal and external consultation.

This report describes the basis on which budget proposals have been developed.

The report also sets out the results of a review of the Council's Medium Term Financial Strategy. The Strategy forms part of the Policy Framework and the final proposed Strategy will be presented to Executive at its meeting in February alongside the final budget proposal for recommendation to the Full Council.

The draft Strategy will in the meantime be kept under review in the light of responses to consultation on the budget itself.

Recommendation(s):

1. That the Executive approves the budget proposals described in this report as its preferred option for the purposes of further consultation.

Alternatives Considered:

1. The proposals for the Revenue Budget, Capital Programme and Council Tax as described in this report.

2.	Higher levels of spending and consequently higher levels of Council Tax in future years.
3.	Lower levels of spending and consequently lower levels of Council Tax in future years.

Reasons for Recommendation:

The recommended option takes account of the anticipated levels of Government grant and Business Rates funding to the Council and allows for an increase in Council Tax of 3.50% (1.50% general Council Tax plus a further 2.00% for the Adult Social Care "precept").

The recommended option identifies a reasonable and proportionate balance of funded budget pressures and savings to support the delivery of Council services, while maintaining a balanced budget and mitigating the impacts of continuing uncertainty about the future of Council funding.

1. Background

The Medium Term Financial Strategy

- 1.1 The Council's Financial Strategy forms part of the Policy Framework and is due for review. It is opportune to review the Strategy alongside the budget setting process so that the budget can be aligned with the strategic financial objectives of the Council.
- 1.2 The Financial Strategy, referred to as the Medium Term Financial Strategy (MTFS), is attached to this report as Appendix A, and covers the next three years (2020/21 to 2022/23). It provides an update on the current financial context for the Council. The purpose of this strategy is to set out how we intend to manage the financial resources available to deliver our priorities for our communities. The MTFS will be refreshed annually to take account of changing circumstances affecting our finances.
- 1.3 The MTFS underpins a Medium Term Financial Plan (MFTP), maintained by the Executive Director – Resources, which sets out our expectation of what our budget will look like over the next three years.
- 1.4 The MTFS contains six sections, which broadly cover the topics set out below:
 - i. Introduction – this references the Council's new Corporate Plan and the continued uncertainty over future funding;
 - ii. Objectives – this section sets out the ten objectives which the MTFS is aiming to fulfil;
 - iii. Current financial context – provides a brief summary of recent funding challenges and the current economic climate;
 - iv. Forward view – this is a high level summary of how we believe our budget will look over the next three years; the budget process this year; and a

summary of our proposed budgets for 2020/21 for both Revenue and Capital;

- v. Delivery – this section covers how we intend to deliver the MTFS and monitor our financial performance;
- vi. Key considerations – includes some information about each of the significant funding streams as well as governance, risk and opportunities.

1.5 This Report attaches the draft MTFS at Appendix A for the information of the Executive. This draft MTFS has then been used to guide the development of the proposed budget for 2020/21 and will be kept under review alongside feedback from the budget consultation. A proposed final version of the MTFS will be reported alongside final budget proposals at the Executive meeting in February for onward recommendation to the full Council if approved by Executive. The key information in the MTFS and the MTFP relating to the 2020/21 budget is highlighted in this report.

The Budget Process

1.6 This year's budget process started earlier than usual, to recognise that our early forecasts showed a budget shortfall over the medium term period to 2022/23 of around £27m. The process was treated as a project, to recognise its wide-reaching impacts across the Council, and a project board was set up to manage it. Budgets have been examined in detail and budget holders were asked to deliver efficiency savings for 2020/21 which have no or minimal impact on service users. Our budget assumptions were re-examined and have been amended during the year as new information has emerged.

1.7 In terms of budget holder input, the budget process has finished and the project board has completed its work. We now await confirmation of next year's funding from central Government – this is expected to come as the Provisional Local Government Finance Settlement some time in December 2019, followed by the Final Local Government Finance Settlement in February 2020 - as well as confirmation of Council Tax base and Collection Fund balances from our local District Councils. Once all of this information has been received, the budget proposals for 2020/21 will be confirmed at the meeting of the Executive on 4 February 2020.

The Medium Term Financial Plan

1.8 The MTFP is built up to take account of our expected spending requirements and our expected sources of funding over the next three years. Our funding for 2020/21 is estimated, but based on the Local Government Finance Settlement 2020/21 Technical Consultation which was released on 9 October 2019. Our funding beyond 2020/21 is based on our reasonable assumptions about the future. Our key assumptions for this are shown in MTFS Appendix I. This is an area of uncertainty – we had expected that reforms to local government finance would be implemented from April 2020 but the Government has delayed them by a year.

1.9 A Government Spending Review is due to take place in 2020 to determine the amounts to be allocated to each Government spending department. It is not yet

known what period of time the Spending Review outcomes will cover. We expect that in the Autumn of 2020 we will start to understand what the impact of the Government's Fair Funding Review and Business Rates Retention reforms will be when they are implemented in April 2021, and the MTFP will then be updated.

- 1.10 Due to the uncertainties outlined in paragraphs 1.7 and 1.8, we are proposing a Revenue Budget for one year only – 2020/21.
- 1.11 On an annual basis the Council has the opportunity to review the level of Council Tax. Central Government sets thresholds above which a local authority would have to hold a referendum for Council Tax increases. The Technical Consultation on the Local Government Finance Settlement proposed that for 2020/21 this threshold might be set at a 2.00% increase for general Council Tax, plus a further 2.00% for authorities with Adult Social Care responsibilities to deal with pressures in this area including demographic pressures and the impact of the National Living Wage. The referendum threshold for 2020/21 will be confirmed in the Provisional Local Government Finance Settlement and we have assumed that Council Tax increases from 2021/22 onwards will be limited to 2.00%.
- 1.12 At this point in time, our MTFP shows that our budget for 2020/21 will be balanced (but this is subject to confirmation of funding for 2020/21). For 2021/22 there will be a budget shortfall of £13.037m, which reduces to a £6.096m budget shortfall in 2022/23. In these latter two years, the deficit could be covered by calling on our Financial Volatility reserve, which currently stands at £55.769m, although we expect to deliver further savings which will reduce the deficits. The position for 2020/21 is shown in the following table:

Table A – Summary Revenue Budget (Medium Term Financial Plan)

SUMMARY REVENUE BUDGET	2020/21 £m
EXPENDITURE:	
Net Base Budget	461.283
Cost Pressures (<i>including inflation</i>)	44.123
Savings & Additional Income	-14.842
Other Movements (PH Grant & BCF Grant)	-1.221
Total Expenditure	489.343
Use of Reserves	-
Contribution to Development Fund	1.800
Transfer to/from General Reserve	0.200
Budget Requirement	491.343
INCOME:	
Business Rates Local Retention	122.119
Revenue Support Grant	20.501
Other Grants	34.357
County Precept	314.367
Total Income	491.343

- 1.12 During this year's budget process we identified a number of areas where an In Depth Review (also referred to as "Deep Dive Review") was required and / or where transformational work could be done. Although these initiatives will only

start in the next calendar year, it is expected that these projects will deliver further savings from 2021/22 onwards in addition to the savings shown in the MTFP, or will help us to avoid future increased costs. A list of these projects is shown in Appendix B for information and, as they complete, the results will feed into next year's budget process.

- 1.13 We expect to be able to review some of our budget assumptions on funding for 2021/22 onwards as the Government releases information about the impacts of the April 2021 funding reforms on individual councils. We consider that our current budget assumptions on funding, particularly for Social Care grants, are prudent.

Revenue Budget 2020/21

- 1.14 Table A above shows our overall proposed budget for 2020/21, with a budget requirement of £491.343m (the budget requirement was £458.396m in 2019/20 so this is an increase of 7.2%). The changes in our anticipated funding are explained in paragraphs 1.18 to 1.28 below.
- 1.15 A number of unavoidable cost pressures have been added into the proposed budget, totalling £44.123m, and these are summarised in Appendix C. The most significant of these are in Adult Care; due to increasing demand, complexity of cases and the impact of the National Living Wage, and in Other Budgets; due to increasing capital financing charges and the removal of capital receipts income from the budget (this was previously used flexibly to fund transformation projects).
- 1.16 Budgetary savings are summarised in Appendix D, and total £14.842m. The most significant of these relate to increased income from higher numbers of Adult Social Care service users; the majority of other savings are efficiency savings, increased income or the realignment of budgets to current expenditure levels.
- 1.17 The table below shows the Net Revenue Budget by service area for 2020/21, with comparative budgets for 2019/20. Whilst we continue to follow commissioning principles in the delivery of our services, this year we are reporting our budgets in line with management responsibility to provide greater clarity. The 2019/20 budgets have therefore been restated in the 2020/21 format. This is supported by Appendix E, which shows in more detail how each service area's budget has moved from its 2019/20 approved budget to its 2020/21 proposed budget, by way of inflationary increases, cost pressures and savings or increased income.

Table B – Net Revenue Budgets by Service

Revenue Budgets	2019/20 £m	2020/21 £m
Children's Services		
Commissioning and Health Services	42.306	43.522
Early Help Services	18.234	18.383
Education & SEND Services	11.996	12.435
Children Safeguarding	40.344	40.717
Adult Care and Community Wellbeing		
Adult Frailty & Long Term Conditions	119.933	120.653
Adult Specialities	76.291	80.418
Public Health & Community Wellbeing	29.669	28.787
Public Health Grant Income	-31.800	-32.341
Better Care Funding	-46.343	-47.023
Place		
Communities	47.350	46.532
Lincolnshire Local Enterprise Partnership	0.406	0.413
Growth	3.429	3.494
Highways	23.191	22.549
Fire and Rescue & Public Protection		
Fire and Rescue & Emergency Planning	19.872	21.894
Public Protection	3.391	3.459
Resources		
Resources	20.460	22.547
Commercial		
Commercial	32.067	34.139
Corporate Services		
Corporate Services	2.176	2.490
Other Budgets		
Other Budgets	50.987	68.951
Schools		
Schools Block	428.021	451.754
High Needs Block	84.418	91.285
Central School Services Block	4.257	3.710
Early Years Block	40.708	41.373
Dedicated Schools Grant	-560.080	-590.797
Total Net Expenditure	461.283	489.344
Transfer to/from Earmarked Reserves	-3.087	-
Contribution to Development Fund	-	1.800
Transfer to/from General Reserves	0.200	0.200
Budget Requirement	458.396	491.343

Note: detailed budgets are still being worked on so there may be some changes on individual lines in the above table. These will be finalised in the Council Budget 2020/21 report to Executive in February.

Revenue Support Grant 2020/21

1.18 For the four financial years 2016/17 to 2019/20 we received a multi-year settlement in 2015. Our Revenue Support Grant, which is the Government's General Grant funding for councils, was £70.351m in 2016/17 and fell to

£20.139m in 2019/20. We are currently assuming that we will receive this same level plus a 1.8% inflationary increase in 2020/21 i.e. £20.501m.

Other Revenue Government Grants 2020/21

1.19 The table below summarises our other Revenue Grants and the amounts we have assumed for these in 2020/21. This is based on the Local Government Finance Settlement 2020/21 Technical Consultation as well as some subsequent information.

Table C – Other Government Grants

GRANT	Amount 2019/20 £000's	Amount 2020/21 £000's
Rural Services Delivery Grant	6,935	7,060
New Homes Bonus Grant	2,144	2,182
InShore Fisheries Conservation	128	128
Extended Rights to Free Travel	639	639
SEND Implementation	259	0
School Improvement Grant	0	649
Independent Living Fund	1,594	1,554
Lead Local Flood Authority	125	125
Virtual Schools Head Grant	0	98
Social Care Support Grant	5,754	5,754
New Social Care Support Grant	0	14,732
Fire Pension Grant	1,437	1,437
TOTAL	19,014	34,357

1.20 In the Technical Consultation it was announced that the Social Care Support Grant of £5.754m, provided for the first time in 2019/20 for one year only, would continue for a further year. It was also announced that a new Social Care Support Grant of £14.732m would be provided, in 2020/21 only. There remains uncertainty around how Adult Social Care will be funded in the future and we hope that the next Government will address this issue as a matter of urgency.

Council Tax 2020/21

1.21 It is proposed that Council Tax will be increased by 3.50% in 2020/21. This comprises 1.50% for general Council Tax plus a further 2.00% for the Social Care 'precept'. As set out in paragraph 1.10, this is within the expected referendum threshold limit for 2020/21 which will be confirmed in the Final Local Government Finance Settlement.

1.22 It is estimated that a Council Tax increase of 3.50% will generate additional income of £14.979m in 2020/21. If the Council were to raise Council Tax by a further 0.5% to a total of a 4.00% increase (in line with the proposed referendum limit) the additional income would be £1.489m, making a total additional Council Tax income of £16.468m.

- 1.23 The final figures on the Council Tax base and any surpluses or deficits on the Council Tax element of the Collection Fund will not be received from Lincolnshire District Councils until 31 January 2020. We have assumed tax base growth at 1.5% in the next financial year, and the additional income which is generated from this is included in the figures for additional Council Tax income in paragraph 1.22. The Council Tax Collection Fund surplus in 2019/20 was £2.670m and we have assumed that it will be at the same level in 2020/21. The final information on base growth and the surplus/deficit on the Council Tax Collection Fund will be reported to the Executive at its meeting on 4 February 2020, together with the funding this will generate for the County Council.
- 1.24 An Equality Impact Analysis will be completed for the proposed increase in Council Tax. This will be reported back to the Executive at its meeting on 4 February 2020.

Business Rates 2020/21

- 1.25 Our Business Rates funding is made up of two elements; an amount actually collected by the seven District Councils in Lincolnshire, and a top up Grant from central Government, as the total Business Rates collected in Lincolnshire are not sufficient to cover Local Authority spending in the area. We have assumed an increase in total Business Rates funding in line with inflation at 1.8% and in 2020/21 this is split as: £21.437m collected locally and £91.456m top up Grant from central Government.
- 1.26 Notification of any surpluses or deficits on the Business Rates element of the Collection Fund will not be received from the Lincolnshire District Councils until 31 January 2020. In 2019/20, this was a surplus of £6.157m for the County Council for one-off reasons, but was a deficit in the previous year 2018/19. The surplus from 2019/20 was transferred to a Business Rates Volatility Earmarked Reserve and will be used to cover any deficit for 2020/21. We have therefore assumed a neutral position for the Business Rates element of the Collection Fund. The actual position will be reported to the Executive at its meeting on 4 February 2020.
- 1.27 In addition to the above Business Rates funding, in previous financial years we have received Section 31 Grant as compensation of the Government's RPI cap, and reliefs offered to small and rural businesses. It is expected that Government will continue to compensate local authorities in full for the extension of Small Business Rate Relief and Rural Rate Relief. At the time of preparing this report the Council is awaiting announcement of the value of this grant - in 2019/20 it was £6.313m and we have assumed that it will be increased by 1.8% to £6.427m in 2020/21). The actual figure will be built into the budget assumptions reported to the Executive at its meeting on 4 February 2020.
- 1.28 After participating in a Business Rates Pilot scheme during 2018/19, we were unsuccessful in our bid to continue as a pilot authority during 2019/20. There are no new pilot schemes in 2020/21 so we have reverted to being in a Business Rates Pool. Pooling provides us with additional Business Rates growth income and we have assumed that this will be £2.800m for 2020/21.

Reserves

- 1.29 Our General Reserves currently stand at £15.850m. We carried out a financial risk assessment earlier this year which determined that General Reserves should be increased to £16.000m in 2020/21 which would require a contribution of £0.150m in the 2020/21 budget. Our budget proposals currently include a contribution to reserves of £0.200m which allows for last minute adjustments when funding is confirmed.
- 1.30 Our Earmarked Reserves currently stand at £189.234m and have undergone a thorough review this year. As a result of this review, some reserves of a similar nature have been amalgamated so that we have fewer reserves, and some funding has been released from reserves because it is no longer required. The amount of funding released is £10.180m and it is proposed that a new Earmarked Reserve is created, called "Development Fund", which is used to fund the development initiatives shown in Appendix G. The Executive is asked to approve this as part of the proposed budget for consultation.
- 1.31 MTFS Appendix VI shows the proposed list of Earmarked Reserves with estimated balances, following the review referred to in paragraph 1.30 and the Executive is asked to approve this as part of the proposed budget for consultation.
- 1.32 We have a Financial Volatility Reserve within Earmarked Reserves, which exists to deal with volatility in costs and to support the budget over the medium term whilst savings are being delivered. The Financial Volatility Earmarked Reserve currently stands at £55.769m. The MTFP shown in MTFS Table 1 indicates that we will need to draw down £13.037m from this reserve in 2021/22 and a further £6.096m in 2022/23. This will leave a balance in the Financial Volatility reserve of £36.636m by the end of the medium term period.
- 1.33 There will be an annual review of Earmarked Reserves as part of the budget setting process, which will aim to ensure that the reserves we hold are appropriate for the future, and will help to support the Section 151 Officer's assessment of the adequacy of reserves levels.

Capital Programme

- 1.34 A ten year Capital Programme has been compiled in line with the principles set out in our Capital Strategy, including the principle of Affordability. The full Gross Programme is shown at Appendix F and totals £170.077m for 2020/21 plus a further £364.159m for future years. The revenue impact of the Capital Programme (capital financing charges to the Revenue Budget) fluctuates from year to year and it is proposed that fluctuations above and below the base budget are dealt with in future by using an Earmarked Reserve for Capital Financing. The Executive is asked to approve the creation of a Capital Financing Earmarked Reserve as part of the proposed budget for consultation.
- 1.35 As part of our work to continuously improve our financial processes and procedures, governance arrangements around the Capital Programme are currently being assessed. We expect to be able to set out new key principles for managing the Capital Programme in the Council Budget 2020/21 report to full Council in February.

1.36 The table below provides a summary of the proposed Capital Programme and how it will be funded:

	2019/20 £m	2020/21 £m	Future Years £m
Gross Capital Programme	243.743	170.077	364.159
Funded By:			
Grants and Contributions	105.092	67.839	60.025
Revenue Funding	0.625	0.030	1.105
Use of Reserve	4.201	0.000	0.000
Borrowing	133.825	102.208	303.029
Funding by LCC	138.651	102.238	304.134
Total Funding	243.743	170.077	364.159

1.37 A number of new projects have been added to the Capital Programme. These are summarised below:

- Schools:
 - Provision of School Places (Basic Need) - A programme of expansion and new build construction of school buildings.
- Place:
 - Replacement of two Household Waste Recycling Centres.
 - Heritage/Archives (Cultural Services) - Future development of the Heritage service.
 - Economic Development - Horncastle Industrial Estate Extension.
 - Boston Development Schemes (Infrastructure & Economic) - A range of initiatives to support economic and housing growth whilst reducing traffic congestion in and around Boston. These schemes will replace the previous capital scheme for the Boston Barrier.
 - North Hykeham relief road - A project to link the Lincoln Eastern Bypass with the existing Western Bypass to create a ring road. It will also form part of the Lincolnshire Coastal Highway. This scheme is reliant on receiving contributions from Government.
 - Spalding Western Relief Road - Completion of Spalding West Relief Road - Section 1 and Section 5.
 - Local Highways Improvements (Pinch-points) to support Coastal Route - This project will improve the transport corridor to the Lincolnshire Coast by improving pinch-points along the route (A57, A46, and A158).

Flexible Use of Capital Receipts Strategy

1.38 The Council has approved the strategy of using Capital Receipts flexibly to fund Revenue transformation projects since 2016/17, in line with the Government's amended policy. This flexibility is due to end in March 2022 but we are proposing that from 2020/21 we will revert to using Capital Receipts only to repay loans or fund new Capital expenditure. We will be funding transformation projects by using a new Earmarked Reserve. The executive is asked to note this amended strategy for the use of capital receipts and approve it as part of the proposed budget for consultation.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- * Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- * The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.
- * Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:
 - * Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - * Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - * Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is

identified consideration must be given to measures to avoid that impact as part of the decision making process.

These equality considerations do not preclude changes in services being made, but do require that these be fully appreciated. It is clear that the current and future financial challenges facing local authorities and the need for budget savings may result in changes to service provision and to some reduction in Council services. These may apply to services accessed by all people in Lincolnshire as well as services provided to specific groups. It is possible that there may be an adverse impact on some people and communities including those with a protected characteristic.

In order to meet its obligations, Equality Impact Analyses will be carried out in relation to any proposed changes to services on an individual basis. The specific impacts on people with a protected characteristic will be investigated and the potential mitigation, if any, will be made 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 reported to the Executive as part of the decision making processes. Individual proposals will only be implemented after due regard to the legal matters that must be considered, including the public sector equality duty.

As part of its decision-making, the Executive will need to consider whether any alternative approaches could alleviate or at least mitigate the impact of the decision; such as making reductions in other areas which do not have the same impacts, including, particularly, equality impacts. The result could be to require additional resources to be used in certain areas than has been budgeted for.

Consideration of the public sector equality duty and/or consultation may be necessary at the budget setting stage where a decision to reduce spending is significant, sufficiently focussed, and in financial terms, apparently rigid.

It is not considered that this applies to any of the proposed reductions set out in this Report and its Appendices.

In particular, in the event that any of the proposed reductions cannot be achieved, the usual budget management processes such as the use of Earmarked Reserves, or virement, would be followed, and approval sought at the appropriate levels in accordance with Financial Regulations, including full Council where necessary. Furthermore, a contingency has been built into the budget proposals in the form of the Financial Volatility Reserve (the balance is currently £55.769m) and the annual Contingency budget of £3.000m for 2020/21, for when additional funding cannot be found by way of Earmarked Reserves or virement from other service areas.

A full Equality Impact Analysis will be developed in respect of the final budget proposal and in particular any Council Tax proposals in the light of feedback received during the consultation process.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Wellbeing Strategy (JHWS) in coming to a decision

Individual proposals will only be implemented after due regard to the legal matters that must be considered, including the Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategy.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

Individual proposals will only be implemented after due regard to the legal matters that must be considered, including the duty under section 17 of the Crime and Disorder Act 1998.

3. Conclusion

3.1. These budget proposals reflect the level of Government funding available to the Council and a proposal to increase general Council Tax in 2020/21 by 1.50%. The Adult Social Care "precept" is proposed to be set at 2.00% in 2020/21 and this gives a total Council Tax increase of 3.50%.

3.2. A thorough review of Council services was carried out during this year's budget process. Unavoidable cost pressures as well as savings have been identified, and the Capital Programme has been reviewed. The budget proposals aim to reflect the Council's priorities whilst operating with the resources available to it.

3.3. The budget proposals have been developed alongside and in accordance with the draft Medium Term Financial Strategy attached at Appendix A and a proposed final version of this Strategy will be reported to Executive in February alongside final budget proposals.

4. Legal Comments:

The Executive is responsible for publishing initial budget proposals for the budget for the purposes of consultation before determining the budget it will recommend to the full Council.

It is the function of the Executive to recommend documents forming part of the

Policy Framework such as the proposed Medium Term Financial Strategy to the Full Council for adoption.

The matters to which the Executive must have regard in reaching its decision are set out in the body of the report.

The recommendations are within the remit of the Executive and are lawful. The Executive has the power to accept the Recommendation, or to agree one of the alternative approaches referred to in the report, subject to the limits on Council Tax increases referred to in the report.

5. Resource Comments:

These budget proposals incorporate the level of funding available to the Council from central Government plus an increase in Council Tax of 3.50% (1.50% general Council Tax plus a further 2.00% for the Adult Social Care 'precept').

Although the budget proposals are estimated at this stage, the funding assumed is in line with the Technical Consultation received in October 2019, and we have been able to propose a balanced budget.

The Medium Term Financial Plan from 2021/22 onwards still shows an underlying deficit position. We expect to be able to resolve this once our future funding is known and further savings are built into the budget after a number of "In Depth Reviews" and development initiatives are delivered.

6. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

Overview and Scrutiny Management Board:

The Overview and Scrutiny Management Board considered the Council's Financial Risk Assessment for the year 2020/21 at its meeting on 24 October 2019. The Overview and Scrutiny Management Board supported the Council's Financial Risk Register and the assessment of the appropriate level of General Reserves.

Councillor Budget Briefings:

At the beginning of December two budget briefings were held for all Councillors to attend. Comments from these meetings are included within Appendix H.

Further Scrutiny and Consultation:

A consultation meeting with local business representatives, trade unions and other partners will take place on 24 January 2020.

The Council's scrutiny committees will have the opportunity to scrutinise proposals in detail during January.

The proposals will be publicised on the Council's website together with the opportunity for the public to comment.

Consultation comments and responses will be available to be considered when the Executive makes its final budget proposals on 4 February 2020.

d) Have Risks and Impact Analysis been carried out?

Yes

e) Risks and Impact Analysis

An Equality Impact Analysis will be complete for the proposed increase in Council Tax. This will be reported back to the Executive at its meeting on 4 February 2020.

Further Equality Impact Analyses will need to be undertaken on a service by service basis.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Medium Term Financial Strategy (MTFS) 2020/21 to 2022/23
Appendix B	List of In Depth (Deep Dive) Reviews
Appendix C	Cost Pressures 2020/21
Appendix D	Savings 2020/21
Appendix E	Budget Movements 2019/20 to 2020/21
Appendix F	Capital Programme
Appendix G	Development Fund Initiatives
Appendix H	Councillor Comments from the Budget Briefings held on 2 and 4 December 2019

8. Background Papers

Document title	Where the document can be viewed
Provisional Local Government Finance Settlement announcements	Executive Director of Resources
Council Budget 2019/20	Executive Director of Resources

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The Medium Term Financial Strategy

1. Introduction

- 1.1. Local government has been in a period of austerity since 2010 and has seen its funding reduced in real terms over this time. We will reach the end of a four year funding deal from the Government in 2019/20 which has seen a reduction in General Grant funding and more reliance on one-off specific grants and on local taxation to fund essential services. Council Tax income now represents almost 65% of our net expenditure (it was 51% in 2010/11).
- 1.2. In this context, it is essential that we plan for the future to ensure our financial sustainability, and this Medium Term Financial Strategy (MTFS) aims to help us do this.
- 1.3. This Medium Term Financial Strategy covers the next three years (2020/21 to 2022/23) and provides an update on the current financial context for the Council. The MTFS will be refreshed annually to take account of changing circumstances affecting our finances. The purpose of this strategy is to set out how we intend to manage the financial resources available to deliver our priorities for our communities.
- 1.4. In December 2019 the Council approved a new Corporate Plan. This MTFS will underpin the Corporate Plan by ensuring that financial resources are identified and made available to deliver its ambitions. The work to link these resources to priorities will be done over the next few months. The Corporate Plan sets out four key priorities, which are that People and Communities will have:
 - a) High aspirations;
 - b) The opportunity to enjoy life to the full;
 - c) Thriving environments; and
 - d) Good value Council services.
- 1.5. It must be recognised that over the past few years funding to all councils has been constrained. There is therefore a need to balance our aspirations with affordability and this is a key principle of our financial strategy.
- 1.6. As detailed within this strategy, there is still a large element of uncertainty over our future funding from Government, which makes it difficult to plan for the future. The financial year 2019/20 was the final year of a four year funding settlement and it had been hoped that a new multi-year settlement would be delivered by Government for 2020/21 onwards. We now know that this will not be in place for 2020/21; nevertheless, it is important that we do make plans using our best estimates of future funding as these plans will support the achievement of our ambitions and objectives as set out in the Corporate Plan. The principles within this strategy will apply over the longer term however the current uncertainties around future Government funding mean that it is not practicable to prepare a financial plan for a long term period, so our financial plans cover the medium term at this point in time. We aim to extend our financial planning to cover a longer term period once funding reforms are in place.

2 The Objectives of the Medium Term Financial Strategy

2.1 The MTFS is a flexible strategy which will allow us to forecast our future financial resources and then plan to use these to both deliver core services and to invest in future improvements to service delivery. The objectives of the strategy are to:

- a) Ensure that we are financially resilient now and in the future and can respond positively to adverse financial impacts;
- b) Support the provision of Value for Money services to our communities;
- c) Support sustainable service delivery using a combination of Revenue and Capital Budgets and Reserves;
- d) Maintain Council Tax in the lowest quartile for county councils;
- e) Support other Council strategies;
- f) Deliver assets to improve and maintain services and also to achieve future savings;
- g) Enable the setting of an annual balanced budget. The annual Revenue Budget must be affordable and can be supported by the use of Reserves, but only as part of a medium term plan moving towards a future budget which is balanced without the support of reserves;
- h) Support good decision making;
- i) Recognise financial risks and identify how these will be managed; and
- j) Allow for emerging opportunities to be exploited within the affordable budget.

3 The Current Financial Context

3.1 The past ten years have been a period of austerity for councils, with Government funding reducing significantly over this period. Councils like ours, with Social Care responsibilities, have seen new Government grants introduced to help deal with increasing Social Care pressures, but, over this time, the balance of our sources of funding has changed – we are now more reliant on Council Tax and Business Rates funding to support the provision of services, and less reliant on Government grants, than we were ten years ago (see section 6 for details on funding).

3.2 The table below shows a summary of how our funding has changed since 2011/12 and the cost pressures built into our budget and savings achieved over this same period:

Financial Trends							
Year	General Government Grant £m	Other Govt. Grants received £m	Total Govt. Grant income £m	Savings £m	Cost Pressures £m	Council Tax Increase	Planned Use of Reserves £m
2011/12	211	16	227	57	52	0.00%	0
2012/13	195	17	212	51	23	0.00%	0
2013/14	146	19	165	28	61	0.00%	12
2014/15	125	22	147	40	22	0.00%	8
2015/16	95	25	120	31	31	1.90%	22
2016/17	70	28	98	42	31	3.95%	20
2017/18	48	42	90	39	26	3.95%	18
2018/19	34	49	83	23	30	4.95%	5
2019/20	20	61	81	16	26	4.95%	3

3.3 The current regime for funding councils has been in place since 2013 and is now out-dated. The Government is proposing two major reforms to the system: the Fair Funding Review and Business Rates Retention. Reforms were due to be implemented from April 2020 but have now been deferred until April 2021.

3.4 A Government Spending Review will take place in 2020 to determine the amounts to be allocated to each Government spending department. It is not yet known what period of time the Spending Review outcomes will cover, but this review will certainly influence the overall total amount to be allocated to the local government sector.

3.5 The economic outlook is currently uncertain, with the issue of the United Kingdom's exit from the European Union still in progress and a new Government in place following the General Election on 12 December 2019. In the context of this uncertainty the Government announced in October that funding for Councils in 2020/21 would be "rolled forward", meaning that it would be largely in line with that in 2019/20 plus some additional grants. Economic forecasts show that inflation is likely to remain close to 2% over the next two years although wage inflation is currently running above this level. Economic growth is expected to remain at a low level and all of these forecasts assume that a Brexit deal will be achieved.

4 The Forward View

4.1 With regard to the proposed funding reforms, we have lobbied Government to increase the total amount of funding coming to the sector as a whole and have specifically requested that Government look at the distribution of funding to this Council with a view to addressing past inequalities between authorities. Whilst we believe that the Government understands the challenges of delivering services in a large rural county, we are still cautious about future funding levels given the amount of uncertainty outlined above.

4.2 We expect that next Autumn (2020) will see the release of more information about the impact of the funding reforms on individual councils, which will enable us to have a clearer picture of our future Government support over the medium term period. In the meantime, we are setting a budget for one year only, whilst still planning for the

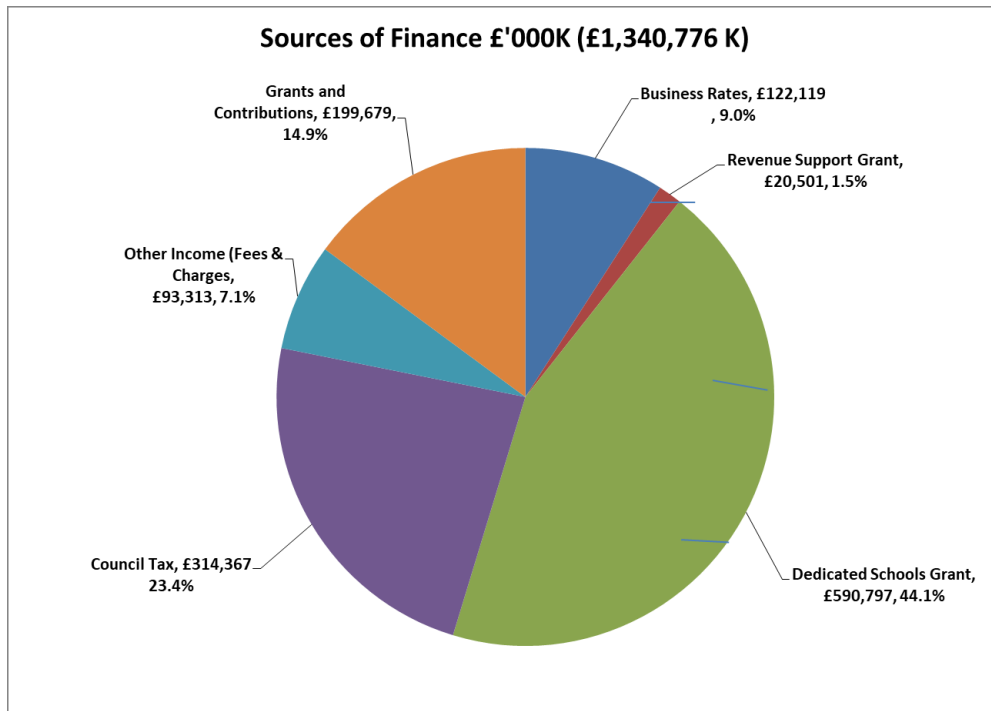
medium term. MTFS Table 1 below sets out our expected medium term budgetary position and proposed budget requirement for each year:

MTFS TABLE 1 - Summary Revenue Budget 2020/21 Onwards

SUMMARY REVENUE BUDGET	2020/21 £m	2021/22 £m	2022/23 £m
EXPENDITURE:			
Net Base Budget	461.283	489.344	501.660
Cost Pressures (<i>including inflation</i>)	44.123	17.514	7.772
Savings & Additional Income	-14.842	-5.198	-0.628
Other Movements (PH Grant & BCF Grant)	-1.221	0.000	0.000
Total Expenditure	489.343	501.660	508.804
Use of Reserves	-	-13.037	-6.096
Contribution to Development Fund	1.800	-	-
Transfer to/from General Reserve	0.200	0.200	0.200
Budget Requirement	491.343	488.823	502.908
INCOME:			
Business Rates Local Retention	122.119	124.267	126.454
Revenue Support Grant	20.501	20.870	21.246
Other Grants	34.357	18.316	18.446
County Precept	314.367	325.370	336.762
Total Income	491.343	488.823	502.908

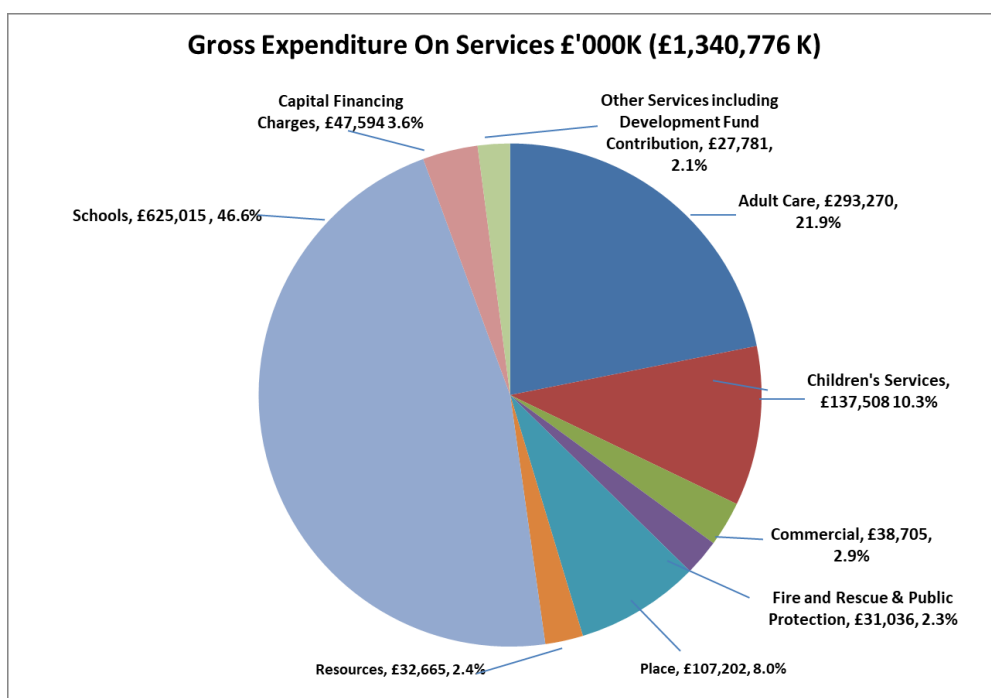
- 4.3 Our funding for 2020/21 is estimated, but based on the Local Government Finance Settlement 2020/21 Technical Consultation which was released on 9 October 2019. Our funding beyond 2020/21 is based on assumptions about the future and our key assumptions are shown in MTFS Appendix I. Until we receive the final settlement we will not know how accurate our assumptions are and MTFS Appendix I includes a sensitivity analysis which shows the impact of our assumptions on the budget.
- 4.4 We have been through a detailed budget exercise this year which aimed to resolve the forecast deficit over the next three years. As contracts are renewed over the next two to three years we will need to continue to review cost pressures for Adult Social Care.
- 4.5 The table above shows how our base budget each year is increased by cost pressures and reduced by savings or additional income. MTFS Appendix II provides more detail to support the total amount of cost pressures added to our budget in 2020/21, whilst MTFS Appendix III provides more detail to support the total amount of savings or additional income added to our budget in the same year.
- 4.6 We expect our total funding next year to be £1,340.776m. MTFS Pie Chart 1 below shows where this funding will come from.

MTFS PIE CHART 1 - Sources of Funding Revenue Budget 2020/21



4.7 The following pie chart shows how this total of £1,340.776m will be used to fund our services.

MTFS PIE CHART 2 - Gross Expenditure on Services – Revenue Budget 2020/21



MTFS Table 2 below shows our proposed Revenue Budget by service delivery area:

MTFS TABLE 2 - Net Service Revenue Budgets

Revenue Budgets	2019/20 £m	2020/21 £m
Children's Services		
Commissioning and Health Services	42.306	43.522
Early Help Services	18.234	18.383
Education & SEND Services	11.996	12.435
Children Safeguarding	40.344	40.717
Adult Care and Community Wellbeing		
Adult Frailty & Long Term Conditions	119.933	120.653
Adult Specialities	76.291	80.418
Public Health & Community Wellbeing	29.669	28.787
Public Health Grant Income	-31.800	-32.341
Better Care Funding	-46.343	-47.023
Place		
Communities	47.350	46.532
Lincolnshire Local Enterprise Partnership	0.406	0.413
Growth	3.429	3.494
Highways	23.191	22.549
Fire and Rescue & Public Protection		
Fire and Rescue & Emergency Planning	19.872	21.894
Public Protection	3.391	3.459
Resources		
Resources	20.460	22.547
Commercial		
Commercial	32.067	34.139
Corporate Services		
Corporate Services	2.176	2.490
Other Budgets		
Other Budgets	50.987	68.951
Schools		
Schools Block	428.021	451.754
High Needs Block	84.418	91.285
Central School Services Block	4.257	3.710
Early Years Block	40.708	41.373
Dedicated Schools Grant	-560.080	-590.797
Total Net Expenditure	461.283	489.344
Transfer to/from Earmarked Reserves	-3.087	-
Contribution to Development Fund	-	1.800
Transfer to/from General Reserves	0.200	0.200
Budget Requirement	458.396	491.343

4.8 We have a ten year Capital Programme, which is a budget set aside to deliver new or improved assets and to maintain existing assets used to deliver services. The proposed Capital Programme is affordable over the longer term, within the context of our budget assumptions and in line with our Capital Strategy, which also covers a

longer term period up to ten years. The table below is a summary of our proposed Capital Programme and its proposed funding:

	2019/20 £m	2020/21 £m	Future Years £m
Gross Capital Programme	243.743	170.077	364.159
Funded By:			
Grants and Contributions	105.092	67.839	60.025
Revenue Funding	0.625	0.030	1.105
Use of Reserve	4.201	0.000	0.000
Borrowing	133.825	102.208	303.029
Funding by LCC	138.651	102.238	304.134
Total Funding	243.743	170.077	364.159

4.9 A summary Capital Programme is shown in MTFS Appendix IV.

4.10 The Medium Term Financial Plan shows that we can balance the budget in 2020/21, but this is mainly because we will receive an additional grant of £14.732m next year to support Social Care pressures. Beyond 2020/21 we do not expect to be able to set a balanced budget without using our reserves to bridge the deficit each year; however, this is subject to change depending on the future of Government funding for Social Care and for local government generally. We believe our funding assumptions to be realistic, but cautious. The Government was due to have published a green paper on the reform of Adult Social Care funding by now but there is still no prospect of this in the near future.

4.11 We still have to plan to bridge the budget gap in the event that additional Social Care funding does not transpire. A programme of transformation is starting now, with a number of fundamental service reviews and some development initiatives to be identified in the budget setting reports during the life of this MTFS. It is expected that this programme will start to deliver savings by 2021/22 onwards.

5 Delivering the Medium Term Financial Strategy

5.1 The Strategy provides a framework within which we can manage the financial resources available to deliver our priorities for our communities over the medium term. To deliver this successfully requires a culture of good financial management within the Council, which is led by the Executive Director of Resources (the Section 151 Officer) and the Leadership Team, which includes our elected Members as well as Chief Officers. The Section 151 Officer has certain responsibilities for financial management which are set out in regulations, and must follow CIPFA's Codes of Practice.

- 5.2 To support this culture we have a set of financial regulations and procedures, as well as schemes of authorisation, which give guidance to Officers about their financial responsibilities.
- 5.3 The Strategy supports the Council's other key strategies, by setting the financial context for the Council and by clarifying the levels of investment that we can make in the future to deliver services and improve and maintain our assets.
- 5.4 We have an Earmarked Reserve, called the Financial Volatility Reserve, which can be used to support the Revenue Budget in any given year if the requirement to spend is higher than the resources available. Our strategy is that this will only be a temporary solution to balance the budget whilst we work towards finding budget savings or increased funding to ensure that our budgetary position is sustainable. We also have General Reserves which can be called upon to meet any unexpected financial pressures in the year, if these cannot be funded from any other source.
- 5.5 The Strategy is supported by financial performance indicators, which are shown in MTFs Appendix V. These are monitored during the year and performance is reported at the end of the year.
- 5.6 During each financial year, the approved Revenue Budget and the approved Capital Programme are monitored and performance against each is regularly reported to the Corporate Leadership Team and the Executive, with scrutiny applied by the Overview and Scrutiny Management Board.

6 Key Considerations for the Medium Term Financial Strategy

Council Tax

- 6.1 As part of its Technical Consultation released on 9 October, the Government has proposed a referendum limit for general Council Tax of 2%, and is once again allowing the raising of local tax to support Adult Social Care with an additional 2% precept. This gives a potential total Council Tax increase of 4%.
- 6.2 We are proposing to implement the Adult Social Care precept at 2.00% in addition to a 1.50% general Council Tax increase, giving a total increase of 3.50% for 2020/21 (i.e. 0.5% lower than the proposed referendum limit). Our modelling assumes that beyond 2020/21 our Council Tax increases will be 2% each year.

Business Rates

- 6.3 Our Business Rates funding is made up of two elements, an amount actually collected by the seven District Councils in Lincolnshire, and a top up Grant from central Government, as the total Business Rates collected in Lincolnshire are not sufficient to cover Local Authority spending in the area.
- 6.4 Any surpluses or deficits on the Business Rates element of the Collection Fund are not received from the Lincolnshire District Councils until 31 January each year. In 2019/20 this was a surplus of £6.157m for the County Council, for one-off reasons, but was a deficit in the previous year. The surplus from 2019/20 was transferred to a Business Rates Volatility Earmarked Reserve and will be used to cover any deficit in future years. We have therefore assumed a neutral position for the Business Rates element of the Collection Fund. It is worth noting that only 10% of the Business

Rates collected locally are passed to Lincolnshire County Council and any share of surpluses or deficits will also be on this basis.

- 6.5 In addition to the above Business Rates funding in previous financial years, the Council received Section 31 Grant as compensation of central Government RPI cap, and reliefs offered to small and rural businesses. It is anticipated that Government will continue to compensate local authorities in full for the extension of Small Business Rate Relief and new Rural Rate Relief.
- 6.6 After participating in a Business Rates Pilot scheme during 2018/19, we were unsuccessful in our bid to continue as a pilot authority during 2019/20. There are no new pilot schemes in 2020/21 so we have reverted to being in a Business Rates Pool. Pooling provides us with additional Business Rates growth income and we have assumed that this will be £2.800m for 2020/21.

Government Funding

- 6.7 We receive General Grant from the Government in the form of Revenue Support Grant. This grant has reduced from its level of £70.351m in 2016/17 to £20.139m in 2019/20. The future of Revenue Support Grant is uncertain given the Government's funding reform agenda, but we have assumed that it will continue at the 2019/20 level, plus inflation, for 2020/21.
- 6.8 In addition to Revenue Support Grant we receive a number of other specific Government grants to support our expenditure, the largest of these being the Better Care Fund and the Public Health grants.

Fees and Charges

- 6.9 The charges made to service users form a significant part of our total gross income, and therefore make an important contribution to the funding of services. MTFS Pie Chart 1 (paragraph 4.6 above) shows that fees, charges and other income is expected to be £92.194m in 2020/21. This income relates to a number of our services, with over half of it coming from users of Adult Social Care services.

Reserves

- 6.10 We hold two types of reserves: General Reserves, which are held as a fund of last resort to cover unexpected and unbudgeted costs which cannot be funded from our Revenue Budget, and Earmarked Reserves, which are funds held for specific purposes and to cover future costs relating to those purposes. Earmarked Reserves are either created from grants and financial contributions received by the Council, or from underspends in the Revenue Budget at year end.
- 6.11 Our General Reserves currently stand at £15.850m, and our strategy is to maintain these reserves at a level which is between 2.5% and 3.5% of the budget requirement each year. The current level is 3.5% of the 2019/20 budget requirement. We carry out an annual risk assessment to ensure that the General Reserves are at a level which is appropriate to cover known risks and the financial risk register used for this assessment is at MTFS Appendix VII.
- 6.12 We will budget for an estimated contribution to or from General Reserves each year to ensure that the level of these reserves keeps pace with the budget requirement and the updated risk assessment.

6.13 Our Earmarked Reserves are currently valued at £189.234m, which includes an Earmarked Reserve which is ring-fenced for Schools of £12.540m. The

Council approves the creation of any new Earmarked Reserves. Our strategy is to regularly review Earmarked Reserves so that they are used for the purposes originally intended, or removed if no longer required, with the funding diverted for a new agreed purpose.

6.14 Within Earmarked Reserves there is a Financial Volatility Reserve which exists to deal with volatility in costs and to support the budget whilst savings are being delivered. There are a number of other Earmarked Reserves which are also used to cover volatility in costs and these support our financial resilience.

6.15 The Financial Volatility Earmarked Reserve currently stands at £55.769m. The MTFP in MTFS Table 1 (paragraph 4.2) indicates that we will need to draw down £13.037m from this reserve in 2021/22 and a further £6.096m in 2022/23. This will leave a balance in the Financial Volatility reserve of £36.636m by the end of the medium term period. Proposed Earmarked Reserves are shown at MTFS Appendix VI.

Flexible Use of Capital Receipts

6.16 In September 2016 the Council approved the Efficiency Plan, and the flexible use of Capital Receipts, to fund transformation for the three year period from 2016/17 to 2018/19. This plan allowed the Council to sign up to the four year funding deal offered by Government for the period 2016/17 to 2019/20. In December 2017, the Government set out further measures to support councils to deliver services. One of these measures was an extension to the use of Capital Receipts to help meet the Revenue costs of transformation for a further 3 years to April 2022.

6.17 From next year, 2020/21, we no longer plan to use Capital Receipts to fund transformation projects. Instead, we plan to use our Earmarked Reserves for this purpose. This will allow us to revert to using Capital Receipts to repay borrowing or to finance new Capital expenditure.

Financial Performance

6.18 We have a strong financial foundation upon which to build future years' budgets. Indicators of this are:

- We have prepared for this eventuality by setting aside money in reserves to help smooth the transition to a lower budget base;
- We have a culture of financial management which generally results in expenditure being contained within budgets;
- Prompt action has been taken to reduce budgets in the early years of austerity;
- A prudent approach has been taken to budgeting and this often results in underspends at the end of the year. This in turn has allowed for Earmarked Reserves levels to be increased;
- The CIPFA Financial Resilience Index has just been made available, and early indications are that this Council has a reasonable level of financial resilience;

- The Leader of the Council is the Executive Portfolio Holder for finance and has a good understanding of financial issues. The Executive is involved in the budget process.

Governance, Risk and Opportunities

6.19 As set out in section 5 above, we have a strong culture of good financial management and this is supported by a governance framework as follows:

Constitution and Financial Regulations

All Council business is conducted in accordance with the policies and procedures set out in our Constitution, which defines how we operate, how decisions are made, and the procedures that must be followed.

Financial Procedures

In order to conduct our business efficiently, we need to ensure that we have sound financial management policies and procedures in place and this is done through our Financial Procedures. These set out the financial accountabilities of individuals and the procedures to be followed.

Council

The Council's financial affairs are operated through a number of Member committees which have delegated powers. Decisions that cannot be delegated are taken at meetings of full Council.

The Executive

Each year, the Council agrees a policy framework and budget, and it is the responsibility of the Executive to implement the framework and budget. The Executive has special responsibilities for financial matters.

Scrutiny Committee

The Overview and Scrutiny Management Board reviews and scrutinises any decision made by the Executive, Executive Councillor or key decision made by an officer.

The key aim of scrutiny is to:

- Provide healthy and constructive challenge
- Give voice to public concerns
- Support improvement in services
- Provide independent review

Audit Committee

The Council's Audit Committee plays a vital role overseeing and promoting good governance, ensuring accountability and reviewing the ways things are done. It provides an assurance role to the Council by examining areas such as audit, risk management, internal control, counter fraud and financial accountability. The Committee exists to challenge the way things are being done and make sure the right processes are in place. It works closely with both internal audit and senior

management to continually improve the Council's governance, risk and control environment.

Internal Audit

The Council maintains an adequate and effective system of internal audit of the accounting records and the systems of internal control in line with the requirements of the Accounts and Audit (Amendment) (England) Regulations 2011.

External Audit

An external audit service to the Council is currently provided by Mazars, who report on an annual basis to the Audit Committee on their findings in respect of the Statement of Accounts and on the Council's Value for Money arrangements.

Chief Finance Officer

The Council has designated the Executive Director – Resources as the Chief Finance Officer under Section 151 of the Local Government Act 1972. He leads and directs the financial strategy of the Council. He is a member of the Leadership Team and has a key responsibility to ensure that the Council controls and manages its money well. He is able to operate effectively and perform his core duties, complying with the CIPFA Statement on the role of the Chief Finance Officer.

Monitoring Officer

The Chief Legal Officer is the designated Monitoring Officer, with responsibility for ensuring the lawfulness of decisions taken by us as detailed in the Constitution. The Monitoring Officer is responsible for ensuring the Council complies with its duty to promote and maintain high standards of conduct by Members and co-opted Members of the authority.

Risk Management Strategy

The Audit Committee has overall responsibility for ensuring that the Council's risk management framework is robust, and provides assurance that strategic and operational risks which the Council faces have been identified and managed. Our financial risk register is at MTFS Appendix VII.

6.20 Our strategy is to take account of risk when preparing the MTFP. We have a number of budgets which are volatile because the amount we spend in each year depends on either demand for services or on other factors which we do not control e.g. the weather. We forecast the amount required for such budgets based on the most likely scenarios and hold amounts in contingencies and earmarked reserves to support these budgets if expenditure is higher than expected.

6.21 Our MTFP is supported by assumptions about a number of factors affecting the budget, and we model scenarios based on differing levels of risk for each major assumption: high risk (the outcome which results in a higher risk to our financial position); medium risk (the most realistic outcome); low risk (the outcome which results in a lower risk to our financial position). This provides us with a range of possible financial positions for the future, which we can take account of when making major decisions. We update the MTFP as detailed information about our future costs, income and funding is confirmed.

6.22 We need to ensure that we can grow and develop as a Council, as well as maintain existing core services. To do this we need to be able to make the most of opportunities when they arise. The MTFs allows us to do this by establishing funding for investing in new ideas. Examples of this are:

- Budget holders can bid for investment in new opportunities (either revenue or capital) as part of the annual budget process. These will be considered in the context of the business case and affordability.
- Council Directorates can carry forward up to 1% of their budgets to the following year to the extent that they have delivered a budget underspend..
- We have a New Development Capital Fund of £7.5m each year. Budget Holders can bid for funding from this to spend on new capital schemes.
- There are a number of earmarked reserves which can be used to fund investment in new opportunities.

MTFS APPENDIX I

Funding / Expenditure Area	Assumption	2020/21 £000's	Impact of 1% Change £000's	Impact of 5% Change £000's
Funding				
Revenue Support Grant	2019/20 level plus 1.8% inflation pa	-20,501	-205	-1,025
Rural Services Delivery Grant	2019/20 level plus 1.8% inflation pa	-7,060	-71	-353
New Homes Bonus Grant	2019/20 level plus 1.8% inflation pa	-2,182	-22	-109
Independent Living Fund	Reduction of 2.5% pa	-1,554	-16	-78
Public Health Grant	2019/20 level plus 1.8% inflation 2020/21, then flat-lined	-32,341	-323	-1,617
Better Care Funding	2019/20 level plus £680,000 for 2020/21, then flat-lined	-47,023	-470	-2,351
Council Tax Collection Fund Surplus	2019/20 surplus with no growth	-2,670	-27	-133
Council Tax	Taxbase growth 1.5% pa * Band D increase 3.5% / 2% / 2%	311,709	N/A	N/A
BR Collection Fund Surplus	Deficit can be eliminated using volatility reserve	0	0	0
BR collected locally	2019/20 plus growth of 1.8% pa	-21,437	-214	-1,072
BR Top Up Grant	2019/20 plus growth of 1.8% pa	-91,456	-915	-4,573
BR S31 Grant	2019/20 plus growth of 1.8% pa	-6,427	-64	-321
BR Pooling Gain	£2.799m pa based on latest estimate	-2,799	-28	-140
Social Care Grant	2019/20 amount rolled forward for 3 years	-5,754	-58	-288
Social Care Grant (New)	New grant confirmed for 2020/21 only	-14,732	N/A	N/A
Expenditure			-2,412	-12,060
Pay Inflation	2% pa	3,287	33	164
LGPS Employers Contribution	1.1% increase pa	1,688	17	84
LGPS Lump Sum Deficit	18% increase per annum	1,172	12	59
Total			61	307

MTFS APPENDIX II

COST PRESSURES 2020/21			
Service Area	Anticipated Cost Pressures 2020/21 £000's	Anticipated Cost Pressures 2021/22 £000's	Anticipated Cost Pressures 2022/23 £000's
COST PRESSURES ADULT CARE & COMMUNITY WELLBEING	12,150	5,008	0
COST PRESSURES CHILDREN'S SERVICES	2,311	1,790	1,487
COST PRESSURES PLACE	254	42	42
COST PRESSURES FIRE AND RESCUE & PUBLIC PROTECTION	1,793	0	11
COST PRESSURES COMMERCIAL	2,873	945	218
COST PRESSURES RESOURCES	2,639	80	0
COST PRESSURES CORPORATE SERVICES	286	0	0
TOTAL COST PRESSURES SERVICES	22,306	7,865	1,758
TOTAL COST PRESSURES: OTHER BUDGETS	18,778	6,560	2,864
TOTAL COST PRESSURES SERVICES AND OTHER BUDGETS	41,084	14,425	4,622
INFLATIONARY COST PRESSURES	3,040	3,089	3,150
TOTAL COST PRESSURES INCLUDING INFLATION	44,123	17,513	7,772

MTFS APPENDIX III

SAVINGS 2020/21			
Service Area	Proposed savings 2020/21 £	Proposed savings 2021/22 £	Proposed savings 2022/23 £
SAVINGS ADULT CARE & COMMUNITY WELLBEING	-8,708	-3,901	-100
SAVINGS CHILDREN'S SERVICES	-1,232	-131	-22
SAVINGS PLACE	-2,020	-159	0
SAVINGS FIRE AND RESCUE & PUBLIC PROTECTION	-115	0	0
SAVINGS COMMERCIAL	-950	0	0
SAVINGS RESOURCES	-1,004	0	0
TOTAL SAVINGS SERVICES	-14,030	-4,191	-122
TOTAL SAVINGS OTHER BUDGETS	-812	-1,006	-506
TOTAL SAVINGS SERVICES AND OTHER BUDGETS 2020/21	-14,842	-5,198	-628

Capital Programme

Capital Programme (2019/20 plus Future Years)	Revised Gross Programme 2019/20 £'000	Revised Gross Programme 2020/21 £'000	Gross Programme Future Years £'000
ADULT CARE AND COMMUNITY WELLBEING			
Adult Care and Community Wellbeing	6,149	2,800	0
SCHOOLS			
Schools	31,118	32,047	114,125
CHILDREN'S SERVICES			
Children's Services	857	425	1,979
PLACE			
Communities	3,955	5,222	9,685
Growth & Economy	21,013	4,600	1,500
Highways	142,487	90,720	126,203
FIRE AND RESCUE & PUBLIC PROTECTION			
Public Protection	98	0	0
Fire and Rescue & Emergency Planning	8,590	6,656	6,489
COMMERCIAL			
Property	9,755	5,970	30,227
ICT	10,990	10,000	13,951
OTHER BUDGETS			
Other Budgets	8,732	11,638	60,000
Total Budget	243,743	170,077	364,159

Funding of the Capital Programme

	2019/20 £'m	2020/21 £'m	Future Years £'m
Grants and Contributions	105.092	67.839	60.025
Borrowing	133.825	102.208	303.029
Use of Reserve	4.201	0.000	0.000
Revenue Funding	0.625	0.030	1.105
Total Funding	243.743	170.077	364.159

Key Financial Performance Measures: Financial Health & Performance

REF	PERFORMANCE INDICATOR	MEDIUM TERM TARGET	2019/20 Estimate	2020/21 Estimate
1	Council tax compared with other counties	In lowest quartile of all English county councils (out of 27 county councils)	Yes	Yes
2	Government grants	Lobby for annual increases in general government grants to be above the county average	Yes	Yes
3	Minimum Revenue Provision and Interest	MRP and Interest repayments not to exceed 10% of net income	5.68%	6.26%
4	Accounting	Unqualified external audit opinion	Yes	Yes
5	General Reserves	Maintained within the range of 2.5% to 3.5% of the annual budget requirement net of Dedicated Schools Grant	Within range 3.5%	Within range 3.5%
6	Internal control	None of the processes audited receive a "no assurance" opinion from internal audit	Yes	Yes
7	Expenditure - prompt payment	At least 90% of undisputed invoices paid within 30 days	90.00%	90.00%
8	Treasury management	Risk adjusted return comparison	Weighted Benchmark	Weighted Benchmark

Earmarked Reserves

	Directorate	Reserve	Actual Balance as at 31 March 2019 £'000	Transfer from "Earmarked Reserves - Approved by Council" £'000	Transfer from existing reserve to amalgamated reserve £'000	Total planned use from 2019/20 onwards £'000	Amount of Reserve to be Released to Development Fund £'000	Balance on reserve after planned future use and proposed changes £'000
1	Children's Services - Education	Balances from dedicated schools budget including those held by Schools under a scheme of delegation	12,540	20,638	0	-33,178	0	0
Other Earmarked Reserves								
2	Children's Services - Education	Schools Sickness Insurance Scheme	519	362	0	-881	0	0
3	Children's Services - Education	S77 Poplar Farm School Project	0	344	0	-344	0	0
Children's Services - Education Total Other Earmarked Reserves			473	0	-473			0
4	Children's Services	Youth Offending Service	512	0	0	0	312	200
5	Children's Services	Young People in Lincolnshire	252	0	0	-252	0	0
6	Children's Services	Families Working Together	599	0	0	-599	0	0
7	Children's Services	Music Service Reserve (carry forward)	148	0	0	-148	0	0
Children's Services - Total Other Earmarked Reserves								200
8	Place	Museum Exhibits	133	0	0	-133	0	0
9	Place	Development - Economic Development Reserve PROPOSED TO RE-NAME AS "GROWTH" RESERVE	215	0	665	-880	0	0
10	Place	Salix Carbon Management PROPOSED TO RE-NAME AS "CARBON MANAGEMENT RESERVE"	40	0	0	-40	0	0
11	Place	Heritage Services Earmarked Reserve PROPOSED TO RE-NAME AS "CULTURAL SERVICES"	262	0	94	-312	0	44
12	Place	Highways Permitting Reserve Income PROPOSED TO RE-NAME AS "TRAFFIC MANAGEMENT"	394	0	879	-950	0	323
Place - Total Other Earmarked Reserves								367
13	Fire and Rescue and Public Protection	Safer Communities Development Fund" PROPOSED TO RE-NAME AS "COMMUNITY SAFETY"	556	0	310	-846	0	20
14	Fire and Rescue and Public Protection	Co-Responders Services	450	0	400	-519	31	300
Fire and Rescue and Public Protection - Total Other Earmarked Reserves								320
15	Commercial	Procurement	1,063	52	65	-966	162	52
16	Commercial	Support Service Contract Reserve PROPOSED TO RE-NAME AS "CSSC TRANSFORMATION INCLUDING BW RE-BUILD AND DEVELOPMENT"	2,296	0	1,100	-3,396	0	0
17	Commercial	Property Management	130	0	50	-155	25	0
Commercial - Total Other Earmarked Reserves								52
18	Resources	Legal	843	738	0	0	0	1,581
Resources - Total Other Earmarked Reserves								1,581
19	Corporate Services	Local Welfare Provision Reserve PROPOSED TO RE-NAME AS "COMMUNITY ENGAGEMENT RESERVE"	15	0	76	-91	0	0
Corporate Services - Total Other Earmarked Reserves								0
20	Other Budgets	1% carry forwards transfer to revenue	36,834	0	0	-33,360	0	3,474
21	Other Budgets	Insurances	5,237	500	0	-5,737	0	0
22	Other Budgets	Financial Volatility Reserve	45,595	10,174	0	0	0	55,769
23	Other Budgets	Business Rates Volatility Reserve	1,683	0	0	-1,683	0	0
24	FORMERLY Place NOW "OTHER BUDGETS"	Energy from Waste Lifecycles	4,987	0	0	-4,987	0	0
25	Other Budgets	Development Fund				proposed new reserve		10,180
Other Budgets - Total Other Earmarked Reserves (excluding Development Fund)								59,243
Total Other Earmarked Reserves			113,322	12,722	655	-56,870	8,066	61,763

	Directorate	Reserve	Actual Balance as at 31 March 2019 £'000	Transfer from "Earmarked Reserves - Approved by Council" £'000	Transfer from existing reserve to amalgamated reserve £'000	Total planned use from 2019/20 onwards £'000	Amount of Reserve to be Released to Development Fund £'000	Balance on reserve after planned future use and proposed changes £'000
Revenue Grants and Contributions Unapplied								
1	Children's Services - Education	Schools Grant & Contribution Reserve	6,075	0	0	-6,075	0	0
Children's Services Education - Total Revenue Grants and Contributions Unapplied								
0								
2	Adults and Community Wellbeing	Public Health Grant PROPOSED TO RE-NAME AS "PUBLIC HEALTH RESERVE"	3,746	0	1,152	0	0	4,897
3	Adults and Community Wellbeing	Adult Care Reserve	0	0	35,045	-13,079	0	21,966
Adults and Community Wellbeing - Total Revenue Grants and Contributions Unapplied								
26,864								
4	Children's Services	Children's Grant & Contribution	8,455	0	0	-8,066	389	0
5	Children's Services	LSCB Grants & Contributions	335	0	0	-335	0	0
Children's Services - Total Revenue Grants and Contributions Unapplied								
0								
6	Place	Section 38 Agreement G & C Reserve	2,068	0	0	0	0	2,068
7	Place	Growth Points Lincoln	73	0	0	-73	0	0
8	Place	Growth Points Grantham	1,001	0	0	-1,001	0	0
9	Place	Road Safety - Lincs Police	56	0	0	0	0	56
10	Place	Highways & Transport Grants & Contributions PROPOSED TO RE-NAME AS "TRANSPORT SERVICES"	447	-261	0	-186	0	0
11	Place	Environment, Planning & Cust Services PROPOSED TO RE-NAME AS "ENVIRONMENT PROJECTS"	262	0	-50	-212	0	0
12	Place	Traffic Commissioner Threshold	0	261	0	0	0	261
Place - Total Revenue Grants and Contributions Unapplied								
2,385								
13	Fire and Rescue and Public Protection	Safer Communities Revenue Grant & Contribution	172	0	0	-172	0	0
14	Fire and Rescue and Public Protection	Fire and Rescue Grant PROPOSED TO RE-NAME AS "FIRE AND RESCUE"	51	0	399	-430	0	20
15	Fire and Rescue and Public Protection	Trading Standards EM G&C Earmarked Reserve	448	0	0	-448	0	0
Fire and Rescue and Public Protection - Total Revenue Grants and Contributions Unapplied								
20								
			65	0	-65	0	0	0
16	Corporate Services	Community Resilience Grant and Contribution Earmarked Reserve	215	0	0	-215	0	0
Corporate Services - Total Revenue Grants and Contributions Unapplied								
0								
17	Other Budgets	EU Exit Fund	88	0	0	0	0	88
Other Budgets - Total Revenue Grants and Contributions Unapplied								
88								
Total Revenue Grants and Contributions Unapplied			63,371	0	-655	-31,245	2,114	29,357
Total Earmarked Reserves (excluding Schools)			176,693	12,722	0	-88,115	10,180	91,120

Financial Risk Register 2020/21

Risk	Consequences	Controls & Contingencies	Residual Risk			Estimated value of reserve needed £m	
			Impact - Annual Cost £m	Likelihood			
Inflation							
Pay	Pay awards are 1.0% higher than assumed in the budget.	leading to increased costs	There is a 2.0% provision in 2020/21 budgets for pay awards. The Council has also made a budget provision for the National Pay Spine negotiations.	3.3	2	35%	1.155
Price Increases	Inflation for general price increases is 1.0% more than allowed in budget.	leading to increased costs	There is a 0.0% provision in 2020/21 budgets for price increases.	4.4	3	75%	3.300
Income	Increase is 1.0% less than provided for in budget.	leading to reduced income	There is some provision in 2020/21 for certain income increases e.g. Adult Social Care. In other areas there is no provision for increases.	1.8	3	75%	1.350
Interest rates	Longer term interest rates are 1.0% higher than assumed in the budget.	leading to increased costs on long term borrowing	The budget assumes longer term rates of 2.525% for 2020/21.	1.2	2	35%	0.420
Other Budget Assumptions							
Demand-led Services	Demand for social care, waste disposal, home to school transport, property repairs and maintenance, highways winter maintenance, fire and rescue, coroners: increase in total cost terms by (say) £15m more than budget.	leading to increased costs	Budget prepared on latest projections, but, for example, a bad winter could lead to significant additional winter road maintenance or social care.	15.0	3	75%	11.250
Fair Funding Review and Business Rates Retention Reforms are less advantageous than anticipated from April 21	The Fair Funding Review and Business Rates Retention reforms were due to be implemented from April 20 and have been pushed back to April 21 amid great political uncertainty. Assumptions about increased funding may not be realistic. One-off social care funding of £5.7m has been repeated for 20/21 but may then cease.	leading to less government funding	Assumptions about increases have been fairly cautious.	8.3	3	75%	6.229
Estimated savings	Target savings not achieved fully in 2020/21.	leading to increased costs	Achieving fully the high level of savings required within the year will be very challenging. The Council's 2020/21 budget includes an estimated savings target of £16.3m. Monthly budget monitoring arrangements should highlight any potential budget pressures to allow corrective actions to be taken. Savings are generally low impact.	16.3	2	35%	5.720
Income budgets	Income from charges is 10% less than estimated.	leading to reduced income	Budgets are set on past experience and future expectations.	16.2	2	35%	5.670
Costs of change	A provision has been made within the Council's budget for redundancy costs. The Council will no longer use Capital Receipts flexibly to fund transformation in 2020/21. Some transformation costs are included within service budgets, and earmarked reserves can be used to fund transformation. However the full cost of transformation is not yet known. Provision for service transformation is insufficient by (say) £2m.	leading to increased costs	The current budget savings required for the 2020/21 budget are unlikely to lead to significant redundancies; however service transformation is expected to happen in some areas. If costs are in excess of the current budget the additional costs could be funded from the Council's Contingency Budget, Financial Volatility Reserve or from other earmarked reserves.	2.0	3	75%	1.500
Capital Programme	The programme exceeds by (say) £10m the funding available, leading to use of additional revenue funding.	leading to increased costs	It is normal for the Capital Programme to be underspent, not overspent. An overspend would be funded by taking additional borrowing.	10.0	1	10%	1.000

Risk	Consequences	Controls & Contingencies	Residual Risk			Estimated value of reserve needed £m	
			Impact - Annual Cost £m	Likelihood			
Financial Management Arrangements							
Current financial management arrangements	Overspend of 2% in Budget Requirement.	leading to increased costs	There are clear, written financial management procedures; regular staff training; good financial systems including monitoring information; and regular reporting to budget-holders, directorate management teams and the Executive. There have not been substantial overspendings in recent years other than on demand led services; however, as budgets are tightened, overspending may be more	9.7	3	75%	7.268
Schools Expenditure	Overspend of 1% in Schools budget expenditure.	leading to increased costs	Schools expenditure covered by Dedicated Schools Grant. The County Council could be required to provide financial support if there were a major problem.	4.3	1	10%	0.430
Potential Losses							
General Claims against the Council	Claims total £5m more than provided for in budget.	leading to increased costs	Extent of loss is limited by insurance arrangements. There is also an Insurance Reserve; the balance of this stood at £5.237m at 31 March 2019.	5.0	3	75%	3.750
Bad Debts	Write-off of debts of 1%.	leading to reduced income	The Council has a good record of income collection with a low level of debt write-offs.	1.3	1	10%	0.130
Treasury management	Default on loans from the Council.	Reduction in the Council's cash balances	Authorised lending for Treasury Investments list restricted to lowest risk institutions with individual limits. The Council's lending policy is low risk.	25.0	1	10%	2.500
Loans to Other Bodies for Service Purposes	Default on loans from the Council.	Reduction in the Council's cash balances	The Council has made loans to other bodies for service purposes and these carry a higher risk of default than Treasury loans, particularly given IFRS9 implications.	2.4	2	35%	0.840
Major emergencies or disasters	Such an event with a cost of (say) £5m	leading to increased costs	The government provides financial support under the Bellwin scheme for major emergencies or disasters. However, there is no automatic entitlement to financial assistance and where it is given it will not normally cover all the costs incurred.	5.0	1	10%	0.500
						53.011	
Provisions Against Financial Risk							
Contingency Provision	The contingency provision may offset some of the increased costs noted above e.g. price increases above that allowed in budgets.		Budgets include a contingency provision of £3.0m p.a.	-3.0	4	100%	-3.000
Financial Volatility Reserve	At the end of 2011/12 the Council established a financial volatility reserve to help the Council deal with the future uncertainties around local government funding.		At the end of 2019/20 it is estimated that the balance in the FVR will stand at £55m. It is currently estimated that we will need around £7m from the reserve to balance future years' budgets, which means that there will be approximately £48m left to fund these risks. In addition, there may be an underspend in the current year which could be applied to the FVR at the year end.	-48.0	3	75%	-36.000
						-39.000	
Net Total Value of Risks						14.011	
Key To Likelihood Scores:							
1	Very unlikely	10% of impact					
2	Possible but unlikely	35%					
3	Possible for example in view of current higher levels of risk	75%					
4	Very probable or certain	100%					

End of Medium Term Financial Strategy

End of Appendix A

IN DEPTH REVIEWS	
IN DEPTH (DEEP DIVE) REVIEWS	Service Area
Place	Transport
Place	Waste
Place	Heritage & Cultural
Place	Traffic Service and Streetworks/ Permitting team
Children's	Children's Centres
Children's	Home to School transport
Adults	Adult Frailty
Adults	Adult Care Specialities
Adults	Public Health
Fire Rescue & Public Protection	Public Protection
Fire Rescue & Public Protection	Fire Control
Commercial	IMT
Commercial	Corporate Cross Council Review
Resources	Review of Business Support
Resources	Democratic Services

APPENDIX C

COST PRESSURES 2020/21	
Service Area	Anticipated Cost Pressures 2020/21 £000's
COST PRESSURES ADULT CARE & COMMUNITY WELLBEING	12,150
COST PRESSURES CHILDREN'S SERVICES	2,311
COST PRESSURES PLACE	254
COST PRESSURES FIRE AND RESCUE & PUBLIC PROTECTION	1,793
COST PRESSURES COMMERCIAL	2,873
COST PRESSURES RESOURCES	2,639
COST PRESSURES CORPORATE SERVICES	286
TOTAL COST PRESSURES SERVICES	22,306
TOTAL COST PRESSURES: OTHER BUDGETS	18,778
TOTAL COST PRESSURES SERVICES AND OTHER BUDGETS	41,084
INFLATIONARY COST PRESSURES	3,040
TOTAL COST PRESSURES INCLUDING INFLATION	44,123

APPENDIX D

SAVINGS 2020/21	
Service Area	Proposed savings 2020/21 £
SAVINGS ADULT CARE & COMMUNITY WELLBEING	-8,708
SAVINGS CHILDREN'S SERVICES	-1,232
SAVINGS PLACE	-2,020
SAVINGS FIRE AND RESCUE & PUBLIC PROTECTION	-115
SAVINGS COMMERCIAL	-950
SAVINGS RESOURCES	-1,004
TOTAL SAVINGS SERVICES	-14,030
TOTAL SAVINGS OTHER BUDGETS	-812
TOTAL SAVINGS SERVICES AND OTHER BUDGETS 2020/21	-14,842

Budget Movement 2019/20 – 2020/21

Adult Care and Community Wellbeing

Adult Frailty & Long Term Conditions				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	120,804,125		
	BUDGET CHANGES:	- 833,987		
2.0	<u>Inflation</u>	328,174	Ref 2.0	An allocation for Inflation
3.0	<u>Cost Pressures</u>			
3.1	Demographic Growth & Inflation	3,160,993	Ref 3.1	Demographic Growth pressures and inflation in rates for Residential/Nursing and Homecare.
3.2	Service Development	2,500,000	Ref 3.2	Broadening the Service of Homecare within the re-procurement of the Homecare service in 20/21.
4.0	<u>Savings</u>			
4.1	Budget 2020 Savings Programme	- 209,715	Ref 4.1	Reduction in Director's Consolidated Running Costs.
4.2	Growth in Service User Contributions	- 1,594,578	Ref 4.2	Proportionate increase in Service User Contributions from increase in benefits.
4.3	Home Based Service	- 319,929	Ref 4.3	Reablement Service efficiencies.
4.4	Increase in Income	- 575,000	Ref 4.4	Increase in Direct Payment Refund Income.
4.5	Increase in Income	- 1,000,000	Ref 4.5	Increase in Debtor Income.
4.6	Peak Demand Efficiencies	- 800,000	Ref 4.6	Improvement in Peak Demand efficiencies.
4.7	Assessment & Care Management Frailty	- 579,000	Ref 4.7	Savings from gaps in posts being filled from staff turnover.
4.8	Transport	- 100,000	Ref 4.8	Reduction in service demand.
4.9	Residential/Nursing Placements	- 500,000	Ref 4.9	Reduction in service demand as more requirement for Community Based Services.
4.10	Other Expenditure Budget - Frailty	- 90,000	Ref 4.10	Reduction in service demand.
4.11	Adult Care Charging	500,000	Ref 4.11	Impact of legislative changes.
5.0	2020/21 BUDGET	120,691,083		

Adult Specialities				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	75,865,468		
	BUDGET CHANGES:	425,267		
2.0	<u>Inflation</u>	137,814	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Demography and National Living Wage	1,613,822	Ref 3.1	Demographic Pressures & increase in National Living Wage Residential and Nursing Care (LD).
3.2	Demography and National Living Wage	3,025,554	Ref 3.2	Demographic Pressures & increase in National Living Wage Community Based Services (LD).
3.3	Demography	1,400,000	Ref 3.3	Demographic Pressures Residential Care & Community Based Services (MH).
4.0	<u>Savings</u>			
4.1	Increased Income	- 250,000	Ref 4.1	Increase in Direct Payment Audit Income.
4.2	CHC Income	- 1,800,000	Ref 4.2	Additional CHC Funding from CCGs.
5.0	2020/21 BUDGET	80,417,925		

Public Health & Community Wellbeing				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	29,668,508		
	BUDGET CHANGES:			
2.0	<u>Inflation</u>	59,549	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Mosaic Costs	449,385	Ref 3.1	Transfer of costs from Serco to LCC in respect of Mosaic costs.
4.0	<u>Savings</u>			
4.1	Contract re-procurement and reduction in service requirements	- 1,390,000	Ref 4.1	Agreed reduction in budget based on current service requirements, and savings based on contract re-procurement.
5.0	2020/21 BUDGET	28,787,442		

Children's Services

Commissioning and Health Services

Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	42,286,869		
	BUDGET CHANGES:	86,250		
2.0	<u>Inflation</u>	207,642	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Home to School/College Transport	1,243,136	Ref 3.1	Additional school transport contract costs associated with National Living Wage rises, inflationary costs and an increase in the expected numbers of eligible pupils.
4.0	<u>Savings</u>			
4.1	Commissioning	- 52,482	Ref 4.1	A reduction in the cost of software and a reduction in funding to support market engagement as part of service reviews.
4.2	0-19 Health Services	- 182,000	Ref 4.2	A more effective clinic utilisation leading to a reduction in home visiting.
5.0	2020/21 BUDGET	43,589,415		

Early Help Services

Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	18,111,546		
	BUDGET CHANGES:	122,229		
2.0	<u>Inflation</u>	290,953	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
4.0	<u>Savings</u>			
4.1	Early Years Service	- 4,050	Ref 4.1	A reduction in childcare so that it is solely focused on supporting short term access as part of a holistic family support plan.
4.2	Early Help Services	- 36,445	Ref 4.2	Budget reductions to meet current service requirements.
4.3	Targeted Support for Young People	- 38,303	Ref 4.3	Efficiencies as a result of the joint delivery of provision.
4.4	Youth Offending	- 59,971	Ref 4.4	Removal of Performance Officer post due to sufficient capacity in the Performance Team and budget reductions to meet current service requirements.
4.5	Virtual School	- 2,858	Ref 4.5	Budget reductions to meet current service requirements.
5.0	2020/21 BUDGET	18,383,101		

Education & SEND Services				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	12,627,221		
	BUDGET CHANGES:	- 630,874		
2.0	<u>Inflation</u>	179,265	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	SEND Services	529,350	Ref 3.1	Staffing restructure relating to SEND assessments.
4.0	<u>Savings</u>			
4.1	SEND Services	- 6,312	Ref 4.1	Additional income generation and budget reductions for training materials and legal costs.
4.2	Education Services	- 16,975	Ref 4.2	Additional income generation, a reduction in the cost of software and budget reductions to meet service requirements.
4.3	School Improvement	- 6,924	Ref 4.3	Budget reductions to meet service requirements.
4.4	Management and Admin	- 239,149	Ref 4.4	Budget reductions to meet service requirements.
5.0	2020/21 BUDGET	12,435,602		

Children Safeguarding				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	39,726,838		
	BUDGET CHANGES:	617,051		
2.0	<u>Inflation</u>	420,720	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Looked After Children	273,450	Ref 3.1	Estimated growth in looked after children numbers of 5%, plus cost increases resulting from living wage implications and general cost increases. This is based on 92% of looked after children being accommodated by the cost effective in-house foster carers.
3.2	Special Guardianship Orders	265,451	Ref 3.2	Estimated growth in Special Guardianship orders which are increasingly being seen by the Courts as an important option for permanency for children who need to be removed from their birth parents.
4.0	<u>Savings</u>			
4.1	Early Help Services	- 42,490	Ref 4.1	Budget reductions to meet service requirements.
4.2	Family Assessment and Support Teams	- 102,700	Ref 4.2	Utilisation of grant income and budget reductions to meet service requirements.
4.3	Adoption and Fostering Services	- 3,480	Ref 4.3	Budget reductions to meet service requirements.
4.4	Leaving Care Services	- 438,320	Ref 4.4	Savings on supported accommodation by increasing in-house provision.
5.0	2020/21 BUDGET	40,716,520		

Place

Communities				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	47,399,662		
	BUDGET CHANGES:			
2.0	<u>Inflation</u>	181,987	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Cultural Services	284,000	Ref 3.1	Inflationary costs for the libraries contract.
4.0	<u>Savings</u>			
4.1	Transport Services	- 425,000	Ref 4.1	Contract payments reviewed to provide more emphasis on reducing actual passenger numbers as eligibility age for a concessionary pass rises.
4.2	Cultural Services	- 201,050	Ref 4.2	Budget revision to library vehicles, staffing and associated expenses.
4.3	Environmental Services	- 66,151	Ref 4.3	Budget revisions to meet current service requirements.
4.4	Waste Services	- 590,900	Ref 4.4	Reduction in repairs, maintenance and transport costs, together with contract savings and reduced tonnages of compost and other materials at Household Waste Recycling Centres (HWRC).
5.0	2020/21 BUDGET	46,582,548		

Lincolnshire Local Enterprise Partnership				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	420,301		
	BUDGET CHANGES:	- 14,577		
2.0	<u>Inflation</u>	6,801	Ref 2.0	An allocation for Inflation
3.0	<u>Cost Pressures</u>			
4.0	<u>Savings</u>			
5.0	2020/21 BUDGET	412,525		

Growth				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	3,202,228		
	BUDGET CHANGES:	226,785		
2.0	<u>Inflation</u>	64,594	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
4.0	<u>Savings</u>			
5.0	2020/21 BUDGET	3,493,607		

Highways				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	23,461,441		
	BUDGET CHANGES:	- 269,855		
2.0	<u>Inflation</u>	124,391	Ref 2.0	An allocation for Inflation
3.0	<u>Cost Pressures</u>			
3.1	Highways Asset Management	- 30,000	Ref 3.1	Reduction for 'Confirm' system licences.
4.0	<u>Savings</u>			
4.1	Design Services	- 38,780	Ref 4.1	Efficiency saving on system maintenance costs
4.2	Highways Services	- 663,541	Ref 4.2	Efficiency savings on winter maintenance operations (£178,000), with the remainder due to increased charges for a range of highway services including road closures, fixed penalty notices and searches.
4.3	Highways Asset Management	- 34,705	Ref 4.3	Increase in charges for skip and scaffold permits (£24,705) and a reduction in the scanner and scrim surveying contracts (£10,000).
5.0	2020/21 BUDGET	22,548,951		

Fire and Rescue & Public Protection

Fire and Rescue & Emergency Planning				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	19,872,372		
	BUDGET CHANGES:			
2.0	<u>Inflation</u>	343,481	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Fire and Rescue	1,793,429	Ref 3.1	Increase in employer pension contributions for Firefighter scheme, in line with government actuary requirements.
4.0	<u>Savings</u>			
4.1	Fire and Rescue	- 115,000	Ref 4.1	A reduction in costs associated with unwanted fire signals (false alarms policy) (£55k), and a reduction in budget to cover firefighter absence to maintain operational resilience (£60k).
5.0	2020/21 BUDGET	21,894,282		

Public Protection				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	3,402,525		
	BUDGET CHANGES:	- 11,874		
2.0	<u>Inflation</u>	67,986	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
4.0	<u>Savings</u>			
5.0	2020/21 BUDGET	3,458,637		

Resources

Resources				
Ref No	Main Area of Expenditure		2020/21 Estimate £	Notes
1.0	2019/20 BUDGET		20,333,687	
	BUDGET CHANGES:		195,694	
2.0	<u>Inflation</u>		453,214	Ref 2.0 An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Corporate Support Service Cost pressures		2,339,106	Ref 3.1 The additional cost for financial services (£1,659,405), Human Resources (£358,741), and Business Support (£320,960).
3.2	May 2021 Council Elections		300,000	Ref 3.2 The allocation of an annual budget to cover the cost of future county council elections.
4.0	<u>Savings</u>			
4.1	Human Resources	-	440,000	Ref 4.1 Restructure of Human Resources following the return of staff to LCC.
4.2	Legal Services	-	450,000	Ref 4.2 Realignment of Legal Lincolnshire surplus target in line with recent performance.
4.3	Financial Strategy	-	43,000	Ref 4.3 Increased income from services to schools.
4.4	Audit & Risk	-	22,180	Ref 4.4 Increased income from audit services.
4.5	Information Assurance	-	17,207	Ref 4.5 Increased income from services to schools.
4.6	Democratic Services	-	15,396	Ref 4.6 The permanent removal of a vacant position.
4.7	Business Support	-	16,380	Ref 4.7 The implementation of a paper reduction strategy.
5.0	2020/21 BUDGET		22,617,538	

Commercial

Commercial				
Ref No	Main Area of Expenditure		2020/21 Estimate £	Notes
1.0	2019/20 BUDGET		31,989,148	
	BUDGET CHANGES:		- 1,603	
2.0	<u>Inflation</u>		147,348	Ref 2.0 An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Corporate Services Support Contract		2,244,267	Ref 3.1 The additional cost of the Customer Services Centre.
3.2	Property Cost increases		628,295	Ref 3.2 Increase in utility and business rate costs on centrally managed accommodation and the impact on National Living Wage costs on the corporate property contract.
4.0	<u>Savings</u>			
4.1	Property Services	-	278,652	Ref 4.1 Reductions in building and programme costs and alignment of county farms income in line with current year performance.
4.2	Information Management	-	567,198	Ref 4.2 Budget revision to meet current service requirements.
4.3	Commercial Management	-	104,272	Ref 4.3 Budget revision to meet current service requirements.
5.0	2020/21 BUDGET		34,057,333	

Corporate Services

Corporate Services				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	2,186,429		
	BUDGET CHANGES:	- 153,792		
2.0	<u>Inflation</u>	25,848	Ref 2.0	An allocation for Inflation.
3.0	<u>Cost Pressures</u>			
3.1	Corporate Services	285,701	Ref 3.1	The funding of two new assistant directors (Transformation and Corporate Services), and a new head of service (Policy).
4.0	<u>Savings</u>			
5.0	2020/21 BUDGET	2,344,186		

Other Budgets

Other Budgets				
Ref No	Main Area of Expenditure	2020/21 Estimate £		Notes
1.0	2019/20 BUDGET	50,871,857		
	BUDGET CHANGES:	115,237		
2.0	<u>Inflation</u>	-	Ref 2.0	An allocation for Inflation
3.0	<u>Cost Pressures</u>			
	Capital Financing Charges	6,032,192	Ref 3.1	Increase in the cost to finance the capital programme.
	Capital Receipt	8,000,000	Ref 3.2	Removal of the flexible use of capital receipts.
	Insurance	1,303,000	Ref 3.3	Increase in insurance premium costs.
	Pension Deficit Contribution	2,859,600	Ref 3.4	Increase in employer's contribution towards pension deficit.
	Pay Negotiations	600,000	Ref 3.5	An allocation for cost relating to pay negotiations and national pay spine changes.
	Surplus Properties	64,000	Ref 3.6	Cost in maintaining surplus properties
	Lewy Payments	18,900	Ref 3.7	Increase in lewy payments
4.0	<u>Savings</u>			
	Commercial Discount	- 705,800	Ref 4.1	Reduction in contract payments.
	Dividend Income	- 206,000	Ref 4.2	Increase in dividend relating to investment.
5.0	2020/21 BUDGET	68,952,986		

Capital Programme 2019/20, 2020/21 and Future Years

Capital Programme (2019/20 plus Future Years)		Revised Gross Programme 2019/20 £'000	Revised Gross Programme 2020/21 £'000	Gross Programme Future Years £'000
ADULT CARE AND COMMUNITY				
Better Care Fund - Disabled Facility Grants	Integration and Better Card Fund Disabled Facilities Card Grant Programme 2018-19.	6,149	0	0
Extra Care Housing	Contribution towards De Wint Extra Care Housing Scheme.	0	2,800	0
Subtotals: Adult Care and Community Wellbeing		6,149	2,800	0
SCHOOLS				
Devolved Capital	Capital funding devolved to schools for improvements to buildings and school sites or investment in ICT hardware.	1,136	1,100	0
Provision of School Places (Basic Need)	A programme of expansion and new build construction of school buildings.	23,216	12,351	0
Provision of School Places (Basic Need) - New	A programme of expansion and new build construction of school buildings.	0	0	77,300
Provision of School Places (Basic Need) - New Section 106 expectation	Developer Contribution to fund a programme of expansion and new build construction of school buildings.	0	0	-4,200
Schools Modernisation / Condition Capital	Programme to improve the condition of the school estate.	4,982	4,150	0
SEND Provision Capital Funding for Pupils with EHC Plans	A programme of major investment in SEND provision.	1,856	14,446	41,025
Other Education & SEND Services	Capital funding for CWD short breaks and other education services	-65	0	0
Academy Projects		-8	0	0
Subtotals: Schools		31,118	32,047	114,125
CHILDREN'S SERVICES				
Phase 1 & 2 Children's IT	Investment in upgrading the ICT hardware for Children's Services staff.	164	0	0
Children's Services - Children's Homes	Two new small children's homes for children who are looked after.	0	375	1,125
Early Help Services	A programme to improve the Youth Centre buildings and to provide early years sufficiency	43	0	482
Safeguarding Services	Capital funding for in-house provision and other safeguarding services including foster carers and supported accommodation	549	50	372
Commissioning & Health Services	Capital funding for the 0-19 Health Services	100	0	0
Subtotals Children's Services		857	425	1,979
PLACE COMMUNITIES				
Waste				
Equipment & Vehicles for Waste Transfer Stations	Replacement programme for vehicles and plant used for winter maintenance and in waste transfer stations.	393	72	885
Waste - Fire Suppression Systems at Transfer Stations	Installation of fire suppression systems.	824	0	0
Waste - replacement of HWRC x 2	Replacement programme for 2 Household Waste Recycling Centres.	0	2,000	2,000
Waste Total		1,217	2,072	2,885

Capital Programme (2019/20 plus Future Years)		Revised Gross Programme 2019/20 £'000	Revised Gross Programme 2020/21 £'000	Gross Programme Future Years £'000
Environment				
Flood Defence	Major project to alleviate flood risk.	1,100	0	0
Flood & Water Risk Management	A range of projects to alleviate flood and water risks.	477	0	0
Local Flood Defence Schemes (to match fund EA)	Match funding with the Environment Agency for local flood defence schemes.	650	650	4,300
Other Environment and Planning (prev Other Protecting & Sustaining the Environment)	Block of small projects.	181	0	0
Environment Total		2,408	650	4,300
Culture				
Historic Lincoln	Improvement programme for Lincoln Castle.	72	0	0
Libraries	RFID replacement kiosks and library hub capital works.	259	0	0
Heritage / Archives	Future development of the Heritage service.	0	2,500	2,500
Culture Total		330	2,500	2,500
Subtotals - Communities		3,955	5,222	9,685
GROWTH & THE ECONOMY				
Lincolnshire Enterprise Partnership Contribution	Lincolnshire Enterprise Partnership funding for capital projects.	18,265	3,600	0
Head of Economic Infrastructure	Investment in Business Parks and Lincs. Coastal Observatory.	41	0	0
Economic Development - Business Unit Development	Development of business units.	1,000	500	500
Economic Development - Horncastle Industrial Estate Extension	Extension of Horncastle Industrial Estate Extension.	0	500	1,000
Holbeach Food Enterprise Zone	Contribution towards Holbeach Food Enterprise Zone.	339	0	0
LEP Skills Investment Programme	This project is aimed at increasing new apprenticeships and training places by refurbishing existing and creating new learning spaces.	1,367	0	0
Subtotals - Growth & Economy		21,013	4,600	1,500
HIGHWAYS				
Highways Asset Protection	Maintenance of roads, bridges, safety fencing, street lighting, signs and lines, and traffic signals.	35,638	24,955	0
Lincoln Eastern Bypass	Maintenance of roads, bridges, safety fencing, street lighting, signs and lines, and traffic signals.	42,863	20,707	0
Lincoln East-West Link	Completion of the new East-West link in Lincoln.	-2	0	0
Spalding Relief Road section 5	Completion of Spalding Relief Road Section 5.	11,994	11,000	3,291
Grantham Southern Relief Road	Completion of Grantham Southern Relief Road.	29,986	21,417	24,817

Capital Programme (2019/20 plus Future Years)		Revised Gross Programme 2019/20 £'000	Revised Gross Programme 2020/21 £'000	Gross Programme Future Years £'000
Corringham Road (development with WLDC)	Major scheme development of Corringham Road, in partnership with West Lindsey District Council.	716	1,000	0
Sleaford Rugby Club (Sleaford Growth Scheme)	Improvement to ease congestion and improve the traffic flow at the Sleaford Rugby Club junction.	1,315	0	0
A1084 Safer Road Fund	Improvement on A1084 under Safer Roads Funds.	1,245	0	0
A631 Middle Rasen to Bishops Bridge Safer Road Fund	Improvement on A631 Middle Rasen to Bishops Bridge, under Safer Roads Funds.	645	0	0
A631 Louth to Middle Rasen Safer Road Fund	Improvement on A631 Louth to Middle Rasen, under Safer Roads Funds.	0	2,725	0
A16/A1073 Spalding to Eye Road Improvement	Completion of A16/A1073 Spalding to Eye Road Improvement.	14	0	0
Holdingham Roundabout	Improvement on Sleaford Holdingham Roundabout.	1,988	2,115	0
A46 Welton Roundabout (Integrated Transport/NPIF)	Improvement on A46 Welton junction.	4,939	0	0
Other Highways and Transportation	Block of smaller Highways projects.	1,161	0	0
Network Resilience	Replacement programme of gritter vehicles.	587	120	4,833
A46 Roundabouts	Improvements to Riseholme and Nettleham roundabouts by extending/adding extra lanes to increase capacity and reduce congestion.	4,525	0	0
Integrated Transport	Schemes including minor capital improvements, rights of way, road safety, public transport and town/village enhancements.	4,137	3,312	0
Transforming Street Lighting	Programme of street lighting improvement.	458	0	0
Energy Efficiency Street Lighting Schemes	Replacement of SOX lanterns with more efficient LED bulbs to enable longer-term savings on energy.	248	209	683
Head of Highway Services - Minor Works	Block of miscellaneous small projects including drainage.	32	159	0
Boston Development Schemes (Infrastructure & Economic)	A range of initiatives to support economic and housing growth whilst reducing traffic congestion in and around Boston.	0	0	5,500
North Hykeham relief road (Scheme total £148m, DfT bid £100m)	A project to link the Lincoln Eastern Bypass with the existing Western Bypass to create a ring road. It will also form part of the Lincolnshire Coastal Highway.	0	0	48,000

Capital Programme (2019/20 plus Future Years)		Revised Gross Programme 2019/20 £'000	Revised Gross Programme 2020/21 £'000	Gross Programme Future Years £'000
Spalding Western Relief Road - section 1	Completion of Spalding Western Relief Road - Section 1.	0	0	27,800
Spalding Western Relief Road - section 1 S106 income expectation	Development Contribution towards completion of Spalding Western Relief Road - Section 1	0	0	-5,520
Spalding Western Relief Road - section 5 S106 income expectation	Development Contribution towards completion of Spalding Western Relief Road - Section 5	0	0	-4,200
Local Highways Improvements (Pinchpoints) to support Coastal Route (between £2m-£5m p.a)	This project will improve the transport corridor to the Lincolnshire Coast by improving pinchpoints along the route (A57, A46, and A158).	0	3,000	21,000
Subtotals - Highways		142,487	90,720	126,203
Subtotals Place		167,456	100,542	137,388
FIRE AND RESCUE & PUBLIC PROTECTION				
Registration Celebratory & Coroners Service	Coroners IT system for case management, and improvement to Gainsborough celebratory premises.	98	0	0
Subtotals - Public Protection		98	0	0
FIRE AND RESCUE & EMERGENCY PLANNING				
Fire and Rescue & Emergency Planning	Refurbishment of fire and rescue properties.	2,335	0	0
Fire Fleet Vehicles and Associated Equipment	Rolling programme for the replacement of fire and rescue fleet vehicles and associated equipment.	6,254	6,656	6,489
Subtotals - Fire and Rescue & Emergency Planning		8,590	6,656	6,489
Subtotals Fire and Rescue & Public Protection		8,688	6,656	6,489
COMMERCIAL PROPERTY				
Property	Maintenance and improvement programme for council properties, asbestos works and improvements to the County Farm estates.	5,105	4,700	0
Property Improvement Programme	Improvement to council properties including County Farms and upgrade of school mobiles.	605	570	2,227
Property Area Reviews	Programme of works for leased properties.	550	0	0
Lexicon House	Refurbishment of Lexicon House for office accommodation.	300	700	0
Bluelight - wider estates (other funding will support this)	Programme of works to support dual and tri service occupation throughout Lincolnshire.	2,695	0	0
County Emergency Centre	Modernisation of the County Emergency Centre.	500	0	0

Capital Programme (2019/20 plus Future Years)		Revised Gross Programme 2019/20 £'000	Revised Gross Programme 2020/21 £'000	Gross Programme Future Years £'000
Property maintenance		0	0	28,000
Subtotals - Property		9,755	5,970	30,227
ICT				
Broadband	Provision of superfast broadband across the county.	3,500	2,500	1,951
Replacement ERP Finance System	Improvements to the ERP Finance system.	502	0	0
Care Management System (CMPP)	Installation of the Mosaic system.	11	0	0
Windows 10 Refresh 2018	Upgrade of hardware to Windows 10 system.	2,321	0	0
Infrastructure and Refresh Programme	General IT programmes including: IT development, replacement of PCs, other IT equipment and ICT infrastructure.	1,261	0	0
Cloud Navigator & ICT Innovation	Development of Cloud Navigator to enable digital transformation of services to citizens.	2,500	7,500	12,000
ICT Development Fund	Improvements to ICT infrastructure and network.	895	0	0
Subtotals - ICT		10,990	10,000	13,951
Subtotals Commercial		20,745	15,970	44,178
OTHER BUDGETS				
New Developments Capital Contingency Fund	A council wide budget has been created to fund any schemes that are currently in the development stage. This funding will be awarded to these schemes on the approval of their Business Cases throughout 2019/20.	8,732	11,638	60,000
Subtotals Other Budgets		8,732	11,638	60,000
Total Budget		243,743	170,077	364,159
Funding:				
Revenue Funding		625	30	1,106
Use of Reserves		4,201	0	0
Government Grants & Contributions		105,092	67,839	60,025
Borrowing		133,825	102,208	303,028
TOTAL FUNDING		243,743	170,077	364,159

APPENDIX G

FINANCIAL STRATEGY		DEVELOPMENT BIDS		
SERVICE AREA	Proposed DEVELOPMENT BIDS	Summary of Proposals	Total One-off Investment (Revenue) required £000's	Total One-off Investment (Capital) required £000's
CHILDREN'S SERVICES DEVELOPMENT BIDS				
Children's Services - Strategic Commissioning	Education Transport Links to School (Route Sustainability)	Improvements to footways and public rights of way to enable four routes to schools which are currently identified as unavailable routes for use by children to access school, resulting in transport being provided. The projects would also have wider benefits than simply reducing transport costs in terms of enhancing access to amenities for local communities and businesses, meeting public health priorities, and promoting sustainable modes of transport. Proposed implementation period: 18 months.	0	440
SUBTOTAL CHILDREN'S SERVICES DEVELOPMENT BIDS			0	440
PLACE DEVELOPMENT BIDS				
Place - Environment	Green Masterplan	Specialist advice and implementation of initial projects to develop Green Masterplan for Lincolnshire, and to facilitate engagement with Lincolnshire partners and public consultation to drive forward wider programmes and projects to work together to achieve target of net zero carbon by 2050.	350	0
Place - Communities	Anaerobic Digestion Facilities - Business Case Viability	Development of full business case to investigate potential for construction of specialised Anaerobic Digestion facilities to enable significant improvements to food waste disposal and potential generation of income from production of biomethane fuel and renewable heat initiative (RHI) in Lincolnshire.	150	0
Place - Highways & Communities	Highways Advance Design/ Economic Development Pipeline Projects	To bring forward completion of Traffic Models and Transport Strategies for 8 key Lincolnshire locations and to provide funding to enable feasibility studies to be brought forward on a number of strategic, place-based and thematic Growth priorities across the County; accelerating them to a position to enable timely bids against future government funding rounds and increase ability to identify and respond quickly to other funding opportunities arising.	2,713	0
Place - Highways	Traffic Signals - Wireless Communications	Programme of preparatory work and installation of wireless communications at traffic signals, reducing reliance on fixed broadband and achieving long term savings on monthly rental costs.	5	80
Place - Highways	Community Maintenance Gangs	Provision of maintenance gangs in each Local Highways Area to carry out non-safety works such as street scene maintenance and signage; enhancing the experience of local communities and visitors to/ investors in Lincolnshire, and releasing capacity to complete improvements to footways and drainage facilities more swiftly.	0	3,981
Place - Highways	Drainage Investigation and Flood Repairs	Investment to significantly increase capacity to carry out drainage investigation and repair works; reducing deterioration and improving prevention of localised flooding issues. Anticipated additional benefits of reducing insurance claims and complaints.	200	2,000
SUBTOTAL PLACE DEVELOPMENT BIDS			3,418	6,061

FINANCIAL STRATEGY			DEVELOPMENT BIDS	
SERVICE AREA	Proposed DEVELOPMENT BIDS	Summary of Proposals	Total One-off Investment (Revenue) required £000's	Total One-off Investment (Capital) required £000's
FIRE AND RESCUE & PUBLIC PROTECTION DEVELOPMENT BIDS				
Fire Rescue & Public Protection - Fire and Rescue	Research Study - LFR prevention work	To commission independent research study through Lincoln University to measure impact of LFR's Home Fire Safety Checks and Safe and Well visits, and to evidence whether current prevention activities are effective in reducing fires and fire related incidents.	10	0
Fire Rescue & Public Protection - Fire and Rescue	Flood Management Pumps	Investment in additional Betsy Pumps (x 2) and 4 x4 vehicles (x 2) to be based at strategic locations near East Coast of County to enhance response to flooding incidents and release fire appliance capacity to attend other incidents. Proposal based on learning from recent events.	0	116
Fire Rescue & Public Protection - Public Protection	Replacement Trading Standards Metrology Equipment	To replace computer support system for Metrology Equipment, enabling Trading Standards to more effectively carry out statutory duties, and to support offer to local businesses for calibration of weighing and measuring equipment.	0	50
SUBTOTAL FIRE AND RESCUE & PUBLIC PROTECTION DEVELOPMENT BIDS			10	166
COMMERCIAL DEVELOPMENT BIDS				
Commercial - Transformation	Transformation Programme (Business Process Re-engineering)	External support for Business Process Re-engineering Programme to review processes supporting and impacting customer interaction, operational running of the Council, and day to day delivery of external services; identifying any changes required in staffing, processes and technologies.	280	0
Commercial - IMT	Broadband - 4G	Planning costs, capital investment and project management costs for joint venture programme with 4G provider, to enable extended 4G coverage to rural areas and provide a fast broadband option to more areas.	135	800
SUBTOTAL COMMERCIAL DEVELOPMENT BIDS			415	800
TOTAL DEVELOPMENT BIDS			3,843	7,467

APPENDIX H

On 2 December and 4 December 2019, presentations had been arranged for members of the County Council. Ten members of the Council attended each session, with senior officers and finance officers present to offer insight into specific budget areas.

The presentation pack, which comprised 33 slides, was circulated to those members of the Council who had attended. The pack provided detailed information on the background to the overall budget, including identified savings for each service area, as well as a programme of 'in depth' ('deep dive-') reviews.

No specific comments were agreed at either session by the members present for passing on into the budget process. However, a number of points of fact and clarifications were made, which included the following topics:

- Broadband Connectivity
- Winter Maintenance
- Highway Asset Management – Managing assets
- Street Works
- Home to School Transport
- Services for People with Dementia
- Suicide Prevention Strategy
- Sustainability of Rural Fire Stations
- Reclaiming Costs of Response to Flooding Incidents under the Bellwin Scheme and Contingency Reserves
- Raising Income from Property



Executive

Open Report on behalf of Andy Gutherson, Executive Director - Place

Report to:	Executive
Date:	07 January 2020
Subject:	Joint Lincolnshire Flood Risk & Water Management Strategy 2019-2050
Decision Reference:	I018630
Key decision?	Yes

Summary:

The Executive is asked to approve, and adopt, the attached Joint Lincolnshire Flood Risk & Water Management Strategy 2019-2050, and supporting Strategic Vision. This version, once approved, will replace the previous Strategy which was approved by the Council in 2012. The updated version takes a more holistic approach, by combining the flood risk management activities of the Council and its partners with a strategic view of water supply and resource management, and a stronger emphasis on the additional economic benefits this can deliver for Lincolnshire.

Recommendation(s):

That the Executive approve, and adopt on behalf of the Council, the Joint Flood Risk and Water Management Strategy 2019-2050 attached at Appendix A and Strategic Vision at Appendix B.

Alternatives Considered:

1.	Not to approve and adopt the Strategy on behalf of the Council.
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Reasons for Recommendation:

Under section 9 of the Flood and Water Management Act 2010 the Council as lead local flood authority must develop, maintain, apply and monitor a strategy for local flood risk management in its area. In approving the revised and updated Joint Lincolnshire Flood Risk & Water Management Strategy 2019-2050 it will allow Lincolnshire County Council as Lead Local Flood Authority, to comply with this obligation and the County Council and the wider Lincolnshire Flood Risk & Water Management Partnership to outline their aspirations around flood risk, water management and water security in the future along with the additional economic benefits that can be achieved for the county.

1. Background

Reviewing the Joint Lincolnshire Flood Risk and Drainage Management Strategy

Lincolnshire County Council is the Lead Local Flood Authority (LLFA) for the administrative county of Lincolnshire. Under the Floods and Water Management Act (2010) the Council is required to implement and monitor a Local Flood Risk Management Strategy consistent with the National Flood and Coastal Erosion Risk Management (FCERM) Strategy. The Act gives the Council powers to carry out works to manage the risk of flooding from surface water, ground water and ordinary watercourses.

The purpose of the Strategy is to increase the safety of people across Lincolnshire by reducing the number of people at risk of flooding, increasing the resilience of local communities and reducing the impact of flooding. As a minimum, it must specify the following;

- The risk management authorities in the LLFA's area
- The flood risk and coastal erosion functions that may be exercised by those authorities relating to the area
- Objectives for managing flood risk in the area, including any objectives prepared under the Flood Risk Regulations 2009
- Measures proposed to meet those objectives
- How and when the measures are to be implemented
- Costs and benefits of the measures and how they are to be paid for
- Assessment of local flood risk (meaning from surface runoff, groundwater and ordinary watercourses)
- How and when the strategy is to be reviewed
- How the strategy contributes to the achievement of wider environmental objectives

In developing the Strategy, the LLFA is required to consult risk management authorities that may be affected by the strategy and the public. The Strategy must be consistent with the National Flood Risk and Coastal Erosion Management Strategy (of which a national review has commenced), and the LLFA must publish a summary of the Strategy, including guidance about the availability of relevant information.

The Context in Lincolnshire

The existing Joint Lincolnshire Flood Risk and Drainage Management Strategy was developed through public and stakeholder consultation during 2011 and 2012, and was approved by the County Council's Executive on 4 December 2012. Part 3 of the Strategy, the action plan, was made available from April 2013 and is updated annually. As a consequence Lincolnshire was one the first areas to develop a Local Flood Risk Management Strategy, and was forward looking in implementing

a strategy that sought to co-ordinate the work of all Risk Management Authorities within the LLFA area.

In effect, the Strategy co-ordinates the work delivered by the Lincolnshire Flood Risk and Water Management Partnership as a whole, and was developed with the participation of all risk management authorities, along with the Lincolnshire Resilience Forum, the Regional Flood and Coastal Committee, and under the public scrutiny and guidance of the Flood Risk Scrutiny Committee.

The resulting co-ordinated programme of works can be found in the annually revised Common Works Programme, which includes the major capital programmes of all partners, as well as joint activities that address solutions where responsibility is shared or where there is no clear single authority with the capacity or responsibility to act. The Common Works programme allows the partnership to prioritise works across the county according to need, and within the constraints imposed by availability of local and national funding.

The current Strategy consists of

- Part 1: Strategic Vision (including high level objectives)
- Part 2 (A & B): Implementation Plan for the Strategy
- Part 3: Common Works Programme (annually updated action plan)

It can be found in full on the LCC website at the following link:

<https://www.lincolnshire.gov.uk/residents/environment-and-planning/flood-risk-management/implementing-management-strategy/103045.article>

Recent Developments

Since 2012 flood risk management has increasingly been recognised as integral to a wider issue of managing water as a resource that is essential to economic growth nationally and, particularly, in the east of England. The Greater Lincolnshire Local Enterprise Partnership has recognised the importance of managing water in this way through its Water Management Plan (2016), which incorporates key strategic flood risk management issues where they can directly support or influence the growth agenda. This has particular relevance in Lincolnshire because of the importance of sustainable water supply and resilience to major sectors of the county's economy, notably with regard to agri-food, the visitor economy and manufacturing.

A related development is the growing importance of managing water as a resource that can be in short supply as well as too abundant. This has been particularly evident recently with major droughts in 2012 and 2013 interspersed with periods of intense rainfall leading to surface water flooding. Flood risk is increasingly seen as part of a bigger picture that includes resilience to drought and planning for sufficient supplies of water where and when it is needed. This future planning for water availability has led to further consideration of potential opportunities for

strategic linkage between water resource, flood risk, growth and environmental management, aligning with the aspirations of the Greater Lincolnshire LEP to drive growth in Lincolnshire's key economic sectors.

These developments since 2012 provide an opportunity to revise Lincolnshire's strategic approach to flood risk and water management at an opportune time to link with major strategic initiatives, such as Water Resources East, which seek to secure long term resilience of water supply and management in the East of England, within a new national framework for water resilience.

Draft Strategy and formal consultation process

The draft version of the strategy was developed with key stakeholders and partners of the Lincolnshire Flood Risk and Water Management Partnership. During January and February 2019 a six-week partner and stakeholder consultation exercise, which included examination of the draft by Scrutiny Committee, was undertaken. This shaped a public consultation version of the strategy for summer 2019.

In May 2019 approval was received from the Executive to proceed to public consultation with the draft Strategy. A public consultation exercise was then undertaken from 23rd May to 19th July, during which time six public drop-in sessions were made available across the county, staffed by members of the flood risk partnership.

Alongside this an online questionnaire was available for respondents to complete. This was structured in such a way to try and determine awareness of flood risk and flood risk authorities in Lincolnshire, identify their top priorities and concerns when dealing with flood risk and to seek opinion on the flood risk partnerships vision for the strategy. Supporting documents were available to download from the County Council's website and hard copies were also made available.

Engagement with the public consultation exercise was limited but did include residents, business owners and district councillors. Of those who actively engaged with the consultation process, some useful discussions and insights were obtained which have helped shape the version of the draft strategy attached to this report (see Appendix A and B)

Some key elements identified by respondents that the strategy should identify include

- Increased recognition of potential impacts of climate change
- Recognition of the requirements of a strategy as several agencies are involved
- The impact of agricultural practices on flood risk and how they can be improved
- Holding of water for controlled release
- Holistic approach to water management
- Wider use of natural flood prevention methods
- Lobbying for a fairer deal for less populated and rural areas.
- Keeping communities better informed

In addition there were comments regarding availability of funding to support delivery of the strategy's objectives, and whether its aspirations would be delivered in a timely manner. It was also suggested that the local community should be more clearly placed at the heart of the strategy.

Revisions and amendments have been incorporated into the final strategy document with some key inclusions from the consultation draft including;

- Further recognition of the Historic Environment
- Expanded text to paragraphs covering ecosystem service, strategic thinking on land use planning and asset management
- Expansion of Aim 2
- Development of Strategic Outcomes and Strategic Objectives to support the Aims

The changes since the last version included to take account of consultation responses are shown in red in Appendix A and B.

Following the conclusion of the public consultation process and assessment and incorporation of comments into the latest version of the strategy, the draft has been taken through the following processes to seek endorsement prior to being brought before the Executive.

Flood & Water Management Scrutiny Committee	9 September 2019
Environment & Economy Scrutiny Committee	10 September 2019
DLT	12 September 2019
CLT	9 October 2019
Flood & Water Management Scrutiny Committee	25 November 2019
Environment & Economy Scrutiny Committee	26 November 2019

Further engagement has also been undertaken with partners and stakeholders during this same period to seek endorsement of the strategy prior to adoption by the County Council.

Lincolnshire Flood Risk & Water Management Group	23 September 2019
Lincolnshire Flood Risk & Water Management Strategy Group	1 October 2019
Greater Lincolnshire Leaders & Chief Executives Group	4 October 2019
ADA Lincolnshire Branch meeting	17 October 2019
GLLEP Water Management Board	5 November 2019

As indicated above, the local strategy must be consistent with the National Flood Risk and Coastal Erosion Management Strategy of which a national review is underway and a public consultation period has recently concluded. Officers from Lincolnshire County Council and other partner authorities in the area continue to engage in the development of the draft national strategy, which has also been analysed to ensure consistency between it and the local strategy.

It will be incumbent on the Flood Risk & Water Management Partnership to deliver on the aims and objectives of the strategy. It is encouraging however that many of the themes identified by respondents in the consultation process, and emerging from the review of the nation FCERM strategy, are areas already identified by the partnership in dealing with flood risk and water management issues in the county.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- * Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- * Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
- * Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
- * Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding

Compliance with the duties in section 149 may involve treating some persons more favourably than others

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process

The Joint Lincolnshire Flood Risk and Water Management Strategy survey undertaken to support both the partner and stakeholder consultation and the formal public consultation, referenced that the Equality Act 2010 places organisations under a duty to ascertain how people with 'protected characteristics' are impacted by an organisations activity and how steps may be taken to mitigate or eliminate adverse impact(s). The following questions were asked of respondents;

Do you think the draft strategy could have a positive or negative impact on you (or someone you care for or support) with regard to any of the following? Please tick all that apply

	Positive impact	Negative impact	No impact	Don't know
Age				
Sex (male/female)				
Disability				
Sexual orientation				
Pregnancy and maternity				
Marriage and civil partnership				
Race (ethnicity)				
Religion or belief				
Gender reassignment				

If you have identified a potential impact, please tell us how would the proposed strategy impact you (or someone you care for or support) and how could any negative impacts be reduced?

No negative impacts were identified. Potential effects would therefore be seen as beneficial

An Equalities Impact Analysis (EIA) was undertaken to evaluate responses following the consultation phases (see Appendix B). The majority of responses did not identify any form of perceived impact. Two positive impacts were identified but with no supporting evidence and one negative impact was identified for marriage and civil partnerships, but again no supporting information was supplied. As the overall aim of the strategy is to provide positive and beneficial impacts to residents in Lincolnshire on this occasion no mitigating action has been identified.

Joint Strategic Needs Analysis (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision

The purpose of the Strategy is to increase the safety of people across Lincolnshire by reducing the number of people at risk of flooding, increasing the resilience of local communities and reducing the impact of flooding. The Strategy therefore contributes directly to the safety and wellbeing of communities and individuals

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area

Crime and disorder implications of the proposed strategy have been considered but there are not considered to be any direct impacts.

2. Conclusion

The Joint Lincolnshire Flood Risk and Water Management Strategy 2019-2050 is intended to provide the County Council and its partners in the Lincolnshire Flood Risk and Water Management Partnership with a means of outlining their collective aspirations for flood risk, water management and future water supply resilience, along with additional economic and social benefits that can be achieved for the county.

The strategy will align closely with other key initiatives such as the Local Industrial Strategy, the Strategic Economic Plan and long term planning for infrastructure and housing provision, as well as environmental improvement and sustainability in the long term.

The Executive are asked to consider this version of the strategy, and strategic vision, suitable for adoption by Lincolnshire County Council in its role as Lead Local Flood Authority.

3. Legal Comments:

Under section 9 of the Flood and Water Management Act 2010 the Council as lead local flood authority must develop, maintain, apply and monitor a strategy for local flood risk management in its area and must consult the public about the strategy.

The decision is consistent with the Policy Framework and within the remit of the Executive.

4. Resource Comments:

Approval of the strategy does not have any additional financial implications. Any Council works arising from the Common Works Programme are approved in the normal course of business as part of the Capital Programme.

5. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

Flood and Water Management Scrutiny Committee have been consulted throughout the development of the Strategy. Comments by committee were taken on board following the meeting of 17 September 2018 whilst developing the draft version. The pre consultation draft was then presented to committee on 28 May 2019 as part of the development for formal public consultation proposals during summer 2019.

Following conclusion of the formal consultation process an update was provided to both Flood and Water Management Scrutiny on 9 September 2019 and Environment and Economy Scrutiny on 10 September 2019 as to the outcomes and additions incorporated into the draft strategy.

At Flood & Water Scrutiny it was questioned whether the policy statement due to be released by the Department for Environment, Food and Rural Affairs (Defra) in December 2019 would affect the strategy. Officers advised that it would be unlikely anything in the Defra policy statement would directly oppose the strategy set by Lincolnshire, but it may be beneficial to factor in time in the decision making process in case officers proposed further changes following the Defra policy statement.

The committee were in favour of maintaining the timeline set out in the report.

At Environment & Economy Scrutiny, comments by members and the responses by officers included;

- The role of the Environment Agency and whether it had carried out its responsibilities in connection with the River Steeping. Officers stated that all stakeholders had been involved to deliver specific flood risk maintenance works and a management group was examining future management and resilience if the River Steeping catchment.
- The increased protection of agricultural land was welcomed. Officers stated that there was a need to emphasise this issue as water was important in supporting agriculture and tourism.
- An enquiry was made in connection with funding for sustainable Urban Drainage Systems (SuDS). Officers stated that guidance for SuDS was still being prepared.
- SuDS required more maintenance. Local authorities and water companies did not always have the funding for maintenance. Officers agreed that SuDS were not a panacea but were part of a range of options available. Proposals for SuDS to be maintained at a national level were being

investigated.

- Parish Councils in the Ancholme Valley were concerned about the clearance of water courses and the role of Internal Drainage Boards in the past in ensuring that these water courses were maintained had been important and welcomed. Officers stated that the management of water courses had been highlighted following the recent flooding in Wainfleet. Public Sector Cooperation Agreements between the Internal Drainage Boards and the Environment Agency was important in this respect and discussions on this matter were taking place with the Environment Agency.

Comments made by members were noted and would be considered by officers in advance of formal adoption by the council.

The Strategy was endorsed by the Flood and Water Management Scrutiny Committee on 25th November 2019.

The Environment and Economy Scrutiny Committee formally considered the Joint Lincolnshire Flood Risk & Water Management Strategy at its meeting on 26 November 2019. The Committee supported the recommendations to the Executive.

d) Have Risks and Impact Analysis been carried out?

Yes

e) Risks and Impact Analysis

An Equality Impact Assessment was carried out post consultation to evaluate the comments received as part of the formal public consultation held during summer 2019.

The majority of responses did not identify any form of perceived impact. Two positive impacts were identified but with no supporting evidence and one negative impact was identified but again no supporting information was supplied. As the overall aim of the strategy is to provide positive beneficial impacts to residents in Lincolnshire on this occasion no mitigating action has been identified.

A copy of the EIA assessment is attached to this report as Appendix C

6. Appendices

These are listed below and attached at the back of the report	
Appendix A	Joint Lincolnshire Flood Risk and Water Management Strategy 2019-2050
Appendix B	Joint Lincolnshire Flood Risk and Water Management Strategy 2019-2050 Strategic Vision
Appendix C	Equality Impact Assessment (EIA) Post Consultation - October 2019

7. Background Papers

Document title	Where the document can be viewed
Report to Executive dated 8 May 2019 entitled "Draft Joint Lincolnshire Flood Risk & Water Management strategy 2019-2050"	Democratic Services
Report to Executive dated 4 December 2012 entitled "Joint Lincolnshire Flood Risk and Drainage Management Strategy 2012-2025"	Democratic Services

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Lincolnshire flood risk and water management partnership



Joint Lincolnshire Flood Risk and Water Management Strategy 2019-2050

(A review and update to the existing Joint Lincolnshire Flood Risk and Drainage Management Strategy 2012-2025)

Contents

- 1. Introduction**
- 2. The Lincolnshire flood risk and water management partnership**
- 3. The previous Joint Flood Risk & Drainage Management Strategy 2012-2025**
- 4. Understanding flood risk**
- 5. Roles and **functions** of Lincolnshire flood risk management authorities**
- 6. Future look**
- 7. Delivering the strategy**
- 8. Find out more**
- 9. Glossary**
- 10. Key strategies and initiatives developed since 2012 that will influence our strategic approach within Lincolnshire**

1 Introduction

Reviewing the existing Joint Lincolnshire Flood Risk and Drainage Management Strategy

Lincolnshire County Council is the Lead Local Flood Authority (LLFA) for the administrative county of Lincolnshire. Because of this role, since 2010 the Council has been responsible for implementing and monitoring a local flood risk management strategy.

The purpose of the strategy is to manage the impact of flood risk to people, businesses and the environment across Lincolnshire. The basic contents of the Strategy are outlined in legislation as follows:

- The risk management authorities operating in the LLFA's area
- The flood risk and coastal erosion functions that may be exercised by those authorities relating to the area
- Objectives for managing flood risk in the area
- Measures proposed to meet those objectives
- How and when the measures are to be implemented
- Costs and benefits of the measures and how they are to be paid for
- Assessment of local flood risk (meaning from surface runoff, groundwater and ordinary watercourses)
- How and when the strategy is to be reviewed
- How the strategy contributes to the achievement of wider environmental objectives

In developing the strategy, the LLFA must consult the public and risk management authorities that may be affected by the strategy. The strategy must be consistent with the National Flood Risk and Coastal Erosion Management Strategy and the LLFA must publish a summary of the strategy, including guidance about the availability of relevant information.

In Lincolnshire our strong partnership approach meant that we were able to put together our Strategy as a joint venture between all the organisations with a role in flood risk management. Completed in 2012, the Joint Lincolnshire Flood Risk and Drainage Management Strategy was one of the first of its kind in the country. It also established a trend that has grown since to join up the work of different organisations, and to tackle flood risk and water in a more co-ordinated way than in the past.

The existing Joint Lincolnshire Flood Risk and Drainage Management Strategy was developed as a partnership venture during 2011 and 2012, and was approved for the County Council by the Executive on 4 December 2012 and by Full Council in January 2013. Part 3 of the Strategy, the action plan, was made available from April 2013 and continues to be updated annually. As a consequence Lincolnshire was one of the first areas in England to publish and implement a Local Flood Risk Management Strategy, and was forward-looking in implementing a strategy that sought to co-ordinate the work of all risk management authorities within the area

and to consider flood risk in the round.

In effect, the strategy co-ordinates all the work delivered by the Lincolnshire flood risk and water management partnership as a whole, overseen by the flood risk and water management scrutiny committee.

This co-ordinated approach was embedded by establishing the common works programme in 2013. This includes the major capital programmes of all partners, as well as the programme of joint activities that address solutions where responsibility is shared or where there is no clear single authority with the capacity or responsibility to act. The common works programme allows the partnership to prioritise works across the county according to need, and within the constraints imposed by availability of local and national funding.

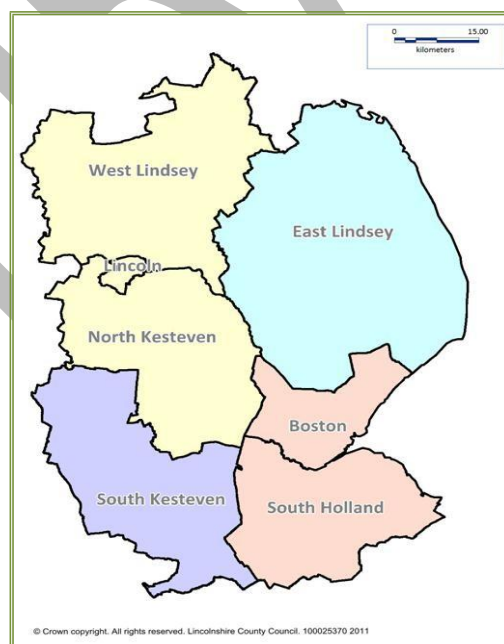
The current strategy consists of

- Part 1: strategic vision (including high level objectives)
- Part 2 (A & B): implementation plan for the strategy
- Part 3: common works programme (annually updated action plan)

It can be found in full on the Lincolnshire County Council website at the following link:

<https://www.lincolnshire.gov.uk/residents/environment-and-planning/flood-risk-management/implementing-management-strategy/103045.article>

Figure 1 Map of Strategy area showing district authority boundaries



2 The Lincolnshire flood risk and water management partnership

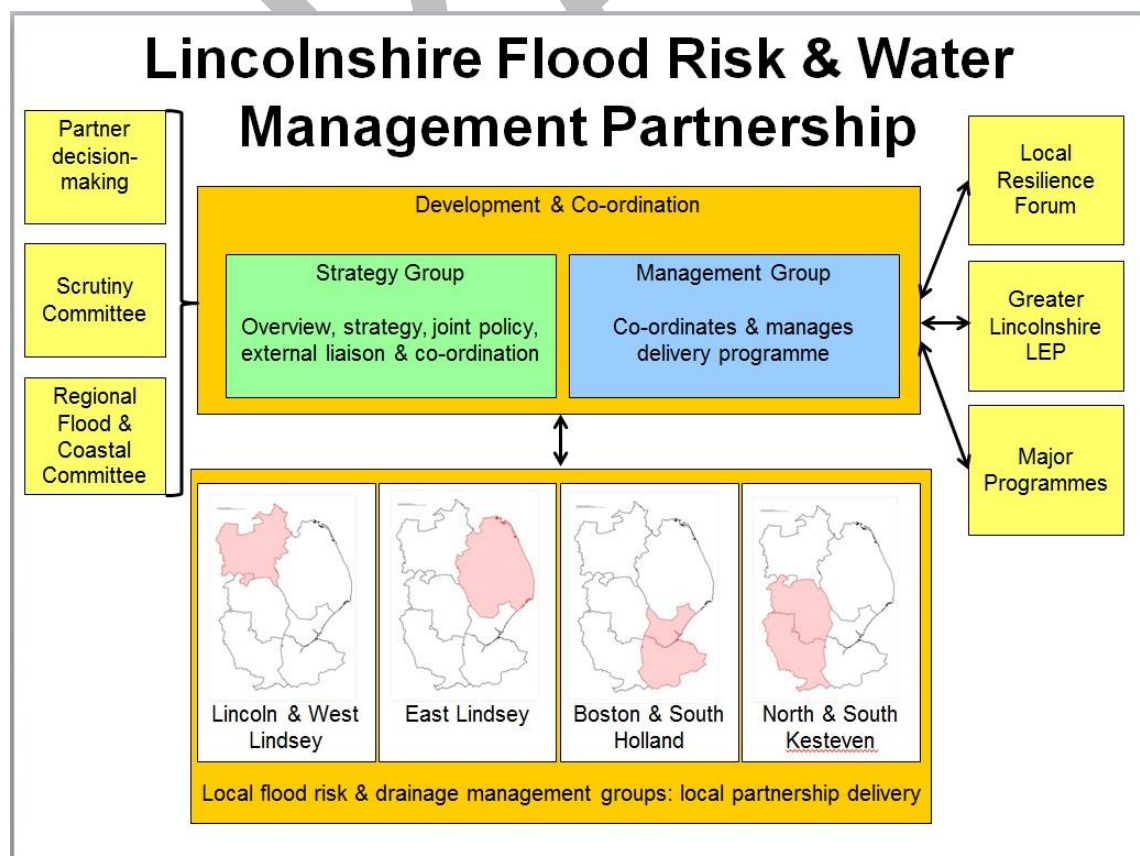
The Lincolnshire flood risk and drainage management partnership was established in 2010 in advance of the [Flood Risk and Water Management Act](#) (2010). It was created in order to provide the level of co-ordination needed to develop the joint strategy described above.

Since 2012 flood risk management has increasingly been recognised as an integral part of a wider issue of managing water as a resource that is essential to economic growth nationally and, particularly, in the east of England. To recognise this, a review of the existing partnership role and structure was undertaken during 2017/18. As a result, the partnership now includes wider water interests. Water Resources East (WRE), a regional initiative looking at water availability from a multi-sectoral position and the Greater Lincolnshire Local Enterprise Partnership and its water management board are now full members.

The revised governance and functions of the Lincolnshire flood risk & water management partnership can be found at the following link

<https://www.lincolnshire.gov.uk/residents/environment-and-planning/flood-risk-management/implementing-management-strategy/103045.article>

Figure 2 The Lincolnshire flood risk and water management partnership



When determining priorities and actions, the Lincolnshire flood risk and water management partnership directs its resources to areas where there is the greatest need, and where investment will bring the greatest benefits. As such, investment is considered in the round by attempting to take a truly systemic view of the water cycle to include the economic benefits its supports and unlocks.

The partnership has reviewed the key issues it believes Lincolnshire faces in terms of water. This includes flood and drought and the associated economics. It aims to work with communities to develop long term resilience to the impacts of climate change and sea level rise. It also seeks to develop new and innovative ways of funding the work that will need to be delivered to achieve this.

The partnership will focus on locations which exemplify these issues or themes and will facilitate discussions across partners, businesses, communities and central government as to how to best tackle these issues in the long term.

These locations are shown on the map in Figure 3 overleaf.

Coastal Lincolnshire

Lincolnshire's open coast is subject to significant flood risk from tidal inundation. It is protected by a mix of defences which are described in the Environment Agency's Saltfleet to Gibraltar Point strategy. Located immediately behind these defences are large communities, businesses, infrastructure and tourist attractions.

Our ability to support these communities and interests to grow sustainably brings together a great number of partners and policies. These include land use planning, infrastructure provision and flood risk. The partnership aims to bring these concerns together to deliver a sustainable plan and vision for our open coastline.

Agri-food

Agriculture and the agri-food industry are vital to a thriving Lincolnshire economy. It is dependent on the provision of clean water and the drainage of land. At present these concerns are not linked through strategy or policy. Moreover agricultural land does not attract as much government grant for flood risk protection as housing, while currently rates for drainage are subject to the local authority council tax cap. As such the partnership has two aims. To raise the importance of our contribution to the agricultural production of the UK in a post-Brexit Britain, and to ensure policies reflect the need to adequately fund land drainage and flood protection for agricultural land.

Catchment-based approach

Current strategic approaches to managing water are delivered generally in silos. This separates the management of flood risk, water resource provision and land drainage. By taking a holistic view of the management of water we believe it is possible to provide multiple benefits to the environment, businesses and communities. The governments' 25 Year Environment Plan identifies that land

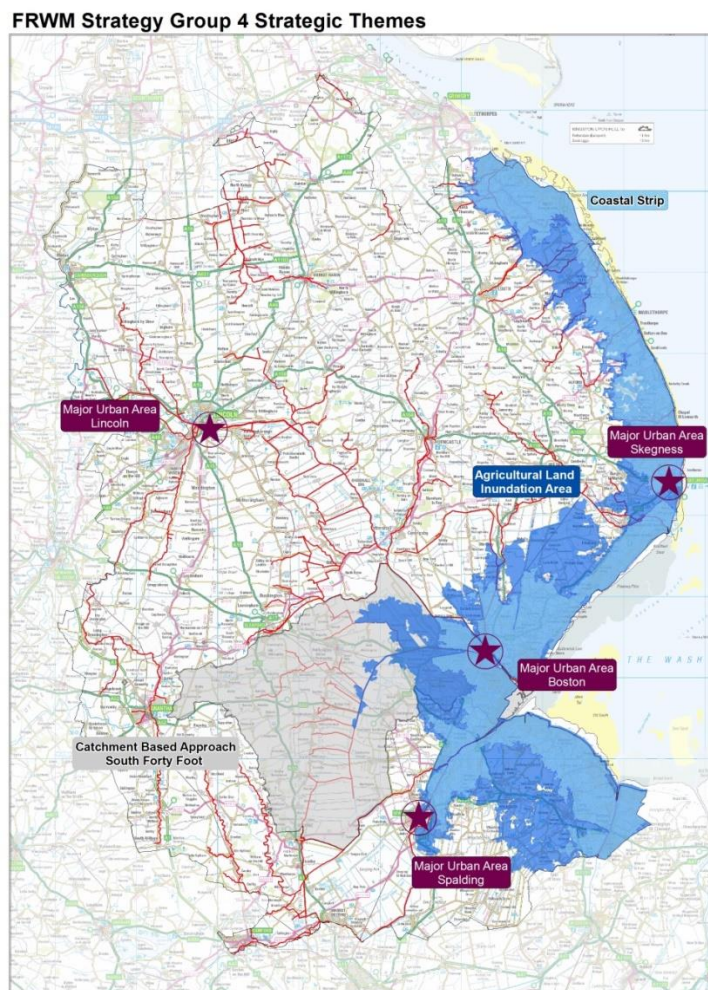
should be used and managed more sustainably and this approach will be tested in the south forty foot catchment under the South Lincs water partnership (SLWP) supported by the Lincolnshire flood risk and water management partnership.

Urban areas

Major urban areas provide a particular challenge. Flood risk arises from a number of sources including surface water, sewers, rivers and the sea. Growth and economic development can often be focused here. Our aim is to collectively manage these risks whilst allowing our urban centres to flourish and grow sustainably.

The map below shows these areas. The partnership aims to show ambition and determination to bring the necessary stakeholders and policy makers together to deal with the challenges facing Lincolnshire and build sustainable, resilient and thriving communities and economies. It must also be remembered that the partnership co-ordinates day to day operational works throughout the county to manage the risk from all sources of flooding. The current programme of these works can be in Part 3 of the current strategy found [here](#).

Figure 3 Map showing strategic themes / locations



The history of the Lincolnshire flood risk and water management partnership, means it has developed a key role in managing flood risk in particular. This includes deploying resources and co-ordinating risk across a range of partners and risk management authorities.

The type of action that will be undertaken to manage flood risk and drainage will depend on the severity of the risk in each circumstance, including factors such as the likelihood of flooding, the level of danger posed by flooding, its impacts and the physical and economic feasibility of implementing a specific scheme or activity.

Since 2012 flood risk management authorities in Lincolnshire have been very successful in securing national funds for works, known as 'Grant in Aid' and funding provided by the Government to the Environment Agency allocated at regional level by the Regional Flood and Coastal Committee. This is also true of funds raised locally (called 'Local Levy') and provided to the Environment Agency by Lincolnshire County Council.

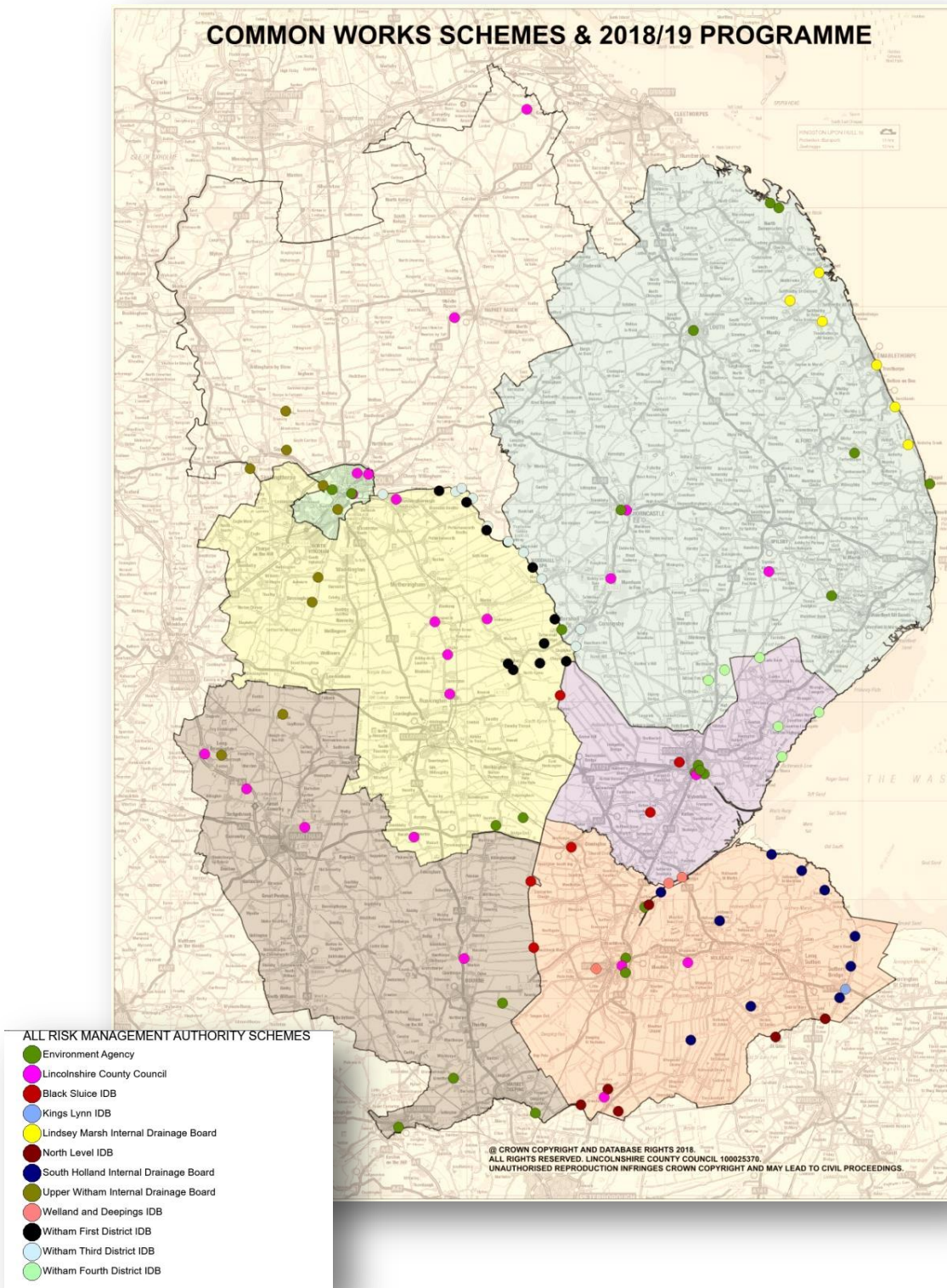
Figure 4



Many of the flood risk management activities undertaken are already the responsibility of individual organisations, such as the maintenance of an organisation's own assets, or the fulfilment of particular legal obligations. The common works programme includes schemes, works and other initiatives undertaken by flood risk management authorities across Lincolnshire where, in some cases, two or more authorities have come together through the Lincolnshire partnership to deliver work that would not have been possible, or would have

taken longer to achieve, if undertaken by one organisation alone. The common works programme is refreshed annually with all risk management authorities retaining the flexibility to respond to schemes and works needs as they arise. By combining resources, partners have been able to attract inward investment at a national level and raise the priority of proposed schemes regionally.

Figure 5 Location of partnership works that have received national funding and been delivered by Lincolnshire risk management authorities since 2012



3 The previous Joint Flood Risk & Drainage Management Strategy 2012-2025

Since the original Flood Risk and Drainage Management Strategy was completed and approved in 2012 considerable progress has been made to tackle the challenges faced from flood risk and water resource issues. Flood risk management authorities in Lincolnshire have been recognised by Government as among those leading nationally in the development and co-ordination through the Lincolnshire Flood Risk and Drainage Management Partnership Framework. In the period 2012-2018 we have deployed a total of £106,000,000 funding locally on flood risk management works in Lincolnshire, which has levered in £94,000,000 national capital funding, and has led to 33,084 homes being better protected from flood risk. In addition we have delivered numerous smaller schemes across the county, and completed investigations into 205 flooding incidents affecting one or more residential properties.

The partnership has taken a flexible approach as circumstances change and has identified and embraced new initiatives and opportunities that are emerging. The partnership continues to adapt in its approach to deal with changes since the original strategy was launched in 2012 such as expected legislation not enacted.

The previous strategy identified **9 strategic outcomes**, which have either seen significant progress, have been achieved or remain the fundamental approach to achieving positive outcomes in how the Flood Risk and Water Management Partnership operate. Outcomes specifically achieved and which are now firmly embedded in how the partnership function include:

Outcome 1	There will be a common works programme of measures to manage flood risk and drainage by 2013.
Outcome 2	Existing resources will be used in the most efficient way possible. We will attract as much external funding as possible, and will secure new resources locally and nationally
Outcome 6	Local communities and businesses will be more aware of flood risk, and with the help of public authorities, will take steps to protect themselves through individual and community action.
Outcome 7	Planning and development control across the county will take account of all forms of flood risk and sustainable drainage; development which could increase flood risk will be minimised, as will inappropriate development in areas of significant flood risk.
Outcome 9	Flood risk and drainage management will be more accountable to the public through the local democratic process, and through more freely available information about flood risk and measures taken to control it.

A series of Strategic objectives were also identified within the original strategy to demonstrate how the vision and outcomes would be met. Once again some significant progress has been made in these areas, most notably;

- The **register of Lincolnshire flood risk management assets** which was launched in April 2013. This is a web-based mapping system available to the public that brings together information about flood risk assets that are managed by as many flood risk management authorities as possible
- As a county we now have more information and better ways of assessing flood risk from all sources, significantly improved by the launch of the **risk of flooding from surface water map** launched by the Environment Agency in 2013
- The **common works programme** was first published on 1st April 2013. This, Part 3 of the existing Strategy, is the Action Plan and identifies the flood risk works being undertaken in partnership across the county and is updated annually.
- Risk management authorities in Lincolnshire have been efficient in securing partnership funding to deliver flood risk mitigation work. A major step forward in securing efficient work practices at a local level has been the development and implementation of the **Public Sector Cooperation Agreement (PSCA)**. This provides arrangements for risk management authorities to deliver flood risk maintenance works and similar activities by a partnership approach. The development and national roll out of PSCAs was modelled on the existing innovative approach between Lincolnshire County Council and Internal Drainage Boards to deal with consenting and enforcing of ordinary water courses under a memorandum of understanding. These arrangements implemented the principles of our partnership arrangements to achieve the most effective flood risk and drainage management in the county by the most effective and appropriate partner to deliver it.
- The partnership continues to work together to enable sustainable growth in the county. New links with the **Greater Lincolnshire Local Enterprise Partnership** ensure that this is embedded in the approach to flood risk and water management and is a fundamental part of the revised objectives of the new strategy
- Partnership activities continue to be overseen by elected members by the **flood and water management scrutiny committee**

Legislation which was expected to establish the County Council as a sustainable drainage approving body during 2014, was not enacted and elements of this role have been passed to the local planning authorities, with the LLFA providing an advisory service to them.

Overview of some key developments since publication of the first flood risk and drainage management strategy in 2013

Planning and development control

Significant areas within Lincolnshire are in need of growth and regeneration and these areas can be affected by flood risk. A balance needs to be struck between promoting sustainable growth and responsible mitigation of flood risk and provision of water resources.

Across the county, local planning authorities are at varying stages of production of their local plans, and some have come together to produce joint local development frameworks, for example Central Lincolnshire and South-East Lincolnshire.

In guiding future sustainable development it is important that we take greater account of all forms of flood risk. Individual development proposals will need to be appropriately considered in respect of all forms of flood risk.

Revised national planning policy framework

In July 2018 the revised [National planning policy framework](#) was published. This is the first revision of the national planning policy framework since 2012 and implements around 85 reforms announced previously through the [housing white paper](#), the [planning for the right homes in the right places consultation](#) and the [draft revised national planning policy framework consultation](#).

The revised national planning policy framework will be a vital tool in ensuring that we get planning for the right homes built in the right places of the right quality at the same time as protecting our environment. The national planning policy framework sets out the Government's planning policies for England and how these should be applied. It provides a framework within which locally-prepared plans for housing and other development can be produced.

A key principle within the national planning policy framework is to contribute to the achievement of sustainable development. At a very high level, the objective of sustainable development can be summarised as meeting the needs of the present without compromising the ability of future generations to meet their own needs. Achieving sustainable development means that the planning system has three overarching objectives, which are interdependent and need to be pursued in mutually supportive ways (so that opportunities can be taken to secure net gains across each of the different objectives):

- 1) an economic objective
- 2) a social objective
- 3) an environmental objective

Planning policies and decisions should promote an effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and healthy living conditions. Plans should also

take a proactive approach to mitigating and adapting to climate change, taking into account the long-term implications for flood risk, coastal change, water supply, biodiversity and landscapes, and the risk of overheating from rising temperatures. Policies should support appropriate measures to ensure the future resilience of communities and infrastructure to climate change impacts, such as providing space for physical protection measures, or making provision for the possible future relocation of vulnerable development and infrastructure.

Local planning authorities have an important role in the county with regard to strategic thinking on land use planning and the effects of flood risk, water provision and environmental need should be paramount in future planning decision making.

Sustainable drainage systems

Sustainable drainage is intended to mitigate the impact of future development by promoting the use of sustainable drainage systems. The purpose of sustainable drainage systems is to mimic nature and typically manage rainfall close to where it falls and to take account of water quantity (flooding), water quality (pollution) biodiversity (wildlife and plants) and amenity. The variety of sustainable drainage techniques available means that virtually any new development should be able to deliver a drainage scheme around these principles.

Sustainable drainage systems can be designed to transport (convey) surface water, slow runoff down (attenuate) before it enters watercourses, they provide areas to store water in natural contours and can be used to allow water to soak (infiltrate) into the ground or evaporated from surface water and lost or transpired from vegetation (known as evapotranspiration). They are drainage systems that are considered to be environmentally beneficial, causing minimal or no long-term detrimental damage. They are often regarded as a sequence of management practices, control structures and strategies designed to efficiently and sustainably drain surface water, while minimising pollution and managing the impact on water quality of local water bodies.

It will also be possible in certain circumstances to consider 'retrofitting' sustainable drainage systems to existing developments, providing a range of benefits including improved management of surface water, separation of surface water runoff from foul water sewerage and improvements to local environmental amenity.

Water Companies now include include certain sustainable drainage features within their criteria for adoption as public sewers.

Features that are adoptable by the Water and Sewerage Companies' must serve more than one property. Therefore, any sustainable drainage features that only drain the highway, for example, would be adopted by Lincolnshire County Council as the highways authority..

Managing surface water in existing urban areas

Disposing of surface water places stress on existing drainage systems utilising hydraulic during times of peak flow, which can result in flooding of homes, pollution of the environment and an increased carbon footprint associated with pumping.

The approach taken to managing surface water has largely remained unaltered for generations. A new approach to managing rainwater closer to where its lands and reducing the impact of surface water is a cultural change that will take many years to implement.

This new approach involves the delivery of sustainable drainage within the existing built environment, often known as 'retrofitting'. This often involves the installation of small scale features such as water butts, rain gardens and tree pits, as well as larger features such as ponds and wetlands. As these features will be installed into existing areas, local communities will be at the heart of decision making and design opportunities.

Taking a long term approach allows partners to create resilient drainage systems can help all risk management authorities to meet the challenges of a changing future driven by climate change and future housing growth.

Register of Lincolnshire flood risk management assets

Lead Local Flood Authorities are required, under Section 21 of the Flood and Water Management Act 2010, to 'establish and maintain:

- (a) a register of structures or features which, in the opinion of the authority, are likely to have a significant effect on a flood risk in its area, and
- (b) a record of information about each of those structures or features, including information about ownership and state of repair'.

The Act goes on to state that 'the lead local flood authority must arrange for the register to be available for inspection at all reasonable times'.

In Lincolnshire a web-based system has been adopted that is accessible to the public at all times. It brings together information about flood risk assets that are managed by as many flood risk management authorities as possible.

The asset register shows structures (such as pumping stations, flood defence banks, weirs and sluices) currently being used to manage flood risk and drainage across the county, along with the relevant flood risk management authority.

As far as possible, the information links existing databases so that information about flood risk and assets can be shared by operating authorities without unnecessary duplication. Each authority retains responsibility for updating and maintaining its own data, but now has greater capacity to access and make use of data held by other authorities.

Every endeavour has been made to make the first release of the asset register as

comprehensive as possible, but it is important to note that this is a system that will be developed and improved over time. It has not been possible yet to include every known asset, and it is likely that there are others for which an owning or managing organisation cannot, at present, be identified. The asset register will be updated regularly, and additional information will be added as it is identified and verified.

[Please follow this link to access the asset register.](#)

Public sector co-operation agreements

The public sector co-operation agreement (PSCA) provides arrangements for the Environment Agency and an Internal Drainage Board, Lead Local Flood Authority, District Council or other risk management authority to deliver specific flood risk maintenance works and similar activities jointly. This is a major step forward in securing efficient work practices at a local level. The agreement places both parties on a sound legal basis to deliver work as agreed – either party may undertake work for the other.

Based on section 13(4) of the Floods and Water Management Act 2010, a PSCA can cover any maintenance or similar activity such as inspections, obstruction removal, weed control, grass cutting, tree work, vermin control, dredging, pump operation etc. It also provides for mutual RMA support in managing flood incidents. In some cases it can be used for capital asset improvement or replacement works.

The benefits of PSCAs

- Securing efficient local working arrangements which will achieve value for money in delivering operational maintenance activities.
- Taking advantage of local skills and experience including local knowledge of geography, associated river/drainage systems and operational practices, to benefit local communities.
- Sound legal basis for either party to undertake work for the other party, as agreed.
- Having flexible partnership working arrangements. Agreements typically cover a period of up to 5 years, with annual reviews to discuss/agree the specific extent of activities to be carried out under the PSCA.
- Standardised documents which are simple to apply to local needs.

Greater Lincolnshire LEP

The [Greater Lincolnshire LEP](#) is a business led partnership made up of private and public sector leaders. Working with government and stakeholders to find solutions enables the LEP to deliver strategic projects and programmes that will drive local prosperity and economic growth. Greater Lincolnshire is now widely regarded as a very successful LEP and has gained a strong reputation for delivery and influence, with many schemes and investments now taking shape. The LEPs £307 million growth plan covers the area's key economic sectors and recognizes the importance of water management in developing these.

In 2014 the LEP launched its [Strategic Economic Plan](#) which highlights the

important role Greater Lincolnshire plays in the national economy by contributing to food security, manufacturing output, the UK visitor economy and our country's housing needs. It sets out priorities and drivers to develop the area's three defining sectors that offer the most competitive advantage, namely agri-food, manufacturing and the visitor economy. The plan identified water management as key with security from flooding a key infrastructure requirement for our economy. The threat of flooding affects developer confidence and development viability whilst water management in the whole is seen as fundamental to Greater Lincolnshire, not only because it provides valuable services that underpin our environment, economy and quality of life, but also because of our geography.

Subsequently the LEP developed an integrated approach to water and in 2015 developed the [Water Management Plan](#). The plan identifies the effective management of flood risk and water resources to be a critical factor in enabling economic growth across the area. The strength of the existing long-standing partnership working in flood risk management in the county provided the opportunity to develop this further and drive links with organisations responsible for water supply and management.

A partnership approach to catchment management

In October 2015, the Anglian Northern Regional Flood and Coastal Committee ([RFCC](#)) raised significant concerns over watercourse systems that, following a Defra cost benefit analysis process, would be 'unfunded' for flood and coastal risk management funding. As a result of this the partnership approach to catchment management (PACM) project was formed to understand other options for these systems. Despite the additional maintenance funding from Government in 2016, there is still a need to address unfunded systems, find efficiencies and develop a sustainable, forward look for asset management in the area. Asset management is the key driver, but also alignment with flood risk and environmental benefits by applying and embedding catchment management principles

The PACM approach provides a framework of assessment for risk management authorities and other local delivery partners to use in order to deliver a partnership approach to water management on a catchment scale. The work focuses on all issues relevant to the movement and management of water in a defined catchment or area. This work offers a unique opportunity to identify the most appropriate authority/authorities, organisation or community to lead on asset management, delivering efficiencies and enhancing opportunities for reinvestment locally.

This project is being delivered across the Anglian Northern RFCC area and will provide a foundation for all organisations which have an interest in the catchment. This can range from risk management authorities to volunteer groups and the general public to understand and agree how a catchment is to be managed.

Regional water resource planning

During 2017/18 a clear direction from government and water regulators emerged making it clear that greater coordination of water resource management plans is required to meet the challenges we face. It is recognised that the water industry has been considering improved co-ordination, for example [Water Resources East](#)

(WRE) has demonstrated innovation by taking a cross-sector approach and is making important links with the initial priority catchments identified in the abstraction plan.

Government is clear that the water industry now needs to turn thinking into action and that water companies should take a genuinely regional approach to producing plans that transcend company boundaries and identify optimum solutions for the region as a whole. This planning should then provide the basis for individual water company plans. In doing so it is expected they will engage with other water users to develop cross-sector solutions as well as work with regional groups such as local enterprise partnerships to understand regional economic and population forecasts.

There is great potential for strategic water resource management initiatives developed through Water Resources East (WRE) to provide strong support for Lincolnshire's priorities in resilience to flood risk, growing the agri-food and visitor economies, and protecting and sustaining the county's environment and local communities for the future.

Rationalising the main river network

During 2017/18 an innovative approach was trialled on a small number of selected water courses in England as part of a pilot project – rationalising the main river network. The Environment Agency worked closely with key partners, local communities and stakeholders to develop proposals for re-designating sections of selected watercourses in England. The proposals allow the transfer of flood risk activities to willing internal drainage boards or county and district councils. One of these pilot areas was in the South Forty Foot catchment in Lincolnshire where stretches of low flood risk watercourses were re-designated from main river to ordinary watercourse.

Changes brought about by the project mean that the Environment Agency will no longer be responsible for the overall management of the watercourse. Instead, maintenance and flood risk management will be done at a more localised level by Black Sluice Internal Drainage Board. This process is known as 'de-maining' and will help ensure that the right people are managing the right watercourses and assets in the right places

The proposals came about as the Environment Agency looked at new and innovative ways to deliver more for the environment by changing their ways of working and how they use their resources. As part of this, they worked closely with Black Sluice Internal Drainage Board who wished to take more responsibility for maintaining and regulating their local, low flood risk, watercourses in Lincolnshire.

De-maining aims to bring more choice to communities and local organisations in how watercourses are managed and maintained. In the South Forty Foot catchment, this means decisions on watercourse maintenance will be made at a local level and be better informed through greater collaboration between all area stakeholders.

The success of the South Forty Foot catchment pilot means this process could now be rolled out more widely across the county in suitable areas where watercourses are not major rivers or near population centres, have a low flood risk and where IDB or lead local flood authorities/district councils are willing and the local community is supportive.

DRAFT

4 Understanding Flood Risk

The risk of flooding is affected by a range of factors. These can be natural, such as the weather, or man-made like urban development and the presence of flood risk management schemes. Risk management authorities who manage flood and coastal erosion risk are continually seeking to improve their understanding of risk and the way in which they communicate this to the public.

Information about the risk of flooding and coastal erosion has many uses, including:

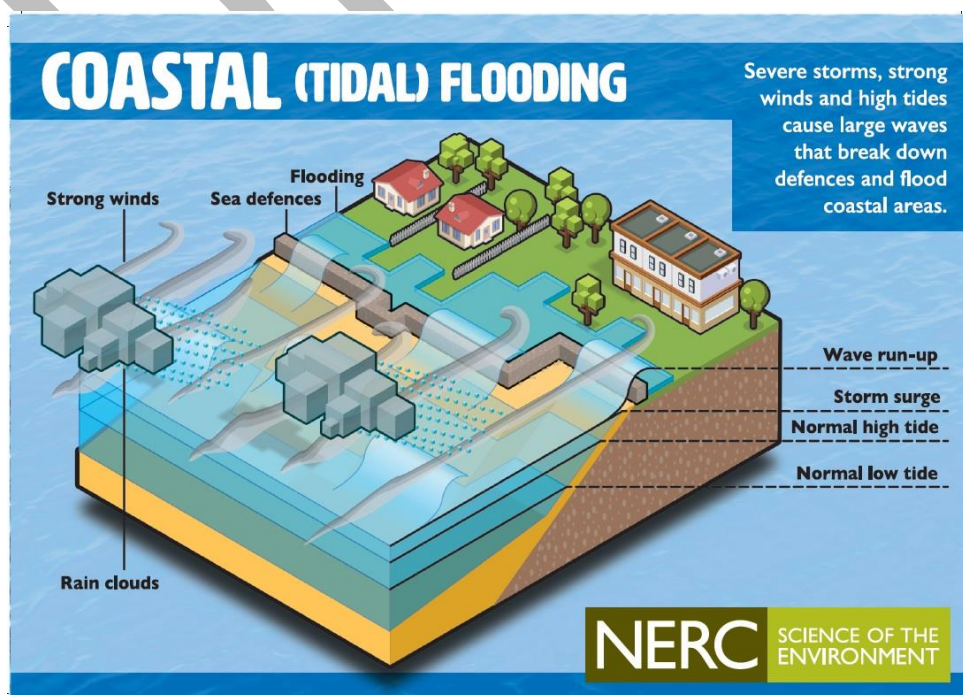
- ensuring that investment in flood and coastal erosion schemes is proportionate to need and directed to where it achieves the best value
- informing developer and local planning authority decisions on future development and infrastructure
- helping emergency planners to prepare how they will respond to floods
- enabling people to understand and make decisions about the risk they face

The different types of flooding

There are different types of flooding that can happen depending on where the water comes from. Each of these flooding types are managed by different organisations across Lincolnshire. The information below details seven types of flooding that are likely to be experienced under certain climatic conditions.

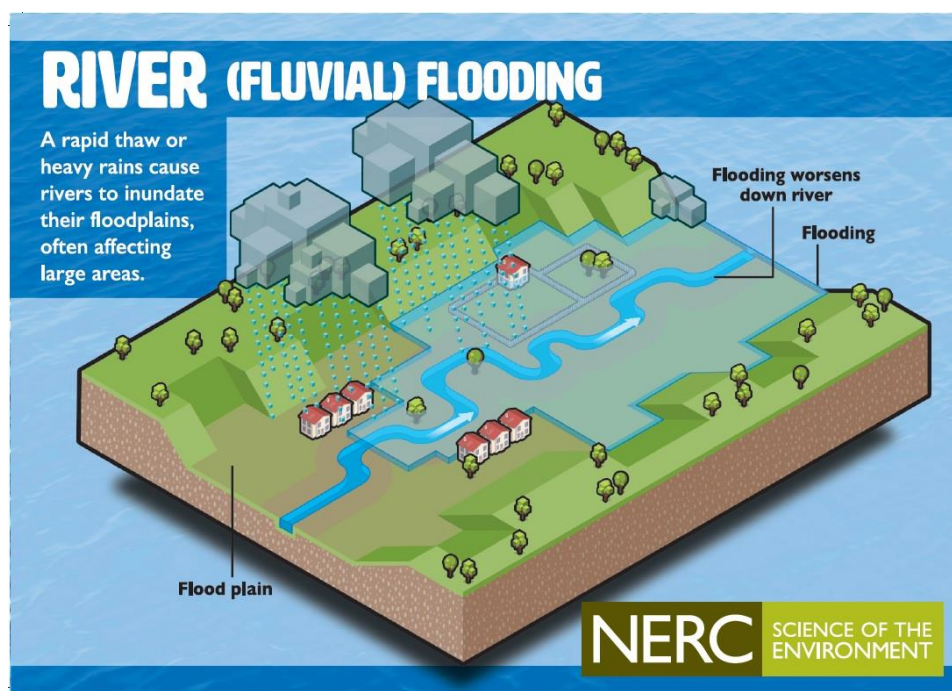
Coastal flooding

Coastal flooding happens when there are high tides and stormy weather conditions that can result in a "tidal surge", which could cause sea levels to rise over flood defences. Lincolnshire was affected by significant coastal tidal surge events in 1953 and 2013.



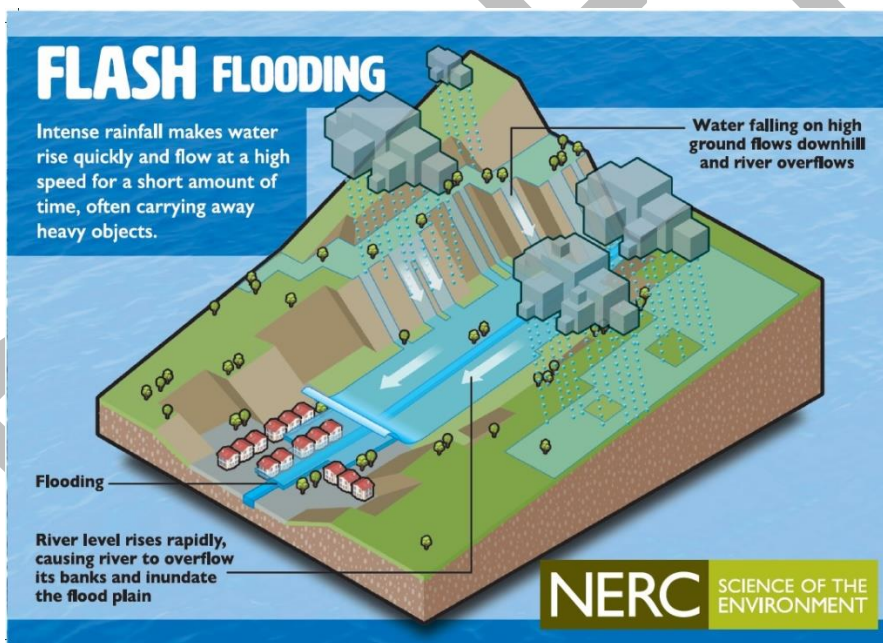
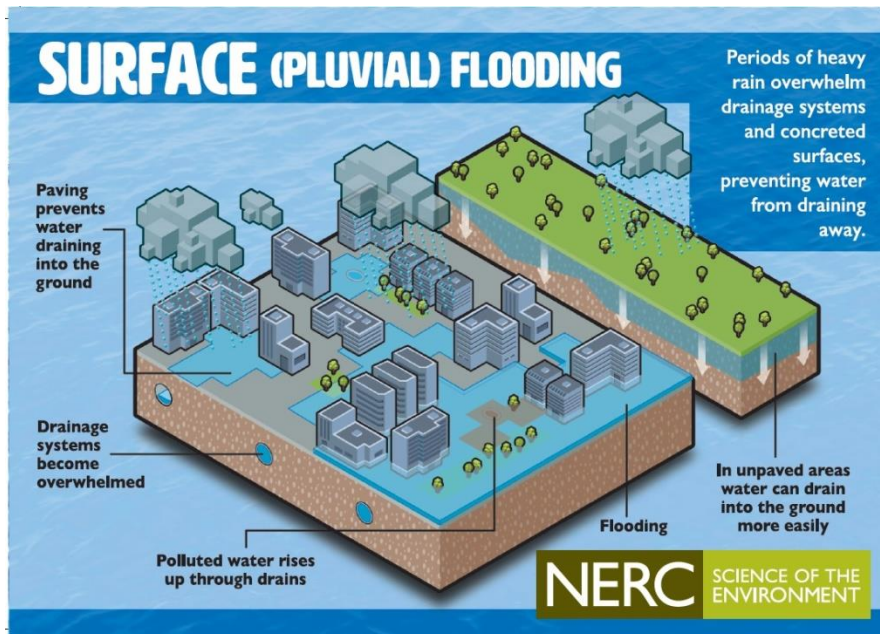
River flooding

River flooding happens when a stream or river (watercourse) cannot cope with the amount of water that is flowing into it from the surrounding land. Rivers are separated into "main rivers" and "ordinary watercourses". Main rivers are usually the larger ones in the county such as the River Witham, Welland, Slea and Steeping but also some smaller streams that are important for drainage. Ordinary watercourses are any other smaller rivers, streams or ditches.



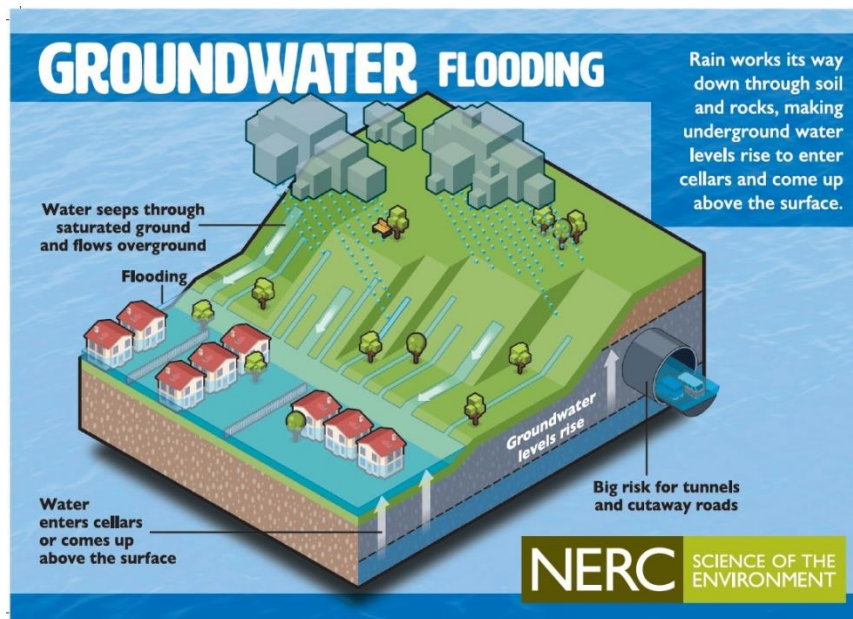
Surface water flooding

Surface water flooding happens when rainwater flows or ponds over the surface of the ground and does not soak into the land or enter a drain or river. It usually happens during heavy rainfall (more than 30mm per hour) and is made worse by blocked ditches, drains, very dry soils after periods of drought and compacted or waterlogged soil. There is no early warning system for surface water flooding and it is difficult to predict, however our surface water flood risk maps do show the risk across the county.



Groundwater flooding

Groundwater flooding happens when water levels in the ground rise above the surface. It is common after long periods of constant heavy rainfall and likely in low lying areas, those with natural springs and where chalk is present under the ground (which acts like a sponge to store water).



Sewer flooding

Sewer flooding happens either when the pipes in the network are blocked or when there is heavy rainfall and the sewers cannot cope with the amount of water because they are not designed to cope with heavy, prolonged rainfall. The danger of this type of flooding is that water can become contaminated with raw sewage and enter land and property, or the river system.

Snowmelt flooding

Snowmelt can cause significant flooding. Unlike rainfall, which reaches the soil almost immediately, snow stores the water for some time until it melts. Long periods of snowfall can therefore result in a large volume of water being released in a short space of time (around 1cm of water is released for every 10cm of snow). Snowmelt flooding is made worse when the ground remains frozen and snow melts, as the water cannot enter the ground, and so acts like surface water flooding.

Reservoir flooding

Reservoir flooding is extremely rare. It happens when there is a failure in the dam holding back the water as a result of erosion, accidental damage or water levels rising above/over-topping the dam. Whilst the risk is low, the resulting flooding can be very destructive.

With thanks to - NERC and Ben Gilliland for the use of the graphics which support this section

Communicating the risk

Since 2012 the way in which information on flood risk is shared with the public and partner organisations has also improved. The Environment Agency now offers more information to people about their flood risk and flood maps can now be downloaded free of charge. Part of this is linked to the many recent advances in data and modelling methods.

Many people and organisations need access to flood and coastal erosion risk information. It is important that this information is easily understandable and provides clear instruction on what action to take in the event of flooding. Since 2000 the Environment Agency has published its [National Flood Risk Assessment](#) which is now the main source of information on flooding from rivers and the sea.

The Environment Agency has worked in partnership with local authorities to improve the quality and accessibility of coastal erosion data. The national coastal erosion risk map ([NCERM](#)), published on the Environment Agency website in 2012 uses local authority verified data and provides the first consistent assessment of coastal erosion risk around England. These maps show what is expected to happen where the shoreline management plan (SMP) policies are implemented and what is likely to happen if there is no active intervention along the coast. The Environment Agency worked with local authorities to update the national coastal erosion risk map between 2015 and 2017 and will continue to maintain this information in the future.

Surface water flood risk maps

One key area of data which has been made available since 2012 is the surface water flood maps. The maps provide information on all the major types of flooding which affect England including, for the first time, the risk of flooding from surface water.

They are presented in a clear, simple and consistent way, making it easier for people, communities and partners to understand flood risk and make decisions about how to manage it.

[To access the maps, please click here.](#)

The Risk of Flooding from Surface Water Map shows the flood risk from surface water from the impact of heavy rainfall. Using the latest data, technology and modelling techniques it shows areas at risk of flooding from surface water and includes potential depth and velocity.

There are four categories of risk:

high - the chance of flooding in any year is greater than 3.3 percent (1 in 30 year chance)

medium - the chance of flooding in any year is 3.3 percent (1 in 30 year chance) or less, but greater than 1 per cent (1 in 100 year chance)

low - the chance of flooding each year is 1 percent (1 in 100 year chance) or less, but greater than 0.1 per cent (1 in 1000 year chance)

very low - the chance of flooding each year is 0.1 percent (1 in 1000 year chance) or less

There are some simple steps you can take to reduce the impact of flooding on your home and business. You can find more information on how to take these actions on the [Environment Agency's website](#).

Awareness of, and preparation for, flood risk

There are various steps that can be taken to help prepare for flood risk from rivers and the sea if you live in a high or medium risk area. These include;

- Signing up for free flood warnings
- Completing a flood plan
- Finding out how to prepare a property for flooding

It is important to remember that even if living in a low risk area, the risk of flooding can never be eliminated and there are lots of things that you can do such as those outlined above.

There is no warning service for surface water flooding but you can keep up to date with local weather bulletins to forewarn you of heavy rainfall. There are also simple steps that can be taken to prepare for this type of flooding.

- Completing a flood plan
- Finding out how to prepare your property for flooding
- Checking the three-day flood risk forecast

It is always important to be aware of local weather, particularly if there is severe weather approaching that could lead to local or more widespread flooding.

The below link shows any severe weather warnings released by the Met Office for the next 5 days as well as any flood warnings from the Environment Agency. If a warning is showing, click on it to find out more.

<https://www.metoffice.gov.uk/public/weather/warnings#?date=2018-11-20>

Flood defences

It is important to remember that whilst a flood defence may reduce the risk of flooding from rivers or sea, it is less likely that it will reduce the chance of flooding from surface water. While flood defences reduce the level of risk they do not completely remove it. As described above they can be overtopped or fail in extreme weather conditions, or if they are in poor condition.

Further information on the risk of flooding from rivers, the sea and reservoirs can be obtained from the local Environment Agency office on 0345 988 1188.

If you would like more information on existing or planned surface water reduction measures in your area then you can contact Lincolnshire County Council's customer services team on 01522 782070.

Insurance

To find out whether you can insure your home for flooding, contact a range of insurers to obtain quotes.

If you live in an area of high flood risk or where there have been previous insurance claims for flooding, you may need to find a specialist insurer, or use a broker to obtain insurance. The National Flood Forum also provides advice on obtaining flood insurance. [National Flood Forum](#)

The Environment Agency makes their flood risk information available to insurers who may use it alongside other information to inform their decisions about provision and cost of insurance. It is worth noting that insurers already have other/their own surface water information, so this is an additional dataset which they may decide to license. The Environment Agency is always clear that the maps estimate flood risk for areas of land, not individual properties.

The Environment Agency and Lincolnshire County Council have no role in determining insurance cover or setting premiums. Insurers are free to use whichever data they like to determine whether to offer insurance and at what price.

If the Risk of Flooding from Rivers and Sea or Risk of Flooding from Surface Water map shows your area to be at risk of flooding, then the flood risk may affect whether flood insurance is available and at what cost. Flood risk in an area is defined as 'significant' according to an agreement between the government and the Association of British Insurers (ABI). The agreement - the 'Statement of Principles' - is about offering insurance, not about pricing.

For more information about what this means got to www.abi.org.uk.

For more information on the future of flood insurance go to www.gov.uk.

5 Roles and **functions** of Lincolnshire flood risk management authorities

The Lincolnshire flood risk and water management partnership has been a feature of the way risk management authorities work in Lincolnshire for a number of years now. It has successfully driven a partnership approach to working, with particular reference to inland and coastal flood risk and received considerable praise from central government and other counties as a result.

Amongst many other things, the partnership has secured a long term common works programme for Lincolnshire that has brought together the work of all relevant partner organisations to allow for more efficient delivery. It has allowed authorities to respond as one to key government challenges and facilitated the delivery of long needed schemes at Louth, Horncastle, Stamp End, Lincoln and Waddingham. It has built partnerships between risk management authorities leading to greater efficiency in working, for instance through IDB consenting and enforcement of ordinary water courses. It has also been instrumental in building resilience in our emergency response through the Local Resilience Forum.

In addition to the strong partnership working arrangements in the county individual Risk Management Authorities have their own roles and **functions** with regard to their duties and **powers** under the Flood and Water Management Act. Many of these remain unchanged from those published in the original strategy, however there have been some changes, most notably around sustainable drainage.

Lincolnshire County Council

Under the [Flood and Water Management Act 2010](#), Lincolnshire County Council as a Lead Local Flood Authority is responsible for managing the following types of flooding:

- **Surface water flooding** – this includes flooding from rainfall run off from surfaces such as roads, roofs, and patios
- **Ordinary watercourses** – this includes drains which can be easily overwhelmed after heavy rain, but excludes main rivers that are managed by the Environment Agency.
- **Groundwater flooding** – this includes flooding caused by heavy and sustained levels of rainfall capable of increasing the groundwater table.

The Lead Local Flood Authority role includes assessing the risk of surface water flooding across Lincolnshire as well as working with organisations responsible for water management across the county, so that we can bring people and resources together more effectively so that we can reduce the likelihood of flooding happening, and provide the best possible help when it does happen. See [Lincolnshire County Council flood risk management](#)

Specifically, Lincolnshire County Council as a highways authority is responsible for repairing drainage and flooding issues on highways and roads across the county. This includes blocked drains and gullies on the roads, however they are not

normally responsible for ditches alongside roads. In most cases the responsibility is with the adjacent landowner.

Contact LCC Highways to report flooding on a highway, including blocked drains and gullies on roads. [Lincolnshire County Council Highways Drains and Flooding](#)

Stamp End flood alleviation scheme

The Stamp End flood alleviation scheme in Lincoln was completed in March 2018. The £1million project is Designed to protect 119 homes from the type of adverse weather which caused damage to homes and local businesses in 2007.



The area suffered flooding after prolonged heavy rainfall, 84 homes were affected, leading to the evacuation of 200 residents. It is estimated that over half a million pounds of damage was initially caused but the knock on economic effect for local businesses and travel infrastructure is likely to be significantly higher.

The flooding closed a local road which was the single means of access to major factories and a Western Power substation.

The project was jointly funded by Lincolnshire County Council, Anglian Water, Witham Third District Internal Drainage Board and a Defra grant provided by the Environment Agency as well as numerous local businesses who contributed in kind.

In 2007 the drains and sewers at Stamp End were unable to move the excessive surface water to the nearby River Witham, which itself was over-pouring.

The new scheme provides flood resistance to the residential area with a low flood barrier, whilst the new pump station which has been installed will alleviate pressure at times of heavy rainfall thereby making improvements to the Anglian Water surface water sewers so that they can carry more water to the new pump.

Environment Agency

The Environment Agency is responsible for coastal management in Lincolnshire, managing the risk of flooding from main rivers and regulating reservoirs. The Agency has a duty to contribute to sustainable development when delivering its statutory functions.

[For more information and advice about flooding please follow this link.](#)

Louth and Horncastle flood alleviation schemes

Two Flood Alleviation Schemes in Louth and Horncastle collectively reduce flood risk to over 350 properties. Construction on the £6.5m Louth scheme and the £8.1m Horncastle scheme started in summer 2015, and were finalised in July 2017. The two projects were delivered in a partnership of the Environment Agency, Lincolnshire County Council, East Lindsey District Council, Anglian Water and the Lindsey Marsh and Witham Third Internal Drainage Boards. Louth and Horncastle town councils will fund ongoing maintenance on the schemes. The development of the two schemes was led by the Environment Agency, with construction being carried out by its contractors.

Communities in Louth and Horncastle were significantly affected by the floods of summer 2007, when over 200 properties in the area were flooded. Close partnership working has since helped fund and made the two Flood Alleviation Schemes possible.

The Horncastle Flood Alleviation Scheme consists of a single flood storage reservoir on the River Bain, upstream of the town of Horncastle. As part of this scheme, a number of residents whose homes are at risk of flooding from the river Waring were offered property-level flood protection, such as air brick covers and flood doors. The Louth Flood Alleviation Scheme consists of a flood storage reservoir on the Northern branch of the River Lud, and one on the Southern branch of the river.

In addition to reducing flood risk to hundreds of properties in Louth and Horncastle, the two schemes also deliver benefits to the environment. In Horncastle, partners have created a large lake and wetland area which will provide a habitat for water voles. At the reservoirs in Louth, additional water vole habitat will also be created.

Over the Easter bank holiday weekend in 2018, 37mm of rainfall fell in two events over both the Louth and Horncastle catchments. Following the second event the reservoir at Louth filled for 12 hours and the reservoir at Horncastle filled for nearly 24 hours before commencing a controlled release with both reservoirs operating as expected.



Anglian Water Services and Severn Trent Water

Water and Sewerage Companies manage the supply and quality of drinking water, as well as the disposal and treatment of sewage and, in urban areas, the disposal of surface water runoff from properties.

All water and sewerage companies maintain a register of properties at risk of flooding due to a hydraulic overload in the sewerage network.

The flooding register is a register of properties and areas that have suffered or are likely to suffer flooding from public foul, combined or surface water sewers due to overloading of the sewerage system more frequently than the relevant period. There are 3 at risk reporting categories: '1 in 20 year', '1 in 10 year' and '2 in 10 year'. The reporting category reflects the frequency of flooding incidents in properties/areas and not the return period of the storm that causes the flooding. A sewer is overloaded when the flow from a storm is unable to pass through it due to a permanent problem (e.g. flat gradient, small diameter). Temporary problems such as blockages, siltation, collapses and equipment or operational failures are excluded from the register, but dealt with immediately when required. It is also worth noting that properties will be removed from the register once a solution is in place.

As part of a Water and Sewerage Company's business planning process, they will agree with customers their priorities for future work. This may include delivering traditional sewerage capacity schemes, or more likely in the future, managing surface water through the use of sustainable drainage measures. Sustainable drainage schemes will need to be delivered in partnership with risk management authorities and local communities.

For more information please visit;

- [Anglian Water](#)
- [Severn Trent Water](#)

Internal Drainage Boards

Internal Drainage Boards (IDBs) are a type of local public authority that manages water levels in England where there is a special need for drainage. IDBs undertake works to reduce flood risk to people, property and infrastructure, and manage water levels for agricultural and environmental needs. Each IDB has permissive powers to manage water levels within their drainage district, carefully maintaining rivers, drainage channels, culverts, sluices, weirs, embankments and pumping stations. They also play an important regulatory role, using powers to keep watercourses clear of obstructions. They set byelaws to ensure the watercourse network works efficiently, and they scrutinise planning and development in their area to mitigate its impact on the water environment and flood risk. They have statutory duties with regard to the environment and recreation when exercising their functions.

IDBs are defined as a Risk Management Authority within the Flood & Water Management Act 2010 working alongside the Environment Agency, local authorities and water companies to actively manage and reduce the risk of flooding. Their activities and responsibilities are principally governed by the Land Drainage Act 1991 as amended by subsequent legislation.

The 14 Internal Drainage Boards which operate in Lincolnshire manage an extensive network of drainage channels, pumps and sluices which combine to maintain low-lying, high-quality agricultural land, as well as managing water levels across large areas of the county.

More information on Internal Drainage Boards can be found here [ADA - Association of Drainage Authorities](#)

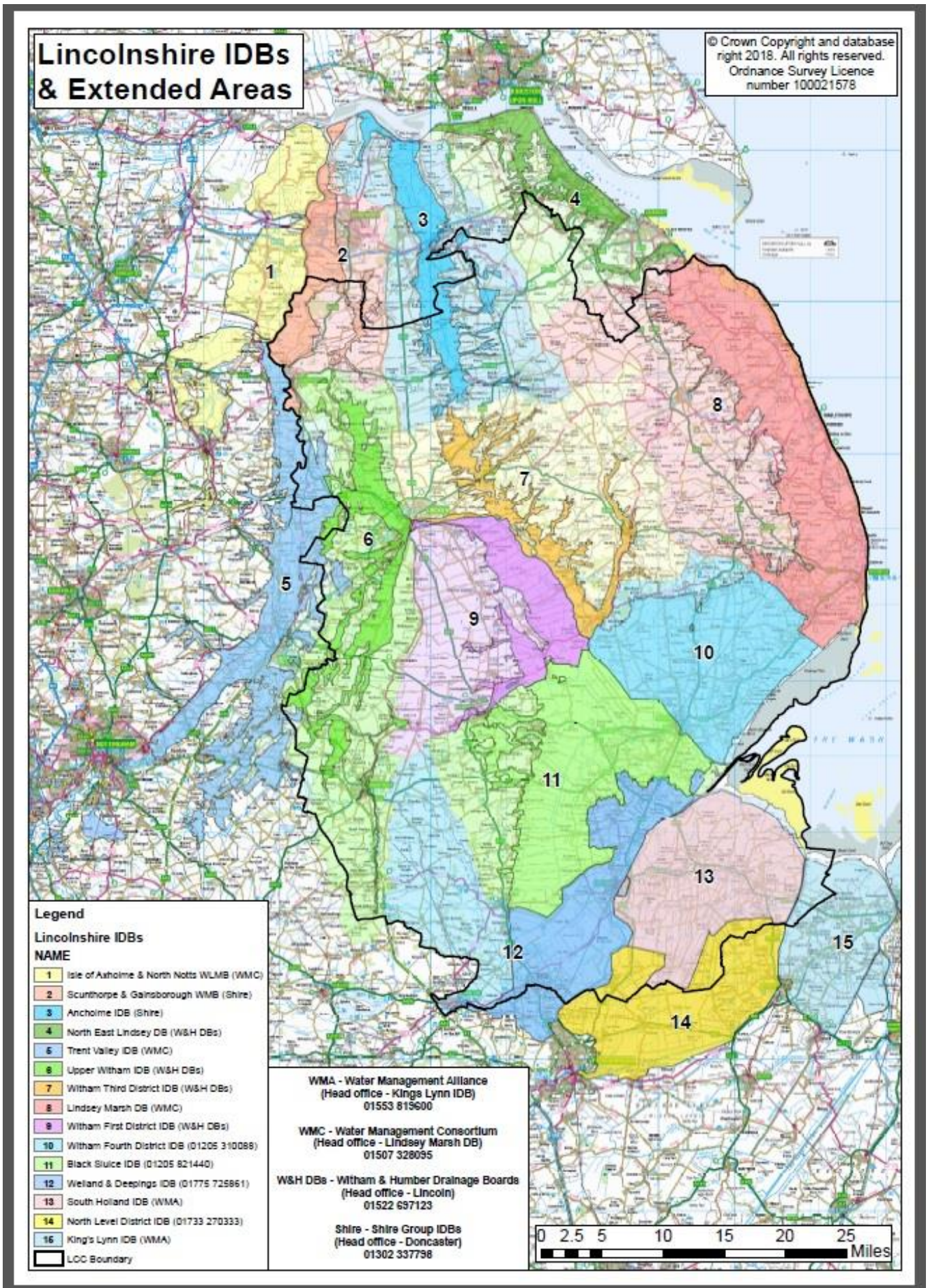
IDB consenting and enforcement of ordinary or riparian watercourses

A riparian watercourse is any natural or artificial channel, above or below ground, through which water flows, such as a ditch, stream, culvert or pipe. If you own land adjoining or above a watercourse, or with a watercourse running through it, you are a 'riparian owner'. This brings with it certain rights and responsibilities which can be found via the following link - [Owning a watercourse](#)

Under the Land Drainage Act 1991 consent is needed to carry out works to ordinary watercourses, including changes to dams, weirs and other structures, or to pipe or culvert a watercourse. Within IDB Districts it is the relevant IDB which would normally process such applications, and the County Council as Lead Local Flood Authority (LLFA) outside those Districts. However, in Lincolnshire the LLFA has used its powers under the Land Drainage Act to enter into arrangements with the IDB's by entering into Memorandums of Understanding, which allows the IDB's to act on behalf of the LLFA for the purposes of consent and enforcement who now operate within extended areas. Further information can be obtained from the appropriate IDB (see **Figure 6** below).

The approach taken in Lincolnshire has been an innovative way in dealing with these powers, implementing the principles of our partnership arrangements to achieve the most effective flood risk and drainage management in the county by the most effective and appropriate partner to deliver it. The Internal Drainage Boards have agreed to undertake these powers across the whole county, establishing extended catchment areas to ensure consistent coverage across Lincolnshire.

Figure 6 Lincolnshire Internal Drainage Boards and their extended areas



The seven district and borough councils in Lincolnshire retain existing powers to undertake works on ordinary watercourses, but also obtained new roles and responsibilities under the Flood and Water Management Act. Most recent of these, and a new role established since 2012 is that they now act as the SuDs Approving Body (SAB) for major developments with surface water drainage

Lincolnshire Prepared

Emergency planning in Lincolnshire is co-ordinated by the County Council's emergency planning and business continuity service - [Lincolnshire Prepared](#). Preparing for emergencies at the local level is carried out under a piece of legislation called the Civil Contingencies Act (2004). The purpose of the Civil Contingencies Act is to establish a statutory framework for civil protection at the local level. It sets out clear expectations and responsibilities for front line responders to ensure that they are prepared to deal effectively with the full range of emergencies from localised incidents through to catastrophic emergencies.

The Civil Contingencies Act sets out clearly how organisations, particularly local responders, should go about preparing for emergencies and tells us:

- what scale of emergencies we should be preparing for
- what organisations have to be involved in preparing for emergencies
- what these organisations have to do

Under the Act there is a requirement to produce a Community Risk Register as part of the wider work in preparing for, responding to and recovering from emergencies. The register covers all types of risks and this is used as a basis for planning to protect Lincolnshire. The key risks affecting Lincolnshire are prioritised as follows:

1. Pandemic Flu
2. East Coast Flooding
3. Inland Flooding
4. Impacts from disease / contamination
5. Severe Weather
6. Loss of critical infrastructure
7. Fuel shortages
8. Malicious Acts

As can be seen some of the highest risks within the county are from the risks of flooding and the effects of severe weather. Lincolnshire prepared works very closely with the Environment Agency and many other professional partners both in planning to reduce the effects of flooding and in the response to an incident. There is much that can be done in preparing for the risks and effects of flooding such as signing up to flood warnings, making a flood plan and preparing an emergency kit. Much more information is available through the Lincolnshire Prepared [webpages](#).

Other organisations and individuals that have an important role in flood risk and water management within Lincolnshire

Highways England

Highways England is responsible for drainage of a small section of the A roads (trunk roads) in Lincolnshire. These are the A1, A46 (from the Nottinghamshire border to Lincoln bypass Carholme Roundabout) and the A52 west of Grantham to the Nottinghamshire border. Contact Highways England for flooding issues on these roads - [Highways England](#)

Town and parish councils/communities

Town and parish councils as well as communities both play an important role in managing flood risk at the community level. They can help gather information on areas at risk of flooding by reporting any flood incidents.

Communities and individuals at risk of flooding should prepare Community and Household Flood Plans. Residents can also get involved with the community and local councils by becoming a flood warden. In addition communities and parish or town councils can be crucial in raising additional funding for local flood defence measures and for undertaking regular maintenance. [Find your town or parish council](#)

Riparian owners

All landowners and tenants whose property has a watercourse within or adjacent to the boundaries of their land, are riparian owners of that watercourse. Riparian owners have a responsibility for maintaining the watercourse and bank, clearing debris and keeping any ditches or structures clear to allow water to flow naturally and prevent flooding. This ownership extends to watercourses that are piped (culverted) under the land.

Riparian owners can face legal action if the lack of maintenance of their watercourse causes flooding. Land ownership is sometimes unknown, disputed or difficult to work out. To find out who owns certain parcels of land (and therefore whether or not they have a riparian responsibility), obtain copies of title registers and title plans using the online land registry services.

The revised and updated functions of the Lead Local Flood Authority and other risk management authorities are identified in **Table 1** below.

Table 1 - Key roles and functions of Risk Management Authorities

Authority	Risk Management Functions
Environment Agency	<ul style="list-style-type: none"> • duty to have a strategic overview for all forms of flooding • duty to develop, consult on, maintain, apply and monitor a National Strategy for Flood and Coastal Erosion Risk Management (FCERM) to cover all forms of flooding • duty to establish Regional Flood and Coastal Committees with new remit to include coastal erosion issues and consent for the regional programme • duty to have regard to the national and local FCERM strategies • duty to report to Ministers on FCERM including implementation of the strategies • duty to contribute to sustainable development in discharging their FCERM functions • duty to comply with any request made by, and have regard to reports and recommendations of, lead local flood authority overview and scrutiny committees • various duties for the regulation of reservoirs • various duties under the Environment Act 1995 • power to issue guidance about application of the Strategy in England • powers to request and share information in connection with FCERM functions • power to designate and protect third party assets and features that affect flood risk or coastal erosion • power to carry out and to approve coast protection works • power to carry out FCERM works in relation to sea or main river if considered desirable having regards to the National FCERM Strategy • power to enforce obligations to repair main river watercourses • power to consent works on or near main rivers • power to take action to require works for maintaining flow on main rivers • power to make new byelaws to secure the effectiveness of FCERM works • power to issue levies to lead local flood authorities: levies can now also apply to coastal erosion issues as well as flooding

<p>County or Unitary Council (Lead Local Flood Authority)</p>	<ul style="list-style-type: none"> • development, maintenance, application and monitoring of Local Flood Risk Management (FRM) Strategy • powers to request information in connection with FRM functions • duty to investigate and publish reports on flooding incidents in its area (where appropriate or necessary) to identify which authorities have relevant FRM functions and what they have done or intend to do • duty to maintain a register of assets which have a significant effect on flood risk, in the view of the lead local flood authority • power to undertake works to manage flood risk from surface runoff or groundwater • power to designate structures and features that affect flooding • established as the statutory consultee for major development with surface water drainage • regulation of ordinary watercourses under the Land Drainage Act 1991, including consenting and enforcement outside Internal Drainage Board areas: in Lincolnshire these duties have been delegated to Internal Drainage Boards • duty to exercise FCERM functions consistently with the national and local strategies • duty to contribute to sustainable development in exercising FCERM functions
<p>Internal Drainage Board</p>	<ul style="list-style-type: none"> • regulation of ordinary watercourses under the Land Drainage Act 1991, including consenting and enforcement • power to designate structures and features that affect flooding or coastal erosion • duty to act consistently with local and national strategies • duty to have regard to lead local flood authority scrutiny processes • ability to work in consortia with other Internal Drainage Boards • power to undertake works on ordinary watercourses flooding within their boundary and, with the Environment Agency's consent, the sea
<p>District Council</p>	<ul style="list-style-type: none"> • power to designate structures and features that affect flooding or coastal erosion • duty to act consistently with local and national strategies • duty to have regard to lead local flood authority scrutiny processes • as local planning authority, responsible for ensuring that development proposals have adequately considered flood risk and sustainable drainage. • power to undertake works on ordinary watercourses and, with the Environment Agency's consent, the sea

Water and Sewerage Company	<ul style="list-style-type: none">• provide water supply• remove and treat foul water• drain surface water• manage flooding from public sewers and burst water mains• duty to have regard to national strategies and to have regard to local strategies• duty to have regard to lead local flood authority scrutiny processes• Stat consultee to local plans• Delivery of Drainage and Wastewater Management Plans (DWMPs)• Business planning• adoption of private sewers
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6 Future look

Overall the Lincolnshire partnership will maintain its key role within the county and build on its ability to galvanise support and consensus around key strategies, economic growth and influence central government. The work of the partnership and delivery of the our strategic aims is far from complete and significant challenges and opportunities lie ahead.

Climate change

It is widely accepted that climate change is occurring and will affect our weather patterns. Climate change poses a major challenge in our planning, adaptation and resilience to managing flood risk and water resource issues in Lincolnshire. In November 2018 the Met Office published its projections for future climate change - [UK Climate Projections 2018 \(UKCP18\)](#), which are the first major update to the UK's national climate change projections for nearly 10 years. The information available will help government, business and other interested parties to assess the challenges and opportunities we face from our changing climate.

In the most part trends show that the UK climate is continuing to warm and that sea levels continue to rise. We need to take into account however that these latest predictions were released whilst this strategy was being reviewed and therefore due to the complexity of the new projections, it is likely to be some time before clear guidance emerges as to what this may mean for Lincolnshire in respect of both land use planning and scheme/ project development. Some of the headline findings that have been identified are summarised below.

Overview

By the end of the 21st century, all areas of the UK are projected to be warmer, more so in summer than in winter.

Hot summers are expected to become more common.

Rainfall patterns across the UK are not uniform and vary on seasonal and regional scales and will continue to vary in the future.

A new set of marine projections show that sea level around the UK will continue to rise to 2100 under all emission pathways.

There is now no doubt the continuation and likely increase in the weather extremes will provide significant challenges in managing flood risk and water resources in the future, with examples of some of the variances highlighted below.

Some Key findings from UKCP18

The average temperature over the most recent decade (2008-2017) has been on average 0.3 °C warmer than the 1981-2010 average and 0.8 °C warmer than the 1961-1990 average. Nine of the ten warmest years have occurred since 2002.

The most recent decade (2008-2017) was around 1 °C warmer than the pre-industrial period (1850-1900). This temperature rise in the UK is consistent with warming that has been observed at a global scale, of around 1 °C since the pre-industrial period.

Summers in the UK, for the most recent decade (2008-2017), have been on average 17% wetter than 1981-2010 and 20% wetter than the 1961-1990 average. However, very long-period natural variations are also seen in the longer observational record.

Total rainfall from extremely wet days (days exceeding the 99th percentile of the 1961-1990 rainfall) has increased by around 17% in the most recent decade (2008-2017), for the UK overall. However, changes are largest for Scotland and not significant for most of southern and eastern England.

Mean sea level around the UK has risen by about 16 cm since the start of the 20th century (when corrected for land movement).

The pattern of sea level rise is not uniform across the UK. Sea level rise is less in the north and more in the south, this is mainly due to the movement of land, up and down.

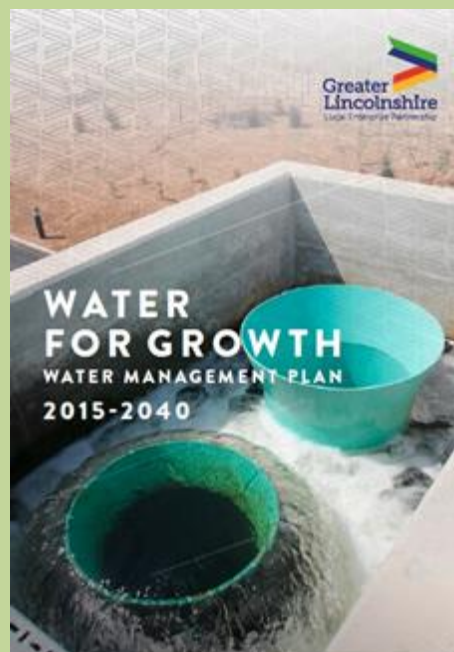
We can continue to expect increases to extreme coastal water levels driven mainly by increases in mean sea level rise, although we cannot rule out additional changes in storm surges.

Recent developments in Lincolnshire

Since 2012 flood risk management has increasingly been recognised as an integral part of a wider issue of managing water as a resource that is essential to economic growth nationally and, particularly, in the east of England. The Greater Lincolnshire Local Enterprise Partnership (GLLEP) has recognised the importance of managing water in this way through its Water Management Plan (2016), which incorporates key strategic flood risk management issues where they can directly support or influence the growth agenda. This has particular relevance in Lincolnshire because of the importance of sustainable water supply and resilience to major sectors of the county's economy, notably with regard to agri-food and the visitor economy.

Greater Lincolnshire LEP's Water Management Plan 2015-2040

The strength of an existing long-standing Partnership working in flood risk management in Greater Lincolnshire provides an opportunity to develop this further and to drive links with organisations responsible for water supply and management. The aim is for Greater Lincolnshire to be seen as a national exemplar for water management, in both flood reduction and water supply, and to act as an incentive for investors in the LEP's priority sectors of Agri-food, visitor economy and manufacturing & engineering. This will enable effective water management to be a positive contributor to economic growth.



In achieving this aim, the LEP believes that close collaboration with the neighbouring Humber LEP, Greater Cambridge and Greater Peterborough LEP, and the New Anglia LEP is essential, as these areas share many important economic challenges and opportunities. Because of this, the Greater Lincolnshire LEP has established a Water Management Board and launched a Water Management Plan.

Greater Lincolnshire faces significant challenges from the risk of flooding and future availability of water. Around 45% (2,843km²) of Greater Lincolnshire lies within the floodplain - representing 17% of England's total floodplain area - and has been affected by a number of significant coastal and inland floods, most notably in 1953, 2007, 2012 and 2013.

The Greater Lincolnshire area is also one of the driest in the country and is prone to drought. The two dry winters experienced in 2010/11 and 2011/12 demonstrated the challenges and raised awareness of the need to adapt to this element of our changing climate. In April 2012, the second of these two dry winters was followed by an exceptional summer which led to significant problems for our priority sectors and illustrates the need to prepare for more weather extremes.

The importance of water management in Greater Lincolnshire and its established expertise in managing flood risk, a critical part of the solution, provides an opportunity to explore innovative approaches across the whole range of water management activities. No other part of the country is taking this comprehensive approach or has identified water management as so essential a factor in bringing about economic growth.

Find out more at;

<https://www.greaterlincolnshirelep.co.uk/documents/water-management-plan/>

Water resources

A related development is the growing importance of water resource management since major droughts (interspersed with significant surface water flooding events) in 2012 and 2013. Flood risk is increasingly seen as part of a bigger picture that includes resilience to drought and planning for sufficient supplies of water where and when it is needed. This future planning for water availability has led to further consideration of potential opportunities for strategic linkage between water resource, flood risk, growth and environmental management, as reflected in Anglian Waters draft Water Resources Management Plan. These are key elements in supporting economic growth across Lincolnshire, and of direct interest to key economic sectors in Lincolnshire and its neighbouring authorities.

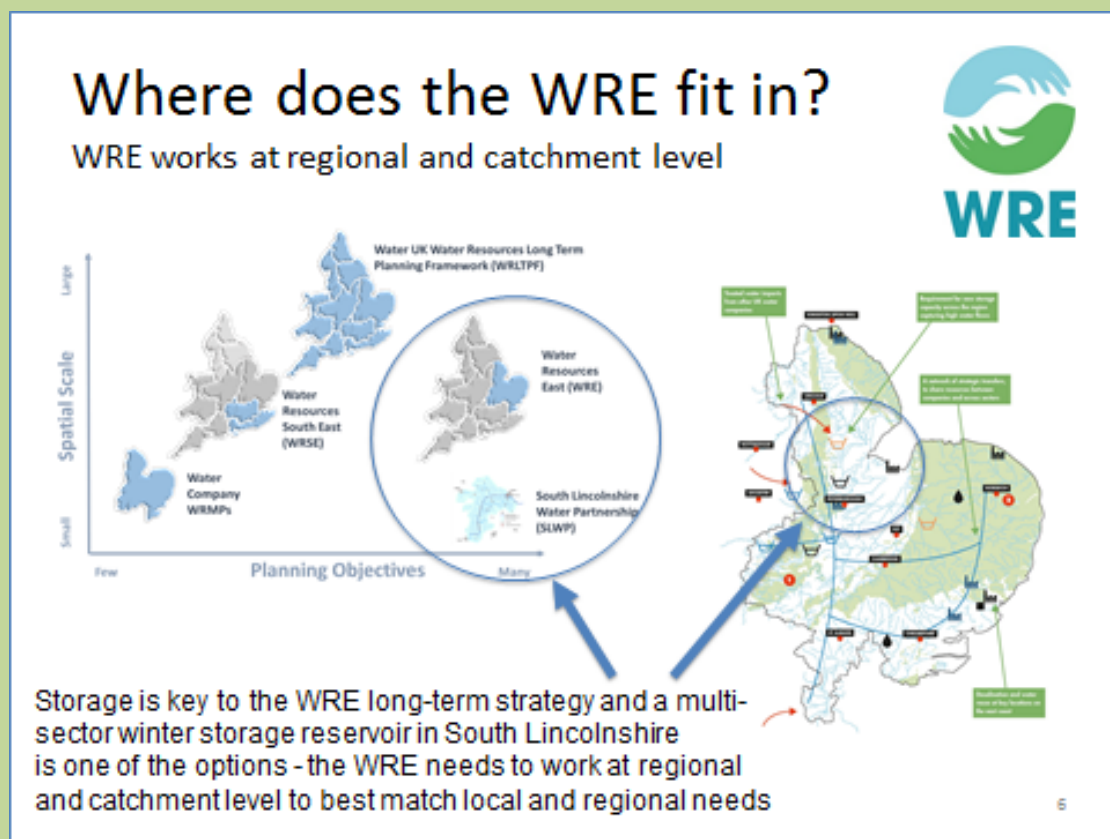
Most recently, future planning for water availability has led to the Water Resources East initiative within the Anglian region and further consideration of potential opportunities for strategic linkage between water resource, flood risk, growth and environmental management. These are key elements in supporting economic growth across Lincolnshire, and of direct interest to key economic sectors in Lincolnshire and its neighbouring authorities.

Water Resources East (WRE) is a collaboration between Partners in the East of England to develop a more integrated approach to water resource planning and management.



The WRE vision is for a strong economy and a flourishing environment with a purpose to build capacity in the region to deliver this. It operates at a number of different scales (see graphic overleaf):

- a) Regional: the WRE has developed the first multi-sector long-term regional water resource strategy in England using modern planning techniques. The strategy covers an area from the Humber to North London and is designed to meet the needs of the public water supply, environment, power and agricultural sectors in a future where impacts from climate change, growth and severe drought are expected but uncertain. The strategy combines far-reaching demand management, including large reductions in leakage, with a combination of new resource and transfer options. These include a multi-sector winter storage reservoir in South Lincolnshire
- b) Catchment: the WRE is working in South Lincolnshire and elsewhere to develop a partnership based water resource planning process at catchment level. This will use the techniques developed for the regional planning effort, but will apply them at local scale. In South Lincolnshire the aim is to produce a sustainable water resource strategy for an area where water supply, drought and flood risk are constraints on economic development. The project is being delivered by the South Lincolnshire Water Partnership (SLWP) and aims to ensure that future reservoir development in the area meets local economic and environmental needs, as well as the needs of the wider region, and
- c) Sub-catchment level: the WRE also works with landowners at farm and estate level to develop "Water Plans" based on the principle of Integrated Water Resource Management (IWRM). A number of these are being developed in Lincolnshire where water quality issues are being examined, along with measures to capture high flows in streams and rivers so as to reduce flood risk, increase the volume of water available for irrigation and increase the sustainability of irrigation operations



The catchment level work of the WRE & SLWP is supporting implementation of the Environment Agency “Water Abstraction Plan”. This programme will reform the current abstraction licensing system, helping maintain abstraction at sustainable levels and improving access to the available resources.

In Lincolnshire, the WRE & the SLWP report through to the Lincolnshire Flood Risk and Water Management Strategy Group.

A broader approach to water

Emerging initiatives are supporting our approach of improved flood risk that also provides greater water resource sustainability which in turn supports economic growth. These methods also support the catchment approach in managing an area from source to sea rather than in isolation.

This broader integration of water related activities was explicitly recognised when the flood risk and drainage partnership was renamed the Lincolnshire flood risk and water management partnership in 2015. The review of partnership during 2017-18 consolidated these developments and confirmed the need to embed a wider approach in its membership and terms of reference. The review of the partnership's strategy provides the opportunity to continue this process of alignment and co-ordination and be formally recognized as the **Joint**

Lincolnshire Flood Risk and Water Management Strategy to reflect the broader scope of our ambitions.

Since 2012 there has been the development and emergence of a number of local, regional and national strategies and initiatives which moving forward as a partnership we will need to take into account when considering our role in managing water more holistically within Lincolnshire. A list of these is provided on page 51 of this document.

The **25 Year Environment Plan**, published in early 2018 sets out the government's ambition to protect and enhance England's natural landscape for now and the long-term. How we manage flood and coastal risk will be a key part of how the plan is implemented and Lincolnshire's Risk Management Authorities are well positioned to take on the challenge. Collaboration between RMAs and their partners in managing all sources of flooding and coastal risk and at all spatial scales is essential if we are to achieve this and increase both the county's and our nations resilience to such pressures. [25 Year Environment Plan](#)

The Environment Agency ~~has~~ is in the process of reviewing its **national strategy for flood and coastal erosion risk management**. It is working in partnership with RMAs and a range of other partners to form a collective vision for the future of flood and coastal risk management. The aim of this coalition of partners is to identify the initial measures needed in order to achieve a shared vision and then to deliver it together. It is encouraging that the ambitions in this emerging national strategy reflects the goals and ambitions which are set out in the Lincolnshire Flood Risk and Water Management Strategy. Formal public consultation is expected to commence in early 2019. [Flood & Coastal Erosion Risk Management National Strategy Information](#)

In a Lincolnshire context the vital work the Environment Agency carry out along the open coast is also being reviewed as part of the **Saltfleet to Gibraltar Point strategy review**. How management of flood risk on the Lincolnshire coastline is undertaken remains vital to over 20,000 homes, approx. 24,500 static caravans, 35,000 hectares of farmland and a bustling tourist industry that lie within the strategy area.

Interim Beach Management Lincolnshire Coast 2018 to 2021

The Environment Agency annually place around 550,000 cubic metres of sand in key locations along a 20km frontage of the east coast of Lincolnshire. The Environment Agency have been artificially supplying sand to recharge the beach in this area since 1994. The beach re-nourishment scheme, in combination with the existing hard defences, reduces the risk from tidal flooding with a 0.5% chance of occurring in any one year. This flood risk management approach benefits 20,000 households, 24,500 static caravans, 1,700 businesses and up to 35,000Ha of agricultural land. The Environment Agency are currently reviewing our strategy for managing tidal flood risk over the next 100 years between Saltfleet to Gibraltar Point with the public and partner organisations. The strategy once approved will recommend the continuation of beach re-nourishment in combination with additional measures to reduce future beach erosion.



A preferred strategy and delivery plan for flood risk management on the Lincolnshire coast over the next 100 years is being developed as the Environment Agency work closely with partners in local and central government to finalise the draft strategy document, which is planned to be taken forward to a public consultation in 2019.

Looking at long term scenarios a map showing the 2115 future breach hazards for the coastal floodplain of Lincolnshire during the 0.5% tide is attached in Annex 1. This map shows the level of flood hazard to people (called a hazard rating) if our coastal and tidal flood defences are breached. The hazard rating depends on the depth and velocity of floodwater in different locations. The map is based on computer modelling of simulated breaches at intervals along the coastline but does not show the likelihood of breaching, only the consequences once breaching has taken place. Coastal defences provide a good standard of flood defence but a risk of breaching remains and this map illustrates the importance of having long term plans for coastal Lincolnshire.

While work is undertaken to finalise the draft strategy, planning continues for the 2019 beach nourishment campaign which will protect the sea defences and to manage the risk of flooding to communities across the Lincolnshire coast. For further information on the revised strategy please see [Saltfleet to Gibraltar Point Strategy](#)

Environmental betterment

Intrinsically linked to our approach around water management is the provision to enhance amenity benefits and environmental betterment. This approach is demonstrated by the **South Lincolnshire Fenlands partnership**. The partnership is a group of organisations, land managers and community

representatives all with an interest in enhancing and protecting the unique and special qualities of the cultural, natural and **historical heritage historic environment** of the Lincolnshire Fenlands. The area covered by the project lies between Bourne, Spalding, and Market Deeping and includes the villages of Baston, Langtoft, Thurlby Fen, Tongue End and Twenty. The Project Officer facilitates and engages a broad spectrum of people from land owners and local residents to politicians and national statutory bodies to discuss approaches to managing natural assets in a changing world to secure benefits for wildlife and people. This area is low lying with rich farming soils and astonishing amounts of water flowing through courses, some of which are rich in botanical diversity and rare fauna. As the impacts of climate change become more apparent, then the partnership's role in finding solutions of a landscape scale approach to water management for people and wildlife will increasingly become more critical.

Over the past six years Lincolnshire risk management authorities and partners have adapted to ever-changing and growing pressures, learning lessons through collaboration and continuously seeking to evolve. Funding will remain one of the key challenges faced in delivering the aspirations of this strategy. The current national six-year capital investment programme ends in March 2021 and consideration is being given to what a future programme may look like. As this strategy is being reviewed Defra and Treasury are still in discussions, but this will be informed by the next Long Term Investment Scenarios (LTIS) analysis which will provide an updated view on the optimal amount to spend on flood risk management. The new analysis will build on the existing information and address a number of emerging questions and issues including high range climate change scenarios, development controls, standards of protection, property level resistance and resilience, temporary community defences, natural flood management, and risks to infrastructure.

These current uncertainties mean it is as ever important for Lincolnshire organisations to pull together to seek collaborative solutions to address these challenges and continue to seek innovative and forward thinking methods to do so.

Wrangle Sea Banks

This £1.8million project, completed in September 2018, was the first major improvement to coastal flood defences in the area for over 30 years. Over 3,400 hectares of prime grade one farmland, and 460 domestic and industrial properties in this area of the Wash are now better protected, thanks to the co-ordinated efforts of flood risk management authorities and local landowners.

An Environment Agency review in 2012 had identified a 5km stretch of the Wash sea defences near the village of Wrangle, as particularly vulnerable, with the lowest sea banks along the Wash frontage, and only a single line of defence.

Witham Fourth District IDB (W4IDB) agreed to be the lead risk management authority on the project as they were able to deliver efficiencies using local landowner agreements and local contractors. This partnership approach, combined with the number of households and businesses protected, enabled an application of support through £1.3 million of DEFRA and half a million pounds of EU funding.

The project involved re-profiling the sea banks and raising them to over 7 metres high, with a 1 in 3-rear slope leading to a soke dyke to cope with future over-topping. During high tides, these accommodate the water that permeates up through the ground and during heavy rainfall, they enable surplus water to flow to the W4IDB managed pumping stations. This also enabled at least 10 hectares of habitat creation behind the banks including grassland and semi-wetland habitats. Landowners contributed around 40 linear metres of farmland to provide the spoil to re-profile the sea banks.

It was the tidal surge of December 2013, again breaching the main line of defence as it had 60 years earlier, that galvanised farmers and landowners to push for action. W4IDB were by partner representatives from Lincolnshire County Council, landowners, EA and Natural England to deliver the project.



7 Delivering the strategy

Vision

Our vision statement for working in partnership to tackle flood risk and water resource issues to 2050

"Working in partnership for a resilient future"

In order to work towards this vision, the partnership has developed and agreed a new set of high-level aims. These aims take account of changes and developments since 2012 in how we consider the effective management of water and flood risk whilst recognising the ambition to seek wider benefits for Lincolnshire in not only flood risk but broader water resource issues.

In collectively developing these aims, the partnership is clear that a 'do nothing' approach is clearly not an option. Climate change will bring significant challenges for both flood risk (such as rising sea levels and more extreme weather events) and water resources issues (i.e. drought). Water is the essential component that brings organisations together to seek a resilient future to the extreme challenges we face. Through partner and stakeholder engagement the following themes are considered key in moving forward to deal with these challenges.

Catchment based approach

Currently when taking a strategic approach to managing water such as management of flood risk, water resources provision and land drainage this is largely looked at in isolation. In adopting a holistic view of the management of water it is possible to provide multiple benefits to the environment, businesses and communities by managing water sustainably through a whole catchment approach. As indicated through the innovative approaches being looked at as part of the WRE initiative in the South Forty Foot catchment and the pilots which formed part of the PACM project the lessons learned will provide a sound evidence base that can be tested on catchments in other areas. Ultimately the ambition is to cover all catchments (both rural and urban) within the county as well as maximizing opportunities with other neighbouring authorities encouraging cross boundary working.

Ecosystem services

The natural environment is one of Lincolnshire's greatest strengths. If the ecosystem services that the natural environment provides are restored and recreated across the county, and delivered in a sympathetic way, it is possible to combine effective flood risk and water resource management solutions.

In certain situations adaptations to existing, or new, environmental features can improve flood defence through an increase in capacity to store water (both for flood risk management and irrigation), improve connecting habitat, improve water quality and accommodate leisure and tourism activities. All of these have the added value of bringing economic benefits to the area. **To align with proposals set out in the draft national FCERM strategy it is recommended that, where possible, Risk Management Authorities in Lincolnshire will seek to achieve biodiversity net gain in all programmes and projects. They will seek to work with developers and planners to achieve environmental net gain as part of strategic development proposals and will use lessons learned from pilot projects to expand and mainstream working with natural processes.**

Strategic thinking on land use planning

Our approach to land use planning will become even more critical moving forward to balance the challenges faced from flood risk and managing water resources. Planned for, and managed in a sustainable way, this will aid in securing economic growth and environmental enhancement but there are likely to be challenges meeting different government targets. The partnership will build on its influencing role and ensure it is in a strong position in negotiating key policy developments. Conserving and enhancing the natural, built and historic environment in Lincolnshire will also be a key consideration when addressing land use planning in the county. **The draft National Flood and Coastal Erosion Risk Management Strategy emphasis the need to develop local resilience to flood risk and climate change. Delivering this aspiration strategically for Lincolnshire could include a variety of approaches, ranging from more traditional coastal management techniques through to long term evolution of some communities to focus their future development towards lower risk locations or with greater provision for resilience in the event flood risk events.**

Asset management

It is recognised that there is a need to have a joint approach to resolving issues with obsolete legacy assets such as old navigation assets (**subject to navigation rights**), weirs, outfalls, embankments and culverts. These are currently maintained by Risk Management Authorities and consideration needs to be given, where appropriate, to decommission or transferring assets to a more appropriate body. The recent rationalising the main river network project highlighted the success of this approach which can lead to the streamlining of operations, make efficiency savings and bring opportunities to achieve more for the environment. **New guidance is currently being developed in this area. Practical approaches to transfers or decommissioning of FCERM assets is due for publication in early 2020. In assessing such assets it should be considered that some may be heritage assets (both designated and undesignated) which should be considered when decommissioning or transferring.**

Establish an evidence base for Lincolnshire

Flood risk management authorities in Lincolnshire have been recognised by government as among those leading nationally in the development of

partnership and co-ordination through the creation of the Lincolnshire flood risk and water management partnership. These same authorities, along with other stakeholders, are determined that such recognition is maintained through our broader aspirations around water management in the whole.

To ensure Lincolnshire remains at the forefront of such activities it is essential a sound proof and evidence base is developed to demonstrate how we will collectively face the flood risk and water resource challenges in our region. Agri-food, housing growth, tourism, the environment, **historic environment** and energy sectors are all nationally strategically important within the county and will be a priority for investment and infrastructure needs in the future. All are highly reliant on water to function effectively whether it be protection from the risk of flooding and tidal inundation or the need to have a guaranteed supply of water. A supporting evidence base will be key in lobbying government and engaging key stakeholder groups to ensure we achieve the support and backing to deliver against our aims.

As a result of partner and stakeholder engagement, four aims have been developed. Outlined below, they will be the key drivers for the delivery of this strategy.

Aim	Key area of focus	How this will be achieved
Aim 1.	To move from flood risk management to cover water management	<p>To have clear objectives for supporting and developing linkages between effective water management and securing economic growth and environmental enhancement</p> <p>To have a greater emphasis on managing water in catchments, both locally and at a strategic level</p> <p>To promote a greater mix of measures including water retention & attenuation and natural flood risk management methods</p>
Aim 2.	To develop a more strategic approach to development and land use planning	<p>To have alignment with major regional and national strategic infrastructure initiatives, particularly involving water resources linking flood risk solutions with improved resilience to drought.</p> <p>To have a greater integration of flood risk and water resource management with local planning policy</p>

		<p>development</p> <p>Conserving and enhancing the natural, built and historic environment in Lincolnshire will also be a key consideration when addressing land use planning in the county</p> <p>To ensure the effects of climate change are included in long term planning for flood risk and water resources</p> <p>Risk Management Authorities will invest in planning skills and capabilities to ensure they can advise planners and developers effectively to enable climate resilient places</p> <p>To better align long term planning for flood and coastal change with water company business planning cycles to identify opportunities for managing both floods and droughts</p>
Aim 3.	To build on the existing strong profile of the Lincolnshire Partnership ensuring it has a strong influencing role	<p>To ensure awareness of the partnership is maintained with proactive engagement regionally and nationally in key policy developments</p> <p>To proactively support national initiatives that can enhance local approaches to flood risk and water management such as IDB boundary extension</p> <p>To build a proof and evidence base to government and key stakeholder groups that support the ambitions of the partnership</p>
Aim 4.	To build and develop key lines of communication to promote the aims, ambitions and achievements of the Lincolnshire Partnership	<p>To Develop a public and stakeholder communications & engagement strategy</p> <p>To develop a partnership action plan detailing key priorities moving forward</p>

Strategic Outcomes: what will be in place when the vision is achieved

- 1 **Efficient and innovative delivery** - Existing resources will be used in the most efficient way possible. We will attract as much external funding as possible, and will secure new resources locally and nationally.
- 2 **Meeting local needs** - The Lincolnshire Flood Risk and Water Management Partnership will work with local communities to develop flood risk and drainage management services that meet local needs.
- 3 **Increased awareness and resilience** - Local communities and businesses will be more aware of flood risk, and with the help of public authorities, will take steps to protect themselves and become more resilient through individual and community action.
- 4 **Safe development** - Planning and development control across the county will take account of all forms of flood risk and sustainable drainage; inappropriate development in areas of high flood risk will be minimised
- 5 **Thriving environment and economy** - Flood risk, water management and future development will contribute to better water quality, wider environmental benefits, sustainable growth and overall resilience to the effects of climate change and sea level rise.
- 6 **Enhanced rural economy** - The Lincolnshire Flood Risk and Water Management Partnership will continue to lobby government for a fairer deal for the rural economy in the county with regard to flood risk activities and supporting economic growth
- 7 **Adapting to a changing future** - Adaptive planning against the effects of climate change will be a key factor in all future planned flood risk mitigation works by the Lincolnshire Flood Risk and Water Management Partnership
- 8 **Delivering multiple benefits** - The Lincolnshire Flood Risk and Water Management partnership will focus on the key issues it believes Lincolnshire faces in terms of water, both flood and drought, and seek long term solutions to support the coast, agri-food, a catchment based approach and urban areas

Strategic Objectives: how we will arrive at our vision and outcomes

- The Lincolnshire Flood Risk & Water Management Partnership will seek to develop new and innovative ways of funding flood risk and water

management activities and build on current successes in maximizes national funds and delivering efficiencies.

Outcomes 1, 2, 4, 6

- The Lincolnshire Flood Risk & Water management Partnership will proactively engage with partners and stakeholders to establish effective policy and delivery approaches for the future management of the Lincolnshire coast by 2021.

Outcomes 1, 2, 3, 4, 5, 7, 8

- Lincolnshire flood risk management authorities will work closely with the Greater Lincolnshire LEP to deliver the plan of increasing the value of the local economy by £3.2bn by 2030. Water management is fundamental to the growth of the economy, the environment, quality of life and food security.

Outcomes 1, 2, 4, 5, 6

- By 2025, in collaboration with Water Resources East, water resilient solutions to flood risk, drought and water supply will have been developed for south Lincolnshire.

Outcomes 1, 4, 5, 7, 8

- Lincolnshire flood risk management authorities will work together to explore and develop a catchment based approach to delivering flood risk and water management schemes by 2023.

Outcomes 1, 2, 3, 5, 7, 8

- Risk management authorities in Lincolnshire will work closely with developers and local planning authorities to ensure future development is located appropriately and takes account of suitable flood risk mitigation measures

Outcomes 2, 3, 4, 5, 7

- Working in collaboration with other partners and stakeholders, the Lincolnshire Flood Risk & Water Management Partnership will develop a proof and evidence base to government to support our strategic aims by 2021.

Outcomes 5, 6, 7, 8

- A public and stakeholder communications and engagement strategy will be developed by 2020 to develop key lines of communication to promote the aims, ambitions and achievements of the Lincolnshire Partnership .

Outcomes 2, 3, 4

- The common works programme will continue to be reviewed and updated on an annual basis and remain the key source of information on flood risk and water management activities undertaken by risk management authorities in Lincolnshire.

Outcomes 1, 2, 5, 7, 8

Collectively our combined aim is that by 2050 Lincolnshire will be an area resilient to flood risk and water resources issues with a long term strategic vision delivering local benefits.

Strategy review process

Delivery of the strategy will be managed by the Lincolnshire flood risk and water management partnership, with regular progress reports against targets to the management group, and from there to strategy group and the scrutiny committee.

The strategic delivery common works programme will continue to be reviewed annually, and the strategy as a whole will be subject to a five-yearly review process, including full public involvement, to ensure it is kept up-to-date, takes account of objectives achieved, and continues to maintain a focused forward programme at strategic, tactical and operational levels.

The Lead Local Flood Authority will be responsible for ensuring that monitoring and reviews are undertaken according to plan, but the partnership as a whole will contribute to the review and refresh of the strategy.

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8 Find out more

This strategy is available online at:

www.lincolnshire.gov.uk/floodrisk

Hard copies are available on request. Postal enquiries should be sent to:

Joint Lincolnshire Flood Risk and Water Management Strategy
Lincolnshire County Council
Place Directorate
Lancaster House
36 Orchard Street
Lincoln
LN1 1XX

Email enquiries should be sent to

FloodAndWaterStrategy@lincolnshire.gov.uk

For telephone enquiries please contact (01522) 782070

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9. Glossary

Assets	Structures or a system of structures used to manage flood risk.
Catchments	An area that serves a river with rainwater. Every part of land where the rainfall drains to a single watercourse is in the same catchment.
Defences	A structure that is used to reduce the probability of floodwater or coastal erosion affecting a particular area (for example a raised embankment or sea wall)
Defra	Department for Environment, Food and Rural Affairs
GLLEP	Greater Lincolnshire Local Enterprise Partnership
Groundwater	Water which is below the surface of the ground and in direct contact with the ground or subsoil.
IDBs	Internal Drainage Boards
LLFA	Lead Local Flood Authority (Lincolnshire County Council)
Local flood risk	Flood risk from sources other than main rivers, the sea and reservoirs, principally meaning surface runoff, groundwater and ordinary watercourses.
LPA	Local Planning Authority
Main river	A watercourse shown as such on the Main River Map, and for which the Environment Agency has responsibilities and powers
NFM	Natural Flood Management
Ordinary watercourses	All watercourses that are not designated Main River, and which are the responsibility of Local Authorities or, where they exist, IDBs.
Resilience	The ability of the community, services, area or infrastructure to withstand the consequences of an incident.
Risk	Measures the significance of a potential event in terms of likelihood and impact.

RMA	Risk Management Authorities
Source	The origin of a hazard (e.g. heavy rainfall, strong winds, surge etc).
Surface runoff	Rainwater (including snow and other precipitation) which is on the surface of the ground (whether or
WRE	Water Resources East

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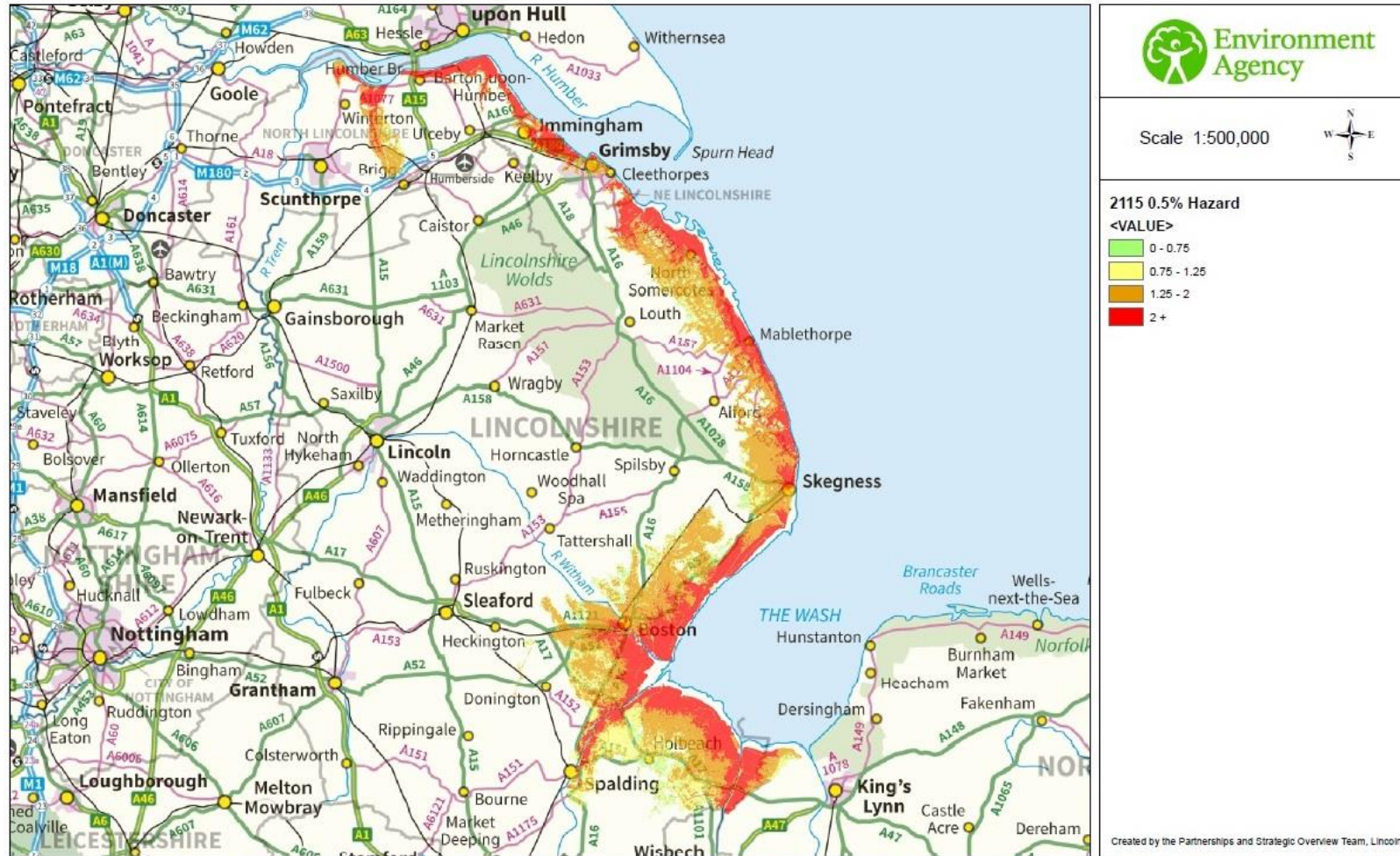
10. Key strategies and initiatives developed since 2012 that will influence our strategic approach within Lincolnshire

- Current review of National Flood Risk and Coastal Erosion Management Strategy
- Humber Estuary Strategy
- Current national review of Shoreline Management Plans
- Saltfleet to Gibraltar Point Strategy
- Wash Banks Strategy
- Partnership Approach to Catchment Management
- Flood Plan for Lincolnshire (Emergency Response)
- Water Resources Management Plan
- Water Resources East Initiative
- Local Planning Policy – Local Plans
- GLLEP Strategic Economic Plan
- GLLEP Water Management Plan
- GLLEP Energy Strategy for Greater Lincolnshire
- National and Local Industrial Strategies
- Defra 25 Year Environment Plan
- **LCC Waterways Development Plan 2018-2028**

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Annex 1

Coastal Hazard Breach Map - 2115 / 0.5% scenario - created August 2019



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Lincolnshire flood risk and water management partnership



Joint Lincolnshire Flood Risk and Water Management Strategy 2019-2050

Strategic Vision

Contents

- 1. Introduction**
- 2. The Lincolnshire flood risk and water management partnership**
- 3. Future look**
- 4. Delivering the strategy**
- 5. Find out more**
- 6. Glossary**
- 7. Key strategies and initiatives developed since 2012 that will influence our strategic approach within Lincolnshire**

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1 Introduction

Reviewing the existing Joint Lincolnshire Flood Risk and Drainage Management Strategy

Lincolnshire County Council is the Lead Local Flood Authority (LLFA) for the administrative county of Lincolnshire. Because of this role, since 2010 the Council has been responsible for implementing and monitoring a local flood risk management strategy.

The purpose of the strategy is to manage the impact of flood risk to people, businesses and the environment across Lincolnshire. The basic contents of the Strategy are outlined in legislation as follows:

- The risk management authorities operating in the LLFA's area
- The flood risk and coastal erosion functions that may be exercised by those authorities relating to the area
- Objectives for managing flood risk in the area
- Measures proposed to meet those objectives
- How and when the measures are to be implemented
- Costs and benefits of the measures and how they are to be paid for
- Assessment of local flood risk (meaning from surface runoff, groundwater and ordinary watercourses)
- How and when the strategy is to be reviewed
- How the strategy contributes to the achievement of wider environmental objectives

In developing the strategy, the LLFA must consult the public and risk management authorities that may be affected by the strategy. The strategy must be consistent with the National Flood Risk and Coastal Erosion Management Strategy and the LLFA must publish a summary of the strategy, including guidance about the availability of relevant information.

In Lincolnshire our strong partnership approach meant that we were able to put together our Strategy as a joint venture between all the organisations with a role in flood risk management. Completed in 2012, the Joint Lincolnshire Flood Risk and Drainage Management Strategy was one of the first of its kind in the country. It also established a trend that has grown since to join up the work of different organisations, and to tackle flood risk and water in a more co-ordinated way than in the past.

The existing Joint Lincolnshire Flood Risk and Drainage Management Strategy was developed as a partnership venture during 2011 and 2012, and was approved for the County Council by the Executive on 4 December 2012 and by Full Council in January 2013. Part 3 of the Strategy, the action plan, was made available from April 2013 and continues to be updated annually. As a consequence Lincolnshire was one of the first areas in England to publish and implement a Local Flood Risk Management Strategy, and was forward looking in implementing a strategy that sought to co-ordinate the work of all risk

management authorities within the area and to consider flood risk in the round.

In effect, the strategy co-ordinates all the work delivered by the Lincolnshire flood risk and water management partnership as a whole, overseen by the flood risk and water management scrutiny committee.

This co-ordinated approach was embedded by establishing the common works programme in 2013. This includes the major capital programmes of all partners, as well as the programme of joint activities that address solutions where responsibility is shared or where there is no clear single authority with the capacity or responsibility to act. The common works programme allows the partnership to prioritise works across the county according to need, and within the constraints imposed by availability of local and national funding.

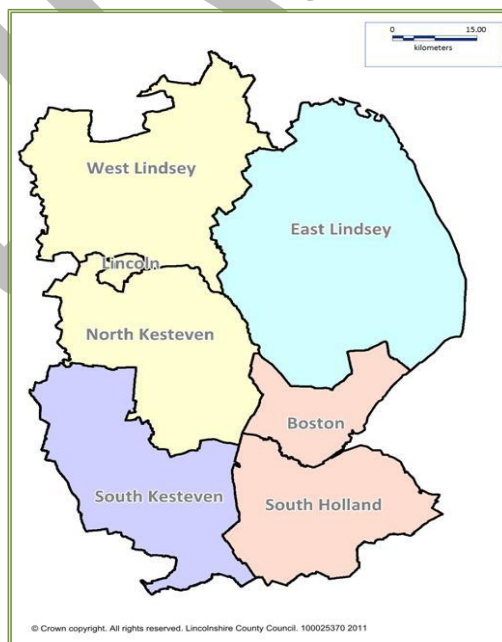
The current strategy consists of

- Part 1: strategic vision (including high level objectives)
- Part 2 (A & B): implementation plan for the strategy
- Part 3: common works programme (annually updated action plan)

It can be found in full on the Lincolnshire County Council website at the following link:

<https://www.lincolnshire.gov.uk/residents/environment-and-planning/flood-risk-management/implementing-management-strategy/103045.article>

Figure 1 Map of Strategy area showing district authority boundaries



2 The Lincolnshire flood risk and water management partnership

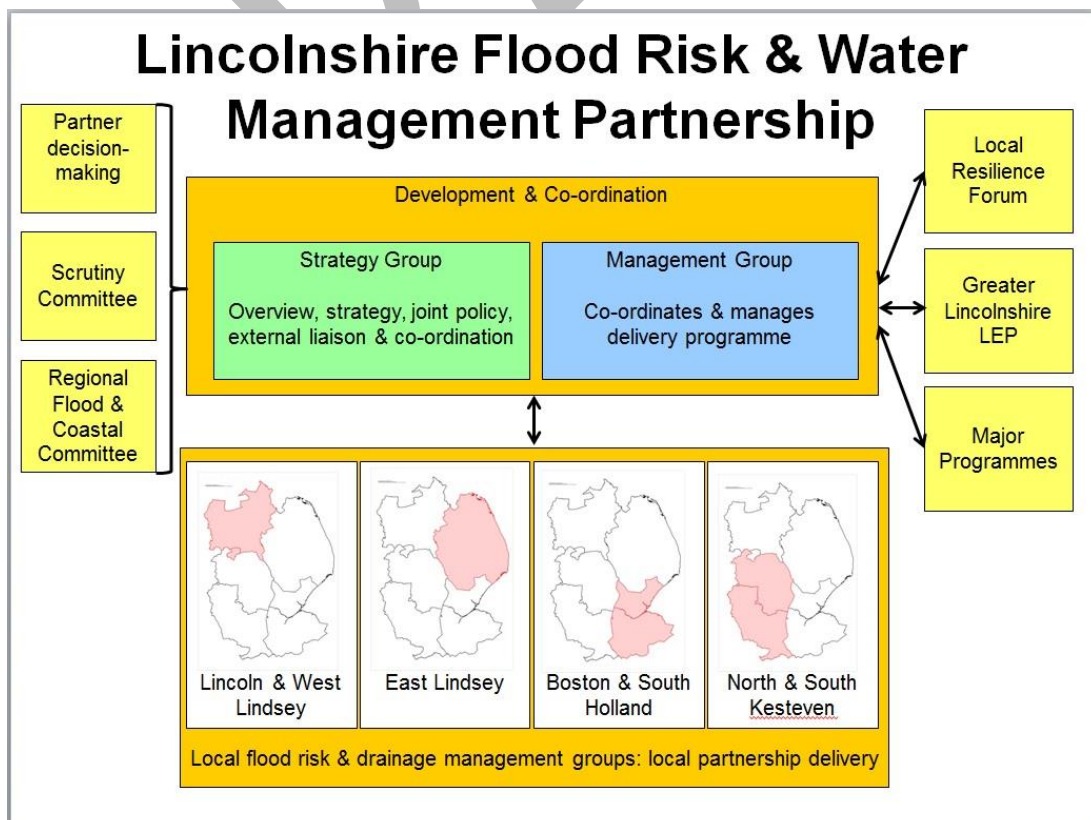
The Lincolnshire flood risk and drainage management partnership was established in 2010 in advance of the Flood Risk and Water Management Act (2010). It was created in order to provide the level of co-ordination needed to develop the joint strategy described above.

Since 2012 flood risk management has increasingly been recognised as an integral part of a wider issue of managing water as a resource that is essential to economic growth nationally and, particularly, in the east of England. To recognise this, a review of the existing partnership role and structure was undertaken during 2017/18. As a result, the partnership now includes wider water interests. Water Resources East (WRE), a regional initiative looking at water availability from a multi-sectoral position and the Greater Lincolnshire Local Enterprise Partnership and its water management board are now full members.

The revised governance and functions of the Lincolnshire Flood Risk & Water Management Partnership can be found at the following link

<https://www.lincolnshire.gov.uk/residents/environment-and-planning/flood-risk-management/implementing-management-strategy/103045.article>

Figure 2 The Lincolnshire flood risk and water management partnership



When determining priorities and actions, the Lincolnshire flood risk and water management partnership directs its resources to areas where there is the greatest need, and where investment will bring the greatest benefits. As such investment is considered in the round by attempting to take a truly systemic view of the water cycle to include economic benefits it supports and unlocks.

The partnership has reviewed the key issues it believes Lincolnshire faces in terms of water. This includes flood and drought and the associated economics. It aims to work with communities to develop long term resilience to the impacts of climate change and sea level rise. It also seeks to develop new and innovative ways of funding the work that will need to be delivered to achieve this.

The partnership will focus on locations which exemplify these issues or themes and will facilitate discussions across partners, businesses, communities and central government as to how to best tackle these issues in the long term.

These locations are shown on the map in Figure 3 overleaf.

Coastal Lincolnshire

Lincolnshire's open coast is subject to significant flood risk from tidal inundation. It is protected by a mix of defences which are described in the Environment Agency's Saltfleet to Gibraltar Point strategy. Located immediately behind these defences are large communities, businesses, infrastructure and tourist attractions.

Our ability to support these communities and interests to grow sustainably brings together a great number of partners and policies. These include land use planning, infrastructure provision and flood risk. The partnership aims to bring these concerns together to deliver a sustainable plan and vision for our open coastline.

Agriculture

Agriculture and the agri-food Industry are vital to a thriving Lincolnshire economy. It is dependent on the provision of clean water and the drainage of land. At present these concerns are not linked through strategy or policy. Moreover agricultural land does not attract as much government grant for flood risk protection as housing, while currently rates for drainage are subject to the local authority council tax cap. As such the partnership has two aims. To raise the importance of our contribution to the agricultural production of the UK in a post Brexit Britain and to ensure policies reflect the need to adequately fund land drainage and flood protection for agricultural land.

Catchment based approach

Current strategic approaches to managing water are delivered generally in silos. This separates the management of flood risk, water resource provision and land drainage. By taking an holistic view of the management of water we believe it is

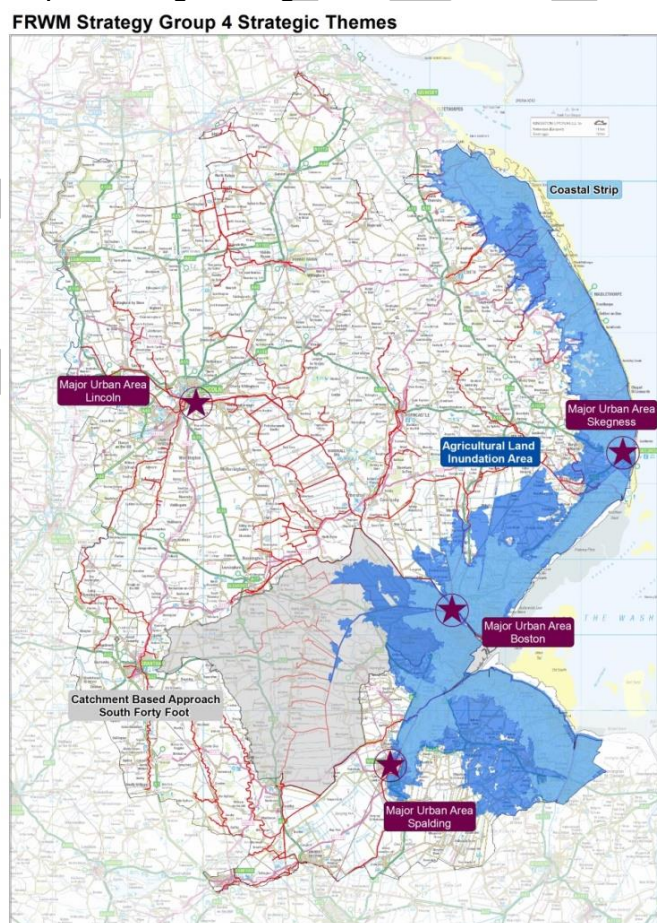
possible to provide multiple benefits to the environment, businesses and communities. The governments' 25 Year Environment Plan identifies that land should be used and managed more sustainably and this approach will be tested in the south forty foot catchment under the South Lincs water partnership (SLWP) supported by the Lincolnshire flood risk and water management partnership.

Urban areas

Major urban areas provide a particular challenge. Flood risk arises from a number of sources including surface water, sewers, rivers and the sea. Growth and economic development can often be focused here. Our aim is to collectively manage these risks whilst allowing our urban centres to flourish and grow sustainably.

The map below shows these areas. The partnership aims to show ambition and determination to bring the necessary stakeholders and policy makers together to deal with the challenges facing Lincolnshire and build sustainable, resilient and thriving communities and economies. It must also be remembered that the partnership co-ordinates day to day operational works throughout the county to manage the risk from all sources of flooding. The current programme of these works can be in Part 3 of the current strategy found [here](#).

Figure 3 Map showing strategic themes / locations



The history of the Lincolnshire flood and water management partnership, means it has developed a key role in managing flood risk in particular. This includes deploying resources and co-ordinating risk across a range of partners and risk management authorities.

The type of action that will be undertaken to manage flood risk and drainage will depend on the severity of the risk in each circumstance, including factors such as the likelihood of flooding, the level of danger posed by flooding, its impacts and the physical and economic feasibility of implementing a specific scheme or activity.

Since 2012 flood risk management authorities in Lincolnshire have been very successful in securing national funds for works, known as 'Grant in Aid' and funding provided by the Government to the Environment Agency allocated at regional level by the Regional Flood and Coastal Committee. This is also true of funds raised locally (called 'Local Levy') and provided to the Environment Agency by Lincolnshire County Council.

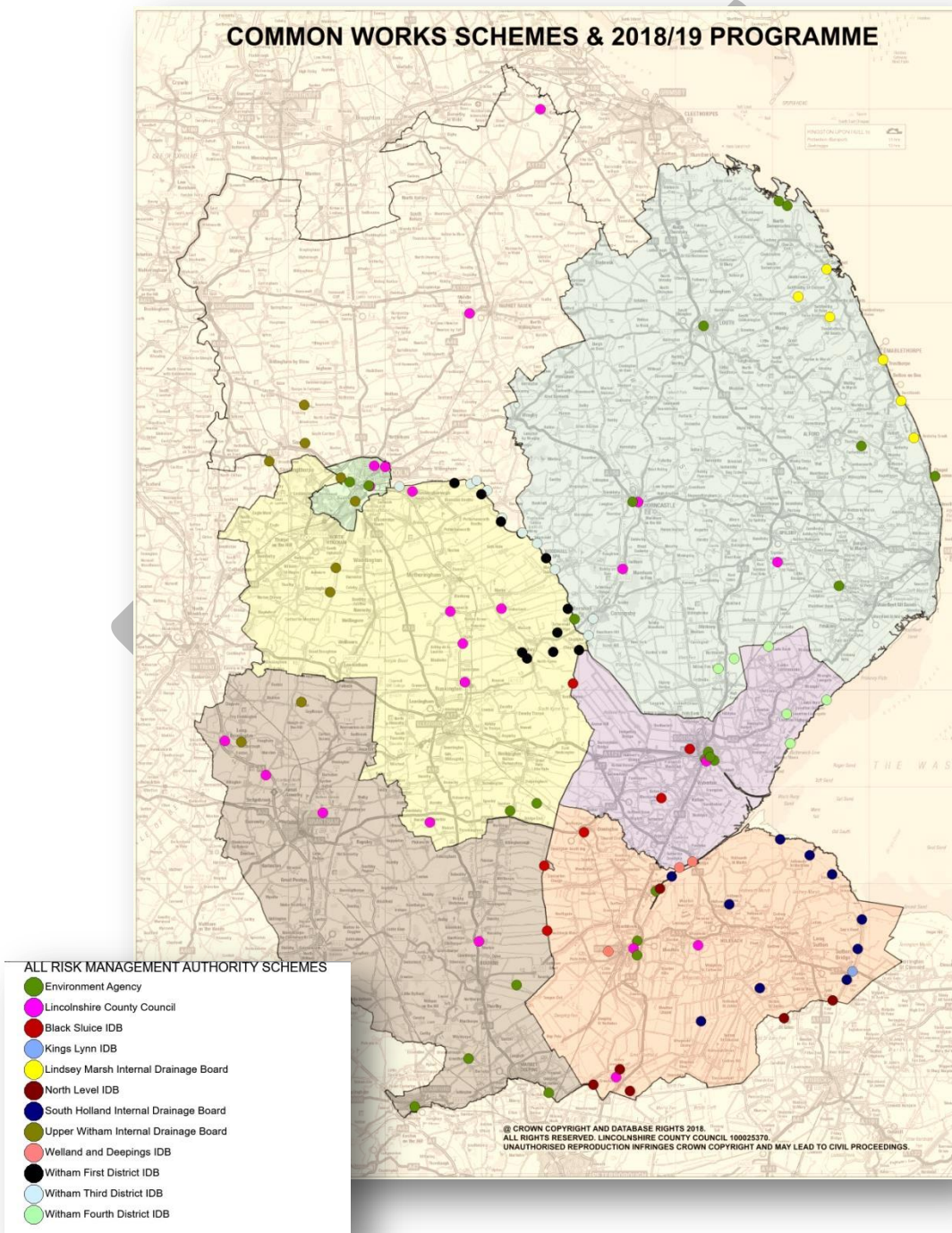
Figure 4



Many of the flood risk management activities undertaken are already the responsibility of individual organisations, such as the maintenance of an organisation's own assets, or the fulfilment of particular legal obligations. The common works programme includes schemes, works and other initiatives undertaken by flood risk management authorities across Lincolnshire where, in

some cases, two or more authorities have come together through the Lincolnshire partnership to deliver work that would not have been possible, or would have taken longer to achieve, if undertaken by one organisation alone. The common works programme is refreshed annually with all risk management authorities retaining the flexibility to respond to schemes and works needs as they arise. By combining resources, partners have been able to attract inward investment at a national level and raise the priority of proposed schemes regionally

Figure 5 Location of partnership works that have received national funding and been delivered by Lincolnshire risk management authorities since 2012



3 Future look

Overall the Lincolnshire partnership will maintain its key role within the county and build on its ability to galvanise support and consensus around key strategies, economic growth and influence central government. The work of the partnership and delivery of the our strategic aims is far from complete and significant challenges and opportunities lie ahead.

Climate change

It is widely accepted that climate change is occurring and will affect our weather patterns. Climate change poses a major challenge in our planning, adaptation and resilience to managing flood risk and water resource issues in Lincolnshire. In November 2018 the Met Office published its projections for future climate change - **UK Climate Projections 2018 (UKCP18)**, which are the first major update to the UK's national climate change projections for nearly 10 years. The information available will help government, business and other interested parties to assess the challenges and opportunities we face from our changing climate.

In the most part trends show that the UK climate is continuing to warm and that sea levels continue to rise. We need to take into account however that these latest predictions were released whilst this strategy was being reviewed and therefore due to the complexity of the new projections, it is likely to be some time before clear guidance emerges as to what this may mean for Lincolnshire in respect of both land use planning and scheme/ project development. Some of the headline findings that have been identified are summarised below.

Overview

By the end of the 21st century, all areas of the UK are projected to be warmer, more so in summer than in winter.

Hot summers are expected to become more common.

Rainfall patterns across the UK are not uniform and vary on seasonal and regional scales and will continue to vary in the future.

A new set of marine projections show that sea level around the UK will continue to rise to 2100 under all emission pathways.

There is now no doubt the continuation and likely increase in the weather extremes will provide significant challenges in managing flood risk and water resources in the future, with examples of some of the variances highlighted below.

Some Key findings from UKCP18

The average temperature over the most recent decade (2008-2017) has been on average 0.3 °C warmer than the 1981-2010 average and 0.8 °C warmer than the 1961-1990 average. Nine of the ten warmest years have occurred since 2002.

The most recent decade (2008-2017) was around 1 °C warmer than the pre-industrial period (1850-1900). This temperature rise in the UK is consistent with warming that has been observed at a global scale, of around 1 °C since the pre-industrial period.

Summers in the UK, for the most recent decade (2008-2017), have been on average 17% wetter than 1981-2010 and 20% wetter than the 1961-1990 average. However, very long-period natural variations are also seen in the longer observational record.

Total rainfall from extremely wet days (days exceeding the 99th percentile of the 1961-1990 rainfall) has increased by around 17% in the most recent decade (2008-2017), for the UK overall. However, changes are largest for Scotland and not significant for most of southern and eastern England.

Mean sea level around the UK has risen by about 16 cm since the start of the 20th century (when corrected for land movement).

The pattern of sea level rise is not uniform across the UK. Sea level rise is less in the north and more in the south, this is mainly due to the movement of land, up and down.

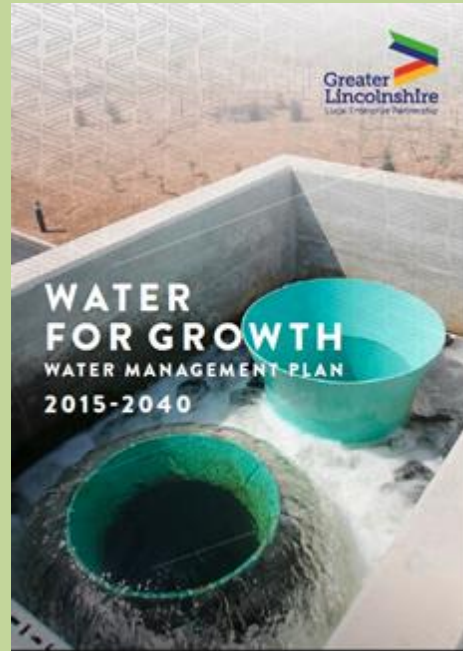
We can continue to expect increases to extreme coastal water levels driven mainly by increases in mean sea level rise, although we cannot rule out additional changes in storm surges.

Recent developments in Lincolnshire

Since 2012 flood risk management has increasingly been recognised as an integral part of a wider issue of managing water as a resource that is essential to economic growth nationally and, particularly, in the east of England. The Greater Lincolnshire Local Enterprise Partnership (GLLEP) has recognised the importance of managing water in this way through its Water Management Plan (2016), which incorporates key strategic flood risk management issues where they can directly support or influence the growth agenda. This has particular relevance in Lincolnshire because of the importance of sustainable water supply and resilience to major sectors of the county's economy, notably with regard to agri-food and the visitor economy.

Greater Lincolnshire LEP's Water Management Plan 2015-2040

The strength of an existing long-standing Partnership working in flood risk management in Greater Lincolnshire provides an opportunity to develop this further and to drive links with organisations responsible for water supply and management. The aim is for Greater Lincolnshire to be seen as a national exemplar for water management, in both flood reduction and water supply, and to act as an incentive for investors in the LEP's priority sectors of Agri-food, visitor economy and manufacturing & engineering. This will enable effective water management to be a positive contributor to economic growth.



In achieving this aim, the LEP believes that close collaboration with the neighbouring Humber LEP, Greater Cambridge and Greater Peterborough LEP, and the New Anglia LEP is essential, as these areas share many important economic challenges and opportunities. Because of this, the Greater Lincolnshire LEP has established a Water Management Board and launched a Water Management Plan.

Greater Lincolnshire faces significant challenges from the risk of flooding and future availability of water. Around 45% (2,843km²) of Greater Lincolnshire lies within the floodplain - representing 17% of England's total floodplain area - and has been affected by a number of significant coastal and inland floods, most notably in 1953, 2007, 2012 and 2013.

The Greater Lincolnshire area is also one of the driest in the country and is prone to drought. The two dry winters experienced in 2010/11 and 2011/12 demonstrated the challenges and raised awareness of the need to adapt to this element of our changing climate. In April 2012, the second of these two dry winters was followed by an exceptional summer which led to significant problems for our priority sectors and illustrates the need to prepare for more weather extremes.

The importance of water management in Greater Lincolnshire and its established expertise in managing flood risk, a critical part of the solution, provides an opportunity to explore innovative approaches across the whole range of water management activities. No other part of the country is taking this comprehensive approach or has identified water management as so essential a factor in bringing about economic growth.

Find out more at;

<https://www.greaterlincolnshirelep.co.uk/documents/water-management-plan/>

Water resources

A related development is the growing importance of water resource management since major droughts (interspersed with significant surface water flooding events) in 2012 and 2013. Flood risk is increasingly seen as part of a bigger picture that includes resilience to drought and planning for sufficient supplies of water where and when it is needed. This future planning for water availability has led to further consideration of potential opportunities for strategic linkage between water resource, flood risk, growth and environmental management, as reflected in Anglian Waters draft Water Resources Management Plan. These are key elements in supporting economic growth across Lincolnshire, and of direct interest to key economic sectors in Lincolnshire and its neighbouring authorities.

Most recently, future planning for water availability has led to the Water Resources East initiative within the Anglian region and further consideration of potential opportunities for strategic linkage between water resource, flood risk, growth and environmental management. These are key elements in supporting economic growth across Lincolnshire, and of direct interest to key economic sectors in Lincolnshire and its neighbouring authorities.

Water Resources East (WRE) is a collaboration between Partners in the East of England to develop a more integrated approach to water resource planning and management.




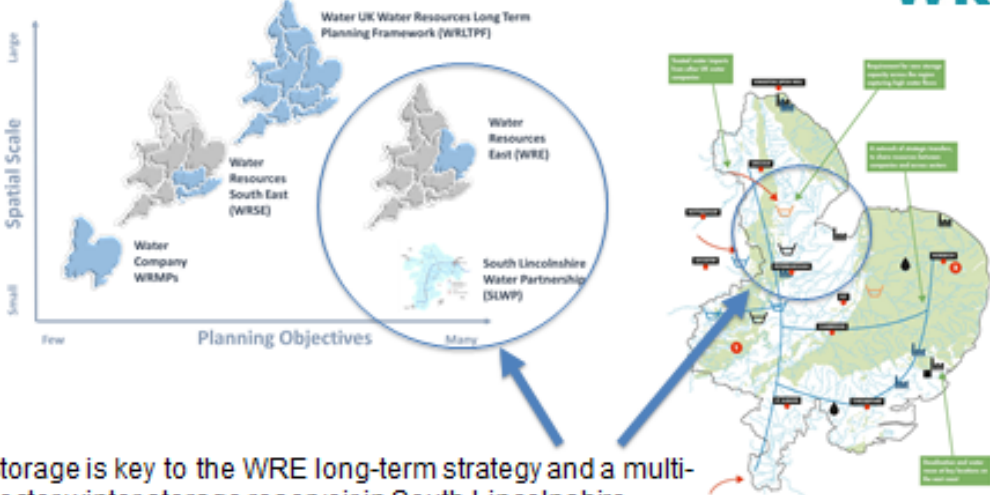
The WRE vision is for a strong economy and a flourishing environment with a purpose to build capacity in the region to deliver this. It operates at a number of different scales (see graphic overleaf):

- a) Regional: the WRE has developed the first multi-sector long-term regional water resource strategy in England using modern planning techniques. The strategy covers an area from the Humber to North London and is designed to meet the needs of the public water supply, environment, power and agricultural sectors in a future where impacts from climate change, growth and severe drought are expected but uncertain. The strategy combines far-reaching demand management, including large reductions in leakage, with a combination of new resource and transfer options. These include a multi-sector winter storage reservoir in South Lincolnshire
- b) Catchment: the WRE is working in South Lincolnshire and elsewhere to develop a partnership based water resource planning process at catchment level. This will use the techniques developed for the regional planning effort, but will apply them at local scale. In South Lincolnshire the aim is to produce a sustainable water resource strategy for an area where water supply, drought and flood risk are constraints on economic development. The project is being delivered by the South Lincolnshire Water Partnership (SLWP) and aims to ensure that future reservoir development in the area meets local economic and environmental needs, as well as the needs of the wider region, and
- c) Sub-catchment level: the WRE also works with landowners at farm and estate level to develop “Water Plans” based on the principle of Integrated Water Resource Management (IWRM). A number of these are being developed in Lincolnshire where water quality issues are being examined, along with measures to capture high flows in streams and rivers so as to reduce flood risk, increase the volume of water available for irrigation and increase the sustainability of irrigation operations

Where does the WRE fit in?

WRE works at regional and catchment level





Storage is key to the WRE long-term strategy and a multi-sector winter storage reservoir in South Lincolnshire is one of the options - the WRE needs to work at regional and catchment level to best match local and regional needs

The catchment level work of the WRE & SLWP is supporting implementation of the Environment Agency “Water Abstraction Plan”. This programme will reform the current abstraction licensing system, helping maintain abstraction at sustainable levels and improving access to the available resources.

In Lincolnshire, the WRE & the SLWP report through to the Lincolnshire Flood Risk and Water Management Strategy Group.

Emerging initiatives are supporting our approach of improved flood risk that also provides greater water resource sustainability which in turn supports economic growth. These methods also support the catchment approach in managing an area from source to sea rather than in isolation.

This broader integration of water related activities was explicitly recognised when the flood risk and drainage partnership was renamed the Lincolnshire flood risk and water management partnership in 2015. The review of partnership during 2017-18 consolidated these developments and confirmed the need to embed a wider approach in its membership and terms of reference. The review of the partnership's strategy provides the opportunity to continue this process of alignment and co-ordination and be formally recognized as the **Joint Lincolnshire Flood Risk and Water Management Strategy** to reflect the broader scope of our ambitions.

Since 2012 there has been the development and emergence of a number of local, regional and national strategies and initiatives which moving forward as a partnership we will need to take into account when considering our role in managing water more holistically within Lincolnshire. A list of these is provided on page 25 of this document.

The **25 Year Environment Plan**, published in early 2018 sets out the government's ambition to protect and enhance England's natural landscape for now and the long-term. How we manage flood and coastal risk will be a key part of how the plan is implemented and Lincolnshire's Risk Management Authorities are well positioned to take on the challenge. Collaboration between RMAs and their partners in managing all sources of flooding and coastal risk and at all spatial scales is essential if we are to achieve this and increase both the county's and our nations resilience to such pressures. [25 Year Environment Plan](#)

The Environment Agency is in the process of reviewing its **national strategy for flood and coastal erosion risk management**. It is working in partnership with RMAs and a range of other partners to form a collective vision for the future of flood and coastal risk management. The aim of this coalition of partners is to identify the initial measures needed in order to achieve a shared vision and then to deliver it together. It is encouraging that the ambitions in this emerging national strategy reflects the goals and ambitions which are set out in the Lincolnshire Flood Risk and Water Management Strategy. Formal public consultation commenced in May 2019. [Flood & Coastal Erosion Risk Management National Strategy Information](#)

In a Lincolnshire context the vital work the Environment Agency carry out along the open coast is also being reviewed as part of the **Saltfleet to Gibraltar Point strategy review**. How management of flood risk on the Lincolnshire coastline is undertaken remains vital to over 20,000 homes, approx. 24,500 static caravans, 35,000 hectares of farmland and a bustling tourist industry that lie within the strategy area.

A preferred strategy and delivery plan for flood risk management on the Lincolnshire coast over the next 100 years is being developed as the Environment Agency work closely with partners in local and central government to finalise the draft strategy document, which is planned to be taken forward to a public consultation in 2019.

Looking at long term scenarios a map showing the 2115 future breach hazards for the coastal floodplain of Lincolnshire during the 0.5% tide is attached in Annex 1. This map shows the level of flood hazard to people (called a hazard rating) if our coastal and tidal flood defences are breached. The hazard rating depends on the depth and velocity of floodwater in different locations. The map is based on computer modelling of simulated breaches at intervals along the coastline but does not show the likelihood of breaching, only the consequences once breaching has taken place. Coastal defences provide a good standard of

flood defence but a risk of breaching remains and this map illustrates the importance of having long term plans for coastal Lincolnshire.

While work is undertaken to finalise the draft strategy, planning continues for the 2019 beach nourishment campaign which will protect the sea defences and to manage the risk of flooding to communities across the Lincolnshire coast. For further information on the revised strategy please see [Saltfleet to Gibraltar Point Strategy](#)

Environmental betterment

Intrinsically linked to our approach around water management is the provision to enhance amenity benefits and environmental betterment. This approach is demonstrated by the **South Lincolnshire Fenlands partnership**. The partnership is a group of organisations, land managers and community representatives all with an interest in enhancing and protecting the unique and special qualities of the cultural, natural and **historical heritage historic environment** of the Lincolnshire Fenlands. The area covered by the project lies between Bourne, Spalding, and Market Deeping and includes the villages of Baston, Langtoft, Thurlby Fen, Tongue End and Twenty. The Project Officer facilitates and engages a broad spectrum of people from land owners and local residents to politicians and national statutory bodies to discuss approaches to managing natural assets in a changing world to secure benefits for wildlife and people. This area is low lying with rich farming soils and astonishing amounts of water flowing through courses, some of which are rich in botanical diversity and rare fauna. As the impacts of climate change become more apparent, then the partnership's role in finding solutions of a landscape scale approach to water management for people and wildlife will increasingly become more critical.

Over the past six years Lincolnshire risk management authorities and partners have adapted to ever-changing and growing pressures, learning lessons through collaboration and continuously seeking to evolve. Funding will remain one of the key challenges faced in delivering the aspirations of this strategy. The current national six year capital investment programme ends in March 2021 and consideration is being given to what a future programme may look like. As this strategy is being reviewed Defra and Treasury are still in discussions, but this will be informed by the next Long Term Investment Scenarios (LTIS) analysis which will provide an updated view on the optimal amount to spend on flood risk management. The new analysis will build on the existing information and address a number of emerging questions and issues including high range climate change scenarios, development controls, standards of protection, property level resistance and resilience, temporary community defences, natural flood management, and risks to infrastructure.

These current uncertainties mean it is as ever important for Lincolnshire organisations to pull together to seek collaborative solutions to address these challenges and continue to seek innovative and forward thinking methods to do so.

Wrangle Sea Banks

This £1.8million project, completed in September 2018, was the first major improvement to coastal flood defences in the area for over 30 years. Over 3,400 hectares of prime grade one farmland, and 460 domestic and industrial properties in this area of the Wash are now better protected, thanks to the co-ordinated efforts of flood risk management authorities and local landowners.

An Environment Agency review in 2012 had identified a 5km stretch of The Wash sea defences near the village of Wrangle, as particularly vulnerable, with the lowest sea banks along the Wash frontage, and only a single line of defence.

Witham Fourth District IDB (W4IDB) agreed to be the lead risk management authority on the project as they were able to deliver efficiencies using local landowner agreements and local contractors. This partnership approach, combined with the number of households and businesses protected, enabled an application of support through £1.3 million of DEFRA and half a million pounds of EU funding.

The project involved re-profiling the sea banks and raising them to over 7 metres high, with a 1 in 3-rear slope leading to a soke dyke to cope with future over-topping. During high tides, these accommodate the water that permeates up through the ground and during heavy rainfall, they enable surplus water to flow to the W4IDB managed pumping stations. This also enabled at least 10 hectares of habitat creation behind the banks including grassland and semi-wetland habitats. Landowners contributed around 40 linear metres of farmland to provide the spoil to re-profile the sea banks.

It was the tidal surge of December 2013, again breaching the main line of defence as it had 60 years earlier, that galvanised farmers and landowners to push for action. W4IDB were by partner representatives from Lincolnshire County Council, landowners, EA and Natural England to deliver the project.



4 Delivering the strategy

Vision

Our vision statement for working in partnership to tackle flood risk and water resource issues to 2050

"Working in partnership for a resilient future"

In order to work towards this vision, the partnership has developed and agreed a new set of high-level aims. These aims take account of changes and developments since 2012 in how we consider the effective management of water and flood risk whilst recognising the ambition to seek wider benefits for Lincolnshire in not only flood risk but broader water resource issues.

In collectively developing these aims the partnership is clear that a 'do nothing' approach is clearly not an option. Climate change will bring significant challenges for both flood risk (such as rising sea levels and more extreme weather events) and water resources issues (i.e. drought). Water is the essential component that brings organisations together to seek a resilient future to the extreme challenges we face. Through partner and stakeholder engagement the following themes are considered key in moving forward to deal with these challenges.

Catchment based approach

Currently when taking a strategic approach to managing water such as management of flood risk, water resources provision and land drainage this is largely looked at in isolation. In adopting a holistic view of the management of water it is possible to provide multiple benefits to the environment, businesses and communities by managing water sustainably through a whole catchment approach. As indicated through the innovative approaches being looked at as part of the WRE initiative in the South Forty Foot catchment and the pilots which formed part of the PACM project the lessons learned will provide a sound evidence base that can be tested on catchments in other areas. Ultimately the ambition is to cover all catchments (both rural and urban) within the county as well as maximizing opportunities with other neighbouring authorities encouraging cross boundary working.

Ecosystem services

The natural environment is one of Lincolnshire's greatest strengths. If the ecosystem services that the natural environment provides are restored and recreated across the county, and delivered in a sympathetic way, it is possible to combine effective flood risk and water resource management solutions.

In certain situations adaptations to existing, or new, environmental features can improve flood defence through an increase in capacity to store water (both for flood risk management and irrigation), improve connecting habitat, improve water quality and accommodate leisure and tourism activities. All of these have the added value of bringing economic benefits to the area. **To align with proposals set out in the draft national FCERM strategy it is recommended that, where possible, Risk Management Authorities in Lincolnshire will seek to achieve biodiversity net gain in all programmes and projects. They will seek to work with developers and planners to achieve environmental net gain as part of strategic development proposals and will use lessons learned from pilot projects to expand and mainstream working with natural processes.**

Strategic thinking on land use planning

Our approach to land use planning will become even more critical moving forward to balance the challenges faced from flood risk and managing water resources. Planned for, and managed in a sustainable way, this will aid in securing economic growth and environmental enhancement but there are likely to be challenges meeting different government targets. The partnership will build on its influencing role and ensure it is in a strong position in negotiating key policy developments. Conserving and enhancing the natural, built and historic environment in Lincolnshire will also be a key consideration when addressing land use planning in the county. **The draft National Flood and Coastal Erosion Risk Management Strategy emphasis the need to develop local resilience to flood risk and climate change. Delivering this aspiration strategically for Lincolnshire could include a variety of approaches, ranging from more traditional coastal management techniques through to long term evolution of some communities to focus their future development towards lower risk locations or with greater provision for resilience in the event flood risk events.**

Asset management

It is recognised that there is a need to have a joint approach to resolving issues with obsolete legacy assets such as old navigation assets (**subject to navigation rights**), weirs, outfalls, embankments and culverts. These are currently maintained by Risk Management Authorities and consideration needs to be given, where appropriate to decommissioning or transferring assets to a more appropriate body. The recent rationalising the main river network project highlighted the success of this approach which can lead to the streamlining of operations, make efficiency savings and bring opportunities to achieve more for the environment. **New guidance is currently being developed in this area. Practical approaches to transfers or decommissioning of FCERM assets is due for publication in early 2020 In assessing such assets it should be considered that some may be heritage assets (both designated and undesignated) which should be considered when decommissioning or transferring.**

Establish an evidence base for Lincolnshire

Flood risk management authorities in Lincolnshire have been recognised by government as among those leading nationally in the development of partnership and co-ordination through the creation of the Lincolnshire flood risk and water management partnership. These same authorities, along with other stakeholders, are determined that such recognition is maintained through our broader aspirations around water management in the whole.

To ensure Lincolnshire remains at the forefront of such activities it is essential a sound proof and evidence base is developed to demonstrate how we will collectively face the flood risk and water resource challenges in our region. Agri-food, housing growth, tourism, the environment, **historic environment** and energy sectors are all nationally strategically important within the county and will be a priority for investment and infrastructure needs in the future. All are highly reliant on water to function effectively whether it be protection from the risk of flooding and tidal inundation or the need to have a guaranteed supply of water. A supporting evidence base will be key in lobbying government and engaging key stakeholder groups to ensure we achieve the support and backing to deliver against our aims.

As a result of partner and stakeholder engagement, four aims have been developed. Outlined below, they will be the key drivers for the delivery of this strategy.

Aim	Key area of focus	How this will be achieved
Aim 1.	To move from flood risk management to cover water management	<p>To have clear objectives for supporting and developing linkages between effective water management and securing economic growth and environmental enhancement</p> <p>To have a greater emphasis on managing water in catchments, both locally and at a strategic level</p> <p>To promote a greater mix of measures including water retention & attenuation and natural flood risk management methods</p>
Aim 2.	To develop a more strategic approach to development and land use planning	To have alignment with major regional and national strategic infrastructure initiatives, particularly involving water resources linking flood risk solutions with improved

		<p>resilience to drought.</p> <p>To have a greater integration of flood risk and water resource management with local planning policy development</p> <p>Conserving and enhancing the natural, built and historic environment in Lincolnshire will also be a key consideration when addressing land use planning in the county</p> <p>To ensure the effects of climate change are included in long term planning for flood risk and water resources</p> <p>Risk Management Authorities will invest in planning skills and capabilities to ensure they can advise planners and developers effectively to enable climate resilient places</p> <p>To better align long term planning for flood and coastal change with water company business planning cycles to identify opportunities for managing both floods and droughts</p>
Aim 3.	To build on the existing strong profile of the Lincolnshire Partnership ensuring it has a strong influencing role	<p>To ensure awareness of the partnership is maintained with proactive engagement regionally and nationally in key policy developments</p> <p>To proactively support national initiatives that can enhance local approaches to flood risk and water management such as IDB boundary extension</p> <p>To build a proof and evidence base to government and key stakeholder groups that support the ambitions of the partnership</p>
Aim 4.	To build and develop key	To Develop a public and stakeholder

	<p>lines of communication to promote the aims, ambitions and achievements of the Lincolnshire Partnership</p>	<p>communications & engagement strategy</p> <p>To develop a partnership action plan detailing key priorities moving forward</p>
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Strategic Outcomes: what will be in place when the vision is achieved

- 1 **Efficient and innovative delivery** - Existing resources will be used in the most efficient way possible. We will attract as much external funding as possible, and will secure new resources locally and nationally.
- 2 **Meeting local needs** - The Lincolnshire Flood Risk and Water Management Partnership will work with local communities to develop flood risk and drainage management services that meet local needs.
- 3 **Increased awareness and resilience** - Local communities and businesses will be more aware of flood risk, and with the help of public authorities, will take steps to protect themselves and become more resilient through individual and community action.
- 4 **Safe development** - Planning and development control across the county will take account of all forms of flood risk and sustainable drainage; inappropriate development in areas of high flood risk will be minimised.
- 5 **Thriving environment and economy** - Flood risk, water management and future development will contribute to better water quality, wider environmental benefits, sustainable growth and overall resilience to the effects of climate change and sea level rise.
- 6 **Enhanced rural economy** - The Lincolnshire Flood Risk and Water Management Partnership will continue to lobby government for a fairer deal for the rural economy in the county with regard to flood risk activities and supporting economic growth
- 7 **Adapting to a changing future** - Adaptive planning against the effects of climate change will be a key factor in all future planned flood risk mitigation works by the Lincolnshire Flood Risk and Water Management Partnership
- 8 **Delivering multiple benefits** - The Lincolnshire Flood Risk

and Water Management partnership will focus on the key issues it believes Lincolnshire faces in terms of water, both flood and drought, and seek long term solutions to support the coast, agri-food, a catchment based approach and urban areas

Strategic Objectives: how we will arrive at our vision and outcomes

- The Lincolnshire Flood Risk & Water Management Partnership will seek to develop new and innovative ways of funding flood risk and water management activities and build on current successes in maximizing national funds and delivering efficiencies.

Outcomes 1, 2, 4, 6

- The Lincolnshire Flood Risk & Water management Partnership will proactively engage with partners and stakeholders to establish effective policy and delivery approaches for the future management of the Lincolnshire coast by 2021.

Outcomes 1, 2, 3, 4, 5, 7, 8

- Lincolnshire flood risk management authorities will work closely with the Greater Lincolnshire LEP to deliver the plan of increasing the value of the local economy by £3.2bn by 2030. Water management is fundamental to the growth of the economy, the environment, quality of life and food security.

Outcomes 1, 2, 4, 5, 6

- By 2025, in collaboration with Water Resources East, water resilient solutions to flood risk, drought and water supply will have been developed for south Lincolnshire.

Outcomes 1, 4, 5, 7, 8

- Lincolnshire flood risk management authorities will work together to explore and develop a catchment based approach to delivering flood risk and water management schemes by 2023.

Outcomes 1, 2, 3, 5, 7, 8

- Risk management authorities in Lincolnshire will work closely with developers and local planning authorities to ensure future development is located appropriately and takes account of suitable flood risk mitigation measures

Outcomes 2, 3, 4, 5, 7

- Working in collaboration with other partners and stakeholders, the Lincolnshire Flood Risk & Water Management Partnership will develop a proof and evidence base to government to support our strategic aims by 2021.

Outcomes 5, 6, 7, 8

- A public and stakeholder communications and engagement strategy will be developed by 2020 to develop key lines of communication to promote the aims, ambitions and achievements of the Lincolnshire Partnership .

Outcomes 2, 3, 4

- The common works programme will continue to be reviewed and updated on an annual basis and remain the key source of information on flood risk and water management activities undertaken by risk management authorities in Lincolnshire.

Outcomes 1, 2, 5, 7, 8

Collectively our combined aim is that by 2050 Lincolnshire will be an area resilient to flood risk and water resources issues with a long term strategic vision delivering local benefits.

Strategy review process

Delivery of the strategy will be managed by the Lincolnshire flood risk and water management partnership, with regular progress reports against targets to the management group, and from there to strategy group and the scrutiny committee.

The strategic delivery common works programme will continue to be reviewed annually, and the strategy as a whole will be subject to a five-yearly review process, including full public involvement, to ensure it is kept up-to-date, takes account of objectives achieved, and continues to maintain a focused forward programme at strategic, tactical and operational levels.

The Lead Local Flood Authority will be responsible for ensuring that monitoring and reviews are undertaken according to plan, but the partnership as a whole will contribute to the review and refresh of the strategy.

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5 Find out more

This strategy is available online at:

www.lincolnshire.gov.uk/floodrisk

Hard copies are available on request. Postal enquiries should be sent to:

Joint Lincolnshire Flood Risk and Water Management Strategy
Place Directorate
Environment and Economy
Lancaster House
36 Orchard Street
Lincoln
LN1 1XX

Email enquiries should be sent to

FloodAndWaterStrategy@lincolnshire.gov.uk

For telephone enquiries please contact (01522) 782070

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6. Glossary

Assets	Structures or a system of structures used to manage flood risk.
Catchments	An area that serves a river with rainwater. Every part of land where the rainfall drains to a single watercourse is in the same catchment.
Defences	A structure that is used to reduce the probability of floodwater or coastal erosion affecting a particular area (for example a raised embankment or sea wall)
Defra	Department for Environment, Food and Rural Affairs
GLLEP	Greater Lincolnshire Local Enterprise Partnership
Groundwater	Water which is below the surface of the ground and in direct contact with the ground or subsoil.
IDBs	Internal Drainage Boards
LLFA	Lead Local Flood Authority (Lincolnshire County Council)
Local flood risk	Flood risk from sources other than main rivers, the sea and reservoirs, principally meaning surface runoff, groundwater and ordinary watercourses.
LPA	Local Planning Authority
Main river	A watercourse shown as such on the Main River Map, and for which the Environment Agency has responsibilities and powers
NFM	Natural Flood Management
Ordinary watercourses	All watercourses that are not designated Main River, and which are the responsibility of Local Authorities or, where they exist, IDBs.
Resilience	The ability of the community, services, area or infrastructure to withstand the consequences of an incident.

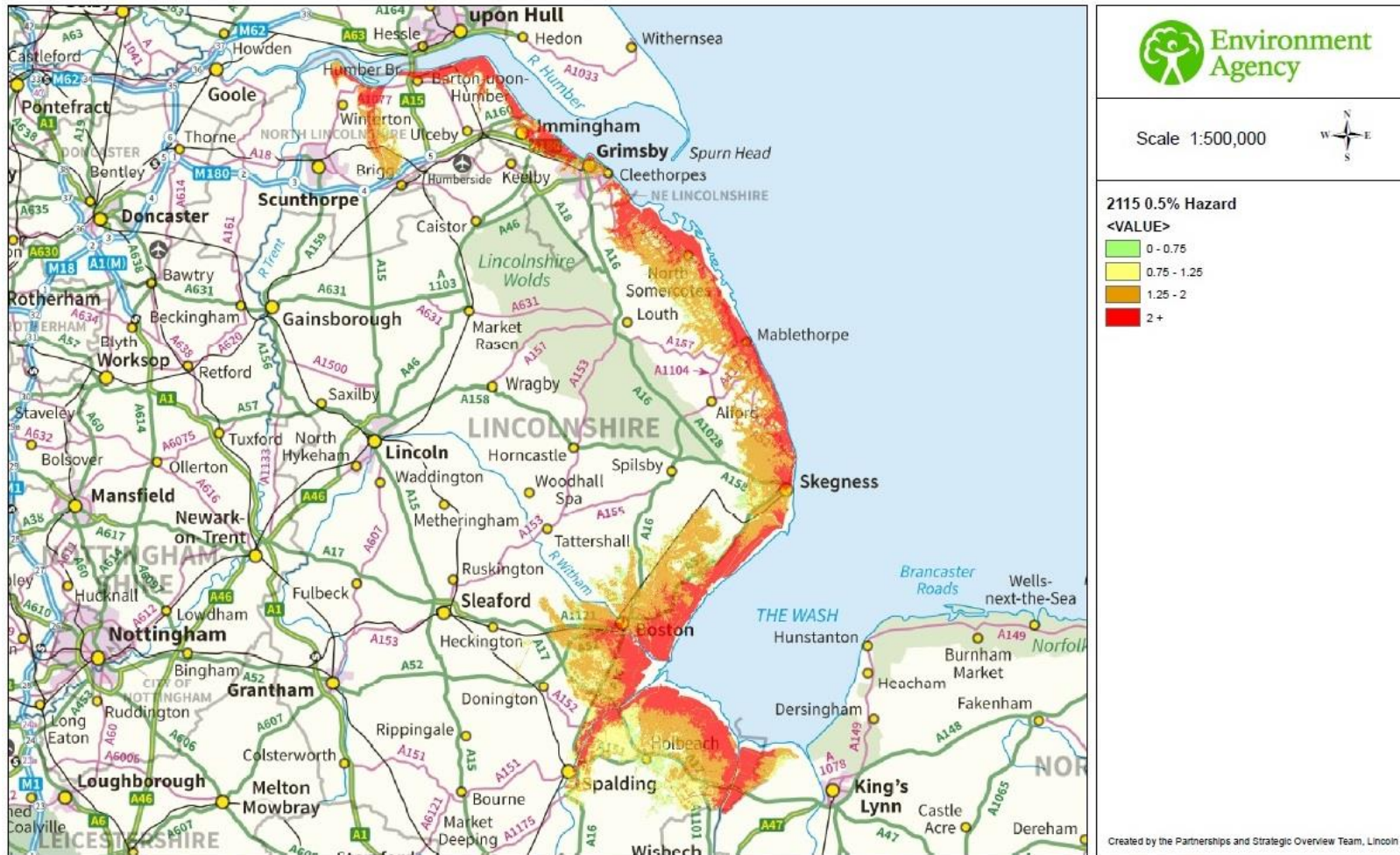
Risk	Measures the significance of a potential event in terms of likelihood and impact.
RMA	Risk Management Authorities
Source	The origin of a hazard (e.g. heavy rainfall, strong winds, surge etc).
Surface runoff	Rainwater (including snow and other precipitation) which is on the surface of the ground (whether or
WRE	Water Resources East

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7. Key strategies and initiatives developed since 2012 that will influence our strategic approach within Lincolnshire

- Current review of National Flood Risk and Coastal Erosion Management Strategy
- Humber Estuary Strategy
- Current national review of Shoreline Management Plans
- Saltfleet to Gibraltar Point Strategy
- Wash Banks Strategy
- Partnership Approach to Catchment Management
- Flood Plan for Lincolnshire (Emergency Response)
- Water Resources Management Plan
- Water Resources East Initiative
- Local Planning Policy – Local Plans
- GLLEP Strategic Economic Plan
- GLLEP Water Management Plan
- GLLEP Energy Strategy for Greater Lincolnshire
- National and Local Industrial Strategies
- Defra 25 Year Environment Plan
- **LCC Waterways Development Plan 2018-2028**

Coastal Hazard Breach Map - 2115 / 0.5% scenario - created August 2019



Equality Impact Analysis to enable informed decisions

The purpose of this document is to:-

- I. help decision makers fulfil their duties under the Equality Act 2010 and
- II. for you to evidence the positive and adverse impacts of the proposed change on people with protected characteristics and ways to mitigate or eliminate any adverse impacts.

Using this form

This form must be updated and reviewed as your evidence on a proposal for a project/service change/policy/commissioning of a service or decommissioning of a service evolves taking into account any consultation feedback, significant changes to the proposals and data to support impacts of proposed changes. The key findings of the most up to date version of the Equality Impact Analysis must be explained in the report to the decision maker and the Equality Impact Analysis must be attached to the decision making report.

****Please make sure you read the information below so that you understand what is required under the Equality Act 2010****

Equality Act 2010

The Equality Act 2010 applies to both our workforce and our customers. Under the Equality Act 2010, decision makers are under a personal duty, to have due (that is proportionate) regard to the need to protect and promote the interests of persons with protected characteristics.

Protected characteristics

The protected characteristics under the Act are: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

Section 149 of the Equality Act 2010

Section 149 requires a public authority to have due regard to the need to:

- Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by/or under the Act
- Advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share those characteristics
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The purpose of Section 149 is to get decision makers to consider the impact their decisions may or will have on those with protected characteristics and by evidencing the impacts on people with protected characteristics decision makers should be able to demonstrate 'due regard'.

Decision makers duty under the Act

Having had careful regard to the Equality Impact Analysis, and also the consultation responses, decision makers are under a personal duty to have due regard to the need to protect and promote the interests of persons with protected characteristics (see above) and to:-

- (i) consider and analyse how the decision is likely to affect those with protected characteristics, in practical terms,
- (ii) remove any unlawful discrimination, harassment, victimisation and other prohibited conduct,
- (iii) consider whether practical steps should be taken to mitigate or avoid any adverse consequences that the decision is likely to have, for persons with protected characteristics and, indeed, to consider whether the decision should not be taken at all, in the interests of persons with protected characteristics,
- (iv) consider whether steps should be taken to advance equality, foster good relations and generally promote the interests of persons with protected characteristics, either by varying the recommended decision or by taking some other decision.

Conducting an Impact Analysis

The Equality Impact Analysis is a process to identify the impact or likely impact a project, proposed service change, commissioning, decommissioning or policy will have on people with protected characteristics listed above. It should be considered at the beginning of the decision making process.

The Lead Officer responsibility

This is the person writing the report for the decision maker. It is the responsibility of the Lead Officer to make sure that the Equality Impact Analysis is robust and proportionate to the decision being taken.

Summary of findings

You must provide a clear and concise summary of the key findings of this Equality Impact Analysis in the decision making report and attach this Equality Impact Analysis to the report.

Impact – definition

An impact is an intentional or unintentional lasting consequence or significant change to people's lives brought about by an action or series of actions.

How much detail to include?

The Equality Impact Analysis should be proportionate to the impact of proposed change. In deciding this asking simple questions “Who might be affected by this decision?” “Which protected characteristics might be affected?” and “How might they be affected?” will help you consider the extent to which you already have evidence, information and data, and where there are gaps that you will need to explore. Ensure the source and date of any existing data is referenced.

You must consider both obvious and any less obvious impacts. Engaging with people with the protected characteristics will help you to identify less obvious impacts as these groups share their perspectives with you.

A given proposal may have a positive impact on one or more protected characteristics and have an adverse impact on others. You must capture these differences in this form to help decision makers to arrive at a view as to where the balance of advantage or disadvantage lies. If an adverse impact is unavoidable then it must be clearly justified and recorded as such, with an explanation as to why no steps can be taken to avoid the impact. Consequences must be included.

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Proposals for more than one option If more than one option is being proposed you must ensure that the Equality Impact Analysis covers all options. Depending on the circumstances, it may be more appropriate to complete an Equality Impact Analysis for each option.

The information you provide in this form must be sufficient to allow the decision maker to fulfil their role as above. You must include the latest version of the Equality Impact Analysis with the report to the decision maker. Please be aware that the information in this form must be able to stand up to legal challenge.

Background Information

Title of the policy / project / service being considered	Joint Flood Risk & Water Management Strategy 2019-2050	Person / people completing analysis	Matthew Harrison
Service Area	Places Directorate	Lead Officer	Matthew Harrison
Who is the decision maker?	Executive	How was the Equality Impact Analysis undertaken?	Online questionnaire supporting the public consultation exercise
Date of meeting when decision will be made	17/12/2019	Version control	v.2 Post Public consultation
Is this proposed change to an existing policy/service/project or is it new?	Existing policy/service/project	LCC directly delivered, commissioned, re-commissioned or de-commissioned?	Directly delivered
Describe the proposed change	<p>This is a revision and update to the existing Joint Flood Risk & Water Management Strategy adopted by the Council in 2012/13. The new strategy builds on successful delivery of the key objectives set out in the earlier document. It takes a wider view, not only covering partners' collaborative strategic and operational approach to flood risk management, but also strategic management of water as a resource to support economic growth and to help secure long term resilience of water supply within a new national framework.</p> <p>This EIA is being completed post public consultation, assessing the responses received as part of the online survey/questionnaire and public engagement drop in sessions supporting the public consultation exercise.</p>		

Evidencing the impacts

In this section you will explain the difference that proposed changes are likely to make on people with protected characteristics. To help you do this first consider the impacts the proposed changes may have on people without protected characteristics before then considering the impacts the proposed changes may have on people with protected characteristics.

You must evidence here who will benefit and how they will benefit. If there are no benefits that you can identify please state 'No perceived benefit' under the relevant protected characteristic. You can add sub categories under the protected characteristics to make clear the impacts. For example under Age you may have considered the impact on 0-5 year olds or people aged 65 and over, under Race you may have considered Eastern European migrants, under Sex you may have considered specific impacts on men.

Data to support impacts of proposed changes

When considering the equality impact of a decision it is important to know who the people are that will be affected by any change.

Population data and the Joint Strategic Needs Assessment

The Lincolnshire Research Observatory (LRO) holds a range of population data by the protected characteristics. This can help put a decision into context. Visit the LRO website and its population theme page by following this link: <http://www.research-lincs.org.uk> If you cannot find what you are looking for, or need more information, please contact the LRO team. You will also find information about the Joint Strategic Needs Assessment on the LRO website.

Workforce profiles

You can obtain information by many of the protected characteristics for the Council's workforce and comparisons with the labour market on the [Council's website](#). As of 1st April 2015, managers can obtain workforce profile data by the protected characteristics for their specific areas using Agresso.

Positive impacts

The proposed change may have the following positive impacts on persons with protected characteristics – If no positive impact, please state 'no positive impact'.

Age	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.
Disability	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.
Gender reassignment	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.
Marriage and civil partnership	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.
Pregnancy and maternity	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.
Race	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.
Religion or belief	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.

Sex	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.
Sexual orientation	The JLFRWM Strategy aims to better manage the risk of flooding and improve the community's preparation for, and resilience to, flood events and improve the management of water resources. Potential effects would therefore be beneficial.

If you have identified positive impacts for other groups not specifically covered by the protected characteristics in the Equality Act 2010 you can include them here if it will help the decision maker to make an informed decision.

Adverse/negative impacts

You must evidence how people with protected characteristics will be adversely impacted and any proposed mitigation to reduce or eliminate adverse impacts. An adverse impact causes disadvantage or exclusion. If such an impact is identified please state how, as far as possible, it is justified; eliminated; minimised or counter balanced by other measures.

If there are no adverse impacts that you can identify please state 'No perceived adverse impact' under the relevant protected characteristic.

Negative impacts of the proposed change and practical steps to mitigate or avoid any adverse consequences on people with protected characteristics are detailed below. If you have not identified any mitigating action to reduce an adverse impact please state 'No mitigating action identified'.

Age	No perceived adverse impact'
Disability	No perceived adverse impact'
Gender reassignment	No perceived adverse impact'
Marriage and civil partnership	As part of the responses received to the public consultation survey one response was received identifying a negative impact but no further information was forthcoming as to how the strategy would specifically impact marriage and civil partnership. No mitigating action identified

Pregnancy and maternity	No perceived adverse impact'
Race	No perceived adverse impact'
Religion or belief	No perceived adverse impact'
Sex	No perceived adverse impact'
Sexual orientation	No perceived adverse impact'

If you have identified negative impacts for other groups not specifically covered by the protected characteristics under the Equality Act 2010 you can include them here if it will help the decision maker to make an informed decision.

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Stakeholders

Stake holders are people or groups who may be directly affected (primary stakeholders) and indirectly affected (secondary stakeholders)

You must evidence here who you involved in gathering your evidence about benefits, adverse impacts and practical steps to mitigate or avoid any adverse consequences. You must be confident that any engagement was meaningful. The Community engagement team can help you to do this and you can contact them at consultation@lincolnshire.gov.uk

State clearly what (if any) consultation or engagement activity took place by stating who you involved when compiling this EIA under the protected characteristics. Include organisations you invited and organisations who attended, the date(s) they were involved and method of involvement i.e. Equality Impact Analysis workshop/email/telephone conversation/meeting/consultation. State clearly the objectives of the EIA consultation and findings from the EIA consultation under each of the protected characteristics. If you have not covered any of the protected characteristics please state the reasons why they were not consulted/engaged.

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Objective(s) of the EIA consultation/engagement activity

Primary Stakeholder organisations involved in the development of the draft strategy are part of the Lincolnshire Flood Risk & Water Management Partnership namely, the Environment Agency, Internal Drainage Boards, District Councils and Water Companies

As part of the formal public consultation exercise on the strategy an online survey/questionnaire was devised, which included a section dedicated to obtaining information under the Equality Act 2010 to ascertain how people with 'protected characteristics' are impacted by the organisations activity. Question 15 of the survey asked the question 'Do you think the draft strategy could have a positive or negative impact on you (or someone you care for or support) with regard to any of the following? Please tick all that apply' All areas of protected characteristics as described in the below table were included with a request to identify either a Positive impact, Negative impact, No impact or Don't know. A summary of responses received is detailed in the table below.

Who was involved in the EIA consultation/engagement activity? Detail any findings identified by the protected characteristic

Age	As part of the responses received to the public consultation survey neither Positive, Negative, No impact or Don't Know were completed by respondents
Disability	As part of the responses received to the public consultation survey one response was received identifying a positive impact but no further information was forthcoming as to how the strategy would specifically impact with regard to disability
Gender reassignment	As part of the responses received to the public consultation survey neither Positive, Negative, No impact or Don't Know were completed by respondents
Marriage and civil partnership	As part of the responses received to the public consultation survey one response was received identifying a negative impact but no further information was forthcoming as to how the strategy would specifically impact marriage and civil partnership. No mitigating action identified
Pregnancy and maternity	As part of the responses received to the public consultation survey one response was received identifying a positive impact but no further information was forthcoming as to how the strategy would specifically impact pregnancy and maternity
Race	As part of the responses received to the public consultation survey neither Positive, Negative, No impact or Don't Know were completed by respondents
Religion or belief	As part of the responses received to the public consultation survey neither Positive, Negative, No impact or Don't Know were completed by respondents

Sex	As part of the responses received to the public consultation survey neither Positive, Negative, No impact or Don't Know were completed by respondents
Sexual orientation	As part of the responses received to the public consultation survey neither Positive, Negative, No impact or Don't Know were completed by respondents
Are you confident that everyone who should have been involved in producing this version of the Equality Impact Analysis has been involved in a meaningful way? The purpose is to make sure you have got the perspective of all the protected characteristics.	Yes
Once the changes have been implemented how will you undertake evaluation of the benefits and how effective the actions to reduce adverse impacts have been?	All responses to the supporting public consultation survey/questionnaire and public drop in sessions have been evaluated. The majority of responses did not identify any form of perceived impact. Two positive impacts were identified but with no supporting evidence and one negative impact was identified for marriage and civil partnerships, but again no supporting information was supplied. As the overall aim of the strategy is to provide positive and beneficial impacts to residents in Lincolnshire on this occasion no mitigating action has been identified.

Further Details

Are you handling personal data?	No If yes, please give details.
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Actions required	Action	Lead officer	Timescale
Include any actions identified in this analysis for on-going monitoring of impacts.			

Version	Description	Created/amended by	Date created/amended	Approved by	Date approved
2	Version issued following conclusion of the public consultation exercise and assessment of responses received as part of the online questionnaire/survey and public drop in engagement sessions.	MH	23/10/2019	David Hickman	04/11/2019

Examples of a Description:
 'Version issued as part of procurement documentation'
 'Issued following discussion with community groups'
 'Issued following requirement for a service change; Issued following discussion with supplier'

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Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Executive
Date:	07 January 2020
Subject:	Formation of a Company for Legal Services
Decision Reference:	I018865
Key decision?	No

Summary:

This report seeks approval for the final form and constitution of a company wholly owned by the County Council with the object of the company being licensed by the Solicitors Regulation Authority for the purpose of providing legal advice and services.

The report appends and seeks approval for the accompanying legal documentation; the provision of financial support to the company; the nomination of directors of the company and the appointment of a representative to exercise the Council's powers as owner of the company.

Recommendation(s):

That the Executive:-

- 1) approves the Articles of Association at Appendix A and Shareholders Agreement attached at Appendix B as the constitution and legal documentation relating to the establishment of a company wholly owned by the County Council with the object of the company being licensed by the Solicitors Regulation Authority for the purpose of providing legal advice and services;
- 2) appoints David Coleman Chief Legal Officer; Andrew Crookham, Executive Director - Resources and James Drury, Executive Director - Commercial as Directors of the company;
- 3) appoints Cllr B Young, Executive Councillor for Community Safety and People Management as the member representative of the company and delegates to Councillor Young, authority to take decisions in exercise of the Council's powers in relation to the company;

- 4) approves the making available of a cash flow facility of £30,000 to the company; and
- 5) delegates to the Chief Legal Officer in consultation with the Executive Councillor for Community Safety and People Management authority to take all necessary procedural steps to establish the company to include amendments to the documentation to the extent necessary to meet Solicitors Regulation Authority requirements and to determine the final terms and the entering into of the cash flow facility.

Alternatives Considered:

- | | |
|----|--|
| 1. | <p>Not to approve the constitutional documents or the proposed appointments.</p> <p>The company could not proceed at this stage and revised proposals would need to be brought forward. This would impact on the ability of the in-house legal team to carry out work for its partner's companies and other third parties.</p> |
|----|--|

Reasons for Recommendation:

The proposal will allow the Council to proceed to establish an Alternative Business Structure. This will in turn allow Legal Services Lincolnshire to continue to provide services to its partner Councils when they deliver services through new structures such as companies without risk of it acting contrary to the requirements of the Solicitors Regulation Authority as our professional regulator.

The proposal would also allow Legal Services Lincolnshire to provide services more widely in the future as opportunity arises and capacity allows.

1. Background

Introduction

- 1 Legal Services Lincolnshire (LSL) is a shared service between the County Council, Boston Borough Council, East Lindsey District Council, North Kesteven District Council, South Holland District Council and West Lindsey District Council. It was created in 2008 and has been operating on a trading basis since 2010. The service is hosted by the County Council and all staff within the service are employees of the County Council.

- 2 The vast majority of LSL's work is carried out for the County Council and District Partners although some work, worth approximately £150,000 per annum, is carried out for other external public bodies. Any surplus achieved over and above the costs of the service is distributed back to the partners. There may be opportunities to pursue other external work in future.
- 3 Solicitors are regulated by the Solicitors Regulation Authority (SRA) and that regulation can impact at two levels. At the level of the individual, all solicitors are required to comply with professional codes of conduct. In addition an entity which provides legal services to the public or a section of the public is required to be authorised by the SRA and is regulated by the SRA as an entity.
- 4 As partner councils explore different ways of delivering services, especially through companies, LSL must have regard to the regulatory framework governing it and its solicitors. Guidance issued by the SRA concerning when an in-house team may be required to be licensed as an entity suggests there may be limits to LSL's ability to continue providing services to our partners when they act through other entities such as companies.
- 5 As a result of these considerations the Executive received at its meeting on 8 May 2019 a proposal for the creation of an alternative business structure (ABS) which would overcome these regulatory concerns and allow LSL to follow its partners work regardless of how they choose to deliver it and to pursue other external work as it arises within a robust regulatory framework.
- 6 An ABS is a solicitor's firm, generally organised as a limited company, licensed by the SRA, to provide legal services to the public where the owners of the business include individuals or entities that are not themselves qualified solicitors. Under the proposal the Council would establish a wholly owned Council company which would seek a licence to provide legal services to the public.
- 7 The report to Executive on 8 May 2019 set out the drivers for the proposal, the options and a proposed model for the operation of the company. A copy of the report is referred to in the background papers section of this report, but the substance of the report is summarised in paragraphs 8 and 9 below.
- 8 The principal driver was the need to manage regulatory risks and enable the Council's in-house teams to continue to provide services to their existing customers as those customers find new ways of delivering their services, especially through companies that LSL cannot readily act for because of regulatory restrictions. At the same time an ABS would allow LSL to provide their service to a wider range of clients which may enable it to increase the income it achieves to support the budget positions of the partner councils.

- 9 On the basis of an options appraisal it was recommended that the Council pursue the establishment of an ABS alongside the in-house trading unit to act for non-partner clients. Staff would be made available to the ABS where necessary to work for clients who can only be provided with services through the ABS. It was identified that this would provide a solution to the regulatory risks of acting for other partner-created entities and enable LSL to manage the wider regulatory risks around existing partners pursuing their activities through new structures and ways of working. This would secure existing income and potentially enable the attraction of additional income from partners. The solution was also seen as scalable, forming a basis on which the Council could pursue wider trading activity where appropriate.
- 10 The Executive approved in principle the formation of a company but reserved to itself following further consideration by the Overview and Scrutiny Management Board approval of the constitution and legal documentation relating to the company, any financial contribution required by the company and the appointment of directors of the company.

Establishing a Company

- 11 Although the Council will be the sole owner of the proposed ABS, it is not the Council but the company which must apply to the ABS for a licence to provide legal services. The establishment of a company is therefore the first stage in progressing this matter.
- 12 Attached at Appendix A is a draft of Articles of Association of the Company. These are fairly standard Articles with few issues of principle involved. They have been developed with a view to addressing the issues that are likely to be of concern to the SRA.
- 13 Following feedback from both the Overview and Scrutiny Management Board and the Executive in May 2019 three Directors of the company are proposed.
- 14 Further provisions of note include:-
- Decision-making by the Directors is either by majority vote or by consensus. Although the day to day running of the company under the Articles sits with the Directors this is subject to the requirement for the Council's consent to decisions concerning reserved matters discussed below under the Shareholders Agreement;
 - The Council has the right to appoint and remove Directors
 - A Director can appoint an alternate Director to exercise their powers as Director in their absence but only with approval of the Council as shareholder

15 Attached at Appendix B is a draft Shareholders Agreement which regulates the relationship between the Council as sole owner and the company itself. The following points should be noted:-

- The business of the company will be to carry on business as a legal services provider, providing services to the wider public sector. Any change to this definition of the business of the company is a reserved matter under the Shareholders Agreement and therefore cannot happen without the consent of the County Council as the owner of the company
- The County Council can nominate and appoint any person as Director of the company and require the removal of any such person by the giving of notice to the Board of Directors
- Management of the company's affairs will be by reference to an annual Business Plan which must be approved by the Council as owner of the company. The Business Plan includes an approved budget. As long as the Directors are acting in accordance with the Business Plan in the day to day running of the company they do not require the Council's consent to individual decisions.
- Other decisions are reserved to the Council as owner of the company and the Directors cannot take any such decision or take any steps to implement any such matter without the prior written consent of the Council.
- The list of reserved matters is contained within Schedule 6 of the Shareholder's Agreement. This is the same list as was appended to the Report to Executive dated 8 May 2019.
- The Council is required to appoint a representative to act in the name of the Council for all purposes connected with the company. That individual will be responsible for deciding whether to consent to any of the matters referred to as a reserved matter. This is the role that it is proposed be fulfilled by Cllr Young under recommendation 3 of the Report
- The company is required to provide information to the Council including the audited accounts of the company, quarterly performance reports, cash flow statements and cash flow forecasts and such reasonable other financial and management information or reports relating to the company as the Council may request from time to time. The company will report to the appropriate Scrutiny Committee (currently Overview and Scrutiny Management Board) on an annual basis.

16 Although the Council has had discussions with the SRA concerning the granting of a licence to provide legal services the detailed application and vetting process cannot commence until the company is formed. There may, during that process, be a need to amend either the Articles of Association or Shareholders Agreement to meet SRA requirements. These will be a matter for Councillor Barry Young as the Council's representative in relation to the company.

- 17 As set out above it is proposed that there will be three Directors of the company. To meet regulatory requirements one of these will also be the Compliance Officer for Legal Practice (COLP). It is proposed that this be the Chief Legal Officer. One of the other Directors will need to be a suitable person with the necessary financial background to act as the Compliance Officer for Finance and Administration (COFA). It is proposed that this be Andrew Crookham, the Executive Director for Resources. Following discussions with LSL's District Council partners the third Director will also be a County Council appointment and it is proposed that this be James Drury, Executive Councillor - Commercial.
- 18 The County Council will exercise its powers as owner of the company including in respect of the reserved matters referred to in paragraph 15 above through a representative to which it will delegate authority to make decisions in exercise of powers it has as owner of the company. This is an important role as far the SRA are concerned who will need to approve the individual given the influence they will exercise over the company. It is proposed that this is Councillor Barry Young, the Executive Councillor for Public Protection and People Management.
- 19 Given that the County Council will be the sole owner of the company it will be a regulated company within the meaning of the Local Authorities (Companies) Order 1995 and Part V of the Local Government and Housing Act 1989. This requires such companies to comply with certain administrative responsibilities relating, for example to the identification of the County Council as owner of the company on its letter head, the provision of information, the appointment of auditors and the remuneration of directors. These requirements will be complied with.
- 20 Financially, the ABS is expected to require very little funding from the Council. This is because the ABS itself is envisaged as having no employment costs although it will need to arrange its own professional indemnity insurance cover and will need to pay its way in relation to any property or support services costs to ensure that there is no State Aid. The initial costs of set up which are estimated to be in the region of £20,000, will be met out of the shared service reserve.
- 21 The principal ongoing funding issue for the ABS is likely to be cash flow caused by any issues with recovery of fees from its clients. Liaison with another County Council that has established an ABS on a similar basis to that proposed by the Council suggests that they would have benefitted from the provision of a cash flow facility to manage the difference between expenditure by the ABS and receipt of income. While this can be managed to some extent by aligning the timings of payments in and out there are some payments, particularly of VAT, which have to be made at specified times and which can cause cash flow issues.
- 22 An assessment has been carried out into the amount required and it is considered that a cash flow facility of £30,000 would be sufficient to support the company in the early stages.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- * advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- * foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- * remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- * take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
- * encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

The proposal in this report is not considered to have any implications for equality and diversity.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision.

The proposal in this report has no direct impact on the Joint Health and Wellbeing Strategy.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The proposal in this report has no direct impact on crime and disorder matters.

3. Conclusion

At its meeting on 8 May 2019 the Executive approved in principle the establishment of a legal services company with a view to it being licensed by the Solicitors Regulation Authority to provide legal services.

This report seeks final approval to the form of the company the appointment of Directors and a council representative and the approval of financial support to the company in the form of a cash flow facility.

4. Legal Comments:

The Council has power under section 1 of the Localism Act 2011 to provide legal services as envisaged but must do so through a company if it is acting for a commercial purpose.

The more detailed legal issues to be taken into account in reaching a decision are referred to in the report.

The decision is consistent with the Policy Framework and within the remit of the Executive.

5. Resource Comments:

Establishing an ABS company as per the report recommendation will have little direct impact on the budgets of the Council.

Costs of set up estimated at £20,000 and a cash flow facility of £30,000 can be met from the legal shared services reserve

Implications for financial administration and accounting of the company will need to be kept under review as implementation progresses in accordance with SRA licence requirements.

6. Consultation

a) Has Local Member Been Consulted?

N/A

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

On 19 December 2019, the Overview and Scrutiny Management Board considered the report and agreed to support the recommendations to the Executive.

The following points were confirmed:

- The proposed new company would be able to provide services to other public sector organisations in addition to the current district council partners.
- The articles of association state a minimum of two directors to provide flexibility within the constitution for the shareholders to decide on the actual number of directors. The Shareholders Agreement makes it clear that that would be three.
- There would be no change to how Lincolnshire County Council obtained its legal services, and the team would remain employees of Lincolnshire County Council.
- There was a protocol that the company would operate under if a conflict of interest ever occurred. The company would operate under the same rules as any other solicitor's practice regarding conflicts of interests. If there was a shared aim between the clients, then the company could potentially represent both of them. However, if there was a contentious issue which the clients could not agree on, the company would be unable to act and each client would be required to obtain their own solicitor.
- The company would provide indemnity to an officer if any liability or costs arose from proceedings where the officer was acquitted or was successful.
- References to 'the Council' referred to Lincolnshire County Council as a

shareholder. As it was an Executive function, the Executive Councillor for Community Safety and People Management would be exercising his delegated authority in taking decisions on behalf of the Council.

- There was a potential opportunity to make an income from the company. However, this would be subject to capacity within the team to take on extra work on top of the work they currently provide for Lincolnshire County Council and district council partners.
- There was a need for more regular monitoring of the company, especially during the initial set up phase and if any issue arose.

The Board requested and the Chief Legal officer agreed that a report would be brought back to the Overview and Scrutiny Management Board in six months' time to report on the company's establishment, followed by the proposed annual reports as set out in the Shareholder's Agreement. This was in addition to the Board's power to call for additional reports as appropriate.

d) Have Risks and Impact Analysis been carried out?

Yes

e) Risks and Impact Analysis

See the body of the report

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Draft Articles of Association
Appendix B	Draft Shareholders Agreement

8. Background Papers

Background Paper	Where it can be viewed
Report to Executive dated 8 May 2019 entitled "Formation of a Company for Legal Services"	Democratic Services

This report was written by David Coleman, Chief Legal Officer, who can be contacted on 01522 552134 or david.coleman@lincolnshire.gov.uk .

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

[[] LIMITED]

INTRODUCTION

1. INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles

Act means the Companies Act 2006

Appointor has the meaning given in article 12.1

Articles means the company's articles of association for the time being in force

Business Day means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business

Controlling Member means Lincolnshire County Council

Eligible Director has the meaning given in article 3.3

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles.

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as it is in force on the date when these Articles become binding on the company.

1.6 A reference to a statute or statutory provision shall include all subordinate legislation made as at the date on which these Articles become binding on the company under that statute or statutory provision.

1.7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

- 1.9 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Articles 7, 8, 9(1), 11, 13, 14, 15, 17, 18, 44(2) and 52 of the Model Articles shall not apply to the company.
- 1.11 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 1.12 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.14 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

DIRECTORS

2 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 2.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 0.
- 2.2 If:
 - 2.2.1 the company only has one director for the time being; and
 - 2.2.2 no provision of the Articles requires it to have more than one director,

then the general rule does not apply and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

3 UNANIMOUS DECISIONS

- 3.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 3.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 3.3 References in the Articles to **Eligible Directors** are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but excluding any director whose vote is not to be counted in respect of that particular matter).
- 3.4 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

4 CALLING A DIRECTORS' MEETING

- 4.1 Any director may call a directors' meeting by giving not less than three Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors.

5 QUORUM FOR DIRECTORS' MEETINGS

- 5.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on except a proposal to call another meeting.
- 5.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is two provided that:
- 5.2.1 if and so long as there is only one director the quorum shall be one; and
- 5.2.2 for the purposes of any meeting held pursuant to article 7 to authorise a director's conflict, if there is only one director besides the director concerned and directors with a similar interest, the quorum shall be one.
- 5.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 5.3.1 to appoint further directors; or
- 5.3.2 to call a general meeting so as to enable the members to appoint further directors.

6 CASTING VOTE

- 6.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

7 DIRECTORS' CONFLICTS OF INTEREST

- 7.1 A general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified, and an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 7.2 The directors may, if the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a director breaching his duty under the Act to avoid conflicts of interest, and any director (including the director concerned) may propose that the director concerned be authorised in relation to any matter the subject of such a conflict provided that:
- 7.2.1 such proposal and any authority given by the directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the directors under the provisions of the Articles, except that the director concerned and any other director with a similar interest:
- (a) shall not be counted for quorum purposes as participating in the decision-making process while the conflict is under consideration;
- (b) may, if the other directors so decide, be excluded from participating in the decision-making process while the conflict is under consideration; and
- (c) shall not vote on any resolution authorising the conflict except that, if any such director does vote, the resolution will still be valid if it would have been agreed to if his votes had not been counted; and
- 7.2.2 where the directors give authority in relation to such a conflict:
- (a) they may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the director concerned and any other

director with a similar interest as they may determine, including, without limitation, the exclusion of that director and any other director with a similar interest from the receipt of information, or participation in any decision-making or discussion (whether at meetings of the directors or otherwise) related to the conflict;

- (b) the director concerned and any other director with a similar interest will be obliged to conduct himself in accordance with any terms imposed from time to time by the directors in relation to the conflict but will not be in breach of his duties as a director by reason of his doing so;
- (c) the authority may provide that, where the director concerned and any other director with a similar interest obtains information that is confidential to a third party, the director will not be obliged to disclose that information to the company, or to use the information in relation to the company's affairs, where to do so would amount to a breach of that confidence;
- (d) the authority may also provide that the director concerned or any other director with a similar interest shall not be accountable to the company for any benefit that he receives as a result of the conflict;
- (e) the receipt by the director concerned or any other director with a similar interest of any remuneration or benefit as a result of the conflict shall not constitute a breach of the duty under the Act not to accept benefits from third parties;
- (f) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and
- (g) the directors may withdraw such authority at any time.

7.3 Subject to article 7.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman, whose ruling in relation to any director other than the chairman is to be final and conclusive.

7.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

8 RECORDS OF DECISIONS TO BE KEPT

8.1 The directors must ensure that the company keeps a record in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

8.2 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

9 NUMBER OF DIRECTORS

9.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.

10 APPOINTMENT AND REMOVAL OF DIRECTORS

10.1 The Controlling Member may at any time by notice in writing to the company:

10.1.1 appoint any person or persons as a director or directors of the company; and

10.1.2 remove any director or directors from office.

- 10.2 Any appointment or removal pursuant to article 10.1 shall take effect when it is delivered to the registered office of the company or, if it is produced at a meeting of the directors, when it is so produced or, if sent by electronic means to an address generally used by the company, when it is sent such removal shall be without prejudice to any claim that a director may have under any contract between him and the company. If the company has no directors and, by virtue of death or bankruptcy, no member is capable of acting, the transmittee of the last member to have died or to have had a bankruptcy order made against him has the right, by notice in writing, to appoint a person to be a director.

11 TERMINATION OF A DIRECTOR'S APPOINTMENT

- 11.1 A person ceases to be a director as soon as:
- 11.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
 - 11.1.2 a bankruptcy order is made against that person;
 - 11.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 11.1.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
 - 11.1.5 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
 - 11.1.6 notification of the director's removal is received by the company from the Controlling Member pursuant to article 10.1; or
 - 11.1.7 he is otherwise duly removed from office.

12 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 12.1 Subject to shareholder approval, any director (**Appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to
- 12.1.1 exercise that director's powers; and
 - 12.1.2 carry out that director's responsibilities,
- in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor.
- 12.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the Appointor, or in any other manner approved by the directors.
- 12.3 The notice must:
- 12.3.1 identify the proposed alternate; and
 - 12.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

13 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

13.1 Subject to shareholder approval, an alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's Appointor.

13.2 Except as the Articles specify otherwise, alternate directors:

13.2.1 are deemed for all purposes to be directors;

13.2.2 are liable for their own acts and omissions;

13.2.3 are subject to the same restrictions as their Appointors; and

13.2.4 are not deemed to be agents of or for their Appointors.

In particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member.

13.3 A person who is an alternate director but not a director:

13.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);

13.3.2 may participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and

13.3.3 shall not be counted as more than one director for the purposes of article 13.3.1 and article 13.3.2.

13.4 A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the directors (provided that his Appointor is an Eligible Director in relation to that decision).

13.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his Appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the company.

14 TERMINATION OF ALTERNATE DIRECTORSHIP

14.1 An alternate director's appointment as an alternate terminates:

14.1.1 when the alternate's Appointor revokes the appointment by notice to the company in writing specifying when it is to terminate; or

14.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or

14.1.3 on the death of the alternate's Appointor; or

14.1.4 when the alternate's Appointor's appointment as a director terminates; or

14.1.5 when the shareholder withdraws its approval to the alternate acting as alternate director.

SHARES

DECISION MAKING BY SHAREHOLDERS

15 POLL VOTES

- 15.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 15.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

16 PROXIES

- 16.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 16.2 Article 45(1) of the Model Articles shall be amended by the insertion of the following words as a new paragraph at the end of that article "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting".

ADMINISTRATIVE ARRANGEMENTS

17 MEANS OF COMMUNICATION TO BE USED

- 17.1 Subject to article 17.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- 17.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - 17.1.2 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
 - 17.1.3 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
 - 17.1.4 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - 17.1.5 if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
 - 17.1.6 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; or
 - 17.1.7 if deemed receipt under the previous paragraphs of this article 17 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt For the purposes of this article, all references to time are to local time in the place of deemed receipt.
- 17.2 To prove service, it is sufficient to prove that:

- 17.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- 17.2.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- 17.2.3 if sent by email, the notice was properly addressed and sent to the email address of the recipient.

18 INDEMNITY

18.1 Subject to article 18.2 and shareholder approval, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

18.1.1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and

18.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 18.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

18.2 This article does not authorise any indemnity which:

18.2.1 would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law; and/or

18.2.2 relates to loss or damage or other legal expenses arising from:

- (a) fraud, dishonesty or a criminal offence, or other deliberate wrongdoing or recklessness on the part of the relevant officer;
- (b) liability in respect of losses certified by the company's external auditor as caused by wilful misconduct on the part of the relevant officer or where unlawful expenditure has been knowingly or recklessly authorised by the relevant officer, and/or
- (c) circumstances in which the relevant officer has not acted in good faith.

18.3 In this article:

18.3.1 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

18.3.2 a **relevant officer** means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

19 INSURANCE

19.1 Subject to member approval, the directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

19.2 In this article:

19.2.1 a **relevant officer** means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

19.2.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, provided always that the relevant officer has acted in good faith and/or such loss has not arisen as a result of fraud, dishonesty or a criminal offence, or other deliberate wrongdoing or recklessness on the part of the relevant officer; and

19.2.3 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

Dated

2019

LINCOLNSHIRE COUNTY COUNCIL

[[] LIMITED]

SHAREHOLDER'S AGREEMENT

© Bevan Brittan LLP

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PARTIES

- (1) **LINCOLNSHIRE COUNTY COUNCIL** of County Offices, Newland, Lincoln, LN1 1YL (**LCC**)
- (2) **[[] LIMITED]**, a company registered in England, (Company No. *[insert number]*) whose registered office is at County Offices, Newland, Lincoln, LN1 1YL (the **Company**)

BACKGROUND

- (A) LCC has agreed to enter into this Agreement pursuant to its powers contained in section 1 of the Localism Act 2010 and section 111 of the Local Government Act 1972 in order to enable the Company to carry out the Business.
- (B) The parties have decided to enter into this Agreement to regulate the manner in which the Company is to be managed.

AGREED TERMS

1 DEFINITIONS AND INTERPRETATION

This Agreement shall be interpreted according to the provisions of Schedule 1 (*Definitions and Interpretation*).

2 COMPLETION

- 2.1 Completion shall take place immediately upon the execution of this Agreement by each of the parties when the parties shall take or procure to be taken the following steps either by themselves or at meetings of the Board or of the shareholder (as appropriate) to the extent not already taken:

- 2.1.1 the parties shall procure that the necessary Board and/or shareholder resolutions in respect of the Company are passed to adopt the Articles with immediate effect;

- 2.1.2 the following subscriptions have been made in the capital of the Company:

Party	Number of Ordinary Shares	Total Subscription
LCC	1	£1

whereupon the Company shall deliver the relevant definitive share certificate in relation to the allotment of the Shares pursuant to this clause 2.1.2 and shall insert the names of the allottees in the Company's register of members.

3 THE BUSINESS OF THE COMPANY

- 3.1 The business of the Company shall be:

- 3.1.1 To carry on business as a legal services provider regulated by the Solicitor's Regulation Authority to provide services to any public authority as defined in section 3 Freedom of Information Act 2000, any of the Lincolnshire District Councils and any corporate bodies in which those councils are involved as owner or at board level and any companies owned by the wider public sector as defined in section 6 Freedom of Information Act 2000; and

- 3.1.2 to do all such other things as are incidental to or conducive to the attainment of the above objects.

4 THE BOARD

Composition of the Board and the right to appoint Directors

- 4.1 LCC shall be entitled, in accordance with the Articles, to nominate and appoint (and the Company shall procure that such persons are appointed by Board resolution) any person or persons as Directors (including alternate Directors) and to require the removal of such persons from office by notice to the Board.
- 4.2 The persons nominated and appointed by the parties to act as the initial directors for the purposes of clause 4.1 are as set out in Schedule 2.
- 4.3 Any Director who is not an employee of the Company shall be appointed upon the terms and conditions set out in Schedule 3 or, subject to clause 5.2, upon such other terms as the Board may agree from time to time.
- 4.4 LCC shall in addition be entitled, in accordance with the Articles, to nominate and appoint persons as alternate Directors and to replace such persons as alternate Directors.

Removal of and changes to nominated Directors

- 4.5 If LCC elects to remove any person nominated by it as a Director (an **Outgoing Director**) then it shall procure that the Outgoing Director vacates office without claim to the Company for loss of office or otherwise and shall indemnify the Company against all losses, liabilities and costs which the Company may incur arising out of, or in connection with, any claim by the Outgoing Director for wrongful or unfair dismissal or redundancy or other loss arising out of such Director's removal or loss of office.
- 4.6 The indemnity under clause 4.5 shall not apply where such claim has arisen as a result of any actions directly taken by the Company or any actions that the Company omitted to take that it should reasonably have taken.

5 MANAGEMENT OF THE COMPANY'S AFFAIRS

The Company's Business

- 5.1 At all times during the term of this Agreement:
- 5.1.1 the business of the Company will consist exclusively of the Business;
- 5.1.2 with the exception of those matters requiring LCC consent pursuant to clause 5.2, all the business of the Company, other than routine day-to-day business, shall be the responsibility of the Directors;
- 5.1.3 the Directors may delegate in accordance with the Articles to such persons as they consider appropriate but they must properly monitor the conduct of such persons and ensure that they receive regular information from time to time in a form and at intervals as they may agree;
- 5.1.4 the Company will conduct its Business and affairs in a proper and efficient manner and in accordance with the current Business Plan as adapted from time to time;
- 5.1.5 the Company shall act in a way that does not knowingly create any employment-related liabilities for LCC;
- 5.1.6 the Company shall act in a way which is compatible with LCC's aims, objectives and statutory duties and shall not enter into agreements with third parties which could harm the commercial interests or reputation of LCC;

- 5.1.7 the Company shall not carry out any activity which would or could render the holding of Shares by LCC unlawful provided that where a proposed change of law would render such shareholding unlawful, LCC will use its reasonable endeavours to take such steps as are necessary to allow it to continue lawfully to hold its Shares;
- 5.1.8 LCC will (subject to any legal obligation of disclosure under freedom of information legislation or otherwise) maintain strict confidentiality over the affairs of the Company, in particular its commercial affairs and trade secrets; and
- 5.1.9 the Company will conduct its Business and affairs in a manner that does not involve sponsorship, advertisement or other direct involvement by any organisation, entity or person engaged, or with substantial interest in: the production or sale of products containing or derived from tobacco, alcohol, unhealthy foods and/or unhealthy beverages; or the manufacture or sale of arms and weapons; or religious, political or cultural groups; or the dissemination of nudity and body images.
- 5.2 Except as set out in clause 5.3, insofar as a matter is a LCC Consent Matter, the Company shall not make any decision in relation to or undertake any action to implement an LCC Consent Matter except with the prior written consent of LCC and LCC shall use its rights and powers to procure, so far as it is able, that no such matter is carried out unless the required consent has been given.
- 5.3 Clause 5.2 shall not apply in connection with any decision of action relating to a LCC Consent Matter:
- 5.3.1 provided for in the Business Plan from time to time; or
- 5.3.2 which has been properly delegated in accordance with this Agreement or the Articles to the Board or to a particular person or committee; or
- 5.3.3 to the extent the same decision has been taken by LCC in accordance with any other agreement between LCC and the Company.

Code of ethics

- 5.4 The parties acknowledge that the Company will be legally responsible for the delivery of services to bodies external to LCC which has the potential to impact on LCC's reputation and therefore the parties agree to abide by the principles set out in Schedule 4.

LCC Representative

- 5.5 LCC shall appoint the LCC Representative to act in the name of LCC for all purposes connected with this Agreement and confirm the identity of the LCC Representative to the Company by notice in writing.
- 5.6 In the event that LCC intends to replace any individual acting as an LCC Representative, it shall inform the Company in writing of its intention to do so together with the details of a new LCC Representative and when the replacement is to take effect.
- 5.7 Any notice, information, instruction or other communication given to the LCC Representative by the Company shall be deemed to have been given to LCC. Any notice, information, instruction or other communication given by the LCC Representative to the Company shall be deemed to have been duly authorised by the LCC.

6 BUDGETING, BUSINESS PLANNING AND FINANCIAL MATTERS

The Business Plan (including the Annual Budget)

- 6.1 No earlier than [four months] and no later than [two months] before the end of each year of the Company, the Company will prepare and circulate to LCC a draft of the proposed business plan for the next year (**Draft Business Plan**). The Draft Business Plan (with such amendments as are

agreed to it) will become the Business Plan following approval to it by the Board (**Business Plan**), which shall be updated on an annual basis with the approval of the Board, subject always to clause 5.2.

- 6.2 The Annual Budget for each financial year shall form part of the Business Plan. The Annual Budget shall be reviewed by the Board quarterly

Funding

- 6.3 LCC shall use all reasonable endeavours to procure that additional working capital requirements of the Company shall be satisfied as far as practicable from external sources on the most favourable terms reasonably obtainable but on the basis that:

6.3.1 such financing shall be obtained in accordance with the Business Plan or as otherwise determined by LCC; and

6.3.2 unless otherwise agreed by LCC, LCC shall not be obliged to give any guarantee or security in respect of such financing.

Dividends

- 6.4 The Company shall, subject to:

6.4.1 clause 5.2; and

6.4.2 the working capital and other financial requirements of the Company,

distribute such amounts lawfully available for distribution by the Company to LCC by way of dividend on the Shares, provided always that LCC may determine, in its sole discretion, that all or some of such sums shall be retained by the Company for investment purposes.

Provision of information to LCC

- 6.5

6.5.1 The Company shall supply LCC with the following information:

- (a) the audited accounts of the Company and its subsidiaries for each financial year as soon as practicable and, at the latest, by four months after the end of that financial year;
- (b) quarterly performance reports, cash flow statements and cash flow forecasts for the Company;
- (c) such reasonable other financial or management information or reports relating to the Company or its subsidiaries as any shareholder may reasonably request from time to time whether required by law or not;
- (d) an annual report to the appropriate LCC Scrutiny Committee on the business and activities of the Company; and
- (e) a report or such other reasonable notice in the event that the financial or other performance of the Company presents a significant risk to LCC.

6.5.2 Notwithstanding the provisions of clause 11.1:

- (a) LCC being a local authority may disclose information received from the Company, any of its subsidiaries or a Director, as is required by any law or internal rule or regulation of a shareholder; and

- (b) the Company shall permit all records referred to in clause 6.5 to be examined and copied from time to time by the LCC's auditor and its representatives and/or the Company's auditors.

7 POLICIES AND PROCEDURES

7.1 In respect of policies and procedures of the Company:

7.1.1 the Company shall so far as reasonably practicable adopt all best practice recommendations in regard to its market and adopt LCC's policies and procedures in relation to these matters having regard to the local conditions and the operation of LCC; and

7.1.2 such policies and procedures shall be approved by the Board.

7.2 The Board shall adopt and apply an agreed policy as to how conflicts of interest are to be dealt with both in recruitment and in carrying out its Business.

8 WARRANTIES

8.1 LCC warrants and represents to the Company at the date of execution that:

8.1.1 it has the power to enter into and to exercise its rights and perform its obligations under this Agreement and the Articles and each such document will when executed constitute, legal, binding and enforceable obligations on it;

8.1.2 it has taken all necessary action to authorise the execution of and the performance of its obligations under this Agreement and the Articles;

8.1.3 no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress, or, to the best of its knowledge pending or threatened against it or any of its assets which will or might have a material adverse effect on its ability to perform its obligations under this Agreement and the Articles;

8.1.4 it is not subject to any contractual obligation, compliance with which will be likely to have a material adverse effect on its ability to perform its obligations under this Agreement and the Articles.

9 TERMINATION

9.1 Subject to clauses 9.2 and 9.3, this Agreement may be terminated by LCC serving no less than [six months'] written notice on the Company.

9.2 LCC may terminate this Agreement immediately where required in accordance with any applicable laws and regulations.

9.3 LCC shall, on the fifth anniversary of the date of this Agreement, or at such other times as determined by LCC, review the requirement for this Agreement.

9.4 Termination of this Agreement shall not affect any accrued rights or liabilities of any person or any liability or obligation arising under or pursuant to this Agreement or any other agreement or arrangement between any of the parties hereto or, except where this Agreement expressly provides to the contrary, affect the provisions of:

9.4.1 clause 1 (*Definitions and Interpretation*);

9.4.2 this clause 9 (*Termination*);

9.4.3 clause 11 (*Confidentiality*);

- 9.4.4 clause 12 (*Freedom of information*);
- 9.4.5 clause 14 (*Costs*);
- 9.4.6 clause 16 (*Assignment*);
- 9.4.7 clause 17 (*Entire agreement*);
- 9.4.8 clause 18 (*Notices*);
- 9.4.9 clause 20 (*Waiver*);
- 9.4.10 clause 21 (*Severability*);
- 9.4.11 clause 22 (*No partnership or agency*);
- 9.4.12 clause 23 (*Variation*);
- 9.4.13 clause 24 (*Conflict with the Articles*); and
- 9.4.14 clause 25 (*Governing law and jurisdiction*).

10 WINDING UP

- 10.1 If LCC passes a resolution pursuant to this Agreement or otherwise to wind up the Company by way of a members' voluntary winding-up it shall procure that the liquidator is a member of the Institute of Chartered Accountants in England and Wales.
- 10.2 Except to the extent each party has contractual obligations to the contrary, LCC shall prove in the winding-up of the Company to the maximum extent permitted by law for all sums due or to fall due to it from the Company and shall exercise all rights of set-off and generally do all such other acts and things as may be available to it in order to obtain the maximum receipts and recoveries.

11 CONFIDENTIALITY

- 11.1 During the term of this Agreement and after termination or expiry of the Agreement for any reason whatsoever, the Receiving Party (as defined in clause 11.5) shall:
 - 11.1.1 keep Confidential Information (as defined in clause 11.5) confidential;
 - 11.1.2 not disclose Confidential Information to any other person other than with the written consent of the Disclosing Party (as defined in clause 11.5) or in accordance with clauses 11.2 to 11.4; and
 - 11.1.3 not use Confidential Information for any purpose other than the performance of its obligations under this Agreement.
- 11.2 During the term of this Agreement, the Receiving Party may disclose Confidential Information to its employees, contractors, sub-contractors, agents and advisers under conditions of confidentiality in each case to the extent that it is reasonably necessary for the purposes of this Agreement, and may disclose Confidential Information to prospective shareholders of the Company or prospective purchasers of its assets under conditions of confidentiality. In each case the permitted recipient of such Confidential Information shall be known as a **Recipient**.
- 11.3 The Receiving Party shall so far as practicable procure that each Recipient is made aware of and complies with all the Receiving Party's obligations of confidentiality under this Agreement as if the Recipient were a party to this Agreement.

- 11.4 The obligations contained in clauses 11.2 to 11.3 shall not apply to any Confidential Information which:
- 11.4.1 is at the date of this Agreement in, or at any time after the date of this Agreement comes into, the public domain other than through a breach of this Agreement by the Receiving Party or any Recipient;
 - 11.4.2 can be shown by the Receiving Party to the reasonable satisfaction of the Disclosing Party to have been known by the Receiving Party before disclosure by the Disclosing Party to the Receiving Party;
 - 11.4.3 subsequently comes lawfully into the possession of the Receiving Party from a third party; or
 - 11.4.4 is required by law or a regulatory authority or body or any Government Department to be disclosed.
- 11.5 For the purposes of this clause 11, **Confidential Information** means all information of a confidential nature disclosed (whether in writing, verbally or by any other means and whether directly or indirectly) by one party (the **Disclosing Party**) to another party (**Receiving Party**) whether before or after the date of this Agreement including, without limitation, any information relating to the Disclosing Party's, operations, processes, plans or intentions, know-how, design rights, trade secrets, market opportunities and business affairs.

12 FREEDOM OF INFORMATION

- 12.1 The Company acknowledges that LCC is subject to the requirements of the FOIA and the Environmental Information Regulations and the Company shall facilitate LCC's compliance with its Information disclosure requirements pursuant to the same in the manner provided for in clauses 12.2 to 12.7 (inclusive) below. For the purpose of clauses 12.2 to 12.7 (inclusive) only, **Information** has the meaning given under Section 84 of the FOIA.
- 12.2 Where LCC receives a Request for Information in relation to Information that the Company is holding on its behalf LCC shall transfer to the Company such Request for Information that it receives as soon as practicable and in any event within two Business Days of receiving a Request for Information and the Company shall:
- 12.2.1 provide LCC with a copy of all such Information in the form that LCC requires within ten Business Days (or such other period as LCC may specify) of the request; and
 - 12.2.2 provide all necessary assistance as reasonably requested by LCC in connection with any such Information, to enable LCC to respond to a Request for Information within the time for compliance set out in section 10 of the FOIA or Regulation 5 of the Environmental Regulations.
- 12.3 LCC shall be responsible for determining at its absolute discretion:
- 12.3.1 whether the Information is exempt from disclosure under the FOIA and the Environmental Information Regulations;
 - 12.3.2 whether the Information is to be disclosed in response to a Request for Information,
 - 12.3.3 and in no event shall the Company respond directly to a Request for Information unless expressly authorised to do so by LCC.
- 12.4 The Company acknowledges that LCC may, acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of Functions of Public Authorities under Part I of the Freedom of Information Act 2000, be obliged under the FOIA, or the Environmental Information Regulations to disclose Information:

12.4.1 without consulting with the Company; or

12.4.2 following consultation with the Company and having taken the Company's views into account.

12.5 The Company shall ensure that all Information held on behalf of LCC is retained for disclosure and shall permit LCC to inspect such Information as requested from time to time.

12.6 The Company shall transfer to LCC any Request for Information received by the Company as soon as practicable and in any event within two Business Days of receiving it.

12.7 The Company acknowledges that any lists provided by it listing or outlining Confidential Information, are of indicative value only and that LCC may nevertheless be obliged to disclose Confidential Information in accordance with clause 12.4 above.

13 FURTHER ASSURANCE

13.1 Each party will:

13.1.1 execute any document and do any thing; and

13.1.2 use all reasonable endeavours to procure that any third party (where necessary) executes any deed or document and does any thing,

reasonably necessary to implement the terms of this Agreement.

14 COSTS

14.1 Each party shall bear its own costs in relation to the drafting, negotiating and implementation of this Agreement.

15 INSURANCE

15.1 The Company shall take out and maintain with reputable insurers all insurances required to be maintained by law and such other prudent insurances against such risks as are normally insured against by businesses carrying on activities similar to those of the Company and (without prejudice to the generality of the foregoing) shall insure its assets of an insurable nature for their full replacement or reinstatement value.

15.2 The Company shall take out and maintain appropriate directors and officers liability insurance, subject always to clause 5.2.

16 ASSIGNMENT

16.1 This Agreement, shall be binding on, and shall enure to the benefit of, each of the parties and their respective successors.

16.2 No party shall assign, transfer, sub contract or otherwise dispose of any interest in this Agreement without the consent of the other party.

17 ENTIRE AGREEMENT

17.1 This Agreement and the documents referred to in it (including the Articles) constitute the entire agreement between the parties relating to its/their subject matter and supersede all previous agreements between the parties relating to such matters.

18 NOTICES

- 18.1 All notices under this Agreement shall be in writing and all certificates, notices or written instructions to be given under the terms of this Agreement shall be served by sending the same by first class post or by hand, leaving the same at the addresses set out at the start of the Agreement.
- 18.2 Any party to this Agreement may change its nominated address by prior notice to the other parties.
- 18.3 Notices given by post shall be effective upon the earlier of (i) actual receipt, and (ii) five (5) Business Days after mailing. Notices delivered by hand shall be effective upon delivery.

19 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

- 19.1 It is agreed for the purposes of the Contracts (Rights of Third Parties) Act 1999 that this Agreement is not intended to, and does not, give to any person who is not a party to this Agreement any rights to enforce any provisions contained in this Agreement.

20 WAIVER

- 20.1 Any relaxation, forbearance, indulgence or delay (together indulgence) of any party in exercising any right shall not unless made in writing, be construed as a waiver of the right and shall not affect the ability of that party subsequently to exercise that right or to pursue any remedy, nor shall any indulgence constitute a waiver of any other right (whether against that party or any other person).

21 SEVERABILITY

- 21.1 If any provision of this Agreement shall be declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject, such provision may be severed and such invalidity, unenforceability or illegality shall not prejudice or affect the validity, enforceability or legality of the remaining provisions of this Agreement.

22 NO PARTNERSHIP OR AGENCY

- 22.1 Nothing in this Agreement shall be construed as creating a partnership.
- 22.2 No party shall be deemed to be, an agent of any other party and no party shall hold itself out as having authority or power to bind any other party in any way.

23 VARIATION

- 23.1 This Agreement may not be varied except by an agreement in writing signed by duly authorised representatives of the parties.

24 CONFLICT WITH THE ARTICLES

- 24.1 If any provision of this Agreement is inconsistent with a provision of the Articles, then the terms of this Agreement shall prevail and the parties agree to procure the making of any amendment to the Articles as soon as reasonably practicable which is required in order to make the Articles consistent with the provisions of this Agreement.

25 GOVERNING LAW AND JURISDICTION

- 25.1 This Agreement shall be considered as a contract made in England and Wales and shall be subject to the laws of England and Wales.
- 25.2 The parties agree that the courts of England and Wales shall have exclusive jurisdiction to hear and settle any action, suit, proceeding or dispute in connection with this Agreement and irrevocably submit to the jurisdiction of those courts.

Executed as a deed by the parties or their duly authorised representatives on the date of this Agreement

The common seal of)
Lincolnshire County Council)
was hereunto affixed in the presence)
of:)

Seal

.....
Authorised officer

Executed and delivered as a DEED by)
[LINCOLNSHIRE LEGAL SERVICES)
TRADING LIMITED])
acting by its duly authorised signatories:)

.....
.....

SCHEDULE 1 - DEFINITIONS AND INTERPRETATION

1 Definitions

1.1 In this Agreement, unless the context otherwise requires:

Annual Budget means the annual budget forming part of the Business Plan

Articles means the articles of association of the Company set out in Schedule 4 as amended from time to time

Board means the board of directors of the Company for the time being

Business means the business of the Company as described in clause 3 and all matters reasonably ancillary to any such matters

Business Day means a day other than a Saturday, Sunday or a bank holiday in England

Business Plan means the plan referred to in clause 6.1 as the same may be varied or updated from time to time in accordance with the provisions of clause 6

Confidential Information has the meaning given in clause 11.5

Director means a director of the Company for the time being

Disclosing Party has the meaning given in clause 11.5

Environmental Information Regulations means the Environmental Information Regulations 2004 and any subordinate legislation made under the Regulations from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation

FOIA means the Freedom of Information Act 2000 and any subordinate legislation (as defined in Section 84 of the Freedom of Information Act 2000) made under the Freedom of Information Act 2000 from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such ;legislation

Indebtedness means any obligation for the payment or repayment of money, whether joint or several, actual or contingent, in respect of:

- (a) moneys borrowed or raised (including the capitalised value of obligations under financial leases and hire purchase agreements and deposits), debit balances at bank accounts and interest and other charges thereon or in respect thereof;
- (b) any liability under any debenture, bond, note, loan stock, commercial paper or other security or under acceptance or documentary credit, bill discounting or note purchase facilities;
- (c) any liability in respect of the deferred acquisition cost of property, assets or services to the extent payable after the time of acquisition or possession thereof by the party liable;
- (d) any guarantee, indemnity or other assurance against financial loss in respect of any of the indebtedness specified in this definition;
- (e) any cost or liability under any interest rate or currency hedging agreement; and
- (f) any other transaction having the commercial effect of the borrowing or raising of money

LCC Consent Matter means the matters specified in Schedule 6

LCC Representative means the person appointed as LCC's representative in accordance with clause 5

Outgoing Director has the meaning given in clause 4.5

Receiving Party has the meaning given in clause 11.5

Recipient has the meaning given in clause 11.2

Request for Information shall have the meaning set out in the FOIA or any apparent request for information under the FOIA or the Environmental Information Regulations

Shares means issued shares in the capital of Company of any class

2 Interpretation

2.1 This Agreement shall be interpreted according to the following provisions, unless the context requires a different meaning:

2.1.1 Headings are included for convenience only and shall not affect the interpretation of this Agreement.

2.1.2 Except where the context expressly requires otherwise, references to clauses, paragraphs, sub paragraphs, parts and Schedules are references to clauses, paragraphs, sub paragraphs and parts of and Schedules to this Agreement and references to Sections, Appendices and Attachments (if any) are references to Sections, Appendices and Attachments to or contained in this Agreement.

2.1.3 The Schedules to this Agreement are an integral part of this Agreement and a reference to this Agreement includes a reference to the Schedules.

2.1.4 Words importing persons shall, where the context so requires or admits, include individuals, firms, partnerships, trusts, corporations, governments, governmental bodies, authorities, agencies, unincorporated bodies of persons or associations and any organisations having legal capacity.

2.1.5 Where the context so requires words importing the singular only also include the plural and vice versa and words importing the masculine shall be construed as including the feminine or the neuter or vice versa.

2.1.6 The language of this Agreement is English. All correspondence, notices, and information shall be in English.

2.1.7 References to any law are to be construed as references to that law as from time to time amended or to any law from time to time replacing, extending, consolidating or amending the same.

2.1.8 References to a public organisation shall be deemed to include a reference to any successor to such public organisation or any organisation or entity which has taken over either or both the functions and responsibilities of such public organisation.

2.1.9 The words in this Agreement shall bear their natural meaning. The parties have had the opportunity to take legal advice on this Agreement and no term shall, therefore, be construed contra proferentem.

2.1.10 Reference to **parties** means the parties to this Agreement and references to a **party** mean one of the parties to this Agreement.

- 2.1.11 In construing this Agreement, the rule known as the *ejusdem generis* rule shall not apply nor shall any similar rule or approach to the construction of this Agreement and accordingly general words introduced or followed by the word other or including or in particular shall not be given a restrictive meaning because they are followed or preceded (as the case may be) by particular examples intended to fall within the meaning of the general words.
- 2.1.12 Reference to a document being in **Agreed Form** is a reference to the form of the relevant document agreed between the parties and for the purpose of identification initialled by each of them or on their behalf.
- 2.1.13 Where this Agreement states that an obligation shall be performed **no later than** or **within** or **by** a stipulated date or event which is a prescribed number of Business Days after a stipulated date or event, the latest time for performance shall be noon on the last Business Day for performance of the obligations concerned.
- 2.1.14 A reference to a **subsidiary** or **holding company** is to be construed in accordance with section 1159 of the Companies Act 2006.
- 2.2 In the event of conflict between the terms of this Agreement and the Articles, the terms of this Agreement shall prevail and, in the event of such conflict, the parties shall procure such modification to the Articles as shall be necessary to remedy such conflict.

SCHEDULE 2- DETAILS OF THE COMPANY

Name: []

Registered Office: County Offices, Newland, Lincoln, LN1 1YL

Registered Number: *[insert number]*

Shareholders:	Shareholdings	Number and Class of Share
	Lincolnshire County Council	1 Ordinary

Directors: *[insert name of director]*

[insert name of director]

SCHEDULE 3 - LETTER OF APPOINTMENT OF A NOMINATED DIRECTOR¹

[on the headed notepaper of the Company]

[name and address of nominated Director]

[Date]

Dear

[(the Company)

1 This letter contains the terms which we have discussed and agreed for your appointment as a director of the Company, as [a][the] nominated Director nominated by Lincolnshire County Council (**LCC**) (**Nominated Director**). Your appointment is made pursuant to and is subject to the terms and conditions set in the Shareholder's Agreement dated [DATE] and made between LCC and the Company (**Shareholder's Agreement**).

2 You are not entitled to fees or remuneration for fulfilling the role of Nominated Director other than as agreed in writing from time to time by the Board.

3 You will be expected to attend the Board Meetings and General Meetings of the Company. You will receive details of all such meetings in advance.

4 You will not, whether during the appointment or after its termination, except in the proper course of your duties or as required by law, use or divulge, and shall use all reasonable endeavours to prevent the use or disclosure of, any trade or business secrets or any information concerning the business or finances of the Company or of any dealings, transactions, or affairs of the Company or any client, customer or supplier of the Company which comes to your knowledge during the course of this appointment and will comply with the provisions of clause 11 (*Confidentiality*) of the Shareholder's Agreement as if it applied to you. You will, however, be entitled to disclose information to LCC as permitted under the Shareholder's Agreement and the articles of association of the Company (**Articles**).

5 The appointment will automatically cease in relation to the Company in the event that:

5.1.1 you resign as a director; or

5.1.2 upon the lodgement or delivery of a notice from LCC in accordance with Article 11 of the Articles removing you from office in relation to the Company.

Without limitation to paragraphs 5.1.1 and 5.1.2 above, in signing this letter, you acknowledge that your office is subject to the terms of the Shareholder's Agreement and the Articles and may be determined as permitted under the terms of the Shareholders' Agreement and such Articles and that upon such termination you will vacate office in relation to the Company forthwith without raising any claim whatsoever against the Company (including without limitation any claim for compensation).

6 On termination of your appointment, you agree that you will promptly return to the Company Secretary all papers and property of the Company which are in your possession or under your control.

7 Please indicate your acceptance and acknowledgement of these terms by signing the attached copy and returning it to me. I look forward to seeing you at our next Board meeting.

Yours sincerely

¹ Drafting note: to be confirmed if the terms in this template letter are acceptable to LCC

.....
Signatory, duly authorised
for and on behalf of the Company

I agree to and acknowledge the terms and conditions set out above relating to my appointment as director of
[Lincolnshire Legal Services Trading Limited].

Signed

Print name

Dated

SCHEDULE 4 - CODE OF ETHICS

- 1 Representatives of the Company will adhere to the Nolan Standards of Public Life as follows:
 - 1.1 **SELFLESSNESS:** I will act solely in terms of the public interest. I will not act in such a way as to gain financial or other material benefits for myself, my family or my friends.
 - 1.2 **INTEGRITY:** I will not place myself under any financial or other obligation to outside individuals or organisations that might seek to influence me in the performance of my official duties.
 - 1.3 **OBJECTIVITY:** I will make choices on merit, in carrying out public business, including when making public appointments, awarding contracts or recommending individuals for rewards and benefits
 - 1.4 **ACCOUNTABILITY:** I will be accountable for my decisions and actions to the public and to the Council and must submit myself to whatever scrutiny is appropriate to my office.
 - 1.5 **OPENNESS:** I will be as open as possible about all the decisions and actions I take. I will give reasons for my decisions and restrict information only when the wider public interest or the law clearly demands.
 - 1.6 **HONESTY:** I will declare any private interests relating to my public duties and take steps to resolve any conflicts arising in a way that protects the public interests.
 - 1.7 **LEADERSHIP:** I will promote and support these principles by leadership and example.
- 2 LCC's representatives will comply with the Council's conduct and other ethical framework policies in force.
- 3 The Company agrees that minutes of all Company meetings and accounts and records of all Company dealings will be kept in a manner acceptable to LCC and there shall be no presumption that all such information is confidential. Whilst Company related information may not be routinely published, LCC reserves the right to publish information in the public interest, taking account of the views of the Company and provided this does not give rise to an actionable breach of confidence.

SCHEDULE 5 - THE ARTICLES

SCHEDULE 6 – LCC CONSENT MATTERS²

Ref	Matter
A	Financial and Business Plan
A1	The approval of the Business Plan and agreeing or approving any material amendments to the Business Plan including any in-year material changes to the Business Plan.
A2	The increase in any Indebtedness of the Company other than in accordance with the Business Plan.
A3	The commencement by the Company of any new business not being ancillary to or in connection with the Business or making any material change to the nature of the Business.
A4	The approval of the annual accounts once signed off by the auditors.
A5	The payment of any dividend to the shareholders
A6	The approval of any expenditure above the value of £[100,000] ³ that is not already approved in the Business Plan (excluding client disbursements)
A7	The approval of indemnities for relevant officers and any insurances in relation to the liabilities of officers
B	Share/ loan capital and constitutional
B1	Any amendment to the Articles.
B2	Any variation of any rights, including class rights, attaching to any shares or loan notes of the Company.
B3	The admission of further shareholders to the Company or agreeing any rights or restrictions attaching to any shares allocated to such new shareholders.
B4	The capitalisation of profits or reserves of the Company.
C	Officers of the Company
C1	The devolution or transfer of management control of the Company to persons outside the Board and, if approved, the terms of such devolution.
C2	The appointment (including the terms and conditions of appointment where such terms depart from Schedule 3) or removal of any Director (including alternate Directors)
D	Future direction and development of the Company
D1	Forming any subsidiary or acquiring shares in any other company or participating in any partnership or incorporated joint venture vehicle
D2	Amalgamating or merging with any other company or business undertaking

² To be reviewed by LCC. These are the current WCC Consent Matters.

³ Appropriate threshold to be confirmed by LCC

Ref	Matter
D3	Acquiring the business and assets of any other company or business undertaking
D4	Selling or disposing of any part of the business of the Company
D5	The commencement of any winding-up or dissolution or of the appointment of any liquidator, administrator or administrative receiver of the Company or any of its assets unless it shall have become insolvent, and no party shall present or cause to be presented or allow any act which would result in the winding up or the presentation of any petition for the winding up of the Company.
E	Management of the business of the Company
E1	A change of name of the Company.
E2	A change of the Company's registered office
E3	Creating or agreeing to create a charge, security or encumbrance over the Company's assets, shares or income
E4	Any matter that is reasonably likely to have an adverse effect on the reputation of LCC
E5	Changing the nature of the business or commencing any new business which is not ancillary or incidental to the business of the Company
E6 ⁴	Agreeing to enter into or entering into any acquisition or disposal of any material assets by the Company the total value of which the Board reasonably expects will exceed £[20,000]
E7	Giving notice of termination of any arrangements, contracts or transactions the total value of which the Board reasonably expects will exceed £[20,000] per annum or materially varying any such arrangements, contracts or transactions and such termination or variation is likely to have an adverse impact on the financial status of a Company
E8	Making any borrowing in excess of £[10,000]
E9	Agree to make or making any loan (otherwise than by way of a deposit with a bank or other institution, the normal business of which includes the acceptance of deposits or in the ordinary course of business) or granting any credit (other than in the normal course of trading or the granting of trade credit to a Company which has been approved under the Business Plan) or giving any guarantee or indemnity (other than in the normal course of trading)
E10	Changing the financial year of the Company
E11	Appointing or removing bankers of the Company.
E12	Appointing or removing auditors of the Company.
E13	Increasing or reduce the amount of its issued share capital, grant any option over or in its share capital, redeem or purchase any of its own shares or otherwise alter, or effect any reorganisation of, its share capital (where applicable)

⁴ Drafting note: financial thresholds in E6 – E8 to be confirmed