



County Offices
Newland
Lincoln
LN1 1YL

22 February 2021

In accordance with the powers granted by the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 this will be a virtual meeting.

Executive

A meeting of the Executive will be held on **Tuesday, 2 March 2021 at 10.30 am as a Virtual - Online Meeting via Microsoft Teams** for the transaction of the business set out on the attached Agenda.

Access to the meeting is as follows:

Members of the Executive and officers of the County Council supporting the meeting will access the meeting via Microsoft Teams.

Members of the public and the press may access the meeting via the following link: <https://lincolnshire.moderngov.co.uk/ie/ListDocuments.aspx?CId=121&MId=5752&Ver=4manually> where a live feed will be made available on the day of the meeting.

Yours sincerely

A handwritten signature in black ink that reads 'Debbie Barnes'.

Debbie Barnes OBE
Chief Executive

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, 2 MARCH 2021**

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 2 February 2021		5 - 14
NON KEY DECISIONS - ITEMS TO BE RESOLVED BY THE EXECUTIVE			
5	Performance Reporting against the Corporate Plan Performance Framework - Quarter 3 <i>(To receive a report from the Executive Director – Commercial which presents an overview of performance for Quarter 3 (October – December 2020) against the Corporate Plan)</i>	I021472	15 - 36
6	Revenue Budget Monitoring Report 2020/21 - Quarter 3 to 31 December 2020 <i>(To receive a report from the Executive Director – Resources which provides an update on revenue spending compared with budgets for the financial year which started on 1 April 2020)</i>	I020522	37 - 102
7	Capital Budget Monitoring Report 2020/21 - Quarter 3 to 31 December 2020 <i>(To receive a report from the Executive Director – Resources which provides an update on capital spending compared with budgets for the financial year which started on 1 April 2020)</i>	I020521	103 - 144

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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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<https://www.lincolnshire.gov.uk/council-business/search-committee-records>



**EXECUTIVE
2 FEBRUARY 2021**

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), C N Worth (Executive Councillor for Culture and Emergency Services) and B Young (Executive Councillor for Community Safety and People Management).

Councillors C E H Marfleet (Chairman of the Adults and Community Wellbeing Scrutiny Committee), Mrs A M Newton (Leader of the Independent Group), C R Oxby (Vice Chairman of the Environment and Economy Scrutiny Committee) and R B Parker (Chairman of the Overview and Scrutiny Management Board) were also in attendance.

Officers in attendance:-

Debbie Barnes OBE (Chief Executive), Dan Clayton (Sustainability Manager), Roz Cordy (Interim Assistant Director of Safeguarding), Andrew Crookham (Executive Director Resources), James Drury (Executive Director Commercial), Gareth Everton (Head of Integration and Transformation), Glen Garrod (Executive Director - Adult Care and Community Wellbeing), Michelle Grady (Assistant Director for Strategic Finance), Andy Gutherson (Executive Director Place), Matthew Harrison (Senior Commissioning Officer - Flood Risk), David Hickman (Head of Environment), Kevin Kendall (Assistant Director - Corporate Property), Natasha Langford (Corporate Project Support Officer, Resources), Karen Spencer (Head of Communication and Engagement), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Rachel Wilson (Democratic Services Officer) and Adrian Winkley (Minerals and Waste Policy and Compliance Manager).

41 APOLOGIES FOR ABSENCE

There were no apologies for absence.

42 DECLARATIONS OF COUNCILLORS' INTERESTS

There were no declarations of interest at this point in the meeting.

43 ANNOUNCEMENTS BY THE LEADER, EXECUTIVE COUNCILLORS AND EXECUTIVE DIRECTORS

The Leader of the Council advised that in relation to Covid-19 infections, the rates in Lincolnshire were stabilising and had reduced slightly, with the rate of infection for the county, around half that of the national rate. The full roll out of the vaccination programme was underway and the second large vaccination centre for Lincolnshire located at the Lincolnshire Showground was opening on 2 February 2021. Lincolnshire was on target for delivering the vaccine to the first four groups by the 15 February 2021 target set by Government. This was an achievement for Lincolnshire as the county had an above average over 80's population. The County Council continued to work well with the NHS and was working in co-operation with the NHS to vaccinate all frontline staff as well as care home staff.

The Executive Councillor for Adult Care, Health and Children's Services confirmed that all residential home residents and staff in the county had been vaccinated, which again was a good achievement as there were over 300 homes in the County, which should give confidence to relatives and carers.

44 MINUTES OF THE MEETING OF THE EXECUTIVE HELD ON 5 JANUARY 2021**RESOLVED**

That the minutes of the meeting held on 5 January 2021 be signed by the Chairman as a correct record.

45 COUNCIL BUDGET 2021/22

Consideration was given to a report from the Executive Director – Resources which asked the Executive to propose to full Council the Council's budget and council tax in light of the provisional local government settlement and consultation comments on its initial proposals. The Executive was also asked to consider prudential targets in relation to capital financing and other treasury management matters.

The Assistant Director – Finance introduced the report to the Executive and guided them through a further update to the Council Budget 2021/22, which had been circulated prior to the meeting, which set out a revised Budget position following confirmation from the district councils of the Council Tax bases; Council Tax Collection Fund; Business Rates Collection Fund; and the Business Rates Section 31 grant funding, as well as the implications of the latest information on the Budget position. The update presented a small surplus

An updated Appendix G to the report was also circulated to the meeting, which included budget consultation feedback from scrutiny committees; members of the public; and the notes from the consultation meeting with external stakeholders.

The Assistant Director – Finance advised that there were no proposed changes to the revenue or capital service budgets as presented at the meeting on 5 January 2021 and a council tax increase of 1.99% was proposed, which would be an increase for a Band D property of £26.58 per year. It was reported that all the feedback received to the proposed budget was supportive of the proposals being made.

The Chairman of the Overview and Scrutiny Management Board (OSMB) summarised the comments which had been made by the Board when considering the budget proposals, and the Board had accepted that the cost pressures could be met by the proposed council tax increase of 1.99%. It was acknowledged that Covid-19 was having a significant impact on funding and would continue to do so going forward, particularly in relation to Adult Social Care. Reference was also made to the significant cost pressures in relation to Home to School Transport, however, this was being addressed as part of the Transformation Programme and the outcome of the review would be reported back to the relevant scrutiny committees.

The Leader advised that there had been additional pressures on the Council both from incurring additional costs and from lost income, however, it should be acknowledged that the Government had provided a lot of financial support during the pandemic, and the County Council had received approximately £44m in grants which had allowed the Council to continue delivering services. There was a requirement to report back to government on how this money had been spent.

A one year budget had been proposed, it had been hoped that the authority would receive a multi-year settlement, however, due to Covid-19 the government had only been able to issue a one year settlement. Lincolnshire was one of the lowest county council precepts in the country, and as an authority was in a strong position financially, with a financial volatility reserve.

During debate, a number of issues were highlighted and included:

- The Executive Councillor for Economy and Place highlighted that there were many businesses in Lincolnshire who were now struggling as a result of Covid-19, having not been able to receive government support;
- The Executive Councillor for Highways, Transport and IT highlighted the need for more investment in rural and C roads in the County;
- The Executive Councillor for Commercial and Environmental Management raised the issues of flooding investment and highlighted the current lack of sandbag provision in the County.

In response to the issues raised during the debate, the Leader of the Council tabled an amendment to the budget to recommend the following to the Council:

- An immediate transfer in 2020/21 of £12m from the Financial Volatility Reserve to a new Support for Business reserve.
- An immediate transfer in 2020/21 of £0.2m from the Financial Volatility Reserve to the Flood and Water Risk Management reserve for the purpose of providing 5,000 sandbags across the county, the part refilling of grit bins throughout the winter, and localised sandbags provided for emergency response to Parish Councils.

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- The recommended budget for 2021/22 be amended to reflect the above changes
- Move £10m from the Capital Contingency in 2021/22 to a new capital scheme called Rural Road Fund.

The Executive Director – Resources advised that the immediate need for the funds would give rise to a transfer in year which was allowable but required a full Council decision. The amendment would be put to the Council as part of the overall budget decisions and voted on as a whole. Subject to the council vote, the funds would be earmarked for the new purposes immediately.

In terms of the Support to Business, a key decision report outlining the package of measures would be presented to the Environment and Economy Scrutiny Committee on 16 February 2021 and the Leader would be asked to make a decision on those parameters after a successful council vote and no later than 23 February 2021.

The flood funding would also be transferred immediately following a successful council vote, making it available for any flooding issues which may arise before the end of the 2020/21 financial year.

Both of these items were being transferred from the Financial Volatility Reserve, which had been established to manage future funding uncertainty and would serve to reduce the current balance from £52m to £40m. The Section 25 statement to Council would make reference to this and it was the strong professional advice of the Executive Director – Resources that the reserves should be replenished at the earliest opportunity. The Rural Road Fund would be a straightforward switch between headings in the capital programme and had no impact on the revenue budget.

The Executive strongly supported the amendments to the Council budget and commented that they would be of benefit to many businesses and residents and recommended that they be put to the Council on 19 February 2021.

RESOLVED

That the Executive:

1. Consider the effect of the funding available and revenue expenditure position as noted in paragraphs 1.24, 1.25 and Table B of the report, supported by additional information in Appendix A;
 2. Consider the Equality Impact Analysis at Appendix B and the consultation comments as shown in Appendix G and presented at the meeting;
- 2a) Approve for recommendation to full Council that the budget for 2020/21 be amended as follows:
- i) a new Support for Businesses Reserve of £12m be created for the purpose of implementing schemes for supporting Lincolnshire

- Businesses by a transfer of £12m from the Financial Volatility Reserve;
and
- ii) £0.2m be transferred from the Financial Volatility Reserve to the existing Flood and Water Risk Management reserve for the purpose of providing sandbags across the county.
3. Subject to recommendation 4 below approve for recommendation to full Council:
- a) the revenue Budget for 2021/22 proposed in Table B of the report subject to the following changes:-
 - i. The Financial Volatility Reserve be reduced by £12.2m;
 - ii. The new Support for Businesses Reserve of £12m be inserted;
and
 - iii. The Flood and Water Risk Management Reserve be increased by £0.2m to £0.418m
 - b) the capital programme for 2021/22 proposed in Table C and Appendix C of the report subject to the New Developments Capital Contingency Fund being reduced by £10m and the insertion of a new scheme in Highways, "Rural Road Fund" with an allocation of £10m;
 - c) the levels of council tax proposed in Table D and shown in Appendix D of the report including the increasing of council tax in 2021/22 by 1.99%;
 - d) the prudential indicators for 2021/22 shown in Appendix E of the report;
 - e) the Flexible Use of Capital Receipts Strategy for 2021/22 shown in Appendix F of the report; and
 - f) the Medium Term Financial Strategy attached at Appendix H to the report; and
 - g) the Capital Strategy 2021/22 attached at Appendix I to the report.
4. Request the Leader to review and amend the Executive's budget recommendations to the County Council, as appropriate, in light of the final Local Government Finance Settlement if received between the Executive meeting and the County Council on 19 February 2021.
5. Request the Leader to review and amend the figures within the Medium Term Financial Strategy to be recommended to the County Council as appropriate, to ensure consistency with final budget recommendations made to the County Council meeting on 19 February 2021.

46 EXTRA CARE HOUSING SCHEME AND COMMUNITY SUPPORTED LIVING UNITS FOR WORKING AGED ADULTS AT THE HOPLANDS SLEAFORD WITH NORTH KESTEVEN DISTRICT COUNCIL

The Executive Director for Adult Care and Community Wellbeing introduced a report which set out a scheme for extra care housing and community supported living units for working aged adults to be developed at The Hoplands in Sleaford with North Kesteven District Council. It was proposed that the scheme would offer 40 extra care apartments and 12 supported living units for working aged adults with learning disabilities, mental health and/or physical disabilities. The report recommended that a further £2.56m of the designated capital budget was released to enable the Hoplands scheme to begin development in the summer of 2022.

It was highlighted that an important factor of this development was its location, which was very close to Sleaford town centre. This meant that residents would be able to access community facilities and activities as well as the local shops, helping them to remain independent.

It was also noted that this scheme introduced a new aspect of including the supporting living units for working aged adults in the development of the extra care scheme.

In terms of the scheme itself, it was expected that this would deliver provision for a 30 year period, with the County Council having first refusal on any beds, and no void risk. It was expected that the scheme would commence in 2022 with completion in 2023/24.

Councillor C E H Marfleet, Chairman of the Adults and Community Wellbeing Scrutiny Committee, presented the comments of the Committee which were strongly supportive of the recommendations and the scheme. In addition, the Committee had been very impressed by the partnership working in order to develop this scheme. The Committee also welcomed the mixture of accommodation catering for different requirements on one development, and hoped that more of these developments would come forward in the future.

The Executive welcomed the report and its recommendations, and echoed the comments of the Scrutiny Committee in hoping to see more of this type of development in Lincolnshire in the future, as this enabled residents to stay in their communities and remain independent when they started to require additional support.

RESOLVED

That the Executive:

1. Approves the payment of a sum of £2.56 million from the Capital Programme for Lincolnshire to NKDC through a Funding Agreement to support the development of the Hoplands, Sleaford, which is permitted under the state aid rules where the aid provided can be categorised as Services of General Economic Interest, with Lincolnshire County Council and North Kesteven

District Council entering into a Nominations Agreement and Funding Agreement for the Extra Care Housing scheme and Working Age Adult properties, to secure nomination rights for Lincolnshire County Council on 40 Extra Care Housing units and 12 Community Supported Living units for Working Age Adults with learning disabilities, mental health and/or physical disabilities; through a process of first refusal with no void risk for a period of 30 years.

2. Approves the under-value disposal of 0.9625 hectares of the Hoplands site for nil value to North Kesteven District Council to support the development of the Hoplands, which is permitted under the state aid rules, where the aid provided can be categorised as Services of General Economic Interest. (The market value for this section of land is £650,000).
3. Approves the disposal of 0.81262 hectares of the Hoplands site for market value of £250,000 to Lafford Homes, North Kesteven District Council's wholly-owned property company, for the development of market rental properties, or to North Kesteven District Council for the development of social housing, in the event Lafford Homes are unable to proceed.
4. Delegates to the Executive Director for Adult Care and Community Wellbeing, in consultation with the Executive Councillor for Adult Care, Health and Children's Services, authority to determine the final form, and approve the entering into of all legal documentation necessary to give effect to the above decisions.

47 LINCOLNSHIRE COUNTY COUNCIL'S GREEN MASTERPLAN

The Head of Environment introduced a report which presented Lincolnshire County Council's Green Masterplan for approval. The Executive was advised that this had been designed to be a web based resource which would be accessible by the public and would be updated regularly. It was highlighted that the Green Masterplan set out three main principles which were:

- Not wasting anything
- Taking advantage of the wider opportunities
- Taking responsibility and pride for our contribution

The aim was to build in new approaches across the services that the Council delivered.

Councillor C R Oxby, Vice Chairman of the Environment and Economy Scrutiny Committee summarised the comments made when this was considered at its meeting on 12 January 2021 and was supported unanimously. It was highlighted that there was increased pressure for the companies that supplied plastic products to take more responsibility for how they were disposed of. The Executive Councillor for Commercial and Environmental Management commented that the scrutiny Committee did consider this report in great detail, but that there was no single answer

to the issue of plastics. It was felt there would need to be a range of measures in place.

The Executive welcomed and supported the report and it was highlighted that this was not a new initiative, but something the Council had been working hard to put into practice for ten years.

RESOLVED

That the Green Masterplan be approved.

48 REVIEW OF THE LINCOLNSHIRE MINERALS AND WASTE LOCAL PLAN

Consideration was given to a report by the Executive Director – Place which outlined that a provisional review of the Lincolnshire Minerals and Waste Local Plan had recently been undertaken by officers in accordance with the statutory procedure. This concluded that a number of policies required updating, but that it would be beneficial to update the whole plan in order to ensure that the policies remained consistent.

Councillor C R Oxby, Vice Chairman of the Environment and Economy Scrutiny Committee summarised some of the comments made by the Committee when it considered the report at its meeting on 12 January 2021 and highlighted that concerns had been raised regarding Policy W5 and that some decisions would be considered by the district council and others by the County Council, and it was thought that a more consistent approach was required. However, the Committee had unanimously supported the recommendations set out in the report.

RESOLVED

1. That the Executive endorses the Review of the Lincolnshire Minerals and Waste Local Plan and recommends to the full County Council that the whole Lincolnshire Minerals and Waste Local Plan is updated in accordance with the programme set out in the proposed Lincolnshire Minerals and Waste Development Scheme;
2. That the Executive authorises the Head of Planning Services to make any minor amendments to the Review of Lincolnshire Minerals and Waste Local Plan and the Lincolnshire Minerals and Waste Development Scheme before they are considered by the full County Council, which may be necessary to allow them to be published on the County Council's website.

49 DEVELOPMENT FUND - DRAINAGE INVESTIGATIONS AND FLOOD REPAIRS

A report on behalf of the Executive Director – Place was presented which requested approval of the governance structure and programme of works to address drainage and flooding issues in Lincolnshire. It was reported that funding of £2.2million (capital £2m, revenue £200k) had been made available and a programme of work

had been developed between the Floods Team and Highways with overall spend and delivery to be completed by March 2022.

A governance structure had been established to facilitate the delivery of the works programme with updates and progress reports to be made throughout the duration of the programme. A number of schemes had been progressed which totalled around £340,000. Appendix B to the report set out the works which would continue to be progressed.

Councillor C R Oxby, Vice Chairman of the Environment and Economy Scrutiny Committee was in attendance to provide a summary of the comments made by the Committee and reported that the Committee had unanimously agreed to support the recommendations.

The Executive welcomed the report and it was highlighted that this was part of a much wider programme of works around flood investigations and maintenance and repairs.

RESOLVED

That the Executive:-

1. approves the Development Fund – Drainage Investigations and Flood Repairs Governance Structure attached in Appendix A of the report and the Programme of Works attached in Appendix B of the report; and
2. delegates to the Executive Director – Place in Consultation with the Executive Councillor for Highways, Transport and IT, and the Executive Councillor for Economy and Place, the authority to take decisions to proceed with individual schemes and the terms of entering into any contractual documents to give effect to the schemes.

50 INTRODUCING A CHARGING POLICY FOR PRE-APPLICATION PLANNING ADVICE

Consideration was given to a report by the Executive Director – Place which outlined the proposal for introducing a charging policy for the Planning Services Team when providing pre-application advice to prospective applicants or developers. Attention was drawn to Appendix A which set out the proposed charging schedule. If the policy was approved it was planned that it would take effect from 1 April 2021.

Councillor C R Oxby, Vice Chairman of the Environment and Economy Scrutiny Committee was in attendance to present the comments of the Committee, which acknowledged that the proposed charges would bring Lincolnshire in line with how other authorities operated. Clarification had also been sought by the scrutiny committee regarding the charging of district councils, and it had been reported that it would be unlikely that charges would be levied between the county and district councils, and supported the recommendations set out in the report.

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RESOLVED

The Executive:-

1. approves the adoption of a formal charging regime for giving pre-application planning advice for minerals, waste and the County Council's own applications in the form of the Charging Schedule and Exemptions as set out in Appendix A to the report, to take effect from 1 April 2021; and
2. delegates authority to the Executive Director – Place to review the Charging Schedule after a minimum of 12 months from its implementation and to make any changes that are felt necessary following this initial period.

51 PERFORMANCE REPORTING AGAINST THE CORPORATE PLAN
PERFORMANCE FRAMEWORK 2020-2021 - QUARTER 2

An overview of the performance for quarter 2 (June – September 2020) against the Corporate Plan was introduced by the Executive Director – Commercial. The Performance and Equalities Manager advised that of the 19 activities with milestones due to be reported in Q2, 89% were either On Plan or Ahead of Plan. Of the two activities which were behind plan, both had been impacted by Covid-19.

The Chairman of the Overview and Scrutiny Management Board confirmed that the Board had recorded its support for the recommendations to the Executive. The Board had acknowledged that the SHERMAN initiative was behind plan as it relied on Fire and Rescue staff going into people's homes, and this had been hindered due to Covid-19 restrictions. However, it queried whether there was an opportunity for checks to be carried out when entering someone's home for other reasons.

In relation to the *Create Thriving Environments* measures, it was suggested that it would be helpful if planned milestones could be included in future reports to inform members of the next steps for achieving the objectives.

RESOLVED

That the Quarter 2 performance for 2020/21 be noted.

The meeting closed at 12.04 pm.

**Open Report on behalf of James Drury,
Executive Director - Commercial**

Report to:	Executive
Date:	02 March 2021
Subject:	Performance Reporting against the Corporate Plan Performance Framework 2020-2021 - Quarter 3
Decision Reference:	I021472
Key decision?	No

Summary:

This report presents an overview of performance for Quarter 3 (October – December 2020) against the Corporate Plan. Details on performance can be viewed on the [website](#).

Recommendation:

That Quarter 3 performance for 2020/21 be considered and noted.

Alternatives Considered:

No alternatives have been considered to the recommendation as it reflects factual information presented for noting and consideration.

Reasons for Recommendation:

To provide the Executive with information about Quarter 3 performance against the Corporate Plan.

1. Background

- 1.1 The [Corporate Plan](#) (CP) was approved by the Council on 11 December 2019 and the Executive approved the Corporate Plan Performance Framework on 6 October 2020. The Framework contains performance indicators (PIs) and key activities against which performance/progress will be reported in order to demonstrate whether the Council is achieving the four ambitions for Lincolnshire as set out in the CP. Service level

performance is reported to the relevant scrutiny committees and is published on the [website](#).

1.2 The four ambitions are:

- Create thriving environments
- Enable everyone to enjoy life to the full
- Provide good value council services
- Support high aspirations

1.3 Overall each of the four ambitions is 'On plan'. This is based on both the key activities and PIs.

1.4 This report provides the Executive with highlights of Quarter 3 (Q3) performance of the performance framework. The full range of performance is hosted on the Council's [website](#). Performance is reported by exception.

For activities, this includes those which are:-

- Behind plan - current milestones have not been achieved, summarised in sections 1.4.5 and 1.4.6 and are detailed in Appendix A.
- Ahead of plan - achieved current milestones and forecast to achieve future milestones ahead of timescales, summarised in section 1.4.7.

Details of all activities including those On plan (achieved current milestones and forecast to achieve future milestones within timescales) are available on the Council's website. Some highlights of On Plan activities are included in section 1.4.8.

For PIs, this includes those where the target has:-

- Not been achieved.
- Been achieved but the direction of travel is of concern.
- Been achieved and service wants to celebrate success.

1.4.1 **Headlines Quarter 3 Performance – Key Activities**

1.4.2 Services have provided key milestones for each activity for 2020/2021. Progress is an objective judgement by the service against the milestones. Services will be asked to provide milestones for 2021/2022 in spring 2021.

1.4.3 To summarise, of the 34 activities with milestones due to be reported in Q3, 65% (22) are either On plan or Ahead of plan:-

- 20 are On plan (Achieved current milestones and forecast to achieve future milestones within timescales);
- 2 are Ahead of plan (Achieved current milestones and forecast to achieve future milestones ahead of timescales); and

- 12 are Behind plan (Current milestones have not been achieved).
- 1.4.4 Generally performance in Q2 did not reflect the second national lockdown, however the impact of Lincolnshire being in Tier 4 during Q3 preceding the third national lockdown at the beginning of January is evident in Q3 performance. The two activities Behind Plan in Q2 remain Behind Plan in Q3 due to the continued impact of Covid-19 (SHERMAN strategy and hoarding protocol, and Business World system). Details are provided in the section below.
- 1.4.5 Seven of the 12 activities that are 'Behind plan' have been impacted by Covid-19. Further details are provided in Appendix A and on the website.
- 1.4.6 **Summary of Key Activities impacted by Covid-19 in Q3**
- 1.4.6.1 **Ambition: Support high aspirations**
- In terms of the Key Activity to work with partners and the wider business community to improve the number of adults with a disability in meaningful employment or volunteering, ^(A3) the baseline of 1 April 2020 needs to be reviewed and is likely to be rebased on a baseline of 31 March 2021 to take into account the impact of Covid-19 and how this has had a detrimental impact on employment in general within Lincolnshire. It is expected that the employment rate will be worse on 31 March 2021 compared to 1 April 2020 as all targeted activities had to stop. Further details are included in section 1.0 of Appendix A and are available on the [website](#).
- 1.4.6.2 **Ambition: Enable everyone to enjoy life to the full**
- Publish the Housing Health and Care Delivery Group (HHCDG) Homes for Independence Strategy and Delivery Plan by 31 December 2020. Achieving the milestone is behind plan due to Covid-19 impacting on availability of staff across all partner organisations. ^(A22) Further details are included in section 2.1.1 of Appendix A and are available on the [website](#).
 - The Covid-19 pandemic has been the main cause for the delay in being able to progress the milestone to have the Team Around the Adult initiative (TAA) pilot commenced by 1 December 2020. One of the two programme coordinators started in post during December 2020 to support the work on the TAA initiative. The second coordinator post was recruited to in early February and the pilot TAA programme is expected to start in February 2021. ^(A29) Further details are included in section 2.3.1 of Appendix A and are available on the [website](#).
 - Work with the Local Government Association (LGA) to review the Lincolnshire Health and Wellbeing Board (HWB) priorities by 31 December 2020 has been delayed as there is reduced capacity to support the work due to Covid-19 and new Government guidance on the introduction of Integrated Care Systems (ICS) issued in

November 2020. (A38) Further details are included in section 2.4.1 of Appendix A and are available on the [website](#).

1.4.6.3 Ambition: Create thriving environments

- The Visit Lincolnshire website has been created and the content is being populated, but due to the current lockdown and to ensure maximum impact it will now go live in April 2021. (A47) Further details are included in section 3.1.1 of Appendix A and are available on the [website](#).
- The SHERMAN initiative required Fire and Rescue staff to go into people's homes to conduct a safe and well check which had been hindered due to Covid-19 restrictions. There was an opportunity to undertake a safe and well check when entering someone's home for other reasons. (A57) Further details are included in section 3.3.1 of Appendix A and are available on the [website](#).

1.4.6.4 Ambition: Provide good value Council services

- The final go-live date for the Business World system has been delayed from April to November 2021. This has been in part as a result of the impact which Covid-19 has had on the early stages of the project; resulting in the Council being unable to implement a revised chart of accounts which also impacted on the solution design and build stages. This in turn has had a knock on effect to the later deliverables. Beyond Covid-19 related delays, the Business World system has also been impacted by the complexity of how the existing system has been configured and managed which has resulted in additional unforeseen build requirements in the Hoople platform. (A75) Further details are included in section 4.1.1 of Appendix A and are available on the [website](#).

1.4.7 Key Activities that are ahead of plan in Q3 (achieved current milestones and forecast to achieve future milestones ahead of timescales):-

- Delivering business management and finance briefings during September - October 2020 and completing a sufficiency assessment in the autumn term 2020 to ensure eligible children aged 2, 3, and 4 years old are able to access their early years entitlement place in high quality inclusive provision, through reviewing and refreshing the actions of Lincolnshire's childcare delivery plan. This ensures we provide sufficient, high quality and inclusive education places locally to create thriving environments. (A55) This activity is reported annually in Q3.
- The annual report of One Public Estate projects will provide a summary of the current year's activity and will be completed by 12 March, ahead of the milestone of 1 April 2021. The annual report will provide evidence of how we have explored all opportunities to deliver the ambitions of One Public Estate, so that we get the most out of our shared public estate, to provide more community opportunities, housing, employment and accessible services. Ultimately this will contribute to providing good value council services. (A81)

1.4.8 **Summary of highlights of achievements in Q3** - some Key Activities that are on plan (Achieved current milestones and forecast to achieve future milestones within timescales). Further information is available on the [website](#).

1.4.8.1 **Ambition: Support high aspirations**

- In order to deliver economic growth to create and sustain vibrant communities, a joint Lincolnshire County Council (LCC) / Local Enterprise Partnership (LEP) submission to inform the Comprehensive Spending Review was produced in September 2020 and LCC officers were involved in the co-design of the UK Shared Prosperity Fund with government officials in December 2020. (A15) We are also working with businesses and local government partners to ensure that new developments in the right locations provide high quality communities for the county's residents, offering appropriate infrastructure, leisure, and employment opportunities and have engaged with District Councils during Local Plan reviews to ensure requirements for infrastructure are included in Local Plans and brought forward in reasonable timescales. (A17)

1.4.8.2 **Ambition: Enable everyone to enjoy life to the full**

- We are creating accommodation options for greater independence and wellbeing, working with the District Councils to deliver greater accommodation choices for people who are unable to live in their own home. This will include a range of supported and extra care housing as well as influencing developers to build homes which are designed to meet the changing needs of the population. A baseline accommodation needs analysis was completed by the 31 December 2020. Adult frailty and long-term conditions (AFLTC) extra care housing baseline accommodation needs has been presented to Corporate Leadership Team and projections used as part of the Executive reports for the Linelands and Hoplands schemes. The working age adults (WAA) needs analysis is being confirmed by the joint accommodation strategy group for supported living and in the interim, national projections for Lincolnshire are being used. (A23)
- A joined up adoption service with our regional partners was launched in the autumn of 2020, resulting in a collaboration of services across five authorities, supporting our objective to intervene effectively to keep vulnerable people safe, making sure children in care and care leavers get the best opportunities. (A28) This activity is now complete.
- In order to deliver quality children centres which are at the heart of our communities to support families so their children thrive, during September – December 2020, we have worked with key partners to develop a flexible and adaptable recovery plan that is able to be responsive to any changes to Government guidance until a time when a full service offer is back in place. The range of virtual support sessions provided during the summer and autumn terms were well

attended and families engaged with this new delivery model. A range of virtual support sessions continue to be provided. Alongside this, and in line with updated Government guidance for lockdown (January 2021), wellbeing walks for new parents are taking place with the aim of supporting maternal mental health. Families have continued to engage with the virtual delivery model and have responded very well to the support provided through the wellbeing walks. (A32)

- As part of promoting and enabling better mental health for all, we are helping more young people to be supported early, to promote resilience and reduce the effects of mental ill health. We are implementing the Mental Health In Schools Pilot. In Pilot 1, education mental health practitioners in Lincoln and Gainsborough (and surrounding area) completed their training with Derby University at the end of December 2020 and the Mental Health Support Teams (MHSTs) became fully operational from January 2021. For Pilot 2, all posts were recruited to ahead of December 2020 and all trainees commenced their induction with Lincolnshire Partnership NHS Foundation Trust (LPFT) at the beginning of January 2021 prior to them commencing training with Derby University. (A36)

1.4.8.3 **Ambition: Provide Good Value Council Services**

- As part of designing our processes and services to meet customers' needs, we are improving the ease of reporting highways defects by enhancing the FixMyStreet app and have reviewed the relevance and clarity of responses sent via FixMyStreet. (A61) In Q4 we will have ensured FixMyStreet is promoted on all relevant communications.

1.4.9 The following tables provide a visual summary of progress against the four Ambitions in the CP by Objective.

Ambition Create thriving environments	
Objective Provide sufficient, high quality and inclusive education places locally	Ahead of plan 1 activity (A55)
Objective Improve the safety of local communities	On plan 2 activities (A56, A58)
	Behind Plan Covid-19 Impact on 1 activity (A57)
Objective Champion Lincolnshire as a destination of choice to visit, live, relax, work and do business	Behind plan 2 activities (A47, A50) Covid-19 Impact for 1 activity (A47)

Ambition Enable everyone to enjoy life to the full	
Objective Create accommodation options for greater independence and wellbeing	On Plan 1 activity (A23)
	Behind Plan 2 activities (A22, A24) Covid-19 Impact for 1 activity (A22)
Objective Intervene effectively to keep vulnerable people safe, making sure children in care and care leavers get the best opportunities	On Plan 1 activity (A28)
	Behind Plan 1 activity (A29) Covid-19 Impact
Objective Deliver quality children's centres which are at the heart of our communities supporting families so their children thrive.	On Plan 2 activities (A32, A33)
Objective Promote and enable better mental health for all	On plan 1 activity (A36)
Objective Promote the support offer to our communities to enable them to be self-sufficient and thriving	Behind Plan 1 activity (A38) Covid-19 Impact

Ambition Provide good value council services	
Objective Put our customers first, so we respond with one voice, working effectively across teams	On plan 1 activity (A82)
Objective Nurture and celebrate a forward-looking, high-performing, skilled and empowered workforce	Behind plan 1 activity (A75) Covid-19 Impact
Objective Maximise opportunities to work with others and improve service delivery	Behind plan 1 activity (A71)
Objective Get the most out of our shared public estate, to provide more community opportunities, housing, employment and accessible services	Ahead of plan 1 activity (A81)
Objective Engage, listen and respond to our communities	On plan 2 activities (A66, A67)

Objective Design our processes and services to meet customers' needs	On plan 2 activities (A60, A61)
Objective Shout loud and proud for Lincolnshire to achieve our ambitions	On plan 2 activities (A62, A63)
Objective Be there when communities need us most, responding collaboratively to emergencies	On plan 2 activities (A83, A85)
Objective Continue to innovate and make best use of our assets	On plan 1 activity (A77)
	Behind plan 2 activities (A79, A80)

Ambition Support high aspirations	
Objective Enhance the skills of our communities to meet the needs of our businesses and the economy	Behind Plan 1 activity (A3) Covid-19 Impact
Objective Manage the risks to our environment from climate change to protect our natural and built resources for future generations	On plan 1 activity (19)
Objective Deliver economic growth to create and sustain vibrant communities (Was also Amber in Q2)	On plan 2 activities (A15, A17)

1.4.10 Performance Indicators (PIs)

Of the 11 PIs reported in Q3, 7 can be compared with a target. This is the same number as Q2. Comparisons with Q2 are provided in brackets. Of those, 86% (71%) met or exceeded the target:-

- 3 (2) exceeded the target
- 3 (3) achieved the target
- 1 (2) did not achieve the target

1.4.10.1 **Ambition: Create thriving environments**

- 91% of reviews for Lincolnshire County Council Heritage sites displaying positive visitor feedback (ratings from Trip Advisor of excellent and/or very good) compared with a target of 80%-90%. During Q3, 37 new Trip Advisor reviews were received, with 33 of the reviews for Lincoln Castle, 1 five star review and 1 four star review for the Collection Museum and 2 five star reviews for Battle of Britain Memorial Flight Visitor Centre. (PI128)

- 94.5% of superfast broadband coverage in Lincolnshire achieved the target of 93.4% - 95.4%. Progress has slowed marginally across the Christmas period and with Covid-19 disruptions but we expect to see a jump of circa 0.5% during the month of January as the LCC Broadband Contract 3 delivers actual upgraded premises. (PI141)
- As reported in Q2, 83.2% of schools have an Ofsted rating of good or above. The target of 84%-86% was not achieved. Due to Covid-19, no school inspections took place in Q2 or Q3, therefore the data has not changed from Q2. (PI142)

1.4.10.2 **Ambition: Enable everyone to enjoy life to the full**

- 77.2% of adults with learning disabilities who live in their own home or with family continue to achieve the target of 75% - 85% in Q3. (PI49)
- 78.6% of children in care are living within a family environment; continuing to exceed the target of 74%. Performance confirms that, for the vast majority of children in care, a family placement is the most effective means of offering care. Of these, 39 children at the end of the quarter were living with parents and were either subject to an order as part of care proceedings or reunified home. (PI138)

1.4.10.3 **Ambition: Provide good value Council services**

The following two PIs are for context and not compared with a target.

- As in Q2, the number of transactions for click and tip booking is high with 131,202 transactions and 12,851 for all other transactions. There has been an expected seasonal reduction of garden waste being taken to the tips. There has been an increase in other transactions due to the effects of Covid-19, which includes safeguarding referrals and deaths reported to the coroner. (PI149)
- The number of contacts received where the customer considers their concerns have been fully addressed through achieving early resolution (exclusive of statutory complaints) has increased by 147% from Q1 (167) to Q3 (413). 48% were resolved informally in Q3; 52% of individuals continued with a formal complaint as they were dissatisfied with the resolution that was offered to them when they raised their concerns. The aim, whenever we receive contact from anyone raising concerns or dissatisfaction, is to offer what resolution we are able to offer before formally investigating under the complaints policy. There has been a significant rise in the number of contacts due to the effect of Covid-19, for example how waste is disposed, which includes our tips being closed and the newly introduced 'click and tip' service. There has also been a rise in contacts due to the Council adhering to lockdown rules, for example, ceasing contacts between families and those in care. A large number of the contacts received are outside of the Council's control and whilst we always endeavour to resolve concerns, these cannot

always be met due to current Covid-19 restrictions. Given the high volume of contacts and the unprecedented nature of the pandemic, to be able to maintain almost half of all contacts being resolved outside of the formal process to the customer's satisfaction, is an achievement. (PI 151)

1.4.10.4 **Ambition: Support High Aspirations**

- 464 jobs were safeguarded and created as a result of the Council's support, significantly more than the target range of 285-315. Of those, 384 were added this quarter. Positive uptake in the Kickstart grant has helped to safeguard 333 jobs through the Growth Hub. The Growth Hub has also contributed 40 jobs created with an additional 10 created with the support of the Foreign Direct Investor (FDI) Programme. Further FDI investment of £9m for SAGA Robotics in Lincoln has seen them take on an additional 7 high salary staff while Parallel UK, a South African owned fresh fruit distributor based in Spalding, have created 3 new jobs and are also planning further expansion. One job was created through LEADER grant investment in Q3; however Covid-19 is impacting on some of the rural businesses and contracts have been varied to delay achievement of FTEs. (PI68)

1.4.11 Further information for each of the PIs reported in Q3 is published on the [website](#).

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 report presents performance against the ambitions and objectives that are the Corporate Plan, many of which relate to people with a protected characteristic including young people, older people and people with a disability. It is the responsibility of each service when it is considering making a change, stopping, or starting a new service to make sure equality considerations are taken into account and an equality impact analysis completed.

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 and Wellbeing Strategy (JHWS) in coming to a decision.

The report presents performance against the ambitions and objectives that are the Corporate Plan many of which relate directly to achievement of health and wellbeing objectives.

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 Report presents performance against the outcomes and measures that are the Corporate Plan some of which relate to crime and disorder issues.

3. Conclusion

This report presents an overview of performance for Quarter 3 against the Corporate Plan. There was good performance overall and all four ambitions are On Plan. Although Covid-19 had an impact on performance, 65% of activities are either On Plan or Ahead of Plan, and 86% of PIs met or exceeded the target.

4. Legal Comments

The Executive is responsible for ensuring that the Executive functions are discharged in accordance with the Budget and Policy Framework of which the Corporate Plan is a part. This report will assist the Executive in discharging this function.

The recommendation is lawful and within the remit of the Executive.

5. Resource Comments

Acceptance of the recommendation in this report has no direct financial consequences for the Council.

6. Consultation

a) Has Local Member Been Consulted?

N/A

b) Has Executive Councillor Been Consulted?

N/A

c) Scrutiny Comments

The Overview and Scrutiny Management Board (OSMB) is due to consider this report on 25 February 2021. Any comments of the Board will be reported to the Executive.

d) Risks and Impact Analysis

Any changes to services, policies and projects are subject to an Equality Impact Analysis. The considerations of the contents and subsequent decisions are all taken with regard to existing policies.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Summary of Activities that are Behind Plan

8. Background Papers

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

Document title	Where the document can be viewed
Council report: Corporate Plan - 11 December 2019	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=120&MId=5661&Ver=4
Executive report: Corporate Plan Performance Framework - 6 October 2020	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=121&MId=5522&Ver=4
Executive report: Performance Reporting Against the Corporate Plan Performance Framework 2020-2021 - Quarter 2 - 2 February 2021	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=121&MId=5751

This report was written by Jasmine Sodhi, who can be contacted on jasmine.sodhi@lincolnshire.gov.uk .

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Details of Activities Behind Plan in Q3 (October- December 2020)

1.0 **Ambition: Support high aspirations**

1.1.0 **Objective:** Enhance the skills of our communities to meet the needs of our businesses and the economy.

Progress against this activity is reported annually in Q3, with a six month progress report in Q1.

1.1.1 **Activity:** We will work with partners and the wider business community to improve the number of adults with a disability in meaningful employment or volunteering. (A3)

1.1.2 **Milestone:** To establish a revised baseline position for the financial year 2020-2021 against which future performance can be measured. This will include any Adult with Learning Disability, Autism, Physical Disability or Mental Illness who is open to Adult Social Care as at the 31 March who has been in employment or who has volunteered during the previous 12 months.

1.1.3 **Explanation of performance:** The baseline of 1 April 2020 needs to be reviewed and is likely to be rebased on a baseline of 31 March 2021 to take into account the impact of Covid-19 and how this has had a detrimental impact on employment in general within Lincolnshire. It is expected that the employment rate will be worse on 31 March 2021 compared to 1 April 2020 as all targeted activities had to stop. The new baseline will be for people with Physical Disability, Autism and Mental Health cohorts, also for all cohorts for volunteering. The Data available suggests an improvement for Autism, Mental Health and Physical Disabilities cohorts. There looks to have been an improvement on volunteering for all cohorts based on the available data. We are focussing on establishing accurate baseline information and ensuring we have clean data to measure performance reliably then we need to set a target. Focus has resumed and the following have been completed in recent months:-

- Support to Employment Program (STEP) contract is now reinstated allowing Linkage to deliver its targets and support people with learning disability and autism to get into paid employment.
- A detailed Employment Position Statement has been written with contributions from LPFT, Commercial Team, Children's Services and City of Lincoln Council.
- An Employment and Volunteering Project Group (EPG) with internal stakeholders has been reinstated in January 2021.
- Agreed actions towards promoting people with physical disabilities gaining paid employment and volunteering opportunities.
- Discussions have been held to set up a multi-agency employment delivery group, which the EPG would be accountable to.

1.1.4 **Next milestone:** To establish a partnership group that will develop a program of initiatives to increase the number of Adults open to Adult Social Care who have participated in employment or volunteering activities during the financial year. A partnership group to be set up by 30 June 2021, and an initial list of proposed initiatives by 30 September 2021.

2.0 **Ambition: Enable everyone to enjoy life to the full**

2.1.0 **Objective:** Create accommodation options for greater independence and wellbeing.

2.1.1 **Activity:** We will support independence through working with our partners to provide a 'one stop shop' for equipment and adaptations in people's homes. (A22)

2.1.2 **Milestones:** Publish the Housing Health and Care Delivery Group (HHCDG) Homes for Independence Strategy and Delivery Plan by 31 December 2020. Complete the Centre for Ageing Better work programme on housing aids and equipment. Review and plan by December 2020.

2.1.3 **Explanation of performance:** The Homes for Independence Strategy has been agreed by the Housing, Health and Care Delivery Group; is progressing through governance in partner agencies and is being formatted for publication. The Delivery Plan is being populated with lead agencies; this will be completed by 31 March 2021. Achieving the milestone is behind plan due to Covid-19 impacting on availability of staff across all partner organisations.

2.1.4 **Next milestone:** District councils appoint shared post to develop work programme by 31 March 2021.

2.2.0 **Objective:** Create accommodation options for greater independence and wellbeing.

2.2.1 **Activity:** We will work with partners to develop a Joint Accommodation Strategy for Adults with Learning Disabilities, Mental Illness or Autism that will help to maximise people's independence. (A24)

2.2.2 **Milestone:** Complete needs assessment by 31 December 2020.

2.2.3 **Explanation of performance:** The initial high level needs analysis has been completed for the Mental Health Inpatient and the Transforming Care cohorts. We continue to work with our partners to establish further detail in order to develop a more accurate picture of future accommodation requirements including the district required and more accurate 'required by' dates. Accommodation needs analysis for the LCC Learning Disability cohort has been completed at a high level; the LCC Mental Health cohort analysis is currently outstanding. Additional resource has been secured and an Intelligence and Performance group has been established to source reliable, timely information in a sustainable way to inform the on-going Accommodation Needs Analysis, which should be completed by May 2021. The first meeting has taken place.

2.2.4 **Next milestone:** To have a Joint Accommodation Strategy for Adults Learning Disability, Mental Health, Autism agreed by Corporate Leadership Team and NHS Lincolnshire by 31 March 2021.

2.3.0 **Objective:** Intervene effectively to keep vulnerable people safe, making sure children in care and care leavers get the best opportunities.

2.3.1 **Activity:** We will work with the Lincolnshire Safeguarding Adults Board (LSAB) to develop a multi-agency Prevention Strategy to protect people from harm and to promote community wellbeing. This will include the development and implementation of a 'team around the adult approach' to help improve engagement with Adults with complex needs. (A29)

- 2.3.2 **Milestone:** To have the team around the adult initiative (TAA) pilot commenced by 1 December 2020.
- 2.3.3 **Explanation of performance:** The Covid-19 pandemic has been the main cause for the delay in being able to progress the milestone to have the team around the adult initiative (TAA) pilot commenced by 1 December 2020. One of the two programme coordinators started in post during December 2020 to support the work on the TAA initiative. The second coordinator post was recruited to in early February and the pilot TAA programme is expected to start in February 2021.
- 2.3.4 **Next milestone:** To have the Prevention Strategy agreed at LSAB by 31 March 2021 and governance arrangements in place to see implementation.
- 2.4.0 **Objective:** Promote the support offer to our communities to enable them to be self-sufficient and thriving.
- 2.4.1 **Activity:** We will support people to make healthy choices across all aspects of their lives, through continuing to commission and deliver effective preventative services, which also provide quality information so people are better informed.
(A38)
- 2.4.2 **Milestones:** Complete the review of Lincolnshire Health and Wellbeing Board (HWB) priorities informed by the Local Government Association (LGA) research by 31 December 2020.
- 2.4.3 **Explanation of performance:** Work with the LGA to review the Lincolnshire Health and Wellbeing Board (HWB) priorities has been delayed as there is reduced capacity to support the work due to Covid-19 and new government guidance on the introduction of Integrated Care Systems (ICS) issued in November 2020. Work is currently underway to review the role and functions of the HWB in light of the introduction of ICSs. Revised terms of reference will be presented to the HWB in March 2021 and will then need approval by the County Council in the new municipal year. It is expected the revised terms of reference will come into effect at the HWB Annual General Meeting in June 2021.
- 2.4.4 **Next milestones:** Support CCG 5-year East Coast Plan to reduce health inequalities by 31 March 2021 and complete development of specific work programmes with the Centre for Ageing Better: Housing, Healthy Ageing (physical activity focus), Social Connection and Employment by 31 March 2021.

3.0 **Ambition: Create thriving environments**

- 3.1.0 **Objective:** Champion Lincolnshire as a destination of choice to visit, live, relax, work and do business.
- 3.1.1 **Activity:** We will work with partners to attract tourists to Lincolnshire, leading the way in raising the profile of the county and enhancing collaboration across our councils to maximise what Lincolnshire has to offer. (A47)
- 3.1.2 **Milestone:** Support the Visit Lincolnshire website technical and content redevelopment by December 2020.

- 3.1.3 **Explanation of performance:** The Visit Lincolnshire website has been created and the content is being populated, but due to the current lockdown and to ensure maximum impact it will now go live in April 2021.
- 3.1.4 **Next milestone:** Tourism Commission task and finish group will be set up and final action report by March 2021. Tourism Action Plan delivery commences April 2021.
- 3.2.0 **Objective:** Champion Lincolnshire as a destination of choice to visit, live, relax, work and do business.
- 3.2.1 **Activity:** We will outline our collective aspirations for our coast through developing a Coastal Strategy with partners. (A50)
- 3.2.2 **Milestone:** Draft Investment Framework available October 2020.
- 3.2.3 **Explanation of performance:** Timescales have been revised in response to significant changes to the local planning policy approach in East Lindsey. Now aligned to Local Plan review dates, and new plan is being developed for approval during January and February 2021.
- 3.2.4 **Next milestone:** Will be set as part of the review of the performance framework 2021/2022 in spring 2021.
- 3.3.0 **Objective:** Improve the safety of local communities
- 3.3.1 **Activity:** We will support people to improve their home safety through delivering a comprehensive communication and engagement plan. In year 1 we will promote the SHERMAN initiative and implement the Hoarding Protocol. (A57)
- 3.3.2 **Milestone:** We have modified our ways of working due to Covid-19 to ensure we still deliver our SHERMAN Strategy, by making contact with Critical and High Risk members of the public, allowing for an assessment to be made. All Critical referrals will be visited in 5 days and High in 10 days (working days).
- 3.3.3 **Explanation of performance:** Covid-19 restrictions continue to challenge the delivery of our Safe and Well visits. The additional layer of risk assessment allows us to focus on those identified as most at risk, and where required, (a critical or high risk identified), a visit to carry out a Safe and Well visit is carried out. Due to the restrictions and a change of internal resources within the Community Safety Team, we have not met the target of carrying out physical Safe and Well visits to our identified Critical risks on 100% of occasions. Whilst this target has not been met, the assurance that can be provided is that we do continue to make contact with everyone identified and referred to Lincolnshire Fire and Rescue (LFR) with support and specialist advice given. All individuals identified as critical are visited as soon as physically possible, although this has been outside of the 5 days on a number of occasions.

Partnership working is key to the role of the SHERMAN concept and the delivery of wider community safety support. Whilst partnership engagement has been difficult we have been able to identify a number of new partners that we are confident will support the continued embedding of the concept. Age UK and Anglian Water are currently working with the Community Fire Safety Manager to formalise ways of working that will allow us to identify and support our vulnerable communities and individuals. In addition to this we have been liaising with our Lincolnshire Partnership Foundation Trust colleagues to

ensure that mental health support is offered via the dedicated sources during our Safe and Well visits. A number of engagement sessions have also taken place with the Police and the Office of the Police and Crime Commissioner colleagues, focusing on the priorities of the Safer Lincolnshire Partnership, developing joint ways of working.

Work on the Hoarding project has been limited due to a number of factors, including sickness and reallocation of resources to support Covid-19 related work. Discussions have taken place and it is hoped that funding can be secured to allow the work to continue.

The work being carried out by the dedicated Engagement Community Safety Advocate has built up a great deal of momentum. A plan to engage with our hard to reach communities continues to develop, with partnership working again at the heart of the plan. With a variety of communication methods established, work to introduce and embed the SHERMAN concept will continue.

Internal resources and working arrangements have been, and continue to be, reviewed to ensure that we perform against our outlined standards. Covid-19 restrictions have allowed us to look closely at how we deliver our services and support our communities. There will be updates and amendments to current ways of working with a view to making sure that we play an integral part in making the communities of Lincolnshire safe and well.

3.3.4 **Next milestone:** Same as milestone for Q3. Progress will be reported in Q4.

4.0 **Ambition: Provide good value Council services**

4.1.0 **Objective:** Nurture and celebrate a forward-looking, high-performing, skilled and empowered workforce.

4.1.1 **Activity:** We will increase our effectiveness by redesigning processes relating to our people and financial management, through an integrated finance and people management system. ^(A75)

4.1.2 **Milestone:** Complete system build testing - 28 January 2021.

4.1.3 **Explanation of performance:** The final go-live date has been delayed from April to November 2021. This has been in part as a result of the impact which Covid-19 has had on the early stages of the project; resulting in the Council being unable to implement a revised chart of accounts which also impacted on the solution design and build stages. This in turn has had a knock on effect to the later deliverables. Beyond Covid-19 related delays, the Business World system has also been impacted by the complexity of how the existing system has been configured and managed which has resulted in additional unforeseen build requirements in the Hoople platform.

The revised go-live date has been agreed with all key departments within the Council and has been set to reflect known staff capacity issues during the financial year-end period, the lack of staff and schools availability during July and August due to schools closing and extensive staff annual leave, and also recognising the complexity of September and October payroll runs.

The delay to go-live will not affect the Council's current use of the system and whilst moving systems mid financial year will create additional configuration requirements, it will be advantageous to manage the financial year-end process in the same system.

The change to the system go-live has also affected the timescales for key milestones to be completed which are now set out in the section below.

4.1.4 **Next milestones:**

- Develop shareholder agreement with Herefordshire Council for Hoople - 31 March 2021
- Complete system build testing – 3 September 2021
- System migration and implementation – 31 October 2021
- System go-live – 1 November 2021
- Implement all new processes - 31 March 2022
- Test benefits realisation – 30 September 2022

4.2.0 **Objective:** Continue to innovate and make best use of our assets.

4.2.1 **Activity:** We will maximise the use of space and therefore reduce the overall cost of office accommodation through designing options to create more flexible and agile ways of working, including exploring opportunities for maximising the Lincoln campus. (A79)

4.2.2 **Milestone:** To have completed a review of the Council's future Office Accommodation needs by the end October 2020.

4.2.3 **Explanation of performance:** Review will be completed by end March 2021. It has been delayed by developing the Smarter Working Strategy and changing requirements.

4.2.4 **Next milestone:** Will be set as part of the review of the performance framework 2021/2022 in spring 2021.

4.3.0 **Objective:** Continue to innovate and make best use of our assets.

4.3.1 **Activity:** We will plan and manage our financial resources effectively through refreshing our Medium Term Financial Strategy (MTFS) and through delivering comprehensive reviews of specific areas. (A80)

4.3.2 **Milestone:** By end of December 2020, we will have a current MTFS approved by Council and all Service Reviews identified in the Budget 2020 review, will be completed and outcomes reported and included in budget proposals.

4.3.3 **Explanation of performance:** Due to the Government delaying plans to review local government funding, a decision was made to delay the publication of our MTFS and to publish it alongside the Council's budget for approval by Council in February 2021. A number of service reviews identified as part of the Budget 2020 project, have now formed part of the Council's transformation programme.

4.3.4 **Next milestone:** Will be set as part of the review of the performance framework 2021/2022 in spring 2021.

4.4.0 **Objective:** Maximise opportunities to work with others and improve service delivery.

- 4.4.1 **Activity:** We will ensure the Coroners Service is modernised, with appropriate facilities to conduct inquests and effective services for bereaved families, through conducting a review of the service. (A71)
- 4.4.2 **Milestone:** Head of service (HoS) appointed autumn 2020 who will then take forward this programme of work.
- 4.4.3 **Explanation of performance:** First round of recruitment for HoS unsuccessful, repeating in New Year. Transformation programme on track but additional work raised by potential merger with North/North East Lincolnshire will start to impact January to March 2021. Reduction in project support to 2/3 days (Project Manager time shifted to Smarter Working) will impact on progress, alternative actions being addressed by service staff. Coroners Services Manager currently out for recruitment internally. HoS revised Job Description is with the Job Evaluation panel.
- 4.4.4 **Next milestone:** Will be set as part of the review of the performance framework 2021/2022 in spring 2021.

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

Report to:	Executive
Date:	02 March 2021
Subject:	Revenue Budget Monitoring Report 2020/21 - Quarter 3 to 31 December 2020
Decision Reference:	I020522
Key decision?	No

Summary:

- This report provides an update on revenue spending compared with budgets for the financial year which started on 1 April 2020.
- The tables in this report show the actual income and expenditure for the first nine months of this financial year to 31 December 2020, along with the forecasts for spending and a comparison of the forecasts against the approved budgets.
- The report gives an overview of the financial position, with more detailed information on each budget area provided in Appendices A to P. The financial impacts of Covid-19 and other variances arising from our "business as usual" activity are considered separately in this report, with the combined position summarised in the Overall Financial Position section.
- The overall revenue position is that we are forecasting an underspend this year of **£15.378m** (excluding schools and Covid-19). There is also a forecast underspend on capital financing charges of £7.868m, this is excluded from this forecast position at this stage. It is planned that the capital financing underspend will be used to manage future fluctuations in the annual capital financing budget by transferring it to the capital financing earmarked reserve.
- We are estimating that our forecasted Covid-19 position may not be contained within the Government's emergency grant we receive. We are forecasting an overall deficit of **£2.212m**. Included in this forecast is an estimated additional grant of around £4.200m which can be claimed to cover some of the Council's losses of income.
- We forecast that our general reserves at the end of the year will remain within the target range of 2.5% to 3.5%.
- The impact of this revenue budget forecast on the Council's resilience has been assessed and the conclusion is that our financial resilience remains strong. We have healthy reserve balances and we will continue to strengthen our financial resilience as set out in paragraph 1.29.

Recommendation(s):

That the Executive notes the current position on the revenue budget and decides on any corrective action necessary.

Alternatives Considered:

1. This report shows the actual revenue expenditure to 31 December 2020, and projected outturns for 2020/21, therefore no alternatives have been considered.

Reasons for Recommendation:

To maintain the Council's financial resilience.

1. Background**Overall Financial Position**

1.1 Table of Summary Position as at 31 December 2020.

	Current Budget	Forecast Outturn	Forecast (Under) / Overspend	Previous Forecast (Under) / Overspend	Direction of Travel
	£m	£m	£m	£m	
Children's Services	115.742	114.099	-1.643	1.728	↑
Adult Care and Community Wellbeing	148.688	141.092	-7.597	-0.413	↓
Place	71.490	72.205	0.715	1.590	↑
Fire and Rescue and Emergency Planning	22.462	22.462	0.000	-1.000	↑
Resources	26.601	25.835	-0.766	-0.228	↓
Commercial	37.422	36.113	-1.309	-0.678	↓
Corporate Services	2.886	2.562	-0.324	-0.315	↓
Other Budgets	71.371	66.917	-4.455	-2.655	↓
Total movement of Reserves	-17.152	-17.152	0.000	0.000	→
Income	-493.104	-493.104	0.000	0.000	→
Total Excluding schools	-13.593	-28.971	-15.378	-1.973	↓
School Budgets	13.593	17.666	4.073	3.587	↓
Total	0.000	-11.304	-11.304	1.614	↓

1.2 Appendix A shows an expanded version of this summary table.

- 1.3 This financial position assumes that the financial impacts of Covid-19 will be contained within the emergency grant funding we receive this year. However, if a deficit occurs from the Covid-19 related expenditure and losses this will affect the above position. Further detail on this is provided in the "Key Issues Highlighted – Financial Impact of the Coronavirus Pandemic" section of this report.

Key Issues Highlighted – "Business As Usual"

- 1.4 The overall revenue position is that we are forecasting an underspend of £15.378m (excluding schools and Covid-19). Within this figure the most significant variances are:
- 1.5 Children's Services (Children's Social Care): a forecast underspend of £1.708m. This comprises of a number of under and over spends culminating in a net underspend position.
- 1.6 A forecast overspend of £2.218m relating to the increased demand for Looked After Children requiring specialist placements, however, this has resulted in a £0.448m underspend within Fostering and Adoption as a result of a shift in placement composition. An overspend of £0.504m due to the increased legal costs for social care. An £1.330m underspend arising from the under-delivery of commissioned services caused by the Covid-19 pandemic and £1.000m direct support of outbreak management fund. Also an underspend of £0.962m in 0-19 Health Services which is partly due to the Government's transitional arrangement continuing in 2020/21 to meet the increase employer contribution rate for the NHS pension scheme.
- 1.7 Also there has been an increase of children's grant and a review of its use has resulted in a £0.439m reduction in the service's overall overspend. There are also a number of other minor underspends totalling £0.326m. Appendix B provides further detail on the overall position of this service.
- 1.8 Adult Care and Community Wellbeing: This service area is forecasting an overall underspend of £7.597m. The confirmation of Covid-19 costs now supported through other grant monies received from the Government has contributed to this underspend. These costs relate to sustainability payments to residential providers within Adult Frailty and Community Supported Living (CSL) and day care providers within Adult Specialities. The use of the Outbreak Management Fund has also created underspends within Public Health. See Appendix C for more details.
- 1.9 Other Budgets is forecast to underspend by £4.455m. There is currently a relatively low level of restructuring taking place across the Council, therefore, an underspend is anticipated of approximately £1.186m on the Council's redundancy budget. Low level activity caused by the pandemic has resulted in the number of new emerging schemes being noticeably lower this year resulting in the forecast underspend of the contingency of £0.900m. There are also some additional underspends relating to the National Living Wage and Pay Scale re-structuring. Excluded from this

forecast is an underspend of £7.868m relating to Capital Financing Charges. This underspend is planned to be transferred to the Capital Financing Reserve at the end of the year to help manage future fluctuations in the annual Capital Financing Charges budget. The reason for the Capital Financing Charges underspend is that the current budget for Minimum Revenue Provision (MRP) was calculated in 2019 before the 2019/20 capital outturn position had been reported. The 2019/20 borrowing outturn was significantly lower than estimated due to re-phasing, underspend carry forward and the level of internal borrowing taken. See Appendix J for further detail.

- 1.10 Schools budget has a forecast overspend of £4.073m. This in the main relates to increased demand in the High Needs Block. Any overspend at the year-end will be funded from the Dedicated Schools Grant Reserve. See Appendix I for further details.
- 1.11 Some of the business as usual underspends, especially in Adult Care and Community Wellbeing relate to the use of protected ringfenced grant and therefore its carry forward into 2021/22 will need to be managed to allow these amounts to be spent on similar purposes.
- 1.12 Similarly, the lost activity on some of our services caused by the pandemic in the current financial year may potentially increase the demand for those services in future years as we fully come out of lockdown and those services start to catch up and get back to normal. This potentially may place additional pressure onto the 2021/22 budget and therefore we will need to identify these pressures at an early stage to allow them to be effectively managed. Any such additional funding requirements can be addressed from either use of carry forward, contingency or reserves.

Key Issues Highlighted – Financial Impact of the Coronavirus Pandemic

- 1.13 Appendix K provides a table showing the latest forecast expenditure and losses of income arising from the impacts of the coronavirus (Covid-19) pandemic.
- 1.14 Actual expenditure and losses to 31 January total £36.752m, and forecast expenditure and losses to the end of the financial year £50.543m. This latter figure includes risk of £1.900m which may or may not be incurred as it is dependent on the behaviour of the virus during the remainder of the year and also on the national and local response to this.
- 1.15 The overall Covid-19 position is now forecast to be a deficit of £2.212m. This has significantly changed from that reported in Quarter 2 when a £7.673m surplus was forecast. The reason for the change is that a full review has been undertaken during Quarter 3 identifying a number of additional costs and losses that are eligible to be set against Covid-19 grant. The identification of these new areas has also impacted on the business as usual position increasing the overall underspend by a similar amount.

- 1.16 It is recognised that the pandemic will also affect our 2021/22 position, and following a review, it is anticipated that during the first quarter of 2021/22 Covid-19 related costs are estimated to be c£10.845m and losses of income of c£1.085m. The Government has announced a fifth tranche of general emergency grant and we have been allocated an additional £15.159m for these costs and losses.
- 1.17 The Council also incurred Covid-19 related expenditure in the last financial year, 2019/20, amounting to £0.378m.
- 1.18 We have received a total of £44.509m of emergency Covid-19 grant from the Government to fund both last year's and this year's costs. We have been allocated a further £15.159m emergency Covid-19 grant for 2021/22 (see paragraph 1.16 above) bringing the total emergency grant we will receive to £59.667m. We will also receive additional grant to cover the loss of sales, fees and charges of c£4.200m.
- 1.19 Appendix K shows a forecast deficit of £2.212m between the forecast expenditure and losses and grant received. However, due to the rapidly changing situation the deficit may still be covered by the grant as some of the estimated cost may not be realised this financial year. This means that some of these costs and losses could be pushed into 2021/22, thereby increasing the estimate mentioned in paragraph 1.16 above. If this deficit is realised some of the business as usual underspend reported earlier in this report can be used to offset this amount.
- 1.20 We have also received some ring-fenced grants relating to Covid-19 which are to be spent on supporting specific services or activities. Examples of these are: Infection Control grant for adult social care; Outbreak Management Fund; Test and Trace grant; and Emergency Supplies grant. These grants and their usage are not included in this report, however, a full breakdown of all the grants we have received can be found in Appendix P. We are also able to reclaim monies from Clinical Commissioning Groups to cover the additional cost of new or extended out of hospital health and social care support packages for people being discharged from hospital. These additional costs and the related funding are not included in this report.
- 1.21 The most significant area of Covid-19 related expenditure is in Adult Care and Community Wellbeing, representing 29% of our total forecast. Place forecast represents 15% and Children's Services represents 22% of our total. Appendix L provides a full breakdown of all Covid-19 related expenditure and losses.
- 1.22 Due to the constraint of some of the Council's day to day operations during this pandemic, we have seen savings generated c£5.668m. The table below summarises the kind of savings we have been able to make. Further details are contained within Appendix L within the relevant service area.

Summary of Covid19 Savings	
	Amount £'m
Cancelled Events/ Reduction in Activities	0.913
Contract Savings	2.573
Delay in Building Maintenance	0.082
Members' Travel	0.072
Other	0.158
Staff Recruitment and Vacancies	0.846
Staff Travel and Training	0.784
Utility Savings	0.240
Total Savings	5.668

1.23 The financial impacts of Covid-19 are evolving as the year progresses and are being monitored and reported to the Corporate Leadership Team as well as to the Government on a monthly basis. As the situation evolves we will continue to update our reporting and include any longer term impacts in our medium term financial plan for 2021/22 onwards.

Progress on Achievement of Budget Savings

1.24 Appendix M shows the savings built into the 2020/21 budget as part of the last budget process and indicates, for each saving, whether or not it is expected to be achieved this year. There are a number of savings which will not now be achieved, but these are almost all due to the impacts of Covid-19. We are treating these overspends as Covid-19 related costs and using the Covid-19 emergency grant to cover these losses. Appendix M provides more detail on the non-achievement of savings.

Progress on Development Fund Initiatives

1.25 Appendix N shows a list of initiatives where the revenue costs are to be funded by the Development Fund earmarked reserve. Progress on each of these initiatives is reported in the appendix.

Assessment of Impact on Financial Resilience

1.26 The impact of this revenue budget forecast on the Council's resilience has been assessed and it has been concluded that our financial resilience remains strong. However, it is important to note that the continuous uncertainty surrounding how the future of the Covid-19 pandemic will evolve will require us to closely and regularly monitor our position. The direct impact of the Covid-19 pandemic has been felt across the whole of the local government sector with all authorities experiencing additional costs, income losses and losing the ability to achieve planned savings. There have also been some indirect consequences such as the reduction in the base rate at the start of the pandemic which has reduced the ability to achieve investment income on treasury management deposits.

- 1.27 Covid-19 will impact on the collection of council tax and business rates in the current financial year, this will also have a potential longer term impact going forward. Any deficit recognised this year will be able to be spread across the next three financial years. Also, the deficit for business rates will be topped up by a Section 31 grant during these years.
- 1.28 We forecast that our general reserves at the end of the year will remain within the target range of 2.5% to 3.5%. If we maintain the current forecast of an underspend then there will be no requirement to draw down our Financial Volatility Reserve to support the 2020/21 budgetary position.
- 1.29 We will aim to strengthen our financial resilience by: continued monitoring of the financial position, undertaking work to address issues as they arise; continued reporting of the Covid-19 impacts to Government alongside working with the Society of County Treasurers to ensure that the Government understands the particular issues faced by County Councils; refreshing and updating the Medium Term Financial Plan and Strategy; focusing on transformation work to reduce cost pressures and create budget savings; Budget Holders have already been asked to preserve any budgetary savings incurred this year to help support the Council's overall financial position.

Reporting of Budget Virements

- 1.30 The Council's Financial Regulations require us to report on any budget virements made during the year. A budget virement is where budget is moved from one service area to another and where the original purpose the budget was approved for has changed. A list of all such virements made in Quarter 3 can be found Appendix O.

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.

As this report simply reports on performance against the budget, there are no implications that need to be taken into account by the Executive.

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 and Wellbeing Strategy (JHWS) in coming to a decision.

As this report simply reports on performance against the budget, there are no implications that need to be taken into account by the Executive.

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.

As this report simply reports on performance against the budget, there are no implications that need to be taken into account by the Executive.

3. Conclusion

- 3.1 The Council's overall forecast revenue position is an underspend of £15.378m (excluding Schools and forecast Covid-19 deficit).
- 3.2 Also excluded from the overall forecast is a £7.868m underspend in capital financing charges that is planned to be transferred to the Capital Financing Charges earmarked reserve to manage future fluctuations in the annual capital financing budget. We are assuming that Covid-19 costs and losses of income can be contained within the Government's emergency grant but note that it is difficult to predict how the coronavirus will continue to impact.
- 3.3 The Council's overall forecast position for Covid-19 related expenditure and losses is £2.212m deficit.

4. Legal Comments:

This report sets out an update on spending, including spending relating to Covid-19, as at 31 December 2020 compared with the revenue budget for the financial year starting on 1 April 2020 to assist the Executive in monitoring the financial performance of the Council.

5. Resource Comments:

This report indicates that the current year revenue budget is projected to be underspent and currently there is no requirement to use our Financial Volatility earmarked reserve to support the budgetary position. However continued effort in monitoring is essential to ensure that any additional cost pressure is identified and addressed as soon it occurs.

6. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

This report is due to be considered by the Overview and Scrutiny Management Board on 25 February 2021. Any comments of the Board will be reported to the Executive.

d) Risks and Impact Analysis

The impact of this reported financial position on the Council's overall financial resilience has been assessed and is reported on within this report.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Revenue Budget Monitoring Report 2020/21 as at 31 December 2020
Appendix B	Children's Services
Appendix C	Adult Care and Community Wellbeing
Appendix D	Place
Appendix E	Fire and Rescue
Appendix F	Resources
Appendix G	Commercial
Appendix H	Corporate Services
Appendix I	Schools
Appendix J	Other Budgets
Appendix K	Summary of Financial Impact of Covid-19 2020/21 as at 31 December 2020
Appendix L	Narrative of Summary of Financial Impact of Covid-19 2020/21 as at 31 December 2020
Appendix M	Monitoring of Planned Savings 2020/21
Appendix N	Monitoring of Development Fund Initiatives 2020/21
Appendix O	Approved Budget Virements 2020/21 as at 31 December 2020
Appendix P	Covid-19 Grant Funding Provided to Lincolnshire County Council

8. Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Council Budget 2020/21	https://lincolnshire.moderngov.co.uk/documents/s31682/County%20Council%20Budget%202020_21.pdf
Budget Book 2020/21	https://lincolnshire.moderngov.co.uk/documents/s31685/Budget%20Book%202020-21.pdf

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Revenue Budget Monitoring Report 2020/21 as at 31 December 2020




	Revised Net Revenue Budget £m	Net Expenditure £m	Year End Forecast £m	Forecast Variance £m	Forecast Variance %
SERVICE DELIVERY					
Children's Social Care	75.031	61.392	73.323	(1.708)	(2.3)
Children's Education	40.711	27.491	40.776	0.065	0.2
Children's Services	115.742	88.883	114.099	(1.643)	(1.4)
Adult Frailty & Long Term Conditions	118.981	46.010	115.347	(3.634)	(3.1)
Adult Specialities	80.569	74.699	79.312	(1.257)	(1.6)
Public Health and Community Wellbeing	29.708	19.449	27.002	(2.706)	(9.1)
Public Health Grant Income	(33.546)	(25.160)	(33.546)	0.000	0.0
Better Care Funding	(47.023)	(22.166)	(47.023)	0.000	0.0
Adult Care and Community Wellbeing	148.688	92.832	141.092	(7.597)	(5.1)
Communities	44.955	30.262	45.972	1.017	2.3
Lincolnshire Local Enterprise Partnership	0.343	(23.860)	0.350	0.007	2.1
Growth	3.632	5.615	3.690	0.058	1.6
Highways	22.561	20.597	22.193	(0.368)	(1.6)
Place	71.490	32.613	72.205	0.715	1.0
Fire & Rescue	22.071	14.685	22.071	(0.000)	(0.0)
Emergency Planning	0.391	(0.007)	0.391	0.000	0.0
Fire and Rescue and Emergency Planning	22.462	14.677	22.462	0.000	0.0
Human Resources and Organisational Support	14.235	11.939	13.637	(0.598)	(4.2)
Finance	6.741	4.714	6.918	0.177	2.6
Legal and Governance Services	2.054	2.099	1.511	(0.543)	(26.4)
Public Protection	3.571	3.031	3.769	0.198	5.5
Resources	26.601	21.784	25.835	(0.766)	(2.9)
Property	9.907	7.034	9.376	(0.532)	(5.4)
Information Management Technology	14.223	12.605	14.524	0.301	2.1
Transformation	4.683	4.546	4.520	(0.162)	(3.5)
Commercial	8.609	7.177	7.692	(0.916)	(10.6)
Commercial	37.422	31.362	36.113	(1.309)	(3.5)
Corporate Services	2.886	1.767	2.562	(0.324)	(11.2)
Corporate Services	2.886	1.767	2.562	(0.324)	(11.2)
TOTAL SERVICE DELIVERY	425.291	283.919	414.368	(10.923)	(2.6)
OTHER BUDGETS					
Contingency	1.806	0.000	0.906	(0.900)	(49.8)
Capital Financing Charges	50.077	(0.839)	50.077	(0.000)	(0.0)
Other	19.489	6.064	15.934	(3.554)	(18.2)
TOTAL OTHER BUDGETS	71.371	5.225	66.917	(4.455)	(6.2)
TOTAL NET EXPENDITURE (EXC SCHOOLS)	496.663	289.145	481.285	(15.378)	(3.1)
MOVEMENT OF RESERVES					
Transfer to/from Earmarked Reserves	0.718	0.718	0.718	(0.000)	(0.0)
Contribution to/from School Reserves	(16.611)	(16.611)	(16.611)	0.000	(0.0)
Contribution to Development Fund	(1.409)	(1.409)	(1.409)	0.000	0.0
Transfer to/from General Reserves	0.150	0.150	0.150	0.000	0.0
TOTAL MOVEMENT OF RESERVES	(17.152)	(17.152)	(17.152)	0.000	(0.0)
MET FROM:					
Business Rates local Retention	(123.271)	(91.378)	(123.271)	0.000	0.0
Revenue Support Grant	(20.467)	(15.555)	(20.467)	0.000	0.0
Other Non Specific Grants	(34.504)	(49.094)	(34.504)	0.000	0.0
County Precept	(314.862)	(251.890)	(314.862)	0.000	(0.0)
TOTAL MET FROM	(493.104)	(407.916)	(493.104)	0.000	(0.0)
TOTAL (EXCLUDING SCHOOLS)	(13.593)	(135.923)	(28.971)	(15.378)	
SCHOOL BUDGETS					
Schools Block	143.568	84.229	143.349	(0.219)	(0.2)
High Needs Block	76.728	57.849	81.237	4.509	5.9
Central School Services Block	3.193	1.174	2.921	(0.272)	(8.5)
Early Years Block	42.169	30.265	42.223	0.054	0.1
Dedicated Schools Grant	(257.822)	(195.726)	(257.822)	0.000	0.0
Schools Budget (Other Funding)	5.758	0.409	5.758	(0.000)	(0.0)
TOTAL SCHOOLS BUDGETS	13.593	(21.800)	17.666	4.073	30.0
TOTAL (INCLUDING SCHOOLS)	0.000	(157.723)	(11.304)	(11.304)	

Children's Services


Financial Position 1st April – 31st
December 2020


Revenue Budget Monitoring Report - Children's Services

This report details the key changes in position and/or risk faced within Children's Services. The key to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Children's Services	115.742	114.099	(1.643)	1.728	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Children's Social Care	75.031	73.323	(1.708)	0.431	

The financial position is driven by :-

- A continuing requirement for more looked after children requiring specialist placements has identified a material forecast overspend (£2.218m or 40.8%). Contributing factors include: an increase in looked after children numbers (679 at the end of December, an increase of 16 on the September position); a shift of placement composition from internal foster carer arrangements to more specialist external placements that have a significantly greater unit cost, and market forces within the external looked after children sector, which result in increasing placement costs. This shift in placement composition has resulted in a £0.448m (or 3.2%) underspend within Fostering and Adoption.
- Social care legal costs are forecasting an overspend (£0.504m or 19.2%) a reduction on that previously reported due to costs being attributable to the pandemic. Spend to the end of December is £2.466m (or 93% of the budget), and disbursement fees represent 56% of the cost. Children's Services continue to apply the statutory threshold to initiating care proceeding and pre-proceedings. The management team continue to review the position.
- 0-19 Health Services continues to forecast an underspend (£0.962m or 10.8%) which is a marginal change from that previously reported. The underspend partly relates to the Government's transitional arrangements continuing in 2020/21 to meet the increase to the employer contribution rate for the NHS Pension Scheme. Although a recent recruitment drive has been a success, Health Visitor vacancies continue at c.12% of the staffing establishment causing the remainder of the underspend.
- The apportionment of costs to other funding sources due to the under-delivery of commissioned services (£1.330m) caused by the pandemic, and direct support to outbreak management (£1.000m). This has created an underspend within this area.
- The announcement of a children's grant increase and a review of the grants utilisation has identified costs that are attributable to the grant elsewhere in Children's Services (£0.439m). This will assist in reducing Children's Services overall overspend in the current year. Other smaller variances have also taken place across the area of children's social care: Youth Development (£0.190m underspend) and Audit & Training (£0.136m underspend).

The movement in position relates to :-

- An increase in Out County Placement (£0.285m) costs (net of Covid-19 grant charges).
- The apportionment of costs to other funding sources relating to the pandemic (£2.330m).

Key Financial Risks to Delivery and Mitigating Actions

<p><i>Key Risk 1 – Looked After Children</i></p>	<ul style="list-style-type: none"> • Children in Care services are demand-led in nature and can be volatile, therefore represent a financial risk. The impact can be significant financially, due to the cost of requiring externally commissioned specialist placements. There has been a rise in children in care numbers. Steps continue to be in place to mitigate and manage escalation of needs, and a review is underway on placement planning to mitigate further cost rises, which is managed through the Transformational programme. <p>Increased costs have come from the changing composition of children in care from internal foster carer arrangements to more specialist external placements. This is caused by the complex nature of family life, added with market forces in the sector. Lincolnshire compares well for children in care placement costs. The Local Authority has also agreed to support an increase in its internal residential estate to meet these growing needs, to deliver improved outcomes and achieve better use of resources.</p> <p>Social care legal costs continue to be high due to the complexity and length of cases, the need for expert opinions and the use of counsel. Further work continues to be undertaken to consider measures to bring spending down.</p>
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Children's Education	40.711	40.776	0.065	1.297

The financial position is driven by :-

- Home to School and College transport is continuing to forecast an overspend (£1.919m or 7.0%). The forecast is based on the planned 191 transport days (one additional day than budgeted). Although the net overspend is £1.919m, the periods April 2020 to August 2020 and September 2020 to March 2021 have been impacted differently in its service delivery by the pandemic causing different financial impacts. This reported position is before the 4th January 2021 lockdown. It is anticipated that the daily cost will reduce with only critical workers and vulnerable children and young people attending school.

The period April 2020 to August 2020 has identified an underspend of £1.370m against the profiled budget since the majority of pupils were not in school during the summer term. The Council agreed to provide financial support to school transport providers for suspended services (below 100% contracted amount) in accordance with Procurement Policy Note (PPN) issued by the Cabinet Office to ensure service continuity. This resulted in a revised cost per day of c. £0.123m. The cost avoidance was £0.033m per day based on the academic year cost or the physical cost reduction compared to the budget c. £0.021m per day.

The period September 2020 to March 2021 is forecast to overspend by £2.586m and is mainly attributable to the higher cost per day transport delivery costs (c. £0.164m versus the budgeted cost per day of c. £0.144m). This is due to higher unit costs for contracted mainstream pupils transport; an increase in the number of pupils eligible with special

educational needs and disability; an increase in special schools transport costs, and the cost of delivery one additional transport day than budgeted. This is despite certain costs being eligible to claim from the Covid-19 grants. All known financial commitments have been built into the forecast.

The forecast for Home to School and College Transport is always difficult to predict until the start of the new academic year but this year it has been particularly difficult with the impact of the pandemic on transport costs. This budget is determined as high risk, and expenditure will continue to be reviewed monthly including undertaking financial forecasts to the end of the financial year.

- Special Educational Needs and Disabilities is forecasting an underspend of £1.134m. Areas of underspend include Domiciliary Care (£0.193m), Direct Payments and Section 17 (£0.222m), specialist equipment (£0.220m), short breaks (£0.075m) and staffing (£0.188m) – this is in part relating to activity levels, and families not requiring assistance during lockdown. The Educational Psychology budget continues to underspend (£0.249m) largely as a result of the reduction in the number of Education, Health and Care (EHC) Needs Assessments during the Covid-19 lockdown period and the delay in progressing a new Psychology contract.
- The apportionment of costs to other funding sources due to the under-delivery of commissioned services (£0.205m) caused by the pandemic, and direct support to outbreak management (£0.231m). This has created an underspend within this area.
- Other smaller underspends have also taken place across the area of children's education (£0.284m).

The movement in position relates to :-

- Refinement of the forecast Home to School and College transport delivery cost as the financial year progresses for this demand-led budget (£0.324m reduction).
- A reduction in costs within Special Educational Needs and Disabilities due to reduced activity caused by the pandemic (£0.626m).
- The apportionment of costs to other funding sources relating to the pandemic (£0.436m).

Key Financial Risks to Delivery and Mitigating Actions




<p><i>Key Risk 1 : Home to School and College Transport</i></p>	<ul style="list-style-type: none"> • The Home to School and College Transport is always difficult to predict and it is recognised that this particular budget is volatile with many external factors which will influence the final year-end spend. Officers will continue to meet monthly to review both the expenditure and forecasts due to its high risk category, and operational discussions continue to take place amongst Transport Services Group that procure transport on behalf of Children's Services. <p>The Corporate Transport Review is due to present its initial findings, which will provide an important steer going forward.</p> <ul style="list-style-type: none"> • The One School One Operator financial model for special schools transport has been reviewed as a result of Covid-19. Whilst forecasts include an estimate of likely costs, this remains a financial risk at this stage. A representative from SEND is attending the monthly operational discussions to ensure the most cost effective transport solutions are in place and Education Transport is part of the Special School Review work being undertaken.
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Adult Care and Community Wellbeing


Financial Position 1st April – 31st
December 2020

Revenue Budget Monitoring Report - Adult Care & Community Wellbeing

This report details the key changes in position and/or risk faced within Adult Care and Community wellbeing. The key to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Adult Care and Community Wellbeing	148.691	141.094	(7.597)	(0.413)	

Adult Care and Community Wellbeing (ACCW) has received £38.553m to date in addition to the £229.290m 2020-21 financial allocation. This funding has provided much needed financial support, across all aspects of adult social care and community wellbeing, to deliver the vital response to Covid-19.


Adult Care and Community Wellbeing has prioritised and redeployed members of its workforce to respond to the unprecedented impact of the Covid-19 pandemic. ACCW has tailored its financial resources to meet the needs of the people and social care organisations across Lincolnshire as the pandemic has evolved.

Financial resources have been focussed to ensure the most vulnerable people have access to the services and guidance they need. £11.908m has been spent to date on increasing social care and wellbeing capacity across the sector for service users, working with the NHS to accelerate safe discharge from hospital accompanied by social care support and providing emergency supplies to those who need it.

£24.6m of much needed financial support has been provided to aid cash flow, maintain financial sustainability of critical organisations across the sector (commissioned and non-commissioned), adapt facilities to deliver Covid-19 safe environments and to reduce the rate of Covid-19 transmission.

ACCW and District Councils have spent £3.815m to deliver test and trace across the county, increase Infection Prevention & Control capacity and other costs incurred in managing the outbreak.

In setting the 2020-21 financial allocation and priorities for delivery, Covid-19 was not on the horizon. With its continued impact and the third national lockdown, ACCW priority remains to provide financial support to those in most need and to help service users and the sector to emerge from the pandemic. To deliver the scale, pace and safe response to the pandemic, initiatives which could be delayed into 2021-22 have been and some expected costs will no longer be incurred in 2020-21. A financial underspend of £7.597m is forecast by 31 March 2021. This forecast is prior to the announcement of a full national lockdown and further Government support announced and is therefore likely to change during the final quarter of this unprecedented year.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Adult Frailty & Long Term Conditions	118.981	115.347	(3.634)	(0.425)	

The financial position is driven by :-

- Confirmation of Covid-19 costs now supported through Covid-19 grant monies received from the Government for AF<C this relates to sustainability payments to residential providers.
- £0.300m additional income direct payment (DP) refunds continue to recoup income higher than the planned 2020-21 levels. This is a non-recurrent benefit and all audits have been completed.
- £0.375m unspent non-ring fenced grant resulting from receipt of an external grant in full originally thought to reduce in 2020-21 but received in full 28 July.
- The continued vacancy position across AF<C reported in Q2.

The movement in position relates to :-

- Covid-19 grant monies received

Key Financial Risks to Delivery and Mitigating Actions

<p>Key Risk 1 – Potential non delivery of £1.0m additional income recurrently.</p>	<ul style="list-style-type: none"> • A debt review programme is underway which will continue to resolve ACCW debt older than 1 year and implement alternative ways of working learning from the programme so far. Due to the age of the debt, the bulk of 2020-21 additional income forecast will be delivered from DP audit refunds. The risk is that this is non-recurrent and therefore additional focus is in place via the debt review programme to deliver a more efficient debt recovery process during 2021/2022.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Adult Specialities	80.569	79.312	(1.257)	0.240

The financial position is driven by;-

- Confirmation of Covid-19 costs now supported through Covid-19 grant monies received from the Government for Adult Specialities this relates to sustainability payments to CSL & day care providers.
- The conclusion of a long running ordinary residence case which concluded Lincolnshire County Council was not the responsible authority. This outcome released a £0.750m provision.
- £0.330m forecast pressure driven by increased demand for community mental health care packages.

The movement in position relates to :-

- The conclusion of a long running ordinary residence case which concluded Lincolnshire County Council was not the responsible authority.
- Covid-19 grant monies received.

Key Financial Risks to Delivery and Mitigating Actions

<p><i>Key Risk 1 : Higher demand/complexity than planned</i></p>	<ul style="list-style-type: none"> • Actions delivered, through the Mental Health improvement programme has mitigated any financial risk for 2020/21 and the impact for 2021/22 is included in the budget papers. The
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	strengthened governance arrangements will remain in place throughout 2021/22 as they embed.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Public Health and Community Wellbeing	29.708	27.002	(2.706)	(0.228)
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> Confirmation of Covid-19 costs now supported through Covid-19 Outbreak management grant monies received from the Government. There were plans to pilot improvement initiatives during 2020-21 however due to all staff needing to support the response to the pandemic; these have been delayed until 2021-22. A carer contract delivering a lower than planned level of activity. This is not material enough to impact on service delivery for users. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> Covid-19 grant monies received. 				
Key Financial Risks to Delivery and Mitigating Actions				
<i>Key Risk 1</i> –	<ul style="list-style-type: none"> None to highlight at this time 			

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Public Health Grant Income	(33.546)	(33.546)	0.000	0.000
<p>The 2020-21 Public Health Grant allocation for Lincolnshire is confirmed as £33.546m. This announcement is £1.205m higher than included in the 2020-21 budget. The grant has been allocated in accordance with the plan contained in the quarter 1 report.</p>				




Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Better Care Funding	(47.023)	(47.023)	0.000	0.000
<p>The BCF/iBCF structure has rolled over into 2020-21. We received confirmation 3-Dec of a greatly reduced sign off process for 2021 as a result of the pandemic. A BCF report will be submitted to the Health and Wellbeing board during quarter 4 for local approval in accordance with national guidance.</p>				

Place


Financial Position 1st April – 31st
December 2020


Revenue Budget Monitoring Report - Place

This report details the key changes in position and/or risk faced within Place. The key to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Place	71.490	72.205	0.715	1.590 

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Communities	44.955	45.972	1.017	1.033 

The financial position is driven by :-

- The most significant variance continues to be the forecast overspend related to Waste, although at £1.754m, it has improved from the Q2 position. This arises from the increased cost of the Mixed Dry Recycling (MDR) contract. Following the Administration of the previous contractor, a short-term contract was awarded to a new provider to allow for completion of a full re-procurement exercise. The extension of that contract for the first quarter of this year was at a 48% price increase and although the subsequent re-procurement reduced this, the current price is still some 27% higher than in previous years. This situation is further complicated by the mix of recyclable material being collected, the level of contamination and the price paid for the processing of MDR waste fluctuating depending on market values for recyclables and is expected to continue for the remainder of the year. For future years the proposed budget includes an increase in base budget to address this on-going cost pressure.
- Reduced contract payments to bus operators on suspended or reduced bus services during the earlier part of the coronavirus pandemic, reduced levels of reimbursement for concessionary travel and staff savings within Transport Services provide a forecast underspend of £0.975m
- Planning fee income, although improved from the beginning of the year, continues to be forecast to be £0.134m below the ambitious target set for the year. The reduced level of fee income has been taken into account in setting the proposed budget for 2021/22.
- The significant disruption to Heritage and Culture services caused by the pandemic and the resultant loss of income has been supported by Covid grant. However, the conditions attached to the grant support for lost income, result in a remaining balance of £0.116m of losses that cannot be recovered. All sites have been affected and as paid visitor attractions remain closed with the events and exhibitions programme currently on-hold.
- The Covid pandemic has undoubtedly led to changes in the county's walking and exercise habits, with the value of exercise for health and wellbeing being well documented. This has placed additional demands on the already strained management and maintenance of the public rights of way network, which in the short-term is being met from Covid grant funding. Longer-term there is likely to be a remaining cost pressure that will need to be addressed through future budget setting processes.

The movement in position relates to :-

- An improvement in the cost variance for the MDR contract.
- Further assessment of the financial impact of reduced payments to bus operators due to reduced or suspended bus services during the earlier part of the coronavirus pandemic.
- A re-assessment of the costs of maintaining public rights of way.
- Further assessment of the Covid impact and the savings achieved during national lockdowns and recovery phases in Heritage and Culture.

Key Financial Risks to Delivery and Mitigating Actions

<i>Higher contract costs than planned</i>	Waste is a demand driven service and as such is exposed to the risk of increased cost due to activity levels being higher than planned. This risk is exacerbated by the fluctuating market prices for recyclable materials causing variation in the cost of processing.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Lincolnshire Local Enterprise Partnership	0.343	0.350	0.007	0

The financial position is driven by :-

- This budget, which mainly relates to staffing costs is forecast to be in line with budget for the year.

The movement in position relates to :-

- The position is unchanged from the previous report.

Key Financial Risks to Delivery and Mitigating Actions

	None to highlight at this time.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Growth	3.632	3.690	0.058	0

The financial position is driven by :-

- This service area is forecast to be broadly in line with budget for the year, with relatively small variances arising from additional property maintenance and transport policy projects, offset by savings from staff vacancies.

The movement in position relates to :-

- Re-assessment of property and staffing costs.

Key Financial Risks to Delivery and Mitigating Actions

	None to highlight at this time.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Highways	22.561	22.193	(0.368)	0.557

The financial position is driven by :-

- A forecast overspend results from the pain / gain element on the term maintenance contract. This arises where the actual cost of completing work differs from the agreed target cost and is accounted for on a shared basis with the contractor, subject to a cap on the Council's contribution in any year. However, the offset of Covid grant to fund the increased costs of the maintenance contractors resulting from revised working arrangements due to the pandemic, creates an underspend on "usual" activity of £0.720m.
- Increased labour costs, the continued use of white salt longer than expected, increased vehicle maintenance costs and route coverage beyond that budgeted for results in a forecast overspend for winter maintenance of £0.614m.
- Submission of a compensation event from the previous maintenance contractor creates an overspend in Design Services of £0.143m, which is partially offset by a £0.050m underspend from reduced survey activity in Lighting, Signs and Markings.
- Savings in Traffic Management, mainly due to reduced advertising costs for temporary Traffic Regulation Orders (TROs) provides an underspend of £0.156m.
- Further underspends in staffing and vehicle costs due to unfilled vacancies contribute a further £0.184m.
- The revenue mobilisation costs for the Highways 2020 contract are excluded from this forecast as they are expected to be funded from contingency funds.

The movement in position relates to :-

- Covid grant funding for the increased costs of the term maintenance contractors.
- Further assessment of the forecast cost of winter maintenance.
- A "late" compensation event from the previous maintenance contractor.
- Increased savings from TROs.
- Increased savings forecast for unfilled vacancies.

Key Financial Risks to Delivery and Mitigating Actions




None to highlight at this time.

Fire and Rescue and Emergency Planning


Financial Position 1st April – 31st
December 2020


Revenue Budget Monitoring - Fire and Rescue & Emergency Planning

This report details the key changes in position and/or risk faced within Fire and Rescue & Emergency Planning. The key to the report is shown below.

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Fire and Rescue & Public Protection	22.462	22.462	0	(1.437)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Fire and Rescue and Emergency Planning	22.462	22.462	0	(1.437)	

Since Q2 there has been a review of the Council's structure and Public Protection is now part of the Resources Directorate.

The financial position for the service is driven by :-

- The service is on target to budget.

The movement in position relates to :-

The service reported as being underspent by £1.437m as at Q2. This was wholly due to the value of the fire pension grant.

This grant has been determined as an unringfenced s31 grant and has subsequently been reallocated as overall council funding.

Key Financial Risks to Delivery and Mitigating Actions




	Activity budgets are demand led and are subject to variations. These are, however, monitored on a monthly basis allowing early warning of budgetary variations to be identified.
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Resources


Financial Position 1st April – 31st
December 2020


Revenue Budget Monitoring Report - Resources

This report details the key changes in position and/or risk faced within Resources. The key to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Resources	26.601	25.835	(0.766)	0.209	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Legal and Governance Services	2.054	1.511	(0.543)	(0.127)	

The financial position is driven by :-

- Budget allocated for council elections (£0.300m) not being required in this financial year. As part of budget setting for 2020/21 a rolling £0.300m base budget was created in order to smooth the medium term financial planning of the council.

It is intended to transfer this underspend at financial year end to a specific election reserve which will then be available to fund periodic elections.

- Savings due to a councillor vacancy, by-election contingency (as no elections can be held before May 2021) and Members' training and travel expenses give a forecast underspend of £0.176m.
- Covid related delays in the records management project (£0.063m) compared to planned target activity.
- This assumes that the full income shortfall of Legal Lincolnshire, which although improving was £0.430m at the end of Q3, will be funded by Covid grant or use of reserves.

The movement in position relates to :-

- A technical adjustment in the reporting of the election underspend (£0.300m) which was previously expected to be transferred to reserves during the year but will now be transferred as part of the year-end closure and therefore now reported as an in-year underspend.
- More certainty regarding the timing of project costs since Q2 reporting and a reduction in the forecast for member expenses.

Key Financial Risks to Delivery and Mitigating Actions

Trading position of Legal Lincolnshire

Ongoing monitoring of traded position and reporting to Legal Board.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Human Resources and Organisational Support	14.235	13.637	(0.598)	(0.211)	↓

The financial position is driven by :-

- Staff vacancies in the earlier part of the year when the service's priority was focused on supporting key services in their Covid response but which have subsequently been recruited to and savings in printing and postage created an underspend of £0.281m.
- A significant amount of Business Support resource has been utilised to cover Covid related activities with over 40 additional support requests since March 2020. The recharge for this, which is funded by Covid grant, is £0.232m.
- The development of income generating services to schools within Human Resources which has enabled the service to mitigate costs associated with one-off corporate initiatives. This has resulted in a forecasted underspend of £0.084m.

The movement in position relates to :-

- An updated position for the business support function in terms of recruitment and management of non-essential spend.
- The reclassification of underecovery of income from staff as part of the "Purchase of Annual Leave" scheme as being eligible for covid grant (£0.100m).

Key Financial Risks to Delivery and Mitigating Actions

Changes in contractual volumes

Regular liaison with our key contractual partners to identify variations on assumed volumes and impact on finance and performance.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Finance	6.741	6.918	0.177	0.110	↓

The financial position is driven by :-

- Higher than budgeted contract indexation on out-sourced contract relating to general finance and adult care finance transactional processing services (£0.032m) and increased activity volumes (£0.144m) give a combined overspend of £0.176m.
- The level of income from schools has increased resulting in a budgetary surplus of £0.031m due to a combination of more schools purchasing the finance service along with the selection of higher service options being taken up.
- Long term absences across the Corporate Audit & Risk Management (CARM) – alongside Covid delays – impacting on reduced income from schools / academies.

The movement in position relates to :-

- Previously reported underspend on finance team staffing being offset by additional temporary resource costs and closure of accounts activity.
-

Key Financial Risks to Delivery and Mitigating Actions	
<i>Income levels from for external contracts</i>	CARM - Continual review of planned activity and liaison with our external partners.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Public Protection	3.571	3.769	0.198	0.437



Explanations for the main variances are set out below:-

This overspend for Coroners is made up of a number of elements:

- A budget shortfall of £0.215m consists of £0.100m of prior year savings that are not yet achievable, with the service supported in 2019/20 by an allocation of legal surplus and underspends from within Fire & Public Protection.
- There is also an additional £0.115m budget shortfall relating to the cost of mortuary and post-mortem services for Lincolnshire as identified during the budget setting process and which is being addressed through a "deep dive" review.
- A further pressure of £0.232m has arisen from price increases following the direct award of a one year contract for mortuary and post-mortem services as the market is not yet in a position to tender for longer term contracts which are now planned for September 2021.
- This is offset by vacancies within the service (£0.106m).

Trading Standards is forecasting to be £0.143m under. The underspend is made up of a number of key elements:

- There has been a significant reduction in expenditure this year due to the effect COVID has had on the Courts. Very few hearings or trials have taken place (£0.063m).
- Reduced travel related expenditure and vacancy management throughout the year (£0.080m).

The movement in position relates to :-

- The change in underspend in Trading Standards, which is largely due to COVID restrictions.




Key Financial Risks to Delivery and Mitigating Actions	
<i>Key Risk 1 : Higher demand than planned</i>	<ul style="list-style-type: none"> • Any further impacts on contracted costs for coroners, and income levels for registration services in line with Covid. <p>These will continue to be monitored via regular budgetary management.</p>

Commercial


Financial Position 1st April – 31st
December 2020


Revenue Budget Monitoring Report - Commercial

This report details the key changes in position and/or risk faced within Commercial. The key to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Commercial	37.421	36.112	(1.309)	(0.678)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Property	9.907	9.375	(0.532)	(0.300)	

The financial position is driven by :-

- Following a detailed review, utility and general accommodation costs across the wider estate are forecast to be underspent primarily due to Covid-19 closures (£0.240m).
- Increased rental income and the reduction of rents payable to the Crown Estate following the surrender of County Farm holdings in December 2019 (£0.260m).

The movement in position relates to :-

- Lower spend on accommodation costs due to continuing Covid-19 related closures.

Key Financial Risks to Delivery and Mitigating Actions

Accommodation costs	There is a potential risk of increased underspend as a result of any changes in occupation/use of buildings.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Commercial	8.609	7.693	(0.916)	(0.772)	↓
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> The Customer Service Centre (CSC) forecasting an underspend of £0.727m. Covid-19 has significantly impacted on the Customer Service Centre with significant variations in demand for 'business as usual service calls' together with a large number of new Covid-19 specific / related calls. <p>However, due to the large number of additional Covid-19 related calls, we have been able to successfully use Covid-19 grant funding where appropriate to meet the costs of these specific calls.</p> <ul style="list-style-type: none"> A number of vacancies within the Commissioning team for which recruitment has only just commenced, payment for a secondment and a reduction in staff related costs result in an underspend of £0.189m. Consequently, there is no requirement to utilise earmarked reserve this financial year. 					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> An updated review of the demand led CSC budget. 					
Key Financial Risks to Delivery and Mitigating Actions					
Customer Service Centre Demand	<p>The CSC is a demand driven service and as such is exposed to the risk of increased cost due to activity levels being higher than planned, which can be exacerbated by shifts in delivery models elsewhere in the Council stimulating higher call volumes.</p> <p>This is mitigated by the ongoing management of the provider contract.</p>				

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Transformation	4.682	4.520	(0.162)	(0.170)	↑
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> Underspends across Performance, Transformation and Systems team on staffing costs whether direct or via business support with the Transformation Fund covering core staffing budget shortfalls within the systems team as part of the Business World re-design project. The Performance team generating greater levels of income from schools than expected in the previous forecast. <p>Going forward it will be essential to keep the core staffing as close to its full complement as possible in order to achieve the set objectives.</p>					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> The forecast remains in line with Q2 reporting so there is no movement to report. 					
Key Financial Risks to Delivery and Mitigating Actions					
N/A	No specific risks to identify.				




Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Information Management Technology	14.223	14.524	0.301	0.564	↑
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> The need to continue to preserve access to data held in the SAP system has resulted in higher than budgeted access costs being incurred as work continues to migrate this data to a longer-term solution (£0.350m). The revised contract pricing model for the Serco contract and third party arrangements have resulted in increased costs of £0.407m. <p>This is offset by the utilisation of a service provision of £0.300m created at the end of the previous financial year in light of expected changes in the contractual arrangement.</p> <ul style="list-style-type: none"> In addition, higher than budgeted contract indexation on Serco IT support services (£0.082m). Savings in staffing costs, reduced training activity during Covid-19 crisis and a re-evaluation of Mosaic costs have enabled the service to offset these cost pressures (-£0.302m). <p>The need to engage specialist resource to progress corporate IMT projects within the Transformation Programme and take the Data Services team back up to production strength will reverse this staffing underspend into a revenue requirement (cost pressure) in future financial years.</p>					
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> The ability to fully utilise the service provision described above and a revaluation of costs incurred which have been identified that can be supported by the corporate Covid grant. 					
<p>Key Financial Risks to Delivery and Mitigating Actions</p>					
<p><i>Increased pace of IMT transformation projects</i></p>	<p>There is a risk that the increased demands on IMT created by the Corporate Transformation Program results in increased cost for more specialist resource or diverts existing resources causing delay and cost over-runs in existing activity.</p> <p>Further work in Transformation program design to develop the Business Cases identifying financial benefits across the Council from working in Smarter or Digital ways can be used to support amendment of IMT budgets to cover the resultant revenue costs in running those new services.</p> <p>Work is ongoing on quantifying the additional systems, skills and resources required and the timings of those requirements to support a more agile.</p>				

Corporate Services


Financial Position 1st April – 31st
December 2020


Revenue Budget Monitoring Report - Corporate Services

This report details the key changes in position and/or risk faced within Corporate Services. The key to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Corporate Services	2.886	2.563	(0.324)	(0.315)	

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Corporate Services	2.886	2.563	(0.324)	(0.315)	

The financial position is driven by :-

- The majority of this underspend relates to reduced direct and indirect staffing expenditure as a result of vacancies not being recruited to, compounded by delays in being able to progress recruitment and restructure consultation exercises, resulting from the impact of Covid-19. (£0.271m).
- A further £0.053m underspend arises in Corporate Communications activities due to the cancellation of events as a result of the pandemic.

The movement in position relates to :-

- The budgetary position is broadly in line with Q2 reporting so there is no additional movement to report.

Key Financial Risks to Delivery and Mitigating Actions




	No specific risks to identify.
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Schools

Financial Position 1st April – 31st
December 2020

Revenue Budget Monitoring Report - Schools

This report details the key changes in position and/or risk faced within Schools. The key to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Schools	13.593	17.666	4.073	3.587

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Schools Block	143.568	143.349	(0.219)	0

The financial position is driven by :-

- An underspend on the pupil growth funding allocations in accordance with the policy for planned school reorganisations to provide sufficient school places for Lincolnshire pupils.

The movement in position relates to :-

- See above.

Key Financial Risks to Delivery and Mitigating Actions

- No key risks identified at this time.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
High Needs Block	76.728	81.237	4.509	4.043

The financial position is driven by :-

- An increase in the forecasted top up funding (£3.634m) and targeted funding (£2.983m) to mainstream schools for pupils with Education Health Care (EHC) plans. There continues to be growing trends nationally, and this is being seen in Lincolnshire, with more children requiring specialist support. The SEND transformational work is intended to influence future growth.
- External SEND specialist placements are currently forecast to overspend (£0.923m) due to an increasing demand for those pupils with complex needs and the demand and shortage of places in special schools. This will be addressed through the major programme of capital investment to increase the capacity of special school places within the county, however the demand is present now.
- Additional provision of 80 placements commissioned from September for those pupils with Social, Emotional and Mental Health (SEMH) needs (£1.264m) to ensure suitable education provision is provided for this cohort of pupils in line with our statutory

- requirement.
- The pressures above have been offset by the Alternative Provision (AP) free school place funding (£2.053m) funded by the department for 2020/21 only – this is therefore a temporary underspend.
 - The apportionment of costs to other funding sources due to the under-delivery of commissioned services (£0.619m) due to the pandemic, and direct support to outbreak management (£1.000m).
 - Some smaller underspends on High Needs budgets make up the remaining balance.

The movement in position relates to :-

- An increase in the number of EHC plans and the associated top up and targeted funding, and specialist placement costs, which has been offset by the apportionment of costs to other funding sources due to the pandemic.

Key Financial Risks to Delivery and Mitigating Actions

<p><i>Key Risks:</i></p> <p><i>Managing demand</i></p>	<ul style="list-style-type: none"> • Transformational work commenced last year to consider the way partners across Lincolnshire work together to support children and young people with SEND. Key activities to support this strategy include SEND Advice line (SALL); rollout of the Valuing SEND; revised graduated approach guidance; strengthen the Local Offer; a new performance framework, to name a few. This transformational work is intended to secure further improved outcomes for young people with SEND through a truly integrated approach, whilst also securing an offer for Lincolnshire that is financially sustainable within its central government allocation. An increase in places within Lincolnshire special schools will also provide more suitable pupil placements.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Central School Services Block	3.193	2.921	(0.272)	(0.590)	↑

The financial position is driven by :-

- The underspend mainly relates to historical budgets of PFI contractual costs and the centralised schools broadband contract. These funding streams are outside the Government's current national funding formula arrangements. The Government is reducing these budget streams of Local Authorities annually by 20% to remove the perceived unfairness in funding. The budgets had been set prudently to respond to this future funding implication.

The movement in position relates to :-

- Refinement in the financial commitment for 2020/21.

Key Financial Risks to Delivery and Mitigating Actions

<p><i>Key Risk 1 :</i></p>	<ul style="list-style-type: none"> • No risks highlighted at this time.
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Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m	
Early Years Block	42.169	42.223	0.054	0.134	↑

The financial position is driven by :-

- An overspend on the Early Years participation budgets (£0.494m), as a result of the pandemic. Government guidance advised Local Authorities to fund early years providers for financial sustainability reasons at their Autumn 2019 participation levels if they were experiencing lower numbers in Autumn 2020 from the pandemic. Although a Government funding adjustment was made, the cost to Lincolnshire was much greater. The cause being a significant number of providers have lower numbers of children however a large cohort of providers are reporting increased numbers of children. This is likely to be due to parents taking up more provision at one provider rather than previously taking their hours over more than one provider, to minimise the risk of infection.
- The overspend has been partly offset by an underspend in the 2 year old provision (£0.096m); a reduction in the central staffing budgets (£0.228m); reduced allocations on the Disability Access Fund (£0.084m), and Early Years Pupil Premium (£0.032m). These budgets will need to be closely monitored over the next few months to see if this pattern continues.

The movement in position relates to :-

- A change in Government policy on participation funding arrangements for early year providers for Autumn 2020 and the identification of central staffing savings.

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1 :
Early Years*




- The financial sustainability of early years providers during and after the pandemic is a key priority for the service to ensure the sufficiency of early years places are maintained across the county.

Other Budgets


Financial Position 1st April – 31st
December 2020


Revenue Budget Monitoring Report - Other Budgets

This report details the key changes in position and/or risk faced within Other Budgets to the report is shown below

Movement Key:	
	Moving towards budget
	Stable
	Moving away from budget

Forecast Key:	
	Underspends within 1% of budget
	Underspends >1%<2% of budget Overspends up to 2%
	Under / Over spends >2% of budget

Directorate Summary	Current Budget £'m	Forecast Outturn £'m	Forecast Over/(Underspend) £'m	Previous Over/(Underspend) £'m
Other Budgets	71.371	58.725	(12.323)	(10.523) 

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Contingency	1.806	0.906	(0.900)	0 

The financial position is driven by :-

- It is anticipated that the contingency will not be fully spent by end of the year. There has been a reduced number of emerging schemes this year and activities that require further budgetary support.


The movement in position relates to :-

- The Contingency budget was £3.000m and so far £1.194m has been allocated to other service areas. This relates to Fire and Rescue Wholetime Recruits Course, £0.165m, and Pay Award inflation, £1.029m, following negotiation.
- Included in the forecast is £0.564m allocation to Highways 2020 Mobilisation that is still expected to be required by the end of the year and £0.342m for emerging schemes.

Key Financial Risks to Delivery and Mitigating Actions

Key Risk 1 : Lower demand than planned

- If fewer emerging pressures are identified than forecasted, this will result in an underspend. Due to the impact of Covid-19 some of the normal activities of the Council have slowed down. Therefore, it is highly likely that this area will be underspent at the end of the year.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Capital Financing Charges	50.077	42.209	(7.868)	(7.868) 

The financial position is mainly driven by :

- The Current Budget for MRP was calculated in 2019 before the 2019/20 Capital Outturn. The 2019/20 Borrowing Outturn of £77.897m was significantly lower than estimated due to re-phasing, underspend carry forward and level of internal borrowing taken. Also a large proportion of the borrowing outturn (£39.755m) used to calculate MRP was also

allocated to Infrastructure Under Construction Assets that are not due to start for a couple of years and hence the MRP calculated for this area was allocated forward to future years MRP. All this resulted in MRP showing a £4.600m underspend in the current budget period.

- The estimated interest cost of borrowing has fallen by £0.620m due to the estimated Borrowing Requirement falling to just £26m in 2020/21 due to the allowance of internal borrowing in the year increasing to 25% from 15% due to current market conditions. Overall this is an underspend of £3.368m.
- The estimated interest received from cash balances has increased by £0.300m since the last quarter due to increased COVID funding received from Government not yet expended. Overall there is a shortfall on interest received of £0.600m.
-

The movement in position relates to :-

There has been no change in the position from last quarter.

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1 :
Higher demand than planned*

- The delivery of the current capital programme and uncertain cash flow patterns due to COVID will affect the level of interest paid and received in 2020/21. This is continually monitored to mitigate the risk.

Service Area	Current Budget £m	Forecast Outturn £m	Forecast Over/(Underspend) £m	Previous Over/(Underspend) £m
Other	19.489	15.610	(3.554)	(2.655)



The financial position is mainly driven by :

- The redundancy budget for the year is £1.500m. There is currently a relatively low level of restructuring taking place within the council, so the underspend is anticipated to be £1.186m lower than budgeted for.
- The review and maintenance of balances in the balance sheet resulted in clearance of legacy balances relating to the old financial system, SAP, £0.706m
- The budget set aside for any pay scale restructuring is not expected to be required this year, resulting in a £0.600m underspend.
- The level of increase in the National Living Wage is much lower than anticipated thereby resulting in a £0.359m underspend.
- There is a reduction of £0.248m in the monthly payment of teachers' pension and S24 payments due to a higher level of attrition than budgeted. The reduction in monthly payment is recycled to cover the yearly inflation increase of this pension. This was reviewed and longer term savings of £0.100m were offered as part of the budget setting process.
- Dividend received from ESPO increased by £0.168m and a conservative increase in 2021/22 budget was proposed.
- The liability insurance cost is lower by £0.340m than we have budgeted for this year. Not included here is the anticipated surplus of £0.030m for the insurance fund and request will be made to increase the current level of its funds. This will be c£2m above the recommended level of the actuarial report we recently received.
- The above underspend is offset by small overspend in Apprenticeship Levy and maintenance cost on surplus properties prior to selling these.

The movement in position relates to :-

- The low level of planned activities within the Council which are funded centrally will generate an underspend in this area.
- Budgets to further support the services are kept within this area due to uncertainties when the budget was set. As the position regarding this area becomes clearer, underspending is declared.

- Legacy balances within the balance sheet are charged to this area following review and maintenance.

Key Financial Risks to Delivery and Mitigating Actions

*Key Risk 1
: Lower
demand
than
planned*

- Budget within Other Budget is set to cover the uncertainties surrounding the area that the Council operates in. As our position becomes clearer, the forecast is adjusted to consider the current situation. These areas are reviewed as part of the yearly budget setting and this year has provided £0.100m savings relating to the reduction in pension contribution.

APPENDIX K

SUMMARY OF FINANCIAL IMPACT OF COVID-19 2020/21 AS AT 31 DEC 2020

	Actual March 2020 (19/20) £000's	Actual Estimated to 31 January £000's	Actual to 31 January (19/20 + 20/21) £000's	Estimated for Year 2020/21 £000's	Estimate for Year 2020/21 incl. Contingency £000's
<u>Adult Care and Community Wellbeing</u>					
Adult Frailty & Long Term Conditions	0	8,457	8,457	9,579	9,579
Adult Specialties	0	2,691	2,691	3,253	3,253
Public Health	100	1,635	1,735	1,695	1,695
Total ACCW	100	12,783	12,883	14,527	14,527
<u>Children's Services</u>					
Children's Social Care	178	4,277	4,455	7,154	7,304
Children's Education	31	2,826	2,857	4,043	4,043
Total Children's	208	7,103	7,312	11,197	11,347
<u>Place</u>					
Communities	60	2,545	2,605	3,206	3,206
Lincolnshire LEP	0	0	0	0	0
Growth	0	118	118	333	583
Highways	0	5,776	5,776	3,321	3,821
Total Place	60	8,440	8,500	6,861	7,611
<u>Fire and Rescue & Public Protection</u>					
Fire and Rescue & Emergency Planning	0	389	389	506	506
Resources	0	322	322	855	855
Public Protection	10	2,636	2,646	2,416	2,416
Resources	10	2,958	2,968	3,270	3,270
<u>Commercial</u>					
Commercial	0	2,798	2,798	4,994	4,994
<u>Corporate Services</u>					
Corporate Services	0	159	159	240	240
<u>Other Budgets</u>					
Other Budgets	0	0	0	0	0
Capital Expenditure	0	1,744	1,744	7,048	8,048
Other Budgets	0	1,744	1,744	7,048	8,048
Total Costs and Losses	378	36,374	36,752	48,643	50,543
Covid-19 Emergency Grant	-378		-36,752	-44,130	-44,130
Lost SFC income grant (estimated)				-4,200	-4,200
Total estimated income	-378		-36,752	-48,330	-48,330
Surplus / (Deficit)	0		0	-312	-2,212

Narrative of Financial Impact of Covid-19 as at 31 December 2020

Revenue Budget Monitoring Report - Children's Services Covid-19

Directorate Summary	Current Spend £'000	Forecast Outturn £'000	Additional Risk £'000	Revised 2020-21 Forecast £'000
Children's Services	7.103	11.197	0.150	11.347

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Children's Social Care	4.277	7.154	0.150	7.304

The financial position is driven by :-

- An additional payment of £400 per carer household per month for period of 3 months (May to July 2020) was made to support foster carers and children in their care during this challenging period to continue securing placements and support of carers (£0.328m). A further £200 per carer household was paid during the second lockdown in November (£0.054m)
- Additional costs for specialist placements including out of residential and fostering placements, and family assessment placements (£4.079m). The impact of the Covid-19 restrictions has resulted in a number of foster carers unable to accept new children into their homes due to self-isolating from vulnerability, and concerns with increased exposure to the virus, therefore children have had to be placed in alternative specialist placements. The number of children in care has risen during this pandemic.
- There has been a delay in implementing the new Youth Housing contract that was intending to accommodate more complex individuals by offering smaller units of accommodation for those young people of 16 and 17 years at risk of homelessness and looked after children and care leavers up to the age of 21 years. Children's Services had put forward a saving of £0.438m in 2020/21 following the transformation work and the new contract award; however circumstances have led to this not being achieved resulting in an additional cost of £0.658m.
- The identification of commissioned contracts where providers have been unable to deliver the full service offer during the lockdown (£1.047m), and legal costs where there has been an increase in length of proceedings due to court availability (£0.283m).
- Additional costs for backfill of staff that have been redeployed (£0.431m) and equipment to enable home working plus personal protection equipment for front-line staff (£0.274m)
- Financial risks of £0.150m remain for children in care placements due to an escalation of need from lockdown.

The movement in position relates to :-

- Additional costs being assigned to the Covid-19 grant for children in care placements (£0.439m), the apportionment of costs to other funding sources relating to the pandemic (£1.330m), and further costs for the backfill of staff that have been redeployed.

Key Financial Risks to Delivery and Mitigating Actions

<p><i>Key Risk 1 – Looked After Children</i></p>	<ul style="list-style-type: none"> • A number of factors can influence spending in looked after children services assumptions have been made for the next phase, but as lockdown unfolds, family circumstances will become clearer.
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Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Children's Education	2.826	4.043	0.000	4.043
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> Loss of income from parents for post 16 transport for the summer term and anticipated impact on the next academic year (£0.700m). An increase in the contract re-tendering costs including delayed procurements (£0.770m), holiday transport costs relating to Easter and May half-term (£0.112m), and grants to operators to meet some of the additional costs associated with Covid-19 e.g. PPE, cleaning materials, signage etc. (£0.345m) are earmarked against the Covid-19 grant. Loss of income from parents for the Music Service in the summer term, and an anticipated 20% income reduction for the new academic year (£0.477m). Payments have been made for rehearsals and concerts that did not take place during lockdown (£0.174m). The identification of commissioned contracts where providers have been unable to deliver a service effectively during lockdown (£0.822m). The impact of the pandemic on the current SEND capital schemes (e.g. delays in the supply chain or increased costs due to enhanced welfare facilities) (£0.295m). Reduction in income from fines for children not attending school (e.g. absent from school due to going away on holiday). It has been assumed that no fines will be issued until Jan 2021 (£0.113m). No additional financial risks have been identified. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> The apportionment of commissioned contracts and SEND capital scheme costs to be allocated against the Covid-19 grant (£1.117m), and more accurate information available regarding costs and loss of income associated with the impact of Covid-19 including Home to School transport (£0.605m). 				
Key Financial Risks to Delivery and Mitigating Actions				
<i>Key Risk 1 – Home to School/College Transport</i>		<ul style="list-style-type: none"> The Local Authority will continue working in accordance with the Government guidelines on transporting pupils to schools, including the utilisation of government additional transport grant. 		

Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Children's Services		
Children's Social Care	Reduction in Social Care Training delivery	0.136
	Pause in in Children Centre building maintenance due to reduced centre activity	0.082
	Delay in recruitment to vacancies within social care and early help.	0.170
	Youth Development – due to limited service provision that has been on offer since the start of the pandemic.	0.190
	Savings on car allowances	0.151
Children's Education	Home to School/College Transport – suspension of services for the summer term (other than for key worker and vulnerable groups transport only).	1.370
	Children with Disabilities – a drop in activity levels (due to parents being at home) during the summer term	0.710
	Education Psychology - reduction in the number of Education, Health and Care (EHC) Needs	0.249

	Assessments during the first lockdown period and the delay in progressing a new Psychology contract with an external provider.	
	Delay in recruitment to central staffing vacancies.	0.162
	Reduction in legal fees due to the suspension of fines for children not attending school.	0.098
	Reduction in educational visits costs due to visits not taking place.	0.062
	Savings on car allowances and meeting costs	0.055

Revenue Budget Monitoring Report - Adult Care & Community Wellbeing Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Adult Care & Community Wellbeing non ring fenced	11.972	14.527		14.527

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Adult Frailty & Long Term Conditions	7.919	10.026		10.026

The financial position is driven by :-

- The Sustainability Fund provides financial support to all commissioned providers across adult social care (ASC). Through an open book approach, this fund has supported 170 ASC providers.
- Key costs relate to Personal Protective Equipment (PPE) usage, the social care workforce and the adult social care (ASC) environment. The majority of care home and home care providers will be able to procure their PPE through the recently introduced national process going forward. The funds access criteria is kept under regular review with changes agreed with LiNCA prior to implementation.

The movement in position relates to :-

- A continuation of the above financial support as a result of Covid-19 environment.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Adult Specialties	2.274	2.786		2.786

The financial position is driven by :-

- Costs incurred as a result of service users being unable to access services due to closure/shielding etc. Following individual needs assessments, service users have received changes to their packages of care. Each individual is regularly reviewed to understand on going need.
- A few small/ local providers have escalated financial hardship to the council as a result of non-payment of direct payment service user contributions. Whilst all providers were signposted to government schemes and, working together, redeploy staff where appropriate, approx. £0.068m has been paid to providers as one-off financial support.

The movement in position relates to :-

- A continuation of the above financial support as a result of Covid-19 environment.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Public Health & Wellbeing	1.779	1.779		
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> £0.63m costs incurred in the distribution of PPE and community equipment for service users £0.43m PPE costs incurred to date for use across council services / staff. £0.32m loss of income from the suspension of telecare charges to encourage increased use. £0.45m costs incurred in operating a 7 day a week covid response community hub during the emergency phase of the pandemic. £0.30m increased costs resulting from a delay in the procurement of housing related services. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> A continuation of the above financial support as a result of Covid-19 environment. 				

Covid Savings		
Directorate Summary	Savings	Savings £m
Adult Care & Community Wellbeing		
Adult Frailty & LTC (inc.infrastructure)	Energy, Training, Stationery costs	0.052
Public Health and Wellbeing	Improvement initiative delay	0.060

The following areas are funded through specific ring fenced grants or monies not held by LCC

Infection Control Grant	Current Spend £m	Forecast Outturn £m
Wave 1 Released 50% May / 50% July	10.423	10.423
Wave 2 Released 50% October / 50% December	3.534	8.949
	13.957	19.372
<p>This grant is to provide support to adult social care providers to reduce the rate of COVID-19 transmission within and between care settings. Wave 1 paid 76% (£7.9m) to residential providers and 24% (£2.5m) to community providers. Wave 2 grant received stipulates a further 60% (£5.4m) to residential providers, 20% (£1.7m) to community providers and 20% (£1.8m) to other care settings and IPC measures.</p>		

NHS Recharge, Accelerated Discharge	Current Spend £m	Forecast Outturn £m
Scheme 1 19Mar-31Aug : Scheme now closed	3.603	3.603

Scheme 2 1Sep-31Mar	2.103	2.633
Scheme 2 Designated Settings	0.271	0.694
CHC Assessment Backlog		0.220
	5.978	7.150

Scheme 1 saw the local authority take responsibility for commissioning both residential and home care placements following discharge from hospital, regardless of the individuals need being social or health.

Scheme 2 sees the restart of the continuing healthcare team and designated settings. Confirmed cost of designated settings is to be added to the scheme 2 recharge. This is at a cost of £849 per week per bed. 2 providers in place with up to 64beds for 6months.

CHC - A £50m allocation nationally to reduce the backlog resulting from the cessation of the CHC team during scheme 1. Confirmed forecast £0.220m cost of LCC sourced staff supporting the CHC backlog of assessments is to be added to the scheme 2 recharge.

This recharge runs to 31st March 2021.

Test and Trace	Current Spend £m	Forecast Outturn £m
To support expenditure incurred in relation to the mitigation against and management of local outbreaks of COVID-19.	0.817	3.069
LCC have requested the Board to support an additional £0.055 costs above their £0.1m initial allocation. This relates to 2 IPC nurses. An additional £0.700m has been agreed to support district councils and LOEB in December agreed to provide financial support to providers for costs incurred for testing.		
Outbreak Management	Current Spend £m	Forecast Outturn £m
To continue to support local authorities in their efforts to contain the spread of Covid-19	5.992	8.447
Upper tier local authorities in Tier 3 will be eligible to receive funding of £4 per head of population per month, those in Tier 2 will be eligible to receive funding of £2 per head of population per month and those authorities in Tier 1 will not be eligible for monthly funding. LCC is forecast to receive a further £3,044,896 as a Tier local authority, £9,134,688 Nov-Dec20. Adults spend forecast to be £8.447m of this.		

Revenue Budget Monitoring Report - Place Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Place	7.566	13.909	250	14.159

The forecast outturn includes the expected additional pressure on the Highways Capital programme that has been forecast at £5.000m.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Communities	2.580	3.100	0	3.100

The financial position is driven by :-

- Loss of income from cultural and heritage sites due to closure and social distancing measures £1.457m.
- Household Waste Recycling Centres – additional staffing costs and loss of income from recyclable sales £0.087m.
- Waste – increased volume of household waste material being processed from District Councils kerbside collections due to people spending more time at home and increased packaging from on-line shopping £1.356m.

The movement in position relates to :-

- On-going assessment of the loss of income from cultural and heritage sites.
- Increases in the volume and cost of processing household waste collections.
- Inclusion of the new risk related to energy sales at the Energy from Waste (EfW) Plant.

Key Financial Risks to Delivery and Mitigating Actions

<i>Key Risk 1 –</i>	<ul style="list-style-type: none"> • The Loss of income from the sale of electricity generated by the Energy from Waste Plant due to low demand from the grid causing prices to fall below the base case.
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Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Growth	0.312	0.391	0.250	0.641
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> • Cost of economic recovery plan, additional staffing costs and potential loss of rental income on business units. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> • Reduction in the assessment of the likely cost of lost income on membership schemes, small projects to support economic sectors, and research/advice. 				
Key Financial Risks to Delivery and Mitigating Actions				
Key Risk 1 –		•		

Service Area	Current Spend £'000	Forecast Outturn £'000	Additional Risks £'000	Revised 2020-21 Forecast £'000
Highways	2.280	10.418	0	10.418
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> • Implementation of covid-safe ways of working on capital schemes £6.600m. Additional cost risk reflects claims being considered on major projects. • Loss of income from suspension of parking enforcement and reduction in permitting activity £0.665m. • Loss of income from road works and fines £0.325m. • Loss of income from course fees for National Driver Offender Retraining Scheme £0.700m. Actual award may be reduced based on income budget. • Covid compensation events relating to highways maintenance contracts £1.152m. 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> • On-going assessment of resultant costs and income losses. • Further assessment of the impact on major capital projects. • Inclusion of a contingency sum for second wave. 				
Key Financial Risks to Delivery and Mitigating Actions				
Key Risk 1 –		• Increased infection rates resulting in loss of key workers and disruption to Capital projects.		

Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £'000
Place		
Communities	Reduced contract payments to bus operators on suspended or reduced bus services. Savings in running costs from closure of cultural and heritage sites.	1,100
Lincolnshire Local Enterprise Partnership	No significant savings identified	0
Growth	Reduced staff travel and training	20
Highways	Reduced staff travel and training	150

2021/22 Emerging Costs

Emerging Costs Due to Covid		
Directorate Summary	Details of Cost	Amount £'000
Place		
Communities	Countryside (£191k and inc in above) Loss of income from EfW	
Growth	Agri Consultancy of up to £220k expected next year	
Highways	Capital project valuations as included under risk	

Revenue Budget Monitoring Report - Fire and Rescue Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Fire and Rescue	0.315	0.505	0	0.505

The costs and changes to quarter 2 are detailed in the report below.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Fire and Rescue and Emergency Planning	0.315	0.505	0	0.505

The financial position is driven by :-

- Additional staffing costs to respond to the pandemic (£0.254m)
- The cost of personal protective equipment to allow staff to interact with our communities (£0.144m)
- The loss of income from commercial training (£0.079m)

The movement in position relates to :-

- Additional staffing costs to respond to the pandemic (£0.064m)
- The additional cost of personal protective equipment to allow staff to interact with our communities (£0.110m)

Key Financial Risks to Delivery and Mitigating Actions

<i>Key Risk 1 –</i>	<ul style="list-style-type: none"> • Activity volume for retained firefighters is variable by nature for a demand led service but regular monitoring against predefined budget assumptions helps to identify the financial impact of such changes.
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Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Fire and Rescue		
Fire and Rescue and Emergency Planning	Reduction in staff travel	0.025

2021-22 Emerging Costs

Emerging Cost Due to Covid		
Directorate Summary	Details of Cost	Amount £m
Fire and Rescue		
Fire and Rescue and Emergency Planning	The continuation of additional staff costs as required – estimated as £60k per month based as forecasts for January to March.	

Revenue Budget Monitoring Report - Resources Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Resources	2.895m	3.657m	0	3.657m

The increase in cost is detailed contained in the report below.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Resources	2.895m	3.657m	0	3.657m

The financial position is driven by :-

- The additional costs of Business Support and HR staff covering additional Covid-19 related work (£0.253m)
- The potential increase in insurance claims resulting from Covid-19 (£0.050m)
- Loss of income from schools, academies, District Councils and internal charges by HR, Legal & Audit (£0.498m)
- The annual deficit (to income target) from the Purchase of Annual Leave scheme (£0.100m)
- The potential need to deal with excess deaths arising from the coronavirus (£2.024m) – This is capital spend
- Loss of income from celebratory ceremonies and Trading Standards work (£0.577m)
- Additional staffing costs and purchase of equipment to support essential activity (£0.155m)

The movement in position relates to :-

- The further reduction in work for schools, academies, District Councils and internal charges has become clearer as the pandemic draws on (£0.038m)
- The annual deficit (to income target) from the Purchase of Annual Leave scheme (£0.100m)
- The increases loss of income from celebratory ceremonies which have had to be cancelled (£0.075m)

Key Financial Risks to Delivery and Mitigating Actions

<i>Trading Position of Legal Lincolnshire</i>	<ul style="list-style-type: none"> • Ongoing monitoring of traded position and reporting to Legal Board
<i>Mortuary costs and restrictions on ceremonies</i>	<ul style="list-style-type: none"> • Further waves of the virus may result in an increase in the running costs of the temporary mortuary and in further restrictions being placed on ceremonies

Covid Savings

Directorate Summary	Savings Resulting from Covid	Savings £m
Resources		
Legal and Governance Services	Members travel expenses – less travel	0.072
Human Resources and Organisational Support	Occupational health Contract – reduction in referrals Reduction in travel costs Vacancies within service held back due to Covid	0.103 0.040 0.514
Finance	Reduction in travel costs	TBC
Public Protection	Reduced legal costs and travel expenses	0.143

Revenue Budget Monitoring Report - Commercial Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Commercial	3.286	4.689	0	4.689

The current forecasts, costs and changes to quarter 2 are detailed in the report below.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Commercial	3.286	4.689		4.689

The financial position is driven by :-

- Re-direction of the Customer Service Centre to deal with Covid-19 issues (£0.567m)
- Additional project costs due to delays in the Business World transformation programme (£0.724m)
- Expected costs associated with the Smarter Working Programme (£1.100m). For the current year this includes both Property related expenditure and the cost of replacing desk-top devices with notebooks in order to facilitate agile working. Further expenditure on properties of £1.000m is expected in 2021/22.
- Assessing the impact of and actions required to reduce the demand for services within Adults and Children's particularly focusing on High Needs and Children in Care (£1.040m).
- Other Transformation projects (£0.165m)
- Maintaining hygiene measures and purchasing hygiene consumables, and preparing for excess deaths (£0.231m)
- Enabling homeworking capability for workforce, and extending current software licences (£0.715m)
- Loss of income from traded services to Schools (£0.015m)
- New post to oversee the Council's recovery from Covid-19 (£0.132m)

The movement in position relates to :-

- The inclusion of Smarter Working project costs.
- The reallocation of covid related spends previously expected to be funded by the Transformation Programme.

Key Financial Risks to Delivery and Mitigating Actions

<i>Customer Service Centre Demand</i>	Through effective contract management and relationships
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Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Commercial		
Property	Utility costs across the wider estate are forecasted to be underspent following a detailed review in Q2 primarily due to covid closure (£240k).	0.240
Information Management Technology	Reduced training costs	0.100

Revenue Budget Monitoring Report - Corporate Services Covid-19

Directorate Summary	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Corporate Services	0.158	0.230		

There are no significant new costs incurred this quarter, the details are shown below.

Service Area	Current Spend £m	Forecast Outturn £m	Additional Risks £m	Revised 2020-21 Forecast £m
Corporate Services	0.158	0.230		
<p>The financial position is driven by :-</p> <ul style="list-style-type: none"> • This position is mainly driven by the local Member coronavirus grant scheme (£0.210m) • The need to communicate with the public on Covid-19 matters (£0.020m) 				
<p>The movement in position relates to :-</p> <ul style="list-style-type: none"> • A small increase in printing and advertising used to communicate messages and information about council services during the pandemic (£0.008m). 				
Key Financial Risks to Delivery and Mitigating Actions				
Key Risk 1 –		<ul style="list-style-type: none"> • None to report. 		

Covid Savings		
Directorate Summary	Savings Resulting from Covid	Savings £m
Corporate Services		
Corporate Services	Reduction in Corporate Communications expenditure due to cancellation of events	55

Monitoring of Planned Savings 2020/21

Directorate	Service Area	Saving Information *	Reported Position			Explanation of any Shortfall and/or Covid19 Grant Support
			Planned Saving £000's	Delivery Y / N	If N, Shortfall £000's	
BUDGET SAVINGS						
Children's Services	Home to School/College transport	Budget Reductions to meet service requirements	8	Y		
Children's Services	Special Educational Needs & Disability	Additional income generation and budget reductions for training materials and legal costs	6	Y		
Children's Services	Education Support Services	Additional income generation, a reduction in the cost of software and budget reductions to meet service requirements	17	Y		
Children's Services	School Improvement	Budget reductions to meet service requirements	7	Y		
Children's Services	Statutory Regulatory Duties	Removal of peripatetic social worker vacant posts, a reduction in the cost of software licences, a reduction in funding required to support market management as part of service reviews and budget reductions to meet service requirements	286	Y		
Children's Services	0-19 Health Services	A more effective clinic utilisation leading to a reduction in home visiting	180	Y		
Children's Services	Early Help Services	Budget reductions to meet service requirements	85	Y		
Children's Services	Family Assessment and Support Team	Utilisation of grant income and budget reductions to meet service requirements	103	Y		
Children's Services	Adoption and Fostering Services	Budget reductions to meet service requirements	3	Y		
Children's Services	Leaving Care Services	Savings from the new supported accommodation pathway in meeting 16-17 year olds and care leavers	438	N		There is a cost pressure in this area. This is due to the delay in implementing the new Youth Housing contract due to the pandemic. The new contract was intending to accommodate more complex individuals. These circumstances will result in savings not being achieved in 2020/21. This cost has been put to the Covid-19 grant.
Children's Services	Targeted Support for Young People	Efficiencies as a result of the joint delivery of provision	43	Y		
Children's Services	Youth Offending	Rationalisation of work activities with the Performance Team and budget reductions to meet current service requirements	56	Y		
Adult Care and Community Wellbeing	Budget 2020 Savings Programme	Reduction in Director's consolidated running costs	210	Y		
Adult Care and Community Wellbeing	Home based Service	Reablement Service efficiencies	320	Y		LCC reablement provider changed service delivery to support increased volumes of hospital discharges as a result of covid19 accelerated discharge model introduce nationally. This and the continued demand has meant the planned savings have not been possible to implement. This loss of savings is captured against the Covid19 grant received therefore reporting financial position on target. Recurrent saving still planned.
Adult Care and Community Wellbeing	Peak Demand efficiencies	Improvement in Peak Demand efficiencies	800	Y		
Adult Care and Community Wellbeing	Assessment and Care Management	Savings from gaps in posts being filled from staff turnover	579	Y		
Adult Care and Community Wellbeing	Transport	Reduction in service demand	100	Y		
Adult Care and Community Wellbeing	Residential/Nursing placements	Reduction in service demand as more requirement for Community based services	500	Y		
Adult Care and Community Wellbeing	Other Expenditure budget	Reduction in service demand	90	Y		
Adult Care and Community Wellbeing	Adult Care Charging	Impact of legislative changes	-500	Y		

Directorate	Service Area	Saving Information *	Reported Position			Explanation of any Shortfall and/or Covid19 Grant Support
			Planned Saving £000's	Delivery Y / N	If N, Shortfall £000's	
BUDGET SAVINGS						
Adult Care and Community Wellbeing	Public Health and Community Wellbeing	Agreed reduction in budget based on current service requirements and savings based on contract re-procurement	1,390	Y		Against the £1m Housing Related Support saving, there is a shortfall in delivery of £424,655 in 2020-21 only. This is due to a delay in contract start resulting from Covid19. This is funded through the Covid19 grant received therefore reporting financial position on target. Recurrent saving still planned
Place	Transport Services	Contract payments reviewed to provide more emphasis on the reducing actual passenger number as eligibility age for a concessionary pass rises	425	Y		
Place	Heritage and Archive Services	Budget revision to library vehicles, staffing and associated expenses	201	Y		
Place	Environmental Services	Budget revisions to meet current service requirements	66	Y		
Place	Waste Services	Reduction in repairs, maintenance and transport costs together with contract savings and reduced tonnages of compost and other materials at Household Waste Recycling Centres	591	N		There is currently a forecast overspend of £1.890m related to Waste Services due to a 5% increase in the volume of household waste being collected and increased cost of the Mixed Dry Recycling (MDR) contract.
Place	Design Services	Efficiency saving on system maintenance costs	39	Y		
Place	Highways Services	Efficiency savings on winter maintenance operations with the remainder due to increased charges for a range of highway services including road closures, fixed penalty notices and searches	664	N		Although charge rates were reviewed at the start of the year, the ability to secure additional income has been severely affected by Covid but the shortfall is currently planned to be met from grant support. Savings identified on winter maintenance will be a challenge as we move into gritting season.
Place	Highways Asset Management	Increase in charges for skip and scaffold permits and a reduction in the scanner and scrim surveying contracts	35	Y		
Fire and Rescue and Public Protection	Fire and Rescue	A reduction in costs associated with unwanted fire signals (false alarms) policy and a reduction in budget to cover fire-fighter absence to maintain operational resilience	115	Y		
Resources	Human Resources	Restructure of Human Resources following the return of staff to LCC	440	Y		
Resources	Legal Services	Realignment of Legal Lincolnshire surplus target in line with recent performance	450	Y		Legal Services Income figures in quarters 1 and 2 are down on previous years. This is due to a fall in instructions during the Covid crisis and is currently forecast to be funded from grant support.
Resources	Democratic Services	The permanent removal of a vacant position	15	Y		
Resources	Business Support	Implementation of a paper reduction strategy	16	Y		
Commercial	Property Services	Reductions in building and programme costs and alignment of county farms income in line with current year performance	279	Y		
Commercial	Information Management	Budget revision to meet current service requirements	567	Y		Costs for enabling homeworking capability for workforce, and extending current software licences are expected to be picked up by the Covid grant. The need to continue to preserve access to data held in the SAP system has resulted in higher than budgeted licence costs with further costs being incurred in order to migrate this data in order to provide a longer-term solution. The revised contract pricing model for the Serco contract and third party arrangements have resulted in increased costs.
Commercial	Commercial Management	Budget revision to meet current service requirements	104	Y		
Other Budgets	Commercial Discount	Reduction in contract payments	706	Y		
TOTAL BUDGET SAVINGS			9,434	0	0	

Directorate	Service Area	Saving Information *	Reported Position			Explanation of any Shortfall and/or Covid19 Grant Support
			Planned Saving £000's	Delivery Y / N	If N, Shortfall £000's	
GROWTH IN INCOME						
Adult Care and Community Wellbeing	Adult Frailty and Long Term Conditions	Proportionate increase in Service User Contributions from increase in benefits	1,595	Y		
Adult Care and Community Wellbeing	Adult Frailty and Long Term Conditions	Increase in Direct Payment Refund income	575	Y		
Adult Care and Community Wellbeing	Adult Frailty and Long Term Conditions	Increase in Debtor income	1,000	Y		
Adult Care and Community Wellbeing	Adult Specialities	Increase in Direct Payment Refund income	250	Y		
Adult Care and Community Wellbeing	Adult Specialities	Additional CHC Funding from CCG's	1,800	Y		
Resources	Financial Strategy	Increased income from Schools	43	Y		
Resources	Audit and Risk	Increased income from audit services	22	Y		Loss of income due to being unable to deliver planned audit work in Quarter 1 and 2 to District clients. Covid-19 costs and savings are being captured and it is anticipated that additional grant funding will cover the overspend.
Resources	Information Assurance	Increased income from Schools	17	Y		
Other Budgets	Dividend Income	Increase in dividend relating to investment	206	Y		
TOTAL GROWTH IN INCOME			5,508	0	0	
TOTAL REDUCTIONS TO BUDGET			14,942	0	0	

Monitoring of Development Fund Initiatives 2020/21

Directorate	Service Area	Development Initiative	Planned One-Off Investment £000's	Progress to date *
Place	Environment	Green Masterplan	350	Activity progressing but delayed due to COVID and now unlikely to fully spend in 2020/21
Place	Communities	Anaerobic digestion Facilities - Business Case Viability	150	Work on this is progressing and planned to be completed by end of 2020/21.
Place	Highways and Communities	Highways Advance Design/Economic Development Pipeline Projects	2,713	Forecast spend of £0.940m in 2020/21 is being managed alongside the annual allocated ADB budget and agreed with Exec Directors and Exec Members.
Place	Highways	Traffic signals - Wireless communications	5	Successfully installed and operated trial site, roll-out being planned and decommissioning of 5 broadband connections being progressed. This is now complete and reserve will be drawdown in the next quarter.
Place	Highways	Drainage Investigation and Flood Repairs	200	Individual projects been agreed. Projects now commenced in Long Bennington and Timberland Chapel Lane. It is planned that this will span two years.
Fire and Rescue and Public Protection	Fire and Rescue	Research study - LFR prevention work	10	Lincoln University has been commissioned and are currently underway with the analysis to evaluate our Prevention activities. This work will be completed by end of this calendar year and time for us to utilise for the upcoming HMICFRS Inspection. The costs have been confirmed at 10K.
Commercial	Transformation	Transformation Programme (Business Process re-engineering)	280	Transformation Programme Board established. Governance arrangements and outline programme developed
Commercial	IMT	Broadband - 4G	135	Discussions have taken place with potential providers and these are currently being evaluated prior to making a decision regarding implementation
	Reserves	Future Transformation & Covid-19 Recovery Plans	7,394	This programme will be reported separately
	Reserves	Development Fund Reserve balance still to be allocated	1,444	
TOTAL DEVELOPMENT INITIATIVES			12,681	

Revenue

SERVICE FROM	SERVICE TO	REASON	Approved by	AMOUNT
Adult Frailty & Long Term Conditions	Commercial	Movement of remaining budget from Adult Frailties (Mosaic Adults) to Commercial following creation of new structure	Executive Director for Adult Services	£0.029m
Public Health & Community Wellbeing	Commercial	Movement of budgets to account for additional 0.75% inflation for 20-21 from Public Health (Mosaic Technical) to Commercial following creation of new structure	Head of Public Health	£0.003m

Capital

SERVICE FROM	SERVICE TO	REASON	Approved by	AMOUNT
Property	Early Years & Childcare	Move Capital Budget From CP R&M to Children's Early Years for Bardney Playgroup	Head of Property Development	£0.090m
New developments Capital Contingency Fund	Castle Motte	Contribution towards programme of works to remove Lincoln Castle from the Heritage at Risk Register	Approved by S151 Officer in liaison with Executive Cllr for Resources and Communications	£0.370m
New developments Capital Contingency Fund	Holbeach Food Enterprise Zone	Contribution towards the South Lincolnshire Food Enterprise Zone (Holbeach FEZ)	Approved by S151 Officer in liaison with Executive Cllr for Resources and Communications	£3.400m

APPENDIX P

COVID-19 GRANT FUNDING PROVIDED TO LCC

	Value of Grant £	Grant Committed £	Forecast spend £
General Emergency Covid 19 - Tranche 1 (March 20)	21,469,119		
General Emergency Covid 19 - Tranche 2 (April 20)	13,998,459		
General Emergency Covid 19 - Tranche 3 (July 20)	4,831,235		
General Emergency Covid 19 - Tranche 4 (October 20)	4,209,769		
General Emergency Covid 19 - Tranche 5 (April 21)	15,158,732		
General Emergency Covid 19 - Total	59,667,314	36,752,000	59,667,314
SFC - Loss of Income Grant	1,506,000	1,506,000	4,200,000
DEFRA Hardship fund (majority to be utilised by AUG)	823,984	823,312	823,984
Infection Control Phase 1	10,458,485	10,423,007	10,423,007
Infection Control Phase 2	8,949,210	7,225,633	8,949,210
Test and Trace	3,069,554	1,568,994	3,069,554
Clinically extremely Vulnerable support	456,800	456,800	456,800
School Transport - autumn term	1,142,993	761,799	1,142,993
Covid Winter Grant Support for Families	2,223,450	tba	tba
Contain Outbreak Management Fund	6,089,792	tba	tba
Extended Contain Outbreak Management Fund	3,044,896	10,678,311	tba
Care Home Testing Grant	2,615,897	2,615,897	2,615,897
Adult Social Care Workforce Grant	1,683,975	-	tba
Covid 19 Increasing Bus Service Provision (CBSSG and CBSSG restart)	798,656	tba	798,656
Accelerated Discharge Phase1	National Pot (not allocated)	3,603,867	3,603,867
Accelerated Discharge Phase2	National Pot (not allocated)	2,632,900	2,632,900
		693,512	693,512
		220,000	220,000
Partners in Practice	156,390	tba	156,390

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

Report to:	Executive
Date:	02 March 2021
Subject:	Capital Budget Monitoring Report 2020/21 - Quarter 3 to 31 December 2020
Decision Reference:	I020521
Key decision?	No

Summary:

- This report provides an update on capital spending compared with budgets for the financial year which started on 1 April 2020.
- The tables in this report show the net expenditure for the first nine months of this financial year to 31 December 2020, along with the forecasts for spending and a comparison of the forecasts against the latest revised budgets.
- For capital projects which span more than one financial year, the forecast position for the whole life of the project is given.
- The tables are split into "Blocks" which are annual recurrent allocations of funding, usually for maintenance or rolling replacements of assets, and "Projects". The Gross Programme tables show the total value of the project - some schemes are wholly or partially funded by Grant and income from outside bodies. The Net Programme tables, after having deducted the Grants and income, show the actual cost of the project to be funded by the Council.
- The report gives an overview of the financial position, with more detailed information on selected capital programme schemes in Appendix C.
- The current forecasted position is an underspend of **£18.587m** (Block schemes £5.159m, Project schemes £13.427m). For the project schemes, the whole life budget is forecast to be overspent by **£18.971m**. This whole life position has been considered as part of the proposed capital programme 2021/22 in line with the budget setting process to ensure that the overall capital programme remains affordable.

Recommendation(s):

That the Executive notes the position on the capital programme and decides on any corrective action necessary.

Alternatives Considered:

This report shows the actual capital financial performance to 31 December 2020, and forecast outturns for 2020/21, therefore no alternatives have been considered.

Reasons for Recommendation:

To maintain the Council's financial resilience.

1. Background**Overall Financial Position**

1.1 The table below shows the Net Summary position for Block schemes as at 31 December 2020.

	2020/21		Revised Budget £m	Net Expenditure £m	Forecast £m	Forecast Variance £m
	Original Budget £m	In Year Changes £m				
Blocks						
Adult Frailty & Long Term Conditions	0.000	0.000	0.000	0.008	0.050	0.050
Better Care Fund	0.000	0.000	0.000	-0.828	0.000	0.000
Adult Care	0.000	0.000	0.000	-0.820	0.050	0.050
Education	0.000	1.065	1.065	-2.792	1.043	-0.021
Social Care	0.514	-0.421	0.093	0.520	0.091	-0.001
Children's Services	0.514	0.643	1.158	-2.272	1.135	-0.023
Property	6.201	-3.348	2.853	3.416	2.397	-0.457
Information Management Technology	3.908	-1.753	2.155	1.378	1.880	-0.274
Commercial	10.109	-5.101	5.008	4.794	4.277	-0.731
Fire and Rescue	8.068	-3.579	4.489	2.319	3.875	-0.614
Fire and Rescue	8.068	-3.579	4.489	2.319	3.875	-0.614
Communities	3.349	0.352	3.701	1.147	2.631	-1.070
LEP	14.001	-0.045	13.956	0.000	14.001	0.045
Growth	0.659	-0.020	0.640	0.855	0.919	0.279
Highways	5.514	-5.942	-0.428	-17.063	-3.417	-2.989
Place	23.524	-5.655	17.869	-15.060	14.134	-3.735
Public Protection	0.000	0.107	0.107	0.000	0.000	-0.107
Resources	0.000	0.107	0.107	0.000	0.000	-0.107
Finance	11.638	-6.795	4.843	-0.817	4.843	0.000
Other Budgets	11.638	-6.795	4.843	-0.817	4.843	0.000
Total Block	53.853	-20.380	33.473	-11.855	28.314	-5.159

The table below shows the Net Summary position for Project schemes as at 31 December 2020.

	2020/21						Whole Life total				
	Original Budget £m	In Year Changes £m	Revised Budget £m	Net Expenditure £m	Forecast £m	Forecast Variance £m	Original Approved Budget £m	Total Budget and CGU £m	Total Net Expenditure to Date £m	Scheme Total Forecast £m	Variance £m
Projects											
Adult Frailty & Long Term Conditions	0.000	0.000	0.000	0.000	0.016	0.016	1.990	3.390	1.400	3.390	0.000
Better Care Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Public Health	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Adult Care	0.000	0.000	0.000	0.000	0.016	0.016	1.990	3.390	1.400	3.390	0.000
Education	1.085	9.643	10.728	6.532	10.728	0.000	0.000	17.797	7.299	17.797	0.000
Social Care	0.375	-0.325	0.050	0.000	0.050	0.000	1.500	1.500	0.000	1.500	0.000
Children's Services	1.460	9.318	10.778	6.532	10.778	0.000	1.500	19.297	7.299	19.297	0.000
Property	2.040	1.242	3.282	1.657	3.022	-0.260	12.391	15.428	10.219	15.532	0.104
Information Management Technology	2.500	-1.110	1.390	-5.018	-3.593	-4.983	30.165	31.384	11.596	31.384	0.000
Commercial	4.540	0.132	4.672	-3.361	-0.571	-5.243	42.556	46.812	21.815	46.916	0.104
Fire and Rescue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Fire and Rescue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communities	4.500	-1.669	2.831	0.000	2.550	-0.281	22.700	11.097	1.815	11.150	0.053
LEP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Growth	0.500	3.774	4.274	4.228	1.226	-3.048	9.923	8.615	2.383	9.117	0.502
Highways	73.041	-21.585	51.455	41.539	46.585	-4.870	143.635	174.766	101.239	193.079	18.312
Place	78.041	-19.480	58.561	45.767	50.361	-8.200	176.258	194.478	105.438	213.346	18.867
Democratic Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Public Protection	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Resources	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Finance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Budgets	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Project	84.041	-10.030	74.011	48.938	60.584	-13.427	222.304	263.978	135.952	282.949	18.971

1.2 The capital programme comprises a series of schemes/projects which often span a number of years. The detailed listing for both Block and Project schemes can be found in Appendix A and B, respectively.

1.3 Where a scheme/project is known to be exhibiting a material variance to its spending profile this will be explained in Appendix C. This also shows further detail for selected Block Schemes and Projects, including those highlighted below.

1.4 Where the coronavirus pandemic has led to increased costs in the current year, we will fund these from the Government's emergency Covid-19 grant and these additional costs are reported in the Revenue Monitoring report for quarter three which is on the same agenda as this report. Where the Covid-19 impacts will affect future years, it is anticipated that further Covid-19 grant (tranche 5 general emergency Covid-19 grant allocation) will be received to cover this cost. There is no guarantee that future grant allocations will be sufficient to cover those impacts; if this is the case, costs will need to be managed within the context of the whole capital programme.

Key Issues Highlighted

1.5 The forecast position for this year on the Block Schemes is a net underspend of **£5.159m**. The significant variance mainly relates to one scheme:

1.6 Highways Asset Protection: forecasting an underspend of £3.175m. This is caused by delays in projects for road surfacing and structures, which will now be completed in the next financial year. The underspend will be carried forward into next year to support this activity.

- 1.7 The balance is made up of other variances on a number of schemes, which are almost all forecast underspends. Appendix A provides more detail on these.
- 1.8 The forecast position for this year on Capital Projects is a net underspend of **£13.427m**. The overall variance comprises of a number of different projects of which the more significant variances are:
- 1.9 Grantham Southern Relief Road forecast underspend of £14.245m. The whole life forecast for this scheme however is an overspend (see para 1.17 below).
- 1.10 Lincoln Eastern Bypass forecasts an overspend of £5.635m. The forecast costs for this road scheme have increased as a result of a number of extreme weather events and the need to modify working practices to comply with the Health Protection (Coronavirus) Regulations 2020. This also increases the whole life cost of the scheme which is reported in paragraph 1.16 below.
- 1.11 Holbeach Food Enterprise Zone (FEZ) forecasts an underspend of £3.038m. There have been a number of delays with progressing the provision of utilities to the site. The whole life cost of the project is still expected to be on target.
- 1.12 A52 Skegness Roman Bank Reconstruction forecasts an overspend of £2.393m – Phase 3 (out of 6) was completed in December to temporarily reopen the road to traffic for the Christmas period. Some issues remain over the final completion date; however, current forecasts show the scheme to be within budget over the whole life of the project.
- 1.13 Broadband forecasts an underspend of £4.672m – Performance measures regarding connectivity rates have exceeded targets resulting in significantly better contractual rebate. This will be utilised to fund contractual obligations during the remainder of the current contract which runs up to 31st March 2022. Any remaining underspend will be rephased into future years to support the new contract.
- 1.14 The balance is made up of other variances on a number of schemes and Appendix B provides more detail on these.
- 1.15 The forecast whole life position on Capital Projects is a net overspend of **£18.971m**. The most significant variances within this figure are:
- 1.16 Lincoln Eastern Bypass: forecast overspend of £8.755m. As previously reported, the forecast costs for this road scheme have increased as a result of a number of extreme weather events and the need to modify working practices to comply with the Health Protection (Coronavirus) Regulations 2020. The forecast expenditure is based on the contractor's forecast costs and the Council's assessment of the other costs associated with the project but contain a number of risks and uncertainties and are therefore still subject to change. Several Compensation Events (CEs) are yet to be resolved and adverse weather events and Covid risks still remain. The proposed capital programme

has been updated to reflect these pressures and fund the increased cost in 2021/22.

- 1.17 Grantham Southern Relief Road: forecast overspend of £8.833m for the whole life of the project. Work on the Grantham Southern Relief Road has similarly been affected by extreme weather events, exacerbated by technical issues and ecological considerations. Operation of the site has also been affected by the Covid-19 pandemic and although work has continued with appropriate social distancing measures implemented, some activity, such as the diversion of high voltage power cables that are dependent on third party agencies, have been delayed. The forecast expenditure is based on the contractor's forecast costs but contain a number of risks and uncertainties and are therefore still subject to change. Consequently, on the basis of current cost estimates the whole life project cost may eventually rise further than the forecast stated above. The proposed capital programme has been updated to reflect these pressures and fund the increased cost in 2021/22.

Impact of the Capital Position

- 1.18 The current year's forecast underspend of £18.587m means that our borrowing requirement is reduced compared to our estimate of this at the start of the year. This position also leads to a forecast underspend on capital financing charges which is reported in the Revenue Monitoring report for quarter three on the same agenda as this report.

Progress on Development Fund Initiatives

- 1.19 Appendix D shows a list of initiatives where the capital costs are to be funded by the Development Fund earmarked reserve. Progress on each of these is reported in the appendix.

Assessment of Impact on Financial Resilience

- 1.20 The forecast underspend in the current year on Capital Projects will not adversely impact on the Council's financial resilience. However, the forecast whole life overspend is a significant amount and this was considered as part of the budget setting process. Our Capital Strategy 2021/22 requires the capital programme to be affordable over the longer term and this assessment of affordability will need to be made. The capital programme was modified to take into consideration the current and future capital programme as a whole to ensure affordability, thereby maintaining our financial resilience.

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.

<p>As this report simply reports on performance against the capital budget, there are no implications that need to be taken into account by the Executive.</p>
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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 and Wellbeing Strategy (JHWS) in coming to a decision.

As this report simply reports on performance against the capital budget, there are no implications that need to be taken into account by the Executive.

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.

As this report simply reports on performance against the capital budget, there are no implications that need to be taken into account by the Executive.

3. Conclusion

3.1 The Council's current position on the capital programme is highlighted in this report for the Executive to note.

4. Legal Comments:

This report sets out an update on spending to 31 December 2020 compared with the capital budget for the financial year starting on 1 April 2020 to assist the Executive to monitor the financial performance of the Council. It also incorporates forecast total expenditure against budget for the whole life of capital projects which span more than one financial year, including 2020/21.

5. Resource Comments:

This report indicates that the current year capital budget is projected to be underspent by £18.587m, therefore, no other call on reserves is expected to be required within the current financial year. The forecast whole life overspend on Capital Projects has been addressed in the recent budget setting process to ensure that the affordability of the capital programme over the longer term is maintained.

6. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

This report is due to be considered by the Overview and Scrutiny Management Board on 25 February 2021. Any comments of the Board will be reported to the Executive.

d) Risks and Impact Analysis

An assessment of the impact of the reported position on the Council's financial resilience has been made and is shown in paragraph 1.20.

7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Capital Monitoring Report for Block Schemes as at 31 December 2020
Appendix B	Capital Monitoring Report for Projects as at 31 December 2020
Appendix C	Capital Programme Detail for Selected Projects and Blocks as at 31 December 2020.
Appendix D	Monitoring of Development Fund Initiatives 2020/21

8. Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Budget Book 2020/21	This can be found in the Council's website by following this link .

This report was written by Michelle Grady, who can be contacted on 01522 553235 or Michelle.Grady@Lincolnshire.gov.uk.

Capital Monitoring Report for Block Schemes as at 31 December 2020

	2020/21					
	Actuals £m	Original Budget £m	In Year Changes £m	Revised Budget £m	Forecast £m	Forecast Variance £m
Adult Care	0.008	0.000	0.000	0.000	0.050	0.050
Adult Frailty & Long Term Conditions	0.008	0.000	0.000	0.000	0.050	0.050
Better Care Fund - Disabled Facility Grants	-0.828	0.000	0.000	0.000	0.000	0.000
Better Care Fund	-0.828	0.000	0.000	0.000	0.000	0.000
Adult Care and Community Wellbeing	-0.820	0.000	0.000	0.000	0.050	0.050
Infrastructure and Refresh Programme	1.281	2.908	-1.063	1.845	1.645	-0.201
Replacement ERP Finance System	0.010	0.000	0.010	0.010	0.086	0.076
ICT Development Fund	0.088	0.000	0.300	0.300	0.150	-0.150
Improvement Transformation	0.000	1.000	-1.000	0.000	0.000	0.000
Information Management Technology	1.378	3.908	-1.753	2.155	1.880	-0.274
Property	2.377	3.151	-2.336	0.816	0.430	-0.385
Property Rationalisation Programme	0.006	0.000	0.000	0.000	0.000	0.000
Property Maintenance	1.034	3.050	-1.012	2.038	1.966	-0.071
Property	3.416	6.201	-3.348	2.853	2.397	-0.457
Commercial	4.794	10.109	-5.101	5.008	4.277	-0.731
Fire & Rescue and Emergency Planning	0.179	0.858	-0.466	0.393	0.473	0.080
Fire Fleet & Equipment	2.140	7.210	-3.113	4.097	3.402	-0.694
Fire and Rescue	2.319	8.068	-3.579	4.489	3.875	-0.614
Fire and Rescue	2.319	8.068	-3.579	4.489	3.875	-0.614
Devolved Capital	0.114	0.000	0.000	0.000	0.000	0.000
Provision of School Places - Basic Need	-0.887	0.000	0.080	0.080	0.080	0.000
School Modernisation Condition	-2.307	0.000	0.000	0.000	0.000	0.000
Early Years Sufficiency / Extended Provision	0.489	0.000	0.982	0.982	0.960	-0.021
Healthy Pupils	-0.052	0.000	0.003	0.003	0.003	0.000
Full Fibre Broadband Capital	-0.150	0.000	-0.001	-0.001	-0.001	0.000
Education	-2.792	0.000	1.065	1.065	1.043	-0.021
Foster Capital	0.010	0.050	-0.026	0.024	0.024	0.000
Lincolnshire Secure Unit	0.021	0.000	0.021	0.021	0.021	0.000
Other Children's Social care	0.488	0.464	-0.417	0.047	0.046	-0.001
Social Care	0.520	0.514	-0.421	0.093	0.091	-0.001
Children's Services	-2.272	0.514	0.643	1.158	1.135	-0.023
Libraries	0.024	0.000	0.521	0.521	0.200	-0.321
Other Environment and Planning	0.000	0.000	0.043	0.043	0.043	0.000
Flood & Water Risk Management	0.566	0.000	0.572	0.572	0.879	0.308
Equipment & Vehicles at Waste Transfer Stations	0.013	0.465	-0.214	0.251	0.100	-0.151
Fire Suppression at Waste Transfer Stations	0.008	0.794	-0.394	0.400	0.100	-0.300
Local Flood Defence Schemes	0.002	1.300	-0.400	0.900	0.598	-0.302
Historic Lincoln	0.200	0.000	-0.050	-0.050	0.000	0.050
Other Transport Initiatives	0.334	0.655	0.373	1.028	0.710	-0.318
Waste	0.000	0.135	-0.100	0.035	0.000	-0.035
Communities	1.147	3.349	0.352	3.701	2.631	-1.070
Lincoln Growth Point	0.016	0.159	-0.400	-0.240	0.063	0.304
Lincolnshire Waterways	0.002	0.000	-0.144	-0.144	0.000	0.144
Teal Park, Lincoln	0.000	0.000	-0.001	-0.001	0.000	0.001
LEP Skills Investment Programme	0.591	0.000	0.232	0.232	0.000	-0.232
Economic Development - Business Unit Development	0.000	0.500	0.000	0.500	0.500	0.000
Other Growth and the Economy - Economic Infrastructure	0.246	0.000	0.293	0.293	0.356	0.063
Growth	0.855	0.659	-0.020	0.640	0.919	0.279

	2020/21					
	Actuals £m	Original Budget £m	In Year Changes £m	Revised Budget £m	Forecast £m	Forecast Variance £m
Highways Asset Protection	-16.208	0.000	-5.196	-5.196	-8.372	-3.175
Integrated Transport	-2.559	0.100	0.635	0.735	0.735	0.000
A16/A1073 Spalding to Eye Road Improvement	-0.005	0.000	0.000	0.000	0.000	0.000
Network Resilience	0.052	0.120	0.061	0.181	0.217	0.036
Holdingham Roundabout (Sleaford Growth Schemes)	0.133	2.115	-1.580	0.535	0.197	-0.338
A46 Roundabouts	1.244	0.000	0.435	0.435	1.001	0.565
A18 Safer Road Fund	0.000	0.000	0.162	0.162	0.162	0.000
Energy Efficiency Street Lighting Schemes	0.209	0.179	0.030	0.209	0.209	0.000
Local Highways Improvements (pinchpoints) to support coastal	0.066	3.000	-1.350	1.650	1.650	0.000
Other Highways	0.000	0.000	0.032	0.032	0.085	0.052
Boston Development Schemes	0.006	0.000	0.829	0.829	0.699	-0.130
Highways	-17.063	5.514	-5.942	-0.428	-3.417	-2.989
Lincolnshire Enterprise Partnership Contribution	0.000	14.001	-0.045	13.956	14.001	0.045
LEP	0.000	14.001	-0.045	13.956	14.001	0.045
Place	-15.060	23.524	-5.655	17.869	14.134	-3.735
Registration Celebratory & Coroners Services	0.000	0.000	0.082	0.082	0.000	-0.082
Safer Communities	0.000	0.000	0.025	0.025	0.000	-0.025
Public Protection	0.000	0.000	0.107	0.107	0.000	-0.107
Resources	0.000	0.000	0.107	0.107	0.000	-0.107
New Developments Capital Fund	0.000	11.638	-5.978	5.659	5.659	0.000
Capital Fund	-0.817	0.000	-0.817	-0.817	-0.817	0.000
Finance	-0.817	11.638	-6.795	4.843	4.843	0.000
Other Budgets	-0.817	11.638	-6.795	4.843	4.843	0.000
	-11.855	53.853	-20.380	33.473	28.314	-5.159

Capital Monitoring Report for Project Schemes as at 31 December 2020

	2020/21					
	Actuals £m	Original Budget £m	In Year Changes £m	Revised Budget £m	Forecast £m	Forecast Variance £m
De Wint Court - Extra Care Housing	0.000	0.000	0.000	0.000	0.005	0.005
Linelands – Extra Care Housing	0.000	0.000	0.000	0.000	0.010	0.010
Adult Frailty & Long Term Conditions	0.000	0.000	0.000	0.000	0.016	0.016
Adult Care and Community Wellbeing	0.000	0.000	0.000	0.000	0.016	0.016
Broadband	-5.255	2.500	-1.860	0.640	-4.032	-4.672
Care Management System (CMPP)	0.000	0.000	0.009	0.009	0.000	-0.009
IMT (Cloud Navigator/Windows 10)	0.049	0.000	0.136	0.136	0.105	-0.031
Azure Data Migration Project	0.188	0.000	0.604	0.604	0.333	-0.271
Information Management Technology	-5.018	2.500	-1.110	1.390	-3.593	-4.983
Blue Light South Park	0.090	0.000	0.284	0.284	0.168	-0.116
Lexicon House	0.000	1.000	-0.950	0.050	0.000	-0.050
Childrens Services - Childrens Homes	0.000	0.000	0.000	0.000	0.000	0.000
County Emergency Centre	0.161	0.000	0.161	0.161	0.161	0.000
Property Area Review	0.004	0.390	-0.165	0.225	0.010	-0.215
School Mobile Classroom Replacement	0.000	0.390	-0.090	0.300	0.300	0.000
County Farms Grain Stores	0.000	-0.080	0.080	0.000	0.000	0.000
Property Improvement	0.362	0.320	0.043	0.363	0.362	-0.001
County Farms Private Roads	0.014	0.020	-0.003	0.017	0.025	0.007
Orchard House Repairs	0.919	0.000	1.400	1.400	1.400	0.000
Horncastle Estate	0.000	0.000	0.113	0.113	0.113	0.000
Castle Motte Repairs	0.107	0.000	0.370	0.370	0.484	0.114
Property	1.657	2.040	1.242	3.282	3.022	-0.260
Commercial	-3.361	4.540	0.132	4.672	-0.571	-5.243
SEND capital funding with pupils with EHC plans	6.532	1.085	9.643	10.728	10.728	0.000
Educaton	6.532	1.085	9.643	10.728	10.728	0.000
Children's Homes	0.000	0.375	-0.325	0.050	0.050	0.000
Social Care	0.000	0.375	-0.325	0.050	0.050	0.000
Children's Services	6.532	1.460	9.318	10.778	10.778	0.000
Boston Household Waste Recycling Centre	0.000	0.000	0.000	0.000	0.000	0.000
New HWRCs	0.000	2.000	-1.950	0.050	0.050	0.000
Lincoln Castle Revealed phase 2	0.000	0.000	0.281	0.281	0.000	-0.281
Heritage / Archives	0.000	2.500	0.000	2.500	2.500	0.000
Boston Barrier	0.000	0.000	0.000	0.000	0.000	0.000
Electronic Ticket Machines	0.000	0.000	0.365	0.365	0.364	-0.001
Communities	0.000	4.500	-1.304	3.196	2.914	-0.282
Holbeach Food Enterprise Zone	3.410	0.000	3.400	3.400	0.362	-3.038
Economic Development – Horncastle Industrial Estate	0.000	0.500	0.000	0.500	0.500	0.000
Skegness Countryside Business Park 2	0.818	0.000	0.009	0.009	0.000	-0.009
Growth	4.228	0.500	3.409	3.909	0.862	-3.047
Lincoln Eastern Bypass	23.170	20.707	3.936	24.643	30.278	5.635
Lincoln East-West Link	0.000	0.000	0.000	0.000	0.000	0.000
Spalding Western Relief Road (Section 5)	3.488	10.000	-10.012	-0.012	0.000	0.012
Grantham Southern Relief Road	8.112	40.163	-18.274	21.889	7.645	-14.245
Street Lighting Transformation	0.091	0.150	0.078	0.228	0.228	0.000
A46 Welton Roundabout (Integrated Transport/NPIF)	2.725	1.304	1.750	3.054	4.007	0.953
A1084 Safer Road Fund	0.002	0.000	0.000	0.000	0.000	0.000
A631 Middle Rasen to Bishops Bridge Safer Road Fun	0.002	0.000	0.000	0.000	0.000	0.000
Gainsborough Corringham Road (Dev with WLDC)	0.978	0.716	0.089	0.804	1.060	0.256
Sleaford Rugby Club (Sleaford Growth Scheme)	1.149	0.000	0.247	0.247	0.974	0.726
A631 Louth to Middle Rasen Safer Road Fund	1.175	0.000	0.601	0.601	0.000	-0.601
A52 Skegness Roman Bank Reconstruction	0.646	0.000	0.000	0.000	2.393	2.393
Highways	41.539	73.041	-21.585	51.455	46.585	-4.870
Place	45.767	78.041	-19.480	58.561	50.361	-8.200
Project Total	48.938	84.041	-10.030	74.011	60.584	-13.427

Capital Monitoring Report for Project Schemes – Whole Life

	Whole Life total				
	Original Approved Budget £m	Total Net Budget and CGU £m	Total Net Expenditure to Date £m	Scheme Total Forecast £m	Variance £m
De Wint Court - Extra Care Housing	0.000	1.400	1.400	1.400	0.000
Linelands – Extra Care Housing	1.990	1.990	0.000	1.990	0.000
Adult Frailty & Long Term Conditions	0.000	0.000	0.000	0.000	0.000
Adult Care and Community Wellbeing	1.990	3.390	1.400	3.390	0.000
Broadband	10.000	13.042	3.396	13.042	0.000
Care Management System (CMPP)	2.500	4.648	4.634	4.648	0.000
IMT (Cloud Navigator/Windows 10)	16.500	11.182	3.094	11.182	0.000
Azure Data Migration Project	1.165	2.513	0.471	2.513	0.000
Information Management Technology	30.165	31.384	11.596	31.384	0.000
Blue Light South Park	7.140	6.910	6.716	6.910	0.000
Lexicon House	1.975	1.975	0.975	1.975	0.000
Childrens Services - Childrens Homes	0.500	0.000	0.000	0.000	0.000
County Emergency Centre	0.500	0.574	0.574	0.574	0.000
Property Area Review	0.550	0.550	0.127	0.550	0.000
School Mobile Classroom Replacement	0.600	2.400	0.210	2.400	0.000
County Farms Grain Stores	0.387	0.387	0.000	0.387	0.000
Property Improvement	0.500	0.521	0.520	0.500	-0.021
County Farms Private Roads	0.239	0.115	0.071	0.239	0.124
Orchard House Repairs	0.000	1.400	0.919	1.400	0.000
Horncastle Estate	0.000	0.113	0.000	0.113	0.000
Castle Motte Repairs	0.000	0.484	0.107	0.484	0.000
Property	12.391	15.428	10.219	15.532	0.104
Commercial	42.556	46.812	21.815	46.916	0.104
SEND capital funding with pupils with EHC plans	0.000	17.797	7.299	17.797	0.000
Educaton	0.000	17.797	7.299	17.797	0.000
Children's Homes	1.500	1.500	0.000	1.500	0.000
Social Care	1.500	1.500	0.000	1.500	0.000
Children's Services	1.500	19.297	7.299	19.297	0.000
Boston Household Waste Recycling Centre	1.500	1.670	1.670	1.670	0.000
New HWRCs	4.000	4.000	0.000	4.000	0.000
Lincoln Castle Revealed phase 2	1.200	0.427	0.146	0.480	0.053
Heritage / Archives	5.000	5.000	0.000	5.000	0.000
Boston Barrier	11.000	0.000	0.000	0.000	0.000
Electronic Ticket Machines	0.000	0.365	0.000	0.250	-0.115
Communities	22.700	11.462	1.815	11.400	-0.062
Holbeach Food Enterprise Zone	6.025	6.750	1.574	7.367	0.617
Economic Development – Horncastle Industrial Estate	1.500	1.500	0.000	1.500	0.000
Skegness Countryside Business Park 2	2.398	0.000	0.809	0.000	0.000
Growth	9.923	8.250	2.383	8.867	0.617
Lincoln Eastern Bypass	47.640	73.731	72.259	82.486	8.755
Lincoln East-West Link	15.197	12.628	12.628	12.626	-0.002
Spalding Western Relief Road (Section 5)	10.000	13.291	2.842	13.291	0.000
Grantham Southern Relief Road	64.000	68.630	12.151	77.463	8.833
Street Lighting Transformation	2.082	1.332	1.045	2.082	0.750
A46 Welton Roundabout (Integrated Transport/NPIF)	3.216	3.250	1.387	3.250	0.000
A1084 Safer Road Fund	0.000	0.000	-1.016	0.000	0.000
A631 Middle Rasen to Bishops Bridge Safer Road Fun	0.000	0.000	-0.607	0.000	0.000
Gainsborough Corringham Road (Dev with WLDC)	1.500	0.804	0.978	0.505	-0.299
Sleaford Rugby Club (Sleaford Growth Scheme)	0.000	0.400	1.301	1.376	0.976
A631 Louth to Middle Rasen Safer Road Fund	0.000	0.700	1.274	0.000	-0.700
A52 Skegness Roman Bank Reconstruction	0.000	0.000	-3.003	0.000	0.000
Highways	143.635	174.766	101.239	193.079	18.312
Place	176.258	194.478	105.438	213.346	18.867
Project Total	222.304	263.978	135.952	282.949	18.971

**Capital Programme Detail for Selected Projects and Blocks as at
31 December 2020**

Type of Scheme Block Scheme
 Directorate Adult Care and Community Wellbeing
 Area Better Care Fund
Scheme Name Better Care Fund - Disabled Facility Grants

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.000	Net Expenditure Budget	0.000
Gross Income Budget	0.000	Actual	-0.828
Net Expenditure Budget	0.000	Forecast Net Outturn	0.000
Forecast Net Over/(Underspend)			0.000

Direction of Travel from previous forecast →

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000	Gross Income Budget	0.000
Gross Expenditure Budget	0.000		

Purpose of Scheme
A Disabled Facility Grant or DFG is means tested and is available from Lincolnshire County Council to pay for essential housing adaptations to help disabled people live safely and independently in their own homes.

Performance of Scheme
The budget for 20/21 is £6.149m . This has been passported, in full, to the district councils.

Type of Scheme Project

Directorate Adult Care and Community Wellbeing

Area Adult Frailty & Long Term Conditions

Scheme Name De Wint Court - Extra Care Housing Status of Project In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	1.400	Net Expenditure Budget	0.000
Gross Income Budget	-1.400	Actual	0.000
Net Expenditure Budget	0.000	Forecast Net Outturn	0.005
Forecast Net Over/(Underspend)			0.005

Direction of Travel from previous forecast →

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	2.800	Original Gross Income Budget 2020/21	-2.800
Budget b/f from Previous Year	0.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	-1.400	New Grants and Contributions	1.400
Budget Re-phased into Future Years	0.000	Gross Income Budget	-1.400
Gross Expenditure Budget	1.400		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	2.800	Net Expenditure budget	1.400
Gross Income Budget	-1.400	Scheme Total Forecast	1.400
Net Expenditure Budget	1.400	Whole Life Variance	0.000

Direction of Travel from previous forecast →

Purpose of Scheme
<p>The De Wint Extra Care Housing scheme commenced development in November 2019. It is a partnership between the City of Lincoln Council (CoLC) and the County Council to provide Extra Care Housing (ECH) for anticipated demand in the City. It will provide a total of 70 units of accommodation for a minimum 30 year period enabling choice for residents and revenue savings by providing an alternative to expensive residential care. The total cost of the development is £12 million, with the CoLC contributing £6m, Homes England £3.2m and the County Council £2.8m. It provides Adult Care with nomination rights on 35 units for 30 years using a process of first right of refusal with no void risk. See report to the Executive 09/07/2019.</p>

Performance of Scheme
<p>On 16th January 2020 construction began on the 70 new apartments to replace sheltered housing accommodation at De Wint Court in Lincoln.</p> <p>Lincolnshire County Council transferred over the promised initial £1.4m funding to Lincoln City Council on 27th January 2020.</p> <p>The final £1.4m of funding will be transferred to Lincoln City Council on completion of the project. This is not expected to be needed until 21/22, at which point the balance will be drawn down from reserves.</p>

Type of Scheme Project

Directorate Children's Services

Area Education

Scheme Name SEND Capital Funding with pupils with EHC Plans

Status of Project

In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	11.500	Net Expenditure Budget	10.728
Gross Income Budget	-0.771	Actual	6.532
Net Expenditure Budget	10.728	Forecast Net Outturn	10.728
Forecast Net Over/(Underspend)			0.000

Direction of Travel from previous forecast →

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	15.531	Original Gross Income Budget 2020/21	-14.446
Budget b/f from Previous Year	5.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	-2.947	New Grants and Contributions	13.675
Budget Re-phased into Future Years	-6.085	Gross Income Budget	-0.771
Gross Expenditure Budget	11.500		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	62.751	Net Expenditure budget	17.797
Gross Income Budget	-44.954	Scheme Total Forecast	17.797
Net Expenditure Budget	17.797	Whole Life Variance	0.000

Direction of Travel from previous forecast ↑

Purpose of Scheme

Capital funding to create communities of specialist education across the county for pupils with SEND, in both special and mainstream schools, through collaboration and collective responsibility ensuring all pupils' needs can be met at their nearest schools. When fully implemented, pupils will no longer have to travel considerable distances to a school to have their needs met, nor will pupils need to be educated away from home, unless a very specific need dictates. This includes Department of Education grant funding to improve the special provision for children and young people with education, health & care (EHC) plans.

Performance of Scheme

The budgets have been increased by a transfer from reserves and now reflect the revised project timescales. Any additional spend beyond current budget in this financial year will be funded from Department for Education grants currently held in reserves. It should be noted that the forecasts are based on the current project plan and its delivery timetable. As the entire SEND strategy is subject to a continuing decision making process, projects may be re-prioritised over the coming months.

Type of Scheme Project
 Directorate Childrens
 Area Social Care

Scheme Name Children's Homes

Status of Project

Approved in principle

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.050	Net Expenditure Budget	0.050
Gross Income Budget	0.000	Actual	0.000
Net Expenditure Budget	0.050	Forecast Net Outturn	0.050
Forecast Net Over/(Underspend)			0.000
Direction of Travel from previous forecast			↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.375	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-0.325	Gross Income Budget	0.000
Gross Expenditure Budget	0.050		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	1.500	Net Expenditure budget	1.500
Gross Income Budget	0.000	Scheme Total Forecast	1.500
Net Expenditure Budget	1.500	Whole Life Variance	0.000
Direction of Travel from previous forecast			⇒

Purpose of Scheme
 Construction of two new small children's homes to meet the highly complex needs of looked after children in Lincolnshire. This will reduce the need to make the placement of children in specialist provision.

Performance of Scheme
 Although plans are currently being developed it is not anticipated that projects will be in the delivery phase by the end of the financial year. However expenditure on the projects during the year is expected to be £0.050m with further spend continuing in 2021-22.

Type of Scheme Block Scheme
 Directorate Place
 Area Highways
Scheme Name Highways Asset Protection

Financial Information 2020/21 £m			
Gross Expenditure Budget	45.519	Net Expenditure Budget	-5.196
Gross Income Budget	-50.716	Actual	-16.208
Net Expenditure Budget	-5.196	Forecast Net Outturn	-8.372
			Forecast Net Over/(Underspend)
			-3.175

Direction of Travel from previous forecast ↓


Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	24.955	Original Gross Income Budget 2020/21	-24.955
Budget b/f from Previous Year	-11.876	Grants & Contributions Previous Years	0.599
Budget Allocated from Other Schemes	32.440	New Grants and Contributions	-26.359
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	45.519	Gross Income Budget	-50.716

Purpose of Scheme
 This block includes spending on surface treatment, potholes, structures, traffic signals, street lighting and a variety of minor works to maintain highway assets and is predominantly funded by a Department of Transport (DfT) annual grant.

Performance of Scheme
 Spend on the grant has been allocated including the over allocation brought forward from the previous year. Programme allocations for this year show that some of the grant will need to be carried forward to meet planned projects for resurfacing and structures that have been delayed.

Type of Scheme Block Scheme
 Directorate Place
 Area Communities
Scheme Name Libraries

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.521	Net Expenditure Budget	0.521
Gross Income Budget	0.000	Actual	0.024
Net Expenditure Budget	0.521	Forecast Net Outturn	0.200
Forecast Net Over/(Underspend)			-0.321

Direction of Travel from previous forecast 


Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.521	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000	Gross Income Budget	0.000
Gross Expenditure Budget	0.521		

Purpose of Scheme
The provision of updated ICT infrastructure in libraries.

Performance of Scheme
Project is now progressing well following some delays earlier in the year due to Libraries being closed as a result of the Coronavirus pandemic. The spend is expected to continue into the next financial year

Type of Scheme Block Scheme
 Directorate Place
 Area Communities
Scheme Name Flood & Water Risk Management

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.572	Net Expenditure Budget	0.572
Gross Income Budget	<u>0.000</u>	Actual	0.566
Net Expenditure Budget	0.572	Forecast Net Outturn	0.879
Forecast Net Over/(Underspend)			0.308

Direction of Travel from previous forecast 


Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.572	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	0.572	Gross Income Budget	0.000

Purpose of Scheme
A range of projects to alleviate flood risk, generally on a matched funding basis with national government agencies.

Performance of Scheme
Projects have now commenced at Long Bennington and Timberland Chapel Lane and any over spends will be accommodated within flood reserves and partner contributions.

Type of Scheme Block Scheme
 Directorate Place
 Area Communities
Scheme Name Fire Suppression at Waste Transfer Stations

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.400	Net Expenditure Budget	0.400
Gross Income Budget	0.000	Actual	0.008
Net Expenditure Budget	0.400	Forecast Net Outturn	0.100
Forecast Net Over/(Underspend)			-0.300

Direction of Travel from previous forecast 


Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.794	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.027	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-0.421	Gross Income Budget	0.000
Gross Expenditure Budget	0.400		

Purpose of Scheme
Installation of equipment to help prevent fires at Waste Transfer Stations.

Performance of Scheme
Some of this budget will need to be carried forward into 2021/22 given the delays due to the pandemic

Type of Scheme Block Scheme
 Directorate Place
 Area Communities
Scheme Name Local Flood Defence Schemes

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.900	Net Expenditure Budget	0.900
Gross Income Budget	<u>0.000</u>	Actual	0.002
Net Expenditure Budget	0.900	Forecast Net Outturn	0.598
			Forecast Net Over/(Underspend)
			-0.302

Direction of Travel from previous forecast 


Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	1.300	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.300	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-0.700		
Gross Expenditure Budget	0.900	Gross Income Budget	0.000

Purpose of Scheme
Development of flood elevation schemes.

Performance of Scheme
A number of projects have been delayed but are due to start in the last few months of the financial year and any balances will be required to meet ongoing commitments.

Type of Scheme Block Scheme
 Directorate Place
 Area Highways
Scheme Name Integrated Transport

Financial Information 2020/21 £m			
Gross Expenditure Budget	4.002	Net Expenditure Budget	0.735
Gross Income Budget	-3.267	Actual	-2.559
Net Expenditure Budget	0.735	Forecast Net Outturn	0.735
Forecast Net Over/(Underspend)			0.000

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	3.412	Original Gross Income Budget 2020/21	-3.312
Budget b/f from Previous Year	1.099	Grants & Contributions Previous Years	0.040
Budget Allocated from Other Schemes	-0.509	New Grants and Contributions	0.005
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	4.002	Gross Income Budget	-3.267

Purpose of Scheme
 Annual grant from DfT with a flexibility to be used to fund (or part fund) a range of projects. The grant can be used across financial years as projects can be delayed.

Performance of Scheme
 All of this grant is now allocated to schemes. However, utilising the allowed flexibility in funding, some schemes may not be completed until next year and any balances will be carried forward.

Type of Scheme Block Scheme
 Directorate Place
 Area Growth
Scheme Name Lincoln Growth Point

Financial Information 2020/21 £m			
Gross Expenditure Budget	-0.240	Net Expenditure Budget	-0.240
Gross Income Budget	<u>0.000</u>	Actual	0.016
Net Expenditure Budget	-0.240	Forecast Net Outturn	0.063
Forecast Net Over/(Underspend)			0.304

Direction of Travel from previous forecast ➡


Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.159	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	-0.400	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000	Gross Income Budget	0.000
Gross Expenditure Budget	-0.240		

Purpose of Scheme
 To promote growth schemes within Lincoln.

Performance of Scheme
 The spend on these projects can be variable between years as projects develop. Reserves are used to ensure projects are considered over the longer term.

Type of Scheme Block Scheme
 Directorate Place
 Area Highways
Scheme Name Holdingham Roundabout (Sleaford Growth Schemes)

Financial Information 2020/21 £m			
Gross Expenditure Budget	2.035	Net Expenditure Budget	0.535
Gross Income Budget	<u>-1.500</u>	Actual	0.133
Net Expenditure Budget	0.535	Forecast Net Outturn	0.197
			Forecast Net Over/(Underspend)
			-0.338

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	3.615	Original Gross Income Budget 2020/21	-1.500
Budget b/f from Previous Year	0.258	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-1.838		
Gross Expenditure Budget	2.035	Gross Income Budget	-1.500

Purpose of Scheme
Road improvement to manage the traffic flows around Sleaford.

Performance of Scheme
The decision has been made to postpone the start of work until the middle of February 2021 and any under spend will carry forward to next year.

Type of Scheme Block Scheme
 Directorate Place
 Area Communities
Scheme Name Other Transport Initiatives

Financial Information 2020/21 £m			
Gross Expenditure Budget	1.418	Net Expenditure Budget	1.028
Gross Income Budget	-0.390	Actual	0.334
Net Expenditure Budget	1.028	Forecast Net Outturn	0.710
Forecast Net Over/(Underspend)			-0.318

Direction of Travel from previous forecast →


Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.655	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.458	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.305	New Grants and Contributions	-0.390
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	1.418	Gross Income Budget	-0.390

Purpose of Scheme
Capital programme for transport services to support the purchase of assets such as vehicles and new technologies.

Performance of Scheme
There is a forecasted under spend in the current year but £0.115m of this will be needed to fund the electronic ticketing machine project. The remainder will need to be carried forward to fund commitments in 2021/22.

Type of Scheme Block Scheme
 Directorate Place
 Area Highways
Scheme Name A46 Roundabouts

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.435	Net Expenditure Budget	0.435
Gross Income Budget	0.000	Actual	1.244
Net Expenditure Budget	0.435	Forecast Net Outturn	1.001
Forecast Net Over/(Underspend)			0.565

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.435	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	0.435	Gross Income Budget	0.000

Purpose of Scheme
Improvements to traffic flows on the A46 around Lincoln.

Performance of Scheme
Work started in February 2020 and although there have been some delays due to the impact of Covid-19, is now nearing completion. Additional cost due to Covid are being claimed with a current value of £350,000. Allocation from the IT grant will alleviate any expected issues.

Type of Scheme Project
 Directorate Place
 Area Highways


Scheme Name Lincoln Eastern Bypass **Status of Project** In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	24.643	Net Expenditure Budget	24.643
Gross Income Budget	0.000	Actual	23.170
Net Expenditure Budget	24.643	Forecast Net Outturn	30.278
Forecast Net Over/(Underspend)			5.635

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	20.707	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	3.936	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000	Gross Income Budget	0.000
Gross Expenditure Budget	24.643		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	124.228	Net Expenditure budget	73.731
Gross Income Budget	-50.497	Scheme Total Forecast	82.486
Net Expenditure Budget	73.731	Whole Life Variance	8.755

Direction of Travel from previous forecast 

Purpose of Scheme
Construction of 7.5km highway scheme to the east of Lincoln, connecting sections of the A15 to the north and south of Lincoln.

Performance of Scheme
As previously reported, the forecast costs for the Lincoln Eastern Bypass have increased as a result of a number of extreme weather events and the need to modify working practices to comply with The Health Protection (Coronavirus) Regulations 2020. The forecast expenditure is based on the contractor's forecast costs and the Council's assessment of the other costs associated with the project but contain a number of risks and uncertainties and are therefore still subject to change. Several Compensation Events (CEs) are yet to be resolved and adverse weather events and Covid risks still remain. The proposed capital programme has been updated to reflect these pressures and fund the increased cost in 2021/22.

Type of Scheme Project
 Directorate Place
 Area Highways

Scheme Name Grantham Southern Relief Road **Status of Project** In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	27.581	Net Expenditure Budget	21.889
Gross Income Budget	<u>-5.692</u>	Actual	8.112
Net Expenditure Budget	21.889	Forecast Net Outturn	7.645
Forecast Net Over/(Underspend)			-14.245

Direction of Travel from previous forecast ↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	45.855	Original Gross Income Budget 2020/21	-5.692
Budget b/f from Previous Year	-0.389	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-17.885		
Gross Expenditure Budget	27.581	Gross Income Budget	-5.692

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	101.630	Net Expenditure budget	68.630
Gross Income Budget	<u>-33.000</u>	Scheme Total Forecast	77.463
Net Expenditure Budget	68.630	Whole Life Variance	8.833

Direction of Travel from previous forecast →

Purpose of Scheme

The Grantham Southern Relief Road aims to improve the town's infrastructure and growth by the construction of a 3.5km relief road in three phases:

Phase One - creation of a roundabout off the B1174.

Phase Two - the B1174 will join the A1 trunk road.

Phase Three - link the A52 at Somerby Hill to the new roundabout.

Performance of Scheme

Work on the Grantham Southern Relief Road has similarly been affected by extreme weather events, exacerbated by technical issues and ecological considerations. Operation of the site has also been affected by the COVID-19 pandemic and although work has continued with appropriate social distancing measures implemented, some activity such as the diversion of high voltage power cables, that are dependent on third party agencies, have been delayed. The forecast expenditure is based on the contractor's forecast costs but contain a number of risks and uncertainties and are therefore still subject to change. Consequently, on the basis of current cost estimates, the whole-life project cost may eventually rise further than the forecasts stated above. The proposed capital programme has been updated to reflect these pressures and fund the increased cost in 2021/22.

Type of Scheme Project

Directorate Place

Area Highways

**Scheme Name Spalding Western Relief Road
(Section 5)**

Status of Project In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	4.331	Net Expenditure Budget	-0.012
Gross Income Budget	-4.343	Actual	3.488
Net Expenditure Budget	-0.012	Forecast Net Outturn	0.000
Forecast Net Over/(Underspend)			0.012

Direction of Travel from previous forecast →

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	20.500	Original Gross Income Budget 2020/21	-10.500
Budget b/f from Previous Year	-0.012	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	-6.157	New Grants and Contributions	6.157
Budget Re-phased into Future Years	-10.000		
Gross Expenditure Budget	4.331	Gross Income Budget	-4.343

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	20.134	Net Expenditure budget	13.291
Gross Income Budget	-6.843	Scheme Total Forecast	13.291
Net Expenditure Budget	13.291	Whole Life Variance	0.000

Direction of Travel from previous forecast →

Purpose of Scheme
<p>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.</p> <p>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.</p>

Performance of Scheme
<p>The completion of detailed design for the embankments of the scheme has resulted in a significant increase in construction costs from that envisaged at the planning stage. The requirement for construction traffic access to further land has also caused increases in the forecast costs. However an additional grant allocation of £8.130m secured from the Housing Infrastructure Fund will be used to accommodate these additional costs.</p>

Type of Scheme Project
 Directorate Place
 Area Highways

Scheme Name A46 Welton Roundabout **Status of Project** In progress
(Integrated Transport/NPIF)

Financial Information 2020/21 £m			
Gross Expenditure Budget	3.054	Net Expenditure Budget	3.054
Gross Income Budget	<u>0.000</u>	Actual	2.725
Net Expenditure Budget	3.054	Forecast Net Outturn	4.007
Forecast Net Over/(Underspend)			0.953

Direction of Travel from previous forecast ↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	1.304	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	1.800	Grants & Contributions Previous Years	-0.800
Budget Allocated from Other Schemes	-0.050	New Grants and Contributions	0.800
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	3.054	Gross Income Budget	0.000

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	5.250	Net Expenditure budget	3.250
Gross Income Budget	<u>-2.000</u>	Scheme Total Forecast	3.250
Net Expenditure Budget	3.250	Whole Life Variance	0.000

Direction of Travel from previous forecast →

Purpose of Scheme
 Construction of a new roundabout on the A46 with the junction to the village of Welton to increase safety and the flow of traffic.

Performance of Scheme
 The project started on site on 20 July 2020 and is funded by a National Productivity Investment Fund (NPIF) grant (£2m), forward funding of developer contributions from LCC (£1.1m), an allocation from the Coastal Highways budget (£0.750m) and up to £2.7m from Integrated Transport Block. The project is currently forecast to be within budget when final accounts are settled and all funding is secured

Type of Scheme Project

Directorate Place

Area Communities

Scheme Name Lincoln Castle Revealed phase **Status of Project** In progress
2

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.281	Net Expenditure Budget	0.281
Gross Income Budget	<u>0.000</u>	Actual	0.000
Net Expenditure Budget	0.281	Forecast Net Outturn	0.000
		Forecast Net Over/(Underspend)	-0.281

Direction of Travel from previous forecast →

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.281	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	0.281	Gross Income Budget	0.000

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	1.391	Net Expenditure budget	0.427
Gross Income Budget	<u>-0.965</u>	Scheme Total Forecast	0.480
Net Expenditure Budget	0.427	Whole Life Variance	0.053

Direction of Travel from previous forecast →

Purpose of Scheme
Capital investment for improvements to Lincoln Castle.

Performance of Scheme
Works complete and awaiting final confirmation of grant to close the project

Type of Scheme Project

Directorate Place

Area Highways

Scheme Name Gainsborough Corringham
Road (Dev with WLDC)

Status of Project

In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	1.304	Net Expenditure Budget	0.804
Gross Income Budget	<u>-0.500</u>	Actual	0.978
Net Expenditure Budget	0.804	Forecast Net Outturn	1.060
Forecast Net Over/(Underspend)			0.256

Direction of Travel from previous forecast ↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	1.716	Original Gross Income Budget 2020/21	-1.000
Budget b/f from Previous Year	0.089	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	-0.500	New Grants and Contributions	0.500
Budget Re-phased into Future Years	0.000	Gross Income Budget	-0.500
Gross Expenditure Budget	1.304		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	1.304	Net Expenditure budget	0.804
Gross Income Budget	<u>-0.500</u>	Scheme Total Forecast	0.505
Net Expenditure Budget	0.804	Whole Life Variance	-0.299

Direction of Travel from previous forecast →

Purpose of Scheme
Junction improvement to help traffic flow and safety.

Performance of Scheme
The scheme was substantially complete in late December with the final works completed in early January. This project is funded by a mix of Integrated Transport grant (£654k), LEP funding (£500k) and a contribution by WLDC (£500k). The latter being forward funded by LCC. The apparent overspend is due to the agreed Integrated Transport Block funding having not yet been transferred to the project and the scheme is currently forecast to be within budget.

Type of Scheme Project

Directorate Place

Area Highways

**Scheme Name A52 Skegness Roman Bank
Reconstruction**

Status of Project

In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.000	Net Expenditure Budget	0.000
Gross Income Budget	0.000	Actual	0.646
Net Expenditure Budget	0.000	Forecast Net Outturn	2.393
Forecast Net Over/(Underspend)			2.393

Direction of Travel from previous forecast ↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	0.000	Gross Income Budget	0.000

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	3.649	Net Expenditure budget	0.000
Gross Income Budget	-3.649	Scheme Total Forecast	0.000
Net Expenditure Budget	0.000	Whole Life Variance	0.000

Direction of Travel from previous forecast →

Purpose of Scheme
To fully reconstruct a total of 550m of the A52 Roman Bank in Skegness.

Performance of Scheme
Phase 3 (out of 6) was completed in December to temporarily open the road back up to vehicular traffic for the Christmas period. Issues remain over the completion date. This project is funded by a Department for Transport Highways Maintenance Challenge Fund grant (£3.649m) and up to £1.200m from the Local Highways Improvements (Pinchpoints) to support Coastal Route Programme. Current forecasts for the scheme show it to be within budget over the full life of the project.

Type of Scheme Project
 Directorate Place
 Area Highways
Scheme Name Sleaford Rugby Club (Sleaford Growth Scheme) **Status of Project In progress**

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.997	Net Expenditure Budget	0.247
Gross Income Budget	-0.750	Actual	1.149
Net Expenditure Budget	0.247	Forecast Net Outturn	0.974
Forecast Net Over/(Underspend)			0.726

Direction of Travel from previous forecast ↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.750	Original Gross Income Budget 2020/21	-0.750
Budget b/f from Previous Year	0.247	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.000	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	0.997	Gross Income Budget	-0.750

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	1.230	Net Expenditure budget	0.400
Gross Income Budget	-0.830	Scheme Total Forecast	1.376
Net Expenditure Budget	0.400	Whole Life Variance	0.976

Direction of Travel from previous forecast →

Purpose of Scheme
 To improve safety, increase capacity and traffic flow at the A153 / A17 Sleaford Rugby Club junction and facilitate local economic growth.

Performance of Scheme
 Following delays due to Covid-19 this project has now completed. It is funded by a mix of Integrated Transport grant (£0.400m), LEP (£0.900m), NKDC (£0.250m) and S106 Developer income (£1.014m). Although the project is physically complete, final accounts have yet to be settled, however, it is expected to be within budget when this is done and contributions are secured.

Type of Scheme Project

Directorate Place

Area Growth

Scheme Name Holbeach Food Enterprise Zone **Status of Project** In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	3.400	Net Expenditure Budget	3.400
Gross Income Budget	0.000	Actual	3.410
Net Expenditure Budget	3.400	Forecast Net Outturn	0.362
Forecast Net Over/(Underspend)			-3.038

Direction of Travel from previous forecast ➡

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	3.400	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000	Gross Income Budget	0.000
Gross Expenditure Budget	3.400		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	9.785	Net Expenditure budget	6.750
Gross Income Budget	-3.035	Scheme Total Forecast	7.367
Net Expenditure Budget	6.750	Whole Life Variance	0.617


Direction of Travel from previous forecast ➡

Purpose of Scheme
To facilitate the development of purpose built employment space in order to grow the agri-food sector, with particular emphasis on small to medium sized enterprises developing cutting edge technology and techniques (agri-tech).

Performance of Scheme
£3.4m LCC budget to be drawdown from the contingency fund after use of GLLEP claims. There is a further £1.1m budget to be received from SHDC.

Type of Scheme Block Scheme
 Directorate Fire and Rescue
 Area Fire and Rescue
Scheme Name Fire Fleet & Equipment

Financial Information 2020/21 £m			
Gross Expenditure Budget	4.097	Net Expenditure Budget	4.097
Gross Income Budget	0.000	Actual	2.140
Net Expenditure Budget	4.097	Forecast Net Outturn	3.402
Forecast Net Over/(Underspend)			-0.694

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	7.210	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.036	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.030	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-3.179		
Gross Expenditure Budget	4.097	Gross Income Budget	0.000

Purpose of Scheme
To deliver a rolling programme for fire fleet assets in line with operational replacement cycles.

Performance of Scheme
The original budget for 20/21 was £7.210m
This was increased by £0.036 from underspends on the 19/20 final in year budget.
Following a review of the planned profile, LFR expect to delay/ rephase spend on the current position based on the cumulative approved budget up to and including 24/25.
This suggests an underspend on the current year budget of £0.694m.

Type of Scheme Block Scheme
 Directorate Commercial
 Area Property
Scheme Name Property

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.816	Net Expenditure Budget	0.816
Gross Income Budget	0.000	Actual	2.377
Net Expenditure Budget	0.816	Forecast Net Outturn	0.430
Forecast Net Over/(Underspend)			-0.385

Direction of Travel from previous forecast: ↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	3.151	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.451	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	-0.051	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-2.736		
Gross Expenditure Budget	0.816	Gross Income Budget	0.000

Purpose of Scheme
 To fund the improvement programme for council properties, asbestos work, disabled access and improvements to the county farms estates.

This was allocated to:

£0.298m to maintain the County Farms estate.

£2.853m for property refurbishment / development.

Performance of Scheme
 The original budget for 20/21 was £3.151m. This was increased by £0.451m from underspends on the 19/20 final in year budget. Allocated funding has been rephased into future years (£2.736m) with £0.053m transferred to the childrens programme to support Care Leavers. Following the Q2 report, £0.130m budget was transferred to support the Property Improvement and County Emergency Centre projects. The current forecast is an underspend on the current year budget of £0.268m.

This is due to :

Grantham Fire Project (£0.180m)
 Final options analysis is being undertaken and any works will not start until the new year.
 County Farms (£0.010m)
 This is due to the expected timing of planning approvals for grain store work and it is envisaged that some cost will occur in the new financial year.
 Other works (£0.195m)
 This is primarily due to the lower cost of works at the former St Guthlacs school and current year requirements for Disabled Access and Asbestos work where inspection work have been delayed due to the pandemic..

Type of Scheme Project
 Directorate Commercial
 Area Information Management Technology

Scheme Name **Broadband** **Status of Project** **In progress**

Financial Information 2020/21 £m			
Gross Expenditure Budget	1.840	Net Expenditure Budget	0.640
Gross Income Budget	-1.200	Actual	-5.255
Net Expenditure Budget	0.640	Forecast Net Outturn	-4.032
Forecast Net Over/(Underspend)			-4.672

Direction of Travel from previous forecast ↓

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	2.500	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	1.187	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	1.200	New Grants and Contributions	-1.200
Budget Re-phased into Future Years	-3.047	Gross Income Budget	-1.200
Gross Expenditure Budget	1.840		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	41.682	Net Expenditure budget	13.042
Gross Income Budget	-28.640	Scheme Total Forecast	13.042
Net Expenditure Budget	13.042	Whole Life Variance	0.000


Direction of Travel from previous forecast →

Purpose of Scheme
To improve access to Broadband across Lincolnshire.

Performance of Scheme
The original budget for 20/21 is £2.500m. This was increased by £1.187m due to underspend caused by the contractor being in contractual non compliance. Performance measures regarding connectivity rates have exceeded target resulting in significantly better contractual rebate (£5.371m). This has resulted in a current year underspend of £4.672m. This will be utilised to fund contractual obligations during the remainder of the current contract which runs to 31st March 2022. The remaining underspend will be rephased into future years to support the new contract.


Type of Scheme Project
 Directorate Commercial
 Area Information Management Technology
Scheme Name Azure Data Migration Project Status of Project In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.604	Net Expenditure Budget	0.604
Gross Income Budget	<u>0.000</u>	Actual	0.188
Net Expenditure Budget	0.604	Forecast Net Outturn	0.333
Forecast Net Over/(Underspend)			-0.271

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	-0.283	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	1.348	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-0.460	Gross Income Budget	0.000
Gross Expenditure Budget	0.604		

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	2.513	Net Expenditure budget	2.513
Gross Income Budget	<u>0.000</u>	Scheme Total Forecast	2.513
Net Expenditure Budget	2.513	Whole Life Variance	0.000

Direction of Travel from previous forecast 

Purpose of Scheme
 Migration of data from a physical to a Cloud platform.


Performance of Scheme
 Budget has been allocated from the £14.000m IMT Cloud Navigator fund in line with the project profile.

 It is expected the project will be completed in the next financial year within available budget.

Type of Scheme Project
 Directorate Commercial
 Area Property


Scheme Name Castle Motte Repairs **Status of Project** In progress

Financial Information 2020/21 £m			
Gross Expenditure Budget	0.370	Net Expenditure Budget	0.370
Gross Income Budget	<u>0.000</u>	Actual	0.107
Net Expenditure Budget	0.370	Forecast Net Outturn	0.484
			Forecast Net Over/(Underspend) 0.114

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	0.000	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	0.000	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	0.370	New Grants and Contributions	0.000
Budget Re-phased into Future Years	0.000		
Gross Expenditure Budget	0.370	Gross Income Budget	0.000

Whole Lifetime Financial Information £m			
Gross Expenditure Budget	1.766	Net Expenditure budget	0.484
Gross Income Budget	<u>-1.282</u>	Scheme Total Forecast	0.484
Net Expenditure Budget	0.484	Whole Life Variance	0.000

Direction of Travel from previous forecast 

Purpose of Scheme
Essential Maintenance at Lincoln Castle

Performance of Scheme
It is expected that the scheme will now cost £1.766m with additional funding from Heritage England to now total £1.282m.
It is assumed that the works will be completed by the end of the year but there is a risk that this may not be the case.
The shortfall in funding will be sought to secure the remaining funding from the capital development fund.

Type of Scheme Block Scheme
 Directorate Centralised
 Area
Scheme Name New Developments Capital Fund

Financial Information 2020/21 £m			
Gross Expenditure Budget	5.659	Net Expenditure Budget	5.659
Gross Income Budget	<u>0.000</u>	Actual	0.000
Net Expenditure Budget	5.659	Forecast Net Outturn	5.659
Forecast Net Over/(Underspend)			0.000

Direction of Travel from previous forecast 

Movement of Budget in 2020/21 £m			
Gross Expenditure		Gross Income	
Original Gross Expend. Budget 2020/21	11.638	Original Gross Income Budget 2020/21	0.000
Budget b/f from Previous Year	7.905	Grants & Contributions Previous Years	0.000
Budget Allocated from Other Schemes	-3.883	New Grants and Contributions	0.000
Budget Re-phased into Future Years	-10.000	Gross Income Budget	0.000
Gross Expenditure Budget	5.659		

Purpose of Scheme
Funds set aside for capital schemes which emerge throughout the year.

Performance of Scheme
The original budget set for 2020/21 was for £7.500m. This was increased by £4.138m from last year's re-phasing and £7.905m underspend from 2019/20 outturn, making the total budget this year to be £19.542m. Following review of the budget, £10m of which was re-phased into 2021/22 for use that year. So far £3.883m was allocated to various schemes: £3.400m contribution towards Food Enterprise Zone; £0.113m Horncastle Estate for purchase of land and £0.370 repair of Castle Motte. Further funds for £2.646m was set aside for emerging schemes and this will be allocated as soon as further information becomes available. Therefore, £3.013m is still available for future use.

Monitoring of Development Fund

Directorate	Service Area	Development Initiative	Planned One-Off Investment £000's	Progress to date
Children's Services	Strategic Commissioning	Education Transport links to School (Route sustainability)	440	<p>Progress has been limited by the impact of Covid-19 on the day-to-day workload of the transport entitlement team.</p> <p>The launch of the Sustainable Travel Group (STG) has focused on a specific route and technical detail is now being costed. A second route improvement has been identified. It is hoped that both of these may be completed by summer 2021, subject to capacity and funding. A further three routes have been identified for appraisal. If feasible and cost effective, they would remove significant numbers of children from school transport and promote sustainable modes of travel. These are being discussed at STG in March 2021.</p> <p>However, no monies have been spent to date, and expenditure is expected to start in the next financial year.</p>
Place	Highways	Traffic signals - Wireless communications	80	<p>Successfully installed and operated trial site, roll-out being planned and decommissioning of broadband connections being progressed. This is now complete and reserve will be drawdown in the next quarter.</p>
Place	Highways	Community Maintenance Gangs	3,981	<p>The resource allocation and works type was agreed with Executive Members and Executive Director in April 2020. Balfour Beatty started on site in May 2020 and will continue delivering the works until April 2021. Updated reports on budget spend and productivity are presented on a monthly basis. These are shared with the Assistant Director, Executive member and Scrutiny Committee and expected to be fully spent by end of 2020/21.</p>
Place	Highways	Drainage Investigation and Flood Repairs	2,000	<p>Individual projects been agreed. Projects now commenced in Long Bennington and Timberland Chapel Lane. It is planned that this will span two years.</p>
Fire and Rescue and Public Protection	Fire and Rescue	Flood Management Pumps	116	<p>Planning / specification completed, no spend to date due to delay on ordering the vehicles due to COVID, but this is still expected to be completed by the year-end.</p>
Fire and Rescue and Public Protection	Fire and Rescue	Replacement Trading standards Metrology equipment	50	<p>Specification and quote provided but upgrade delayed due to COVID, now expected to be progressed during the final quarter.</p>
Commercial	IMT	Broadband - 4G	800	<p>Discussions have taken place with potential providers and these are currently being evaluated prior to making a decision regarding implementation.</p>
	Reserves	Addition to Development Fund Reserve balance.	7,394	
TOTAL DEVELOPMENT INITIATIVES			14,861	