

# CABINET

<b>DATE</b>	15 <sup>th</sup> June 2022
<b>REPORT OF</b>	Councillor Stephen Harness - Portfolio Holder for Finance, Resources and Assets
<b>RESPONSIBLE OFFICER</b>	Sharon Wroot – Executive Director Environment, Economy and Resources
<b>SUBJECT</b>	2021/22 Provisional Financial Outturn
<b>STATUS</b>	Open
<b>FORWARD PLAN REF NO.</b>	CB 06/22/08

## CONTRIBUTION TO OUR AIMS

The Council has two clear strategic priorities – Stronger Economy and Stronger Communities. In order to achieve these priorities, the Council needs to have a clear and robust Finance and Commissioning plan, which focusses on long-term financial sustainability.

## EXECUTIVE SUMMARY

This report provides key information and analysis of the Council's financial position and performance at the end of the 2021/22 year. Further detail and analysis is provided within Appendix 1 to this report.

## RECOMMENDATIONS

It is recommended that Cabinet:

1. Notes the outturn position and refers the report to Scrutiny for consideration.
2. Approves slippage requests in respect of the 2021/22 capital programme as detailed in Annex 1.
3. Approves the revised Capital Programme for 2022/24 included at Annex 1.
4. Approves the year end reserves position as detailed within Annex 1.
5. Approves the use of the management of change reserve to address any significant variances arising from technical adjustments linked to the completion of the year end accounts.

## REASONS FOR DECISION

The report is important in informing Cabinet on the financial position and performance of the Council and highlighting key risks and opportunities.

### 1. BACKGROUND AND ISSUES

- 1.1 The Council is forecasting a balanced position against its annual revenue budget. Whilst the Council continues to experience significant demand pressures within social care, the cost impacts have been offset by spending reductions in other service areas, additional funding streams and underspends on borrowing costs and other budgets.
- 1.2 During the year we have delivered a range of financial support packages

within the Borough to mitigate against the socio-economic effects of COVID19. Details are provided on page 3.

- 1.3 The Council's long term financial strategy remains focused on the achievement of financial sustainability through economic and housing growth. It is pleasing to note that we are starting to see growth in the tax base and this is expected to accelerate over time.
- 1.4 During 2021/22, the Council's programme of capital investment has been progressing despite some challenges brought about by COVID19. The Council has delivered £32M of its approved capital programme in year on a range of schemes designed to deliver significant benefits to the place.
- 1.5 Whilst borrowing costs are increasing, the Council continues to operate within its approved Treasury Management Strategy, and investment plans are designed to deliver long term payback in terms of additional income or reduced costs.
- 1.6 The Council faces a range of challenges including COVID19 recovery, NHS reform, demographic demand and economic instability. Inflationary pressures are impacting across the board, leading to potential further cost pressures across a range of areas, including within the capital programme. These will need further consideration and mitigation during the next planning phase.
- 1.7 As in 2021/22, the Council has received a one year financial settlement from Government for 2022/23 with changes to the financial model being postponed. We are hopeful funding reforms aligned to Levelling up will enable the Government to set out a multi-year settlement in 2023/24.
- 1.8 This uncertainty will necessitate a review of the Council's financial strategy during 2022/23 to ensure the Council is best placed to deal with the increased risks and opportunities it currently faces.
- 1.9 As a result of this on-going uncertainty, along with considerable additional cost being incurred due to such issues as inflation and supply and demand of supplies and services, it is recommended we set aside additional funding to help to mitigate and manage the impacts of these uncertainties.

## **2. RISKS AND OPPORTUNITIES**

- 2.1 Key risks and opportunities are detailed within Appendix 1.

## **3. OTHER OPTIONS CONSIDERED**

- 3.1. Not applicable to monitoring report.

## **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

- 4.1. The financial environment in which the Council is operating remains challenging and any significant financial issues will be communicated externally through a variety of media.

## **5. FINANCIAL CONSIDERATIONS**

- 5.1. As set out in the report:

## **6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS**

- 6.1. The report provides details of the resources allocated towards Children and Young people across a range of Council services.

## **7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

- 7.1. Ultimately all resourcing decisions taken by the Council impact upon the environment. For this reason, the Council must take climate change and environmental issues into account in the establishment of its financial plans. The Council's financial strategy looks towards consuming resources more efficiently, eliminating waste and supporting and developing the green economy and infrastructure. This includes recognising and realising the economic and social benefits of a high-quality environment.

## **8. CONSULTATION WITH SCRUTINY**

- 8.1. Report to be forwarded to all scrutiny panels.

## **9. FINANCIAL IMPLICATIONS**

- 9.1. As set out on the report

## **10. LEGAL IMPLICATIONS**

- 10.1. There are no legal issues immediately arising from the content of this report given that it is a vehicle to advise and update as to current position. The recommendation for a referral to Scrutiny is prudent.

## **11. HUMAN RESOURCES IMPLICATIONS**

- 11.1. There are no direct HR implications arising from the contents of the report

## **12. WARD IMPLICATIONS**

- 12.1. All wards affected

## **13. BACKGROUND PAPERS**

- 13.1. Outcomes Framework, Commissioning Plan and Budget 2021/22 – 2023/24  
<https://democracy.nelincs.gov.uk/wp-content/uploads/2020/06/5.-Budget-Finance-and-Commissioning-Plan-2021-22-2023-24-1.pdf>
- 13.2. 2021/22 Quarter 3 Financial Monitoring Report  
<https://democracy.nelincs.gov.uk/wp-content/uploads/2021/05/4.-Quarter-3-Finance-Monitoring-Report-2021-22.pdf>

## **14. CONTACT OFFICER(S)**

- 14.1. Sharon Wroot – Executive Director Place (Environment, Economy and Resources)

**COUNCILLOR STEPHEN HARNESS**  
**PORTFOLIO HOLDER FOR FINANCE, RESOURCES AND ASSETS**

# Finance Monitoring Report 2021/22 – Provisional Outturn



# Overview

The Council is forecasting a balanced position against its annual revenue budget. Whilst the Council continues to experience significant demand pressures within social care, the cost impacts have been offset by additional funding streams and underspends on borrowing costs and other budgets.

During the year we have delivered a range of financial support packages within the Borough to mitigate against the socio-economic effects of COVID19. Details are provided on page 3.

The Council's long term financial strategy remains focused on the achievement of financial sustainability through economic and housing growth. It is pleasing to note that we are starting to see growth in the tax base and this is expected to accelerate over time.

During 2021/22, the Council's programme of capital investment has been progressing despite some challenges brought about by COVID19. The Council has delivered £32M of its approved capital programme in year on a range of schemes designed to deliver significant benefits to the place.

Whilst borrowing costs are increasing, the Council continues to operate within its approved Treasury Management Strategy, and investment plans are designed to deliver long term payback in terms of additional income or reduced costs.

The Council faces a range of challenges including COVID19 recovery, NHS reform, demographic demand and economic instability. Inflationary pressures are impacting across the board, leading to potential further cost pressures across a range of areas, including within the capital programme. These will need further consideration and mitigation during the next planning phase.

As in 2021/22, the Council has received a one year financial settlement from Government for 2022/23 with changes to the financial model being postponed. This uncertainty will necessitate a review of the Council's financial strategy during 2022/23 to ensure the Council is best placed to deal with the increased risks and opportunities it currently faces.

As a result of this on-going uncertainty, along with considerable additional cost being incurred due to such issues as inflation and supply and demand of supplies and services, it is recommended we set aside additional funding to help to mitigate and manage the impacts of these uncertainties.

**Sharon Wroot – Executive Director Place (Environment, Economy and Resources)**

# Revenue Highlights

**£0.0M** Total Revenue  
Forecast Variance

**£7.0M** Service Budgets  
Forecast Variance

**5.04%** % Representation of  
Service Budget  
Overspend to Net Budget

REVENUE	Original Budget £'M	Revised Budget £'M	Forecast £'M	Variance £'M
Resources	2.7	19.8	18.7	(1.1)
Environment	16.1	15.1	14.2	(0.9)
Economy & Growth	27.5	20.0	18.7	(1.3)
Children & Family Services	44.2	40.5	53.1	12.5
Public Health	0.2	(1.5)	(1.5)	0.0
Adult Services	48.9	44.2	42.0	(2.2)
	<b>139.6</b>	<b>138.1</b>	<b>145.1</b>	<b>7.0</b>
Corporate Budgets	4.7	11.0	10.3	(0.7)
	<b>144.3</b>	<b>149.1</b>	<b>155.4</b>	<b>6.3</b>
Earmarked reserves	4.2	3.0	3.0	0.0
School Balances	0.0	0.1	0.1	0.0
<b>Total</b>	<b>148.5</b>	<b>152.3</b>	<b>158.6</b>	<b>6.3</b>
Funding	(148.5)	(152.3)	(158.6)	(6.3)
<b>Net</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>

The Council has achieved a provisional balanced outturn position. Service areas reported a £7M overspend after facing significant financial pressure within Children's Services . This was caused by a combination of additional agency social worker teams and staff, and the demand in the system. The Covid Funding EMR Drawdown shown within funding and the additional underspends against borrowing costs and other budgets, has resulted in the forecast balanced position.

The Council is still in a period of uncertainty and the long term impact of the pandemic on the financial position is still being understood. Detailed analysis of each key area is included within this report and we continue to look for ways to mitigate spending pressure. This is an on-going process, and will be a key feature of future financial plans as well as in year.

# Capital Highlights

(£12.4M)

Service Capital  
Forecast Variance

27.89%

% Representation of Service  
Capital Underspend to Approved  
Programme

Underspend

CAPITAL	Original Programme £'M	Approved Programme £'M	Forecast £'M	Variance £'M
Resources	8.8	6.5	4.0	(2.5)
Environment	9.1	9.4	6.4	(3.0)
Economy & Growth	22.2	20.8	16.1	(4.7)
Children & Family Services	10.7	3.2	2.6	(0.6)
Public Health	0.0	0.0	0.0	0.0
Adult Services	3.3	4.5	3.0	(1.6)
<b>Total Capital Budgets</b>	<b>54.1</b>	<b>44.4</b>	<b>32.0</b>	<b>(12.4)</b>
Funding	(54.1)	(44.4)	(32.0)	12.4
<b>Net</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

The underspend above, is mainly due to delays in planning, purchasing and work commencement within a number of schemes.

Delivery of the programme will continue to be closely monitored to ensure we are investing in schemes that are deliverable and affordable, and deliver benefits to the place. The next page details proposed scheme slippage, along with other programme adjustments.

# Capital Outturn Analysis

	<b>2021/221 Capital £M</b>
Approved Programme	44.4
Forecast Outturn	32.0
<b>Total</b>	<b>(12.4)</b>
Utilisation:	
Slippage Requests	<b>(12.4)</b>
Overspends covered by B/F funding	
Year end capital financing adjustments	
<b>Total</b>	<b>(12.4)</b>



# Revenue

# Resources

**14.37%** Of Total Revenue Service Budgets **(£1.1M)** Forecast Revenue Underspend **5.8%** Variance as % Of Total Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	
					£M
Policy Strategy and Resources	12.6	11.9	(0.6)	Commissioning Pressures	0.2
Deputy S151	3.5	2.8	(0.6)	Fees & Charges Income Shortfall	0.0
Assistant Chief Executive	1.5	1.5	(0.0)	Service Pressures/Other Issues	(1.3)
Law, Governance and Assets	2.3	2.5	0.2		<b>(1.1)</b>
	<b>19.8</b>	<b>18.7</b>	<b>(1.1)</b>		

The underspends have been achieved through effectively managed staff vacancies and reduced agency usage, additional Contain Outbreak Management Fund (COMF) grant funding and increased income generated through the commercial estate.

# Capital

**14.58%** Of Total Capital Programme **(£2.5M)** Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Law Governance and Assets	3.1	1.4	(1.6)
Deputy S151	1.7	0.9	(0.8)
Policy Strategy and Resources	1.7	1.6	(0.0)
	<b>6.5</b>	<b>4.0</b>	<b>(2.5)</b>

Backlog Maintenance – (£1.1M) Changes in the scope of some works and delays in project approvals has resulted in revised project start dates (as some required re-tendering) and therefore delayed spend, funding to be slipped into next year.  
 Poplar Road Bus Unit Expansion – (£0.3M) Increased construction costs from global inflation pressures has required a review and proposed rephasing of the original scheme.

**10.94%** Of Total Revenue Service Budgets **(£0.9M)** Forecast Revenue Underspend **6.2%** Variance as % Of Total Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Environment	<b>15.1</b>	<b>14.2</b>	<b>(0.9)</b>

VARIANCE ANALYSIS	£M
Commissioning Pressures	0.0
Fees & Charges Income Shortfall	0.1
Service Pressures/Other Issues	(1.0)
	<b>(0.9)</b>

Main underspends are within waste services against the New Lincs Contract. These are due to additional recycling income, salary and agency staffing underspends and savings on vehicle running costs and repairs

## Capital

**21.19%** Of Total Capital Programme **(£3.0M)** Forecast Capital underspend

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Environment	<b>9.4</b>	<b>6.4</b>	<b>(3.0)</b>

A (£0.6M) underspend has been due to delays in the delivery of vehicles and equipment through the Fleet Replacement scheme. Proposed spend will now be incurred in 22/23.

A delay in the start of the Depot Rationalisation scheme has created (£0.8M) underspend as budgets require slipping into 22/23 to match reprofiled spending plans.

Within Public Sector Decarbonisation – (£1.4M) Underspend - Increased tender costs, compared to original estimates, has meant that the cost per ton of carbon saving is significantly higher and exceeds the thresholds allowed by Salix for the Council to be eligible for all of the grant funding. This has required a rescoping of works and a reduction in spend that has also been impacted by supplier delivery delays.

**14.51%** Of Total Revenue  
Service Budgets

**(£1.3M)** Forecast Revenue  
Overspend

**6.5%** Variance as % Of Total  
Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M	VARIANCE ANALYSIS	
					£M
Regeneration	4.5	3.7	(0.8)	Commissioning Pressures	(0.8)
Housing, Highways and Transport	15.5	15.0	(0.5)	Fees & Charges Income Shortfall	0.5
	<b>20.0</b>	<b>18.7</b>	<b>(1.3)</b>	Service Pressures/Other Issues	(1.0)
					<b>(1.3)</b>

Within Housing, Highways & Transport, the ongoing impact of COVID19 restrictions and changes in working practices is resulting in a forecast income loss of £0.4M from car parking. However additional EQUANS contract efficiencies and early payment discounts of (£0.2M), along with savings within housing support and concessionary fares (£0.7M) has helped achieve savings to offset this pressure.

Regeneration has achieved a (£0.5M) underspend through staff cost savings which have been achieved through effective vacancy management leading up to a staffing review and from the capitalisation of staffing costs for those working directly on a range of capital investment schemes

19.40% Of Total Capital Programme

(£4.7M) Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Regeneration	8.6	6.4	(2.3)
Housing, Highways and Transport	12.1	9.7	(2.4)
	<b>20.8</b>	<b>16.1</b>	<b>(4.7)</b>

Whilst the overall capital programme within Economy and Growth has progressed well some issues have been experienced.

(£0.4M) The SHIP scheme has seen delays in construction works due to the overwintering bird season which prohibits works on Special Protection Area land between September and March. Work has started in April 2022 and will continue for 4 months.

(£0.3M) The scope of works within Cleethorpes Public Art has reduced and some spend and funding will be decommitted once final costs are confirmed.

(£0.2M) The Town Deal Investment scheme has seen additional costs for the planned youth zone resulting in the need for a further Onside funding bid to Heritage England and National Lottery, which has resulted in delayed spend for this element of the scheme. Subject to review of tenders received, the aim is for onsite works to now commence in September 2022.

(£0.6M) Future High Street project has encountered uncertainty due to external influences, resulting in a slowdown of spend whilst assurances are being confirmed and will therefore require slippage into the new financial year.

(£0.5M) Towns Fund project is showing an underspend relating to the St James House development project for which the purchase of the property has been delayed. We are working closely with the purchaser to finalise the grant agreement and supporting legal documentation and the purchase is now anticipated to be completed early in the new financial year.

£0.4M Potential clawback on GLLEP Junction Improvement following final grant claims. Further S106 monies could be received & utilised to cover some of this overspend.

(£0.3M) Estate Road Number 2, which is now complete, was value engineered to mitigate a contamination risk within the sub-structure (foundation) and this has helped achieve the savings without compromising the life expectancy of the new road surface.

(£0.9M) Corporation Road Bridge Refurbishment has seen delays following an extended period of investigation works and tender award period.

(£1.0M) Gy-Imm Extended Cycleway as seen a series of delays to Northern Power Grid (NPG) undertaking their utility diversion works on site. This was originally agreed to happen in November, however, delays incurred by NPG meant that they could not make an effective start-on-site until February. Our works programme effectively follows the diversionary works which NPG complete.

**29.33%** Of Total Revenue Service Budgets

**£12.5M** Forecast Revenue Overspend

**31.0%** Variance as % Of Total Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Education and Inclusion	8.2	8.3	0.1
Safer and Partnerships	1.7	1.7	0.1
Childrens Trust/ AD Women	(0.6)	(0.6)	0.0
Children's & Families			
Director Childrens/Family Services	0.8	0.7	(0.1)
Safeguard and Early Help	30.4	42.9	12.4
<b>Total Children's &amp; Family Services</b>	<b>40.5</b>	<b>53.1</b>	<b>12.5</b>

VARIANCE ANALYSIS	£M
Commissioning Pressures	0.0
Fees & Charges Income Shortfall	0.1
Service Pressures/Other Issues	12.4
	<b>12.5</b>



The costs of additional agency social worker teams and the demand in the system has led to the overall overspend. After a period of falling CLA numbers these began to rise and stood at 612 at the year end (an increase of 20). In addition the number of open cases were 157 higher than at the start of the financial year. This increase together with the lack of local provision is resulting in higher cost IFA / out of area placements having to be used for the new entrants and increased use of agency staff to try to keep caseloads at a reasonable level..

An Improvement plan is in place to re-design the Children's Social Care service approach through a series of aligned work programmes including the Early Discharge Team and Placement Panel.

The impact of the previous Ofsted outcome together with the COVID pandemic has severely restricted the recruitment of Social Workers necessitating the use of a number of additional teams at a significant cost.

7.29% Of Total Capital Programme
 (£0.6M)
Forecast Capital Underspend

<b>CAPITAL</b>	Approved Programme £'M	Forecast £'M	Variance £'M
Childrens & Family Services	<b>3.2</b>	<b>2.6</b>	<b>(0.6)</b>

£0.2M overspend within Sufficiency of places enabling works to meet the new pupil places programme within the borough's schools.

(£0.8M) A final decision on the CCTV Review & Upgrade was required due to escalating costs beyond current budget which has delayed the works and this will now be incurred largely in 22/23

**-1.11%**

Of Total Revenue  
Service Budgets

**£0.0M**

Forecast Revenue  
Overspend

**0.0%**

Variance as % Of Total  
Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Public Health	(1.5)	(1.5)	0.0
	<b>(1.5)</b>	<b>(1.5)</b>	<b>0.0</b>

VARIANCE ANALYSIS	£M
Commissioning Pressures	0.0
Fees & Charges Income Shortfall	0.0
Service Pressures/Other Issues	0.0
	<b>0.0</b>



The Council was allocated a ring fenced Public Health grant of £11.562m in 2021/22. This grant is allocated to a number of services with the aim of improving the health of the local population. The main services that benefit from the Public Health grant include Drugs & Alcohol, Wellbeing Service, Sexual Health, Regulation and Enforcement, Health Visitors, Schools Nurses and the Localities team. Some of the grant has been used as a contribution towards key contracts which impact on public health outcomes and these include Lincs Inspire, EQUANS and Adult Social Care.

Whilst there are demand needs, the work is targeted and tailored to the grant available. Due to the nature of the grant being ring fenced any under or overspend is rolled into a specific earmarked reserve for future utilisation on public health activities.

Due to covid, a number of additional grants have been received and are managed directly by the Public Health service. The largest is the "Contain Outbreak Management Fund" (COMF), £5.388m of income was available to be spent this financial year and at the year end £1.143 has been carried forward into the next financial year. Other smaller grants which are covid related and expected to be spent in year include community test and trace, practical support for self isolation, drug treatment harm and crime reduction and adult weight management.

# Revenue

# Adult Services

**31.97%** Of Total Revenue Service Budgets **(£2.2M)** Forecast Revenue Underspend **4.96%** Variance as % Of Total Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Adult Services	44.2	42.0	(2.2)	Commissioning Pressures	0.0
	<b>44.2</b>	<b>42.0</b>	<b>(2.2)</b>	Fees & Charges Income Shortfall	0.0
				Service Pressures/Other Issues	(2.2)
					<b>(2.2)</b>

A final outturn for Adult Services is an underspend of £2.191m. For Adult Social Care the underspend is £2.124m against the 2021/22 Partnership Agreement of £47.923m. This predominantly relates to Covid funding received via health, release of provisions not anticipated to be required, non recurrent expenditure not expected to be utilised in 2021/22 and utilisation of Workforce grant to support provider retention and recruitment.

# Capital

**10.16%** Of Total Capital Programme **(£1.6M)** Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Adult Services	4.5	3.0	(1.6)
	<b>4.5</b>	<b>3.0</b>	<b>(1.6)</b>

(£0.5M) underspend caused by some delay in spend within disabled facilities minor works and adaptations. Other plans for utilising the overall grant funding available are being progressed across a range of services, including Adults and Children's Services but this is now likely to be incurred in 22/23.



# Corporate Budgets

7.85%

Of Total Revenue  
Budgets

(£0.7M) Forecast Revenue  
Underspend

CORPORATE BUDGETS	Budget £'M	Forecast £'M	Variance £'M
Pensions and Appropriations	(11.7)	(11.7)	0.0
Technical Adjustments	(1.7)	(1.7)	0.0
Borrowing Costs	10.2	10.2	0.0
Levies	0.7	0.7	(0.0)
Other Budgets	13.5	12.9	(0.7)
<b>Total</b>	<b>11.0</b>	<b>10.3</b>	<b>(0.7)</b>

The (£0.7M) underspend reported against other budgets is predominately due to unused corporate contingency and additional LSVT receipts.

Borrowing costs are reporting as a balanced budget, however due to the significant reduced spend within the capital programme a £0.9M underspend was achieved. This has been transferred to the debt financing EMR in order to prevent future financial impact on service budgets.

# Funding - Summary

**76.7%** Local Taxation Budget as % of Total Funding

**1.98%** Council Tax uplift 20/21

<b>FUNDING</b>	Budget £'M	Forecast £'M	Variance £'M
Council Tax	(76.4)	(76.4)	0.0
Business Rates	(43.9)	(43.9)	0.0
Revenue Support Grant	(9.2)	(9.2)	0.0
Better Care Fund	(7.8)	(7.8)	0.0
Social Care Support	(6.1)	(6.1)	0.0
Capital Grants and Contributions	(10.9)	(10.9)	0.0
New Homes Bonus	(0.1)	(0.1)	0.0
COVID-19 Business Support Grants	1.8	1.1	(0.7)
COVID-19 Funding	(5.0)	(5.0)	0.0
COVID-19 Lower Tier Service Grant	(0.3)	(0.3)	0.0
COVID-19 EMR	5.6		(5.6)
<b>Total</b>	<b>(152.3)</b>	<b>(158.6)</b>	<b>(6.3)</b>

The in year funding position includes the full utilisation of the Covid EMR £5.6M which was created last year in order to ease the pandemic implications during 2021/22

The additional £0.7M Covid support grants relate to the unused Council Tax Hardship Fund, plus the additional income support grant received for loss of income due to the pandemic.

# Local Taxation

<b>Council Tax Collection</b>	<b>%</b>
Q4 2021/22	92.43
Q4 2020/21	92.48
Q4 2019/20	93.25

<b>Non Domestic Rates Collection</b>	<b>%</b>
Q4 2021/22	95.79
Q4 2020/21	96.69
Q4 2019/20	97.95

## Collection Rates:

### Council Tax

Collection rates have remained reasonably strong during what has been a very challenging year. Continued collection of previous years outstanding balances continues to show improvement. Team members are working hard to clear outstanding items whilst supporting those residents who continue to have difficulty meeting their payment requirements.

### Non Domestic Rates (NDR)

The overall collectible liability has increased in year, particularly when reliefs for many businesses (primarily hospitality, retail & leisure) due to Covid19, were reduced from 01/07/21. Collection at the end of the quarter/year is lower than last year although in cash terms we have collected more than in the previous year. Pressures on collection income due to Covid19 are captured monthly and submitted to central government as part of the ongoing council wide financial return.

Volumes of work are still relatively high, and the team continue to assist with the payments of the various business grants in conjunction with Economic Development colleagues. Post assurance work regarding grants is now ongoing with audit colleagues. The Covid Additional Relief Fund will be delivered in 2022/23.

# Reserves

**£8.3M** General Fund

**5.4%**

General Fund as %  
Of Net Budget

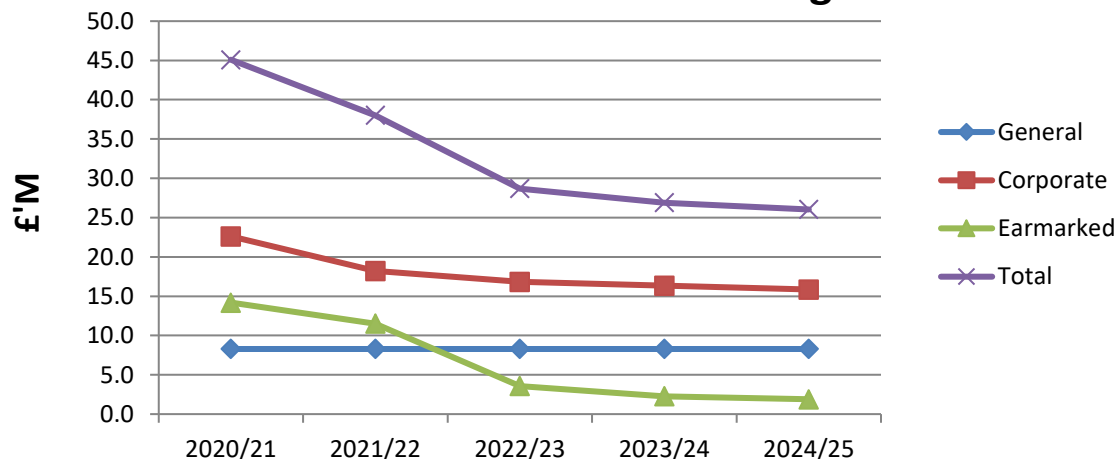
**£15.9M**

Forecast 2024/25 Total  
Reserve Balance

General fund reserves, set aside to deal with any unforeseen events, remain at £8.3M. This is in line with the medium term financial plan and considered to be a prudent level taking into account the increased level of risk to which the Council is currently exposed.

In addition the Council maintains corporate reserves to address key risk areas. These are reviewed regularly, and considered as part of the monitoring and planning process throughout the year.

## Council Reserves - Forecast Closing Balance



### Key Corporate Earmarked Reserves

Name	21/22 Closing Balance £'M	Purpose
Self Insurance	1.3	Required to meet cost of claims which are insured internally
Business Rates Equalisation	2.1	Used to mitigate fluctuations in business rates income without impacting service budgets
Transformation Reserve	6.5	Service Transformation
Pension Fund Reserve	0.4	To smooth future pension fluctuations
Covid 19 EMR	0.4	Includes New Burdens Funding
Management Of Change/Demand & Demographics	4.3	Required to ease demand and demographic pressures faced as an authority.
Debt Financing	2.2	Used to mitigate costs of borrowing and capital programme activity

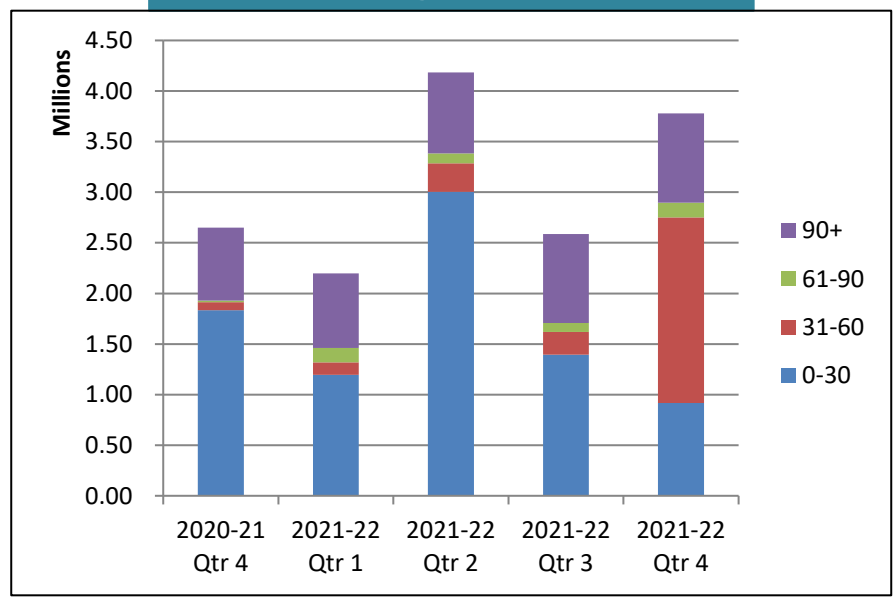
# Working Capital Management

95.8% 2020/21 Qtr4 % Creditor Invoices Paid within 30 days

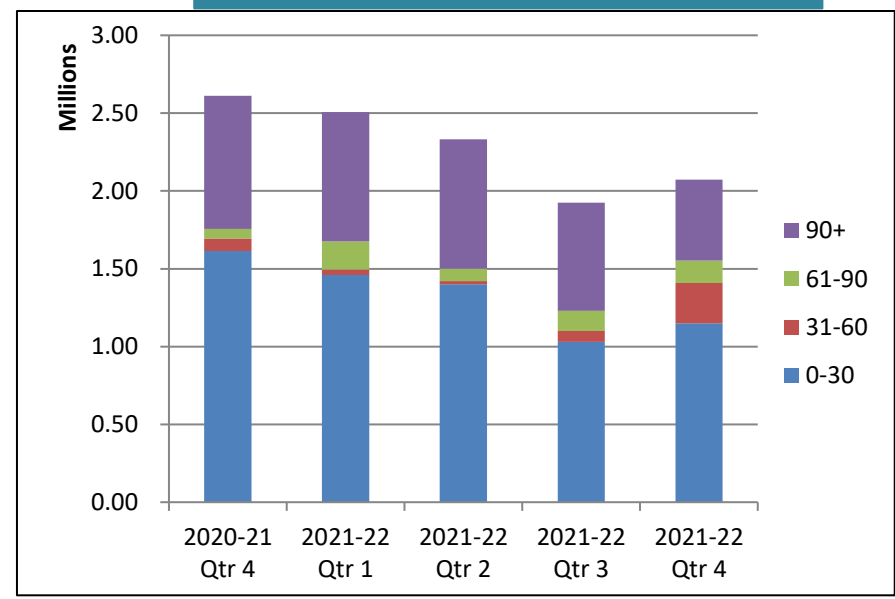
95.8% 2021/22 Qtr4 % Creditor Invoices Paid within 30 days



**Council Managed Sundry Debts**



**EQUANS Managed Sundry Debts**



Quarter 4 council managed debt shows a increase in 30-60 day outstanding debt compared to Q3 due to outstanding academy invoices (£1.2m). This aside, council aged debt is showing a slight decrease overall compared to the previous quarters in 2021-2022 and the comparative period of 2020-2021. During 2021-2022 there has been an increase in the aged debt in the 31-60 and 61-90 day brackets indicating that although invoices are being paid it is taking longer for the Council to receive payment for the goods/services provided; this applies to EQUANS managed debts too.

Bad debts and write offs continue to be carefully monitored but, due to the ongoing challenges faced within the local economy from the after effects of the Covid19 pandemic and the high percentage rise in the cost of living, there is still the possibility that debt may rise during 2022-23.

# Capital Programme

# Capital Programme

SCHEME	2022/23 Approved Capital Programme	Slippage Requested from 2021/22	Changes to the Programme 2022/23	2022/23 Revised Capital Programme	2023/24 Approved Capital Programme	2024/25 approved Capital Programme
	£000	£000	£000	£000	£000	£000
<b>Childrens Services</b>						
Schools - Devolved Formula Cap Grant	100	33	64	197	0	0
Schools - Backlog Maintenance	400	-23	-85	292	400	400
Schools - Basic Need Sufficiency of Places	1,860	-244	5,584	7,200	5,000	8,000
Special Educational Needs and Disability Fund	1,283	17	1,957	3,257	1,452	883
Service Improvement Education	30	31		61	0	0
Nursery Places	0	5		5	0	0
CCTV Review and Upgrade	0	816	1,250	2,066	0	0
Safer Streets 2	0	5		5	0	0
<b>Adult Services</b>						
Social Care - Better Care Fund	0	10		10	0	0
<b>Environment</b>						
Fleet Replacement Programme inc. Recycling Collection	2,040	628		2,668	633	0
Household Recycling Scheme	0	0		0	57	0
Litter Bin and Recycling Replacement and Upgrade	0	29		29	0	0
Enhancement of Bereavement Services	752	-54		698	84	12
Peoples Park Refurbishment	41	0		41	0	0
Depot Rationalisation	5,757	762		6,519	0	0
Scartho Cemetery Lodge and Chapel	618	-5		613	38	0
Resort Management	0	9		9	0	0
Public Sector Decarbonisation	0	1,404		1,404	0	0
Environmental Services Management System	0	125		125	0	0
Regulatory Services Management System	0	92		92	0	0
Memorial Testing and Repairs	82	0		82	0	0
Play Parks	500	0		500	300	0
<b>Resources</b>						
Backlog Maintenance	1,358	1,060		2,418	38	0
Property Rationalisation Programme	180	3		183	0	0
Cartergate Unit Development	120	100		220	0	0
Digital Strategy Delivery/Imp Civica/EDRMS	0	10	-10	0	0	0
Heritage Asset at Risk	589	85		674	0	0
Poplar Road Expansion	2,696	338		3,034	0	0
Business Centre Improvement	386	41		427	0	0
Capital Investment	91	829		920	3,684	5,500

# Capital Programme Continued

SCHEME	2022/23 Approved Capital Programme	Slippage Requested from 2021/22	Changes to the Programme 2022/23	2022/23 Revised Capital Programme	2023/24 Revised Capital Programme	2024/25 Revised Capital Programme
Capital Receipt Flexibility	400	0		400	400	0
ICT Refresh	646	87	15	748	646	0
Corporate Systems Investment	75	-31		44	0	0
Learning Mgt System Implementation	0	21		21	0	0
Sentinel Master Data Mgt	198	11		209	65	0
M365 Transformation Programme	0	-47	220	173	175	131
Customer and Service Management Platform	0	0	85	85	0	0
<b>Economy and Growth</b>						
Cleethorpes HLF Townscape Heritage	1,478	-58	-463	957	665	219
Sth Humber Infrastructure and Investment Programme	5,514	389	-3,443	2,460	130	6,038
Playing Pitch Reprovision	4,402	-47	-2,800	1,555	2,500	300
Riverhead Square & Unlocking Potential	0	162		162	0	0
Cleethorpes Public Art	0	309		309	0	0
Heritage Action Zone	190	74		264	230	0
Town Deal Investment	3,058	247	-1,300	2,005	1,300	0
Central Clee Regeneration	3,748	29	-3,520	257	3,520	0
Europarc Food Enterprise Zone	0	80	-80	0	0	0
CDF - Open For Culture	1,576	75		1,651	70	0
Future High Streets Fund	8,868	578		9,446	17,387	0
Towns Fund	5,296	473	-2,193	3,576	10,264	0
Disabled Facilities Grants	3,214	1,541	-755	4,000	3,500	3,500
Local Transport Plan Schemes	3,780	159	1,379	5,318	4,838	4,864
Housing Assistance Grants and Loans	600	114		714	250	0
GLLEP Junction Improvement	0	0	28	28	0	0
Immingham Lock Flood Def Gates	63	0		63	0	0
A18 Laceby to Ludborough	0	122	285	407	0	0
Accelerated Construction	375	-66		309	0	0
Estate Road 2	0	313	-313	0	0	0
Corporation Bridge	2,967	946		3,913	500	0
Extended Cycle Track	0	1,035		1,035	0	0
Rough Sleeper Accomodation Grant	0	111		111	0	0
Green Homes Grant LAD Phase 2	776	-50		726	0	0
Grimsby and Immingham Flood Innovation	1,240	152		1,392	1,980	0
Grant St Car Park	3,393	-1		3,392	0	0
Sustainable Warmth	0	0	1,094	1,094	0	0
<b>TOTAL CAPITAL PROGRAMME</b>	<b>70,740</b>	<b>12,834</b>	<b>-3,001</b>	<b>80,573</b>	<b>60,106</b>	<b>29,847</b>



# Capital Programme Funding

Funding	2022/23 Approved Capital Programme	Slippage Requested from 2021/22	Changes to the Programme 2022/23	2022/23 Revised Capital Programme	2023/24 Revised Capital Programme	2024/25 Revised Capital Programme
	£000	£000	£000	£000	£000	£000
External Grants	30,832	6,331	5,246	42,409	31,808	9,350
Corporate Borrowing	39,467	6,349	-8,247	37,569	22,898	19,997
Capital Receipts	441	0	0	441	400	500
Revenue Contributions	0	0	0	0	0	0
Other Private inc S106	0	154	0	154	5,000	0
	<b>70,740</b>	<b>12,834</b>	<b>-3,001</b>	<b>80,573</b>	<b>60,106</b>	<b>29,847</b>