

## **CABINET**

<b>DATE</b>	14 <sup>th</sup> February 2024
<b>REPORT OF</b>	Cllr Stephen Harness, Portfolio Holder for Finance, Resources and Assets.
<b>RESPONSIBLE OFFICER</b>	Rob Walsh, Chief Executive, and Sharon Wroot, Executive Director Place and Resources
<b>SUBJECT</b>	2023/24 Q3 Council Plan Resources and Finance Monitoring Report
<b>STATUS</b>	Open
<b>FORWARD PLAN REF NO.</b>	CB/02/24/02

### **CONTRIBUTION TO OUR AIMS**

The Council Plan, and the Budget, Finance and Business Plan were adopted by Council in February 2023. The Council Plan sets out the key actions for North East Lincolnshire Council that contribute to the priorities of 'Stronger Economy, Stronger Communities'. The finance and business plans underpin delivery and focus on long-term financial sustainability.

### **EXECUTIVE SUMMARY**

This report provides key information and analysis of the Council's position at the end of Q3. Further detailed information is provided within the appendix to this report.

### **RECOMMENDATIONS**

It is recommended that Cabinet:

1. Notes the content of the report.
2. Refers the report to all Scrutiny Panels for further consideration and oversight.

### **REASONS FOR DECISION**

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

#### **1. BACKGROUND AND ISSUES**

##### **Council Plan Performance**

- 1.1 At the end of Q3 of the financial year the Council is making good progress in many areas of delivery. There remains an on-going challenge in relation to delivery within budget within some areas of Children's Services, however, this is improving.
- 1.2 The appendix to this report includes a red/amber/green (RAG) assessment for each area of the organisation for performance and finance. Previous reports also included an overarching assessment for each area. This has been removed following feedback from Scrutiny and a recognition that this was a

subjective assessment. At the end of Quarter 3, all areas are rated as green or amber for performance, and there is a mixture of red, green and amber for finance. An amber assessment means that the service area is under target, with plans to mitigate the risk of non-delivery within the financial year. A red assessment means that plans are in place over the term of the Medium-Term Financial Plan (MTFP), but there are pressures within the current financial year.

- 1.3 Where performance is rated red or amber, services are working to identify ways to mitigate the risk of non-delivery.
- 1.4 The report includes a snapshot of performance data taken from a live performance dashboard that shows progress against our 'Vital Signs'; the barometers that indicate progress. We are continuing to develop the dashboard to improve the way that data is presented, so that it is clearer about what 'good' looks like and there is a clear direction of travel, and we plan to launch a new version of the dashboard for 2024/25 to reflect a refresh of the Council Plan. The dashboard is published on our website and can be used by elected members and residents to view more detailed information that sits behind the headline indicators. [Council Plan – Our vision and aims | NELC \(nelincs.gov.uk\)](https://www.nelincs.gov.uk)
- 1.5 **Financial Position**
- 1.6 At the end of the third quarter of the 2023/24 financial year, the Council is forecasting a £3.2M overspend against its 2023/24 budget. This represents a significant improvement on the mid-year position which reported a £6.2M overspend.
- 1.7 Over the past quarter we have started to see early signs of restorative actions which are having a positive impact on levels of spend across service areas. Most notably, we have seen improvements within Children's services after a period of significant instability.
- 1.8 Indeed the Council is continuing to operate within its approved Treasury Management Strategy and all treasury management decisions are being taken with reference to agreed prudential indicators. Taking into account the rise in interest rates seen since 2022, we anticipate continuing to utilise short-term borrowing where possible to meet our borrowing requirement until longer term rates stabilise.
- 1.9 In terms of funding, additional business rates have been assumed following a review of the in-year position. This additional income is being used to support the Council's overall revenue position and cover additional pay award liabilities over and above the original set aside in contingency.
- 1.10 The Council does not operate in isolation from the communities and businesses it serves and we are continuing to carefully monitor the collection of local taxation given the challenges and wider impacts across the area. However, at this stage of the year, collection of local taxation is largely in line with the budget assumptions and as detailed within the council tax

base report.

- 1.11 The Council has received a one-year financial settlement from Government for 2024/25 with changes to the local government financial model and the review of fair funding now expected within the next parliament. An integrated budget, business plan and medium term financial strategy has been developed which outlines how the Council will deliver its agreed priorities and deliver change and transformation over the coming three years.
- 1.12 As part of the sign off of the budget in February, it will be necessary to review corporate and technical reserves to ensure there is sufficient capacity to deal with the risks and opportunities currently faced.

## **2. RISKS AND OPPORTUNITIES**

Key risks and opportunities are detailed with the appendix to this report.

## **3. OTHER OPTIONS CONSIDERED**

Not applicable to monitoring report.

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

The environment in which the Council is operating is challenging in terms of capacity to deliver our priorities within financial resources. It is important that the Council is transparent about the delivery of planned activities and any issues that affect delivery of the plans.

## **5. FINANCIAL CONSIDERATIONS**

- 5.1. The activities detailed within the plan were developed in conjunction with the agreed budget proposals for delivery within the approved budget envelope.
- 5.2. The financial environment in which the Council is operating remains challenging and this can impact on our capacity to deliver the change we need to achieve our aspirations and support the residents of the Borough.

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

- 6.1. The Council Plan is focussed on aspiration, innovation and ambition that will create better opportunities and outcomes for our children and young people to thrive and achieve their potential within North East Lincolnshire. The report provides details of the resources allocated towards children and young people across a wide range of services.
- 6.2. Impact assessments are undertaken for individual programmes and projects where required, including consideration of impact on Children Looked After and Care Leavers in accordance with the Corporate Parenting Pledge

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

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 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**

The report is to be forwarded to all scrutiny panels.

## **9. FINANCIAL IMPLICATIONS**

As set out in the report.

## **10. LEGAL IMPLICATIONS**

There are no direct legal implications arising from the above report. The referral to all scrutiny panels is prudent.

## **11. HUMAN RESOURCES IMPLICATIONS**

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

## **12. WARD IMPLICATIONS**

All wards.

## **13. BACKGROUND PAPERS**

Council Plan [nelincs.gov.uk/assets/uploads/2023/03/Council-Plan-2023-26.pdf](https://nelincs.gov.uk/assets/uploads/2023/03/Council-Plan-2023-26.pdf)

Budget, Finance and Business Plan 2023/24-2025/26 [5.-Budget-Finance-and-Business-PlanPDF-105KBicon-namepaperclip-prefixfa.pdf \(nelincs.gov.uk\)](https://nelincs.gov.uk/assets/uploads/2023/03/5.-Budget-Finance-and-Business-PlanPDF-105KBicon-namepaperclip-prefixfa.pdf)

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

Sharon Wroot – Executive Director Place & Resources

Joanne Robinson – Assistant Director Policy, Strategy & Resources

Guy Lonsdale – Assistant Director Finance

**Councillor Stephen Harness, Portfolio Holder for Finance, Resources and Assets.**

North East  
Lincolnshire  
Council.  
Council Plan  
Resources &  
Finance Report  
Q3 2023/24



**Stronger Economy: Stronger Communities.  
Together we can be stronger.**

Our Council Plan pledges to work with partners to invest in our people and our place.

# Introduction

The Council Plan 2023-26 states the ambitions of the Council and the priority programmes that underpin our strategic priorities of 'stronger economy, stronger communities'.

This report is a combined performance and budget report that is designed to inform elected members, residents and partner organisations about our progress in the delivery of the plan and the budget.

For each area of the business the report includes:

- The vision that describes our aspiration.
- Performance against our 'vital signs' indicators.
- Current budget position (revenue and capital where appropriate)
- A Red, Amber, Green rating for performance and finance.
- Highlights, exceptions and risk relating to delivery of our aims.

The report also includes corporate budget information that impacts across the organisation.

# Contents

Section	Page
Performance & Delivery overview	4
Finance Overview	6
Resources	13
Environment & Regulatory Services	18
Economy (Regeneration)	23
Economy (Housing Highways & Transport)	30
Children and Family Services	37
Adult Services	50
Public Health	54
Corporate Budget Information	60
Capital Programme	71

# Performance & Delivery overview (2)

Service Area	Performance RAG	Finance RAG
Resources	Green	Green
Environment & Regulatory Services	Green	Green
Regeneration	Green	Amber
Housing, Highways & Transport	Amber	Red
Safeguarding, Early Help & Regulated Services	Amber	Red
Education & Inclusion	Amber	Amber
Safer & Partnerships	Green	Green
Adult Services	Amber	Amber
Public Health	Green	Green

**Key:**

**Green**  
As planned.

**Amber**  
Under target with plans in place to mitigate risk of non-delivery within this financial year.

**Red**  
Under target, longer term plans are in place to mitigate within the Medium-Term Financial Plan (MTFP) period.



# Performance & Delivery Overview

This report is structured by each area of the organisation, detailing financial performance, performance against the 'vital signs', achievements in this quarter, challenges and risk.

**Performance information** is shown in the report by way of a snapshot taken from a live performance dashboard. **The live dashboard enables you to access further detailed information such as trends and comparison with statistical neighbours.**

The link to the dashboard is on our Council Plan website here: ([www.nelincs.gov.uk/your-council/council-plan-vision-and-aims/](http://www.nelincs.gov.uk/your-council/council-plan-vision-and-aims/))

The table on the next page provides a Red/Amber/Green assessment for each area of the organisation for performance and finance. Previous reports also included an overall RAG assessment by area, this has been removed following feedback from scrutiny, as it was a subjective assessment of the overall area.

Delivery of the priorities identified within the Council Plan remains challenging in terms of our capacity to support a number of large-scale projects including the transformation of our Children's and Adult's Services, high profile regeneration works, and increasing demand in the day-to-day business of demand-led services.

Where projects are externally funded, we have built in resource to provide additional capacity, in areas such as project management, legal and procurement. There is an on-going challenge in terms of recruitment of suitably qualified and experienced staff in some areas. This is being mitigated through a programme of 'growing our own' through graduate roles and apprenticeships that will take some time to reach fruition, and dedicated work to improve our recruitment marketing, showcasing North East Lincolnshire as a great place to live and work, and the Council as an employer of choice.

In addition to our internal measures of performance, the **Office for Local Government (OfLog)** is developing a dashboard of comparator performance information for North East Lincolnshire.

The published data relates to a mix of the 2021-22 and 2022-23 financial years and can be filtered to compare the Council's performance with our statistical neighbours, or with all authorities in England with these responsibilities. This is an on-line tool that is available here: [Home - Local Authority Data Explorer - GOV.UK](#)

During 2023/24 OfLog has continued to develop the number of areas reported and the range of datasets used for each area.

Information on the OfLog website now includes data pertaining to :

- Waste Management
- Planning
- Adult Social Care
- Roads
- Adult skills (regional data)
- Corporate and Finance.

# Financial Overview

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At the end of the third quarter of the 2023/24 financial year, the Council is forecasting a £3.2M overspend against its 2023/24 budget. This represents a significant improvement on the mid-year position which reported a £6.2M overspend.

Over the past quarter we have started to see early signs of restorative actions which are having a positive impact on levels of spend across service areas. Most notably, we have seen improvements within Children's services after a period of significant instability.

Nevertheless, the socio-economic environment in which the Council is operating remains challenging with higher than anticipated inflation impacting on key contracts, additional demand for Council services and more general workforce pressures in terms of pay and recruitment.

Despite financial pressures, the Council is continuing to take a more commercial approach through its capital programme and investments are supporting the Council's strategic objective of enabling the growth of a strong and sustainable economy. Major investments such as the redevelopment of Freshney Place and Riverhead Square are progressing well and will support the Borough at a time of economic challenge.

Importantly, the capital programme remains under ongoing review to ensure it reflects current priorities and projects remain viable. This approach will help to ensure any borrowing the Council undertakes remains affordable, sustainable and prudent.

Indeed the Council is continuing to operate within its approved Treasury Management Strategy and all treasury management decisions are being taken with reference to agreed prudential indicators. Taking into account the rise in interest rates seen since 2022, we anticipate continuing to utilise short-term

borrowing where possible to meet our borrowing requirement until longer term rates stabilise.

In terms of funding, additional business rates have been assumed following a review of the in-year position. This additional income is being used to support the Council's overall revenue position and cover additional pay award liabilities over and above the original set aside in contingency.

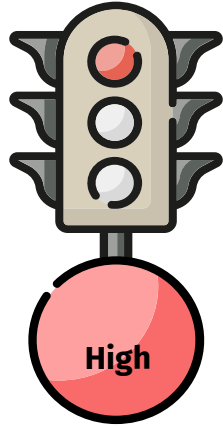
The Council does not operate in isolation from the communities and businesses it serves and we are continuing to carefully monitor the collection of local taxation given the challenges and wider impacts across the area. However, at this stage of the year, collection of local taxation is largely in line with the budget assumptions and as detailed within the council tax base report.

The Council has received a one-year financial settlement from Government for 2024/25 with changes to the local government financial model and the review of fair funding now expected within the next parliament. An integrated budget, business plan and medium term financial strategy has been developed which outlines how the Council will deliver its agreed priorities and deliver change and transformation over the coming three years.

As part of the sign off of the budget in February, it will be necessary to review corporate and technical reserves to ensure there is sufficient capacity to deal with the risks and opportunities currently faced.

**Sharon Wroot – Executive Director, Place and Resources (Section 151)**

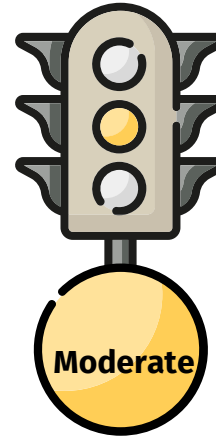
# Financial Outlook



The current Medium Term Financial Plan (MTFP) showed an opening gap in future years when it was approved in February 2023. The opening MTFP gaps were £8.7M (2024/25) and £7.1M (2025/26).

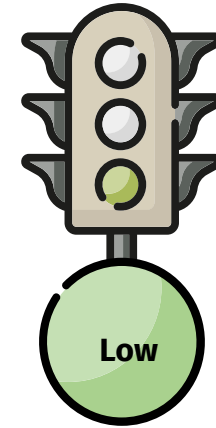
Pay represents a significant element of the Council's cost base. The 2023/24 pay award has now been finalised and increased costs by £3.6M. Future years pay awards remain a significant risk for the Council over the MTFP.

Inflation continues to affect Council finances, particularly inflation linked contracts. RPI for December 2023 was 5.2%, a slight decrease on the previous month at 5.3%. Although it is likely this wave of high inflation peaked at 14.2 percent in October 2022, inflation is still much higher previously seen. Whilst inflationary contract uplifts are included within service budgets, these exceptional rates are estimated to cause an additional pressure within 2024/25.



Energy costs also represent a risk to the Council, particularly given recent volatility of price due to increased demand and reduced supply. Market conditions have begun to move favourably but it is still significantly higher than in late 2021 before the energy crisis hit. These more favourable market conditions have meant that we have seen our forecast energy pressure reduce by approximately 60%. Energy costs will continue to be closely monitored as the unpredictability continuing with analysts predicting prices to increase again during the coming months.

Interest rates started to climb in 2022 as the Bank of England responded to increasing concerns regarding inflation in the UK economy. This has created pressures for the Council in future years in terms of its anticipated borrowing costs. The Council's capital programme continues to be reviewed and reprioritised in light of these issues.



The 2024/25 Provisional Local Government financial settlement again covered a single year. Longer term changes to the local government financial model, including fair funding and business rate retention, were once again postponed as part of the Settlement announcement.

The provisional settlement has provided the Council with a real term increase in funding of 6%, after taking into account additional tax raising powers.

The draft settlement assumes a council tax referendum limit of 3% and the flexibility to apply a further 2% Social Care Precept to meet extra cost and demand-led pressures. provided the Council with a real term increase in funding of 6%, after taking into account additional tax raising powers.

# Revenue Budget Overview

£3.2M

Total Revenue  
Forecast Overspend

£5.5M

Service Budgets  
Forecast Variance

3.1%

% Representation of  
Service Budget  
Overspend to Net Budget

## Revenue Overview Comments:

The forecast £3.2M overspend largely reflects the ongoing challenges being experienced in relation to Children’s safeguarding.

We are starting to see early signs of restorative actions impacting the levels of spend, which has led to further reductions in the current projections.

Please see next page for description of movement between original and revised service budgets.

REVENUE	Original Approved Budget £'M	Revised Budget £'M	Forecast £'M	Variance	£'M
Resources	4.2	7.3	7.1		(0.2)
Environment	15.1	18.1	18.1		0.0
Economy & Growth	26.5	27.2	27.8		0.6
Children & Family Services	56.9	61.0	65.8		4.8
Public Health	1.1	1.4	1.4		0.0
Adult Services	54.7	60.2	60.5		0.3
	<b>158.5</b>	<b>175.2</b>	<b>180.7</b>		<b>5.5</b>
Corporate Budgets	8.0	3.2	3.6		0.4
	<b>166.5</b>	<b>178.4</b>	<b>184.3</b>		<b>5.9</b>
Earmarked reserves	0.9	(8.3)	(9.5)		(1.2)
School Balances	0.0	(1.6)	(1.6)		(0.0)
<b>Total</b>	<b>167.4</b>	<b>168.5</b>	<b>173.2</b>		<b>4.7</b>
Funding	(167.4)	(168.5)	(170.0)		(1.5)
<b>Net</b>	<b>(0.0)</b>	<b>0.0</b>	<b>3.2</b>		<b>3.2</b>

# Revenue Budget Movement Overview

## Revenue Overview Comments:

During the financial year, budgets continue to move to reflect service and structural changes.

The following table highlights the budget virements over £0.35M requiring approval within service areas during the current financial year.

BUDGET ADJUSTMENT DESCRIPTION	Resources £'M	Economy & Growth £'M	Childrens & Family Services £'M	Environment £'M	Public Health £'M	Adult Services £'M
<b>Budget Transfers between Services</b>						
Agreed National Joint Council (JNC) Pay Award Budget Allocation	1.13	0.14	1.60	0.69	0	0
Dept for Health & Social Care (DHSC) Additional Funding Allocation						1.19
<b>Earmarked Reserve (EMR) Adjustment/Utilisations</b>						
Utilisation of the Business Rates Retention (BRR) and Eating Disorder EMR	0.02		0.20	2.00		
<b>Total Service Budget Movement</b>	<b>1.15</b>	<b>0.14</b>	<b>1.802</b>	<b>2.69</b>	<b>0</b>	<b>0</b>

# Capital Budget Overview

(£2.1M)

Capital Forecast  
Underspend

3.13%

% Representation of Service  
Capital Underspend to Approved  
Programme

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Resources	16.2	15.3	(0.9)
Environment	9.3	8.6	(0.7)
Economy & Growth	37.3	36.8	(0.5)
Children & Family Services	4.4	4.4	0.0
Public Health	0.0	0.0	0.0
Adult Services	0.0	0.0	0.0
<b>Total Capital Budgets</b>	<b>67.2</b>	<b>65.1</b>	<b>(2.1)</b>
Funding	(67.2)	(65.1)	2.1
<b>Net</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Capital Overview Comments:

The forecast underspend of £2.1M includes a £0.6M reprofiling request for the Childrens Services Platform due to a change in the planned procurement schedule.

In relation to the Depot Rationalisation project, £0.5M has been reprofiled as some works have been paused while a review of costs and scope of works has been undertaken.

The Cleethorpes Masterplan LUF - Sea Road project has seen £0.9m budget reprofiled as the tender process is being re-evaluated.

Full details of the prior capital reprofiling and programme adjustment requests are shown on the following page.

# Capital Movement Overview (Period 7-Period 9)

SCHEME	£M	REASON FOR REPROFILING
Clee HLF Townscape Heritage	(0.10)	Extended stakeholder engagement
Playing Pitch Re provision	(0.30)	Review of works for the Scartho Road element of the scheme
Cleethorpes Public Art	(0.04)	Minor reprofiling of spend
Cleethorpes Masterplan - Market Place LUF Scheme	(0.30)	Refined programme established after appointment of designer.
Towns Fund - St James House	(0.58)	Planning approved and contractor appointment imminent but major construction now more likely in 24/25.
Cleethorpes Masterplan - Sea Road LUF Scheme	(0.80)	Tender challenges relating to appointment of contractors have led to revisions in programme.
Cleethorpes Masterplan - Pier Gardens LUF Scheme	(0.65)	Refined programme established after appointment of designer resulting in reprofiling.
Play Zone	(0.01)	Minor slippage
Disabled Facilities Grants	(0.20)	Implementation of registered provider scheme
Housing Assistance Grants and Loans	(0.10)	Reprofile budget into 24/25 to reflect latest spending plans
Corporation Rd Bridge Refurb	(0.44)	Overall increased cost of works reported to Cabinet requiring additional budget
A180 Structures	(0.43)	Reprofile budget into 24/25 to reflect latest spending plans and coordination of road works across network.
Schools - Devolved Formula Cap Grant	(0.12)	Transferred to schools backlog maintenance programme
Schools - Basic Need Sufficiency of Places	(2.57)	Delay to new primary school builds required reprofiling of budgets
SEND Special Prov Fund	(2.30)	Required reprofiling of budgets to match new spending plans
Audio Visual System for Grimsby Town Hall	(0.07)	Commencement of procurement and implementation later than originally planned.
Heritage Assets at Risk	(0.50)	Reprofile budget into 24/25 to reflect updated spending plans
<b>Total</b>	<b>(9.52)</b>	

# Capital Movement Overview (Period 7-Period 9)

SCHEME	£M	REASON FOR REPROFILING
Heritage Action Zone	0.04	Recognition of additional allocation of external grant funding
A18 Laceby to Ludborough	(0.07)	Scheme now ended, remaining budget decommitted
Rough Sleeper Accom Grant	(0.01)	Reduced budget in line with final grant allocation for the scheme
Sustainable Warmth - new scheme	(0.32)	Scheme now ended, remaining budget decommitted
Bus Services Improvement Plan	0.67	Recognise full grant funding and budget approved
Swan House	0.25	External grant approved to fund new scheme
Capital Investment	(0.75)	Transfer of this investment capacity budget to fund new schemes approved
Capital Rec't Flexibility	4.00	Increase approved by Cabinet
Property Rationalisation Programme	0.28	Increased budget approved
Business Centre Improvement	(0.15)	Decommitment as scheme no longer viable
Bradley Replacement 3G Pitch	(0.04)	Scheme now ended, remaining budget decommitted
Fleet Replacement Programme	(1.44)	Recycling element decommitted as different service requirements moving forward. Supply chain issues.
Household Recycling Scheme	(0.06)	Scheme now ended, remaining budget decommitted
Depot Rationalisation	0.75	Additional budget approved via Cabinet in previous report
Urban Tree Challenge Fund	0.06	External grant approved to fund new scheme
LA Treescapes Fund	0.05	External grant approved to fund new scheme
Schools - Backlog Maintenance	0.01	£20k transferred from devolved capital allocations and £8k reduction to reflect actual basic need grant allocation
New Nursey Places	0.01	Increased budget using available grant funding
<b>Total</b>	<b>3.28</b>	



# Resources

## Vision

**To support the organisation in a way that is pro-active, flexible, efficient, and responsive to the needs of services, residents, partners and businesses and elected members, whilst ensuring that we have robust governance arrangements in place that mitigate the risk of financial, reputational, safeguarding and service delivery failure.**



# Revenue

# Resources Budget

**4.2%** Of Total Revenue Service Budgets

**(£0.2M)** Forecast Revenue Underspend

**2.7%** Variance as % Of Total Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Deputy s151	3.0	3.1	0.1
Law and Governance	1.8	1.6	(0.2)
Policy, Strategy and Resources	(0.9)	(0.7)	0.2
Assistant Chief Executive	1.7	1.7	0.0
Assistant Director People and Organisation	1.7	1.4	(0.3)
	<b>7.3</b>	<b>7.1</b>	<b>(0.2)</b>

VARIANCE ANALYSIS	£M
Pressures	0.8
Opportunities	(1.0)
Income Shortfall	0.0
	<b>(0.2)</b>

## Service Comments:-

Commercial estate continues to forecast an overspend due to increased utility costs and lower than anticipated occupancy. Work is on-going to improve occupancy. This area may be impacted by the asset disposal programme. ICT staff savings are being achieved through the capitalisation of staff costs for a number of major development projects. There are further savings across other areas due to staff vacancy management and utilisation of additional identified funding streams.

# Capital

**18.3%** Of Total Capital Programme

**(£1.6M)** Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Law Governance and Assets	0.0	0.0	0.0
Deputy S151	9.9	9.8	(0.1)
Policy Strategy and Resources	6.3	5.5	(0.8)
	<b>16.2</b>	<b>15.3</b>	<b>(0.9)</b>

## Service Comments:-

The underspend includes reprofiling of £0.6M within Childrens Services Platform project. The reprofiling is to align planned spend to the procurement payment schedule.

Apprentice Levy  
2023-24 YTD Spend

121.24%

Council Tax Collection  
Achieved 2023-24 (%) as at  
December (Higher is better)

79.70%

National Non-Domestic Rates  
Collection Achieved 2023-24 (%)  
as at December (Higher is better)

79.80%

Number of Live  
Community Asset  
Transfers

13

Freedom of Information cases referred to  
the Information Commissioner that are  
upheld 2023/24 (Lower is better)

0

Complaints referred to the Local  
Government and Social Care Ombudsman  
that are upheld 2023/24 (Lower is better)

5

The average attendance  
per full time employee  
(FTE) (Higher is better)

95.20%

Total RIDDOR Incident  
Rate (YTD) (Lower is  
better)

0.24

Percentage of capital  
programmes delivered  
(against revised budget)

95.43%

Current number of  
Graduates or  
Apprentices employed

154

M365 Project - Percentage  
of total number of Tasks  
Completed (Higher is better)

56.62%

Delivery of the Customer  
and Service Management  
Platform (Higher is better)

50.30%

# Resources

# Delivery of Priorities – Achievements, Challenges & Risks

Performance:

Green

Finance:

Green

## Overview of achievements this quarter:

**Business Support Re-design** – Trade Union and staff consultation and engagement has progressed well with good engagement. Consultation is on track to conclude 15th January, after which selection processes and individual consultation will begin. Implementation of the new structure is on track for 1st April 2024.

**People Strategy** – review of the People Strategy is underway for a refresh and relaunch April 2024.

**Procurement/Social Value** – our new Procurement Strategy and Social Value policy adopted by Cabinet in November and are now being implemented.

**ICT** – the procurement of the new **Children’s Services ICT** platform is being finalized following the tender exercise.

Implementation of the new **Customer Service Management Platform** is on-going. During the implementation the new platform runs alongside the older software as we migrate forms over. As of 19 December 2023, there were over 4600 customer registrations and circa 4000 cases created since April 2023 on the new forms.

Between April 2023 to December 2023, we have migrated 46 forms onto the new customer portal with circa 150 more forms to go. The initial forms have been the most complex. We aim to migrate all forms to the new platform by July 2024.

Following Cabinet approval of the business case for the implementation and development of a **new digital platform for the website** we have migrated the site to the cloud in order to improve security and performance.

**Assets** – the property rationalisation programme, which aims to reduce our carbon footprint and building costs, is on track for delivery as planned with staff moves taking place between January and March 2024. The capital receipt target for the property disposal programme was reduced for 2023/24 following the sale of SHIP land. The programme is on track to deliver the required target for both 2023/24 and 2024/25.

Following a review of energy costs across the estate, and a reduction in rateable value for one property, the forecast overspend for facilities management has reduced.

## Resources (2)

# Delivery of Priorities – Achievements, Challenges & Risks

### Key challenges:

There are capacity challenges relating to the speed of implementation and roll-out of key ICT systems as programmes are managed concurrently. Whilst each programme has dedicated project resource there is some overlap particularly where roles requiring specialist technical skills are difficult to recruit to.

Facilities management position has improved but there is still some volatility due to fluctuating utility costs, cleaning, ground maintenance and business rates. We are seeking to mitigate the overspend where possible, for example, through potential grant funding opportunities to introduce measures to reduce energy costs.

There is an on-going pressure relating to the commercial estate due to a combination of increased costs and under-occupancy of premises. This is being actively managed, including identifying some premises for potential disposal where it makes financial sense to do so.

Recruitment of experienced staff into professional roles is a challenge across Resources. We have implemented training and development opportunities aimed at 'growing our own' for the future in most areas.

### Risks to non-delivery:

At this point there is no significant identified risk of non-delivery of Resources priorities detailed within the Council Plan

# Environment & Regulatory Services

## Vision

**North East Lincolnshire to lead the way towards a green future.**

**We recognise that we are part of a larger system of change and need to work with others to achieve a sustainable future for our place. We must prioritise our actions so that we use our resources in the best way to have the greatest impact. We will do this by considering our strengths as an organisation and sphere of influence, to guide where our resources are best placed.**



# Revenue

# Environment Budget

10.3%

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
Environment	18.1	18.1	0.0

VARIANCE ANALYSIS	£M
Pressures	0.0
Opportunities	0.0
Income Shortfall	0.0
	<b>0.0</b>

## Service Comments:-

The Service continues to operate on an essential spending only basis, this coupled with the swift uplift in fees and charges for 23/24 has delivered a balanced position.

# Capital

13.8%

Of Total Capital  
Programme

(£0.7M)

Forecast  
Capital Underspend

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Environment	9.3	8.6	(0.7)

## Service Comments:-

Underspend relates to the depot and affordable funerals schemes. Both projects have been subject to review of scope of works to manage costs.

Number of Fly Tipping jobs  
logged this Calendar Year (Lower  
is better)

**2551**

Household recycling rate (target  
50%) (Higher is better)

**40.09%**

Amount of household waste  
diverted from landfill (target 90%)  
(Higher is better)

**99.96%**

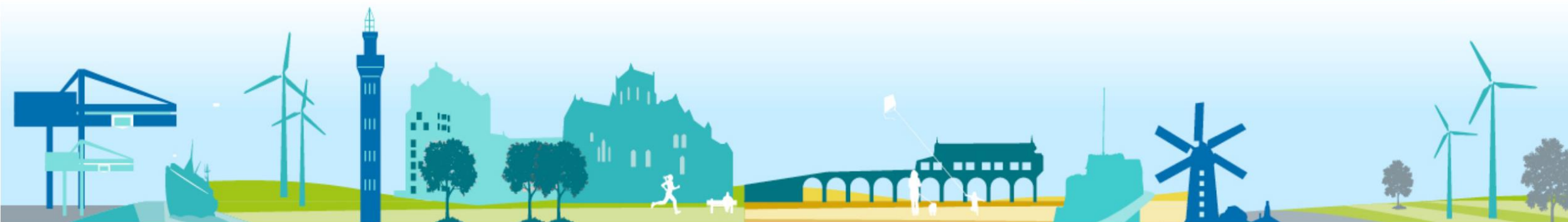
Visitor Numbers (estimated  
number of individual visits to the  
area) for 2022 (Higher is better)

**8.59M**

Carbon Reduction  
Information is in  
development

% Waste Collections Completed  
on Time 2023-24 (Higher is  
better)

**99.47%**





# Environment & Regulatory services

## Delivery of Priorities – Achievements, Challenges & Risks

Performance:

Green

Finance:

Green

### Overview of achievements this quarter:

**Decarbonisation plans in place for all our council buildings and a pipeline for future funding bids for energy efficiency works**

- Application submitted to the Phase 3c Public Sector Decarbonisation Fund for 9 of our buildings. Working with the funding provider following submission, outcome expected March 2024.

**Completion of single modern depot site by 2023/24 to deliver higher town centre footfall and more efficient service delivery.**

- The full refurbishment of the main office roof, soffits and facias was completed in Q3, Fleet services moved in to the new garage areas and work began on the new Grounds Maintenance building.

**Continue to improve recycling rates, reduce resources and contribute to a circular economy**

- Reviewing how best to engage with residents to minimise recycling contamination.

**Continue the programme of delivering behaviour change through robust enforcement and targeted communications.**

- Trading Standards surveillance work on illicit tobacco and illegal VAPES ongoing. Disposal of illegal products seized via incineration.
- New delivery partner WISE inducted into NELC and commenced services from 1st December 2023 to deliver street-based enforcement for littering and Public Space issues with 220 FPN's issued in Q3 including over 150 for littering.
- Cases heard in Magistrates Court include 2 x abandoned vehicles, 1 x fly tipping and 1 unauthorised waste transfer. Flytipping removed in Q3 353.
- Partnership enforcement for nighttime economy licensing visits, late night Taxi inspections and Roadside vehicle spot checks.

**An approved tree strategy and identification of sites and funding to improve our tree canopy cover**

- Funding bids submitted to Forestry Commission to increase tree canopy cover across the borough for new urban trees and trees to replace those lost to disease approved in November 2023.
- Launched 'Greening Up Our Place' Project during National Tree Week (November 25th – December 3rd 2023) to work with community groups and local volunteers on tree planting.
- In December 2023, Cabinet approved NELC's first Tree Strategy.
- **Revised Cleethorpes Habitat Management Plan, supported by Natural England**
- Revised version of the CHMP which includes the mitigation Strategy for the Local Plan submitted to Natural England for final consultation.

**Local Nature Recovery Strategy**

- Completed the first public survey on the Greater Lincolnshire Local Nature Recovery Strategy (LNRS), designed to manage nature's recovery in the coming years.

**Completion of the expansion of the port health service**

- Continue to work towards implementation of new Border Target Operating Model (BTOM) due to start on 30 April 2024. Working with DEFRA to secure additional funding to manage change.

## Environment & Regulatory services (2)

### Delivery of Priorities – Achievements, Challenges & Risks

#### Key challenges:

- Managing expectations about delivery of priority frontline services with finite resources and managing demand.
- External factors theft and vandalism on work schedules.
- Capacity.
- Securing external grant funding to progress decarbonisation plans through Salix Funding.
- Delays and changes to implementation dates of government Resource and Waste Strategy is impacting on progress towards improved recycling rates and funding.

#### Risks to non-delivery:

- At this point there is no risk of non-delivery of Environment and Regulatory Services priorities detailed within the Council Plan.



# Economy (Regeneration)

## *Vision*

***To promote the towns within North East Lincolnshire as great places to live, work, visit and stay, by revitalising our town centres, supporting the growth of existing businesses and attracting new investment.***

# Revenue

# Economy (Regeneration) Budget

1.9%

Of Total Revenue  
Service Budgets

£0.1M

Forecast Revenue  
Overspend

3.0%

Variance as % Of Total  
Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Regeneration	3.3	3.4	0.1
	<b>3.3</b>	<b>3.4</b>	<b>0.1</b>

VARIANCE ANALYSIS	£M
Pressures	0.6
Opportunities	(0.5)
Income Shortfall	0.0
	<b>0.1</b>

## Service Comments:-

Regeneration has robust controls in place across all revenue areas. There are interim pressures within the Freshney Place budget, but these are planned and expected as we vacate units in readiness for redevelopment.

27.5%

Of Total Capital Programme

(£0.7M)

Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Regeneration	18.5	17.8	(0.7)
	<b>18.5</b>	<b>17.8</b>	<b>(0.7)</b>

**Service Comments:-**

All the projects have been through the Council’s Business Development Framework process and have established governance arrangements in place, including external engagement for schemes that are in receipt of external funding.

The key challenges faced are cost inflation and supply chain pressures (in terms of securing materials and works). NELC is working closely with key intermediaries and constantly reviewing this situation.

The availability of project management resource, whether internal or external, continues to be a challenge and it is essential the right calibre of project management is in place to oversee what are in many instances complex and multi-faceted schemes. The AD for Regeneration is holding a further budget challenge meeting to challenge in year spend projections.

The underspend is mainly due to the Cleethorpes Master Plan LUF – Sea Road project. Tender challenges relating to the appointment of contractors have led to revisions of the programme.

Number of Businesses in rated premises (Higher is better)

5,609

Total rateable value of NEL business premises (Higher is better)

£156.74M

Gross weekly pay for full-time workers in NEL, as a % of England average (Higher is better)

97.07%

Net change of registered enterprises in North East Lincolnshire - 2022 (Higher is better)

-5

% of Economically Active People in Employment in NEL for the 12 month period to June 2023 (Higher is better)

72.50%

Number of workless households, January to December 2022 (Lower is better)

7445

Adult participation in learning for those both in and out of work across all qualification levels (Higher is better)

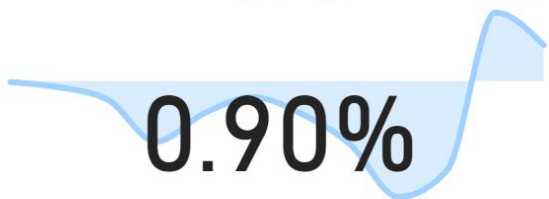
3050

Gross value added (GVA) per head (NEL) all industries for 2019 (Higher is better)

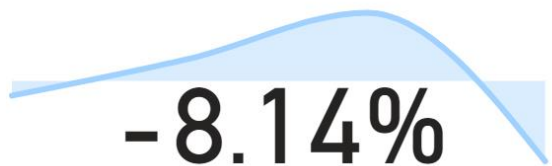
19810



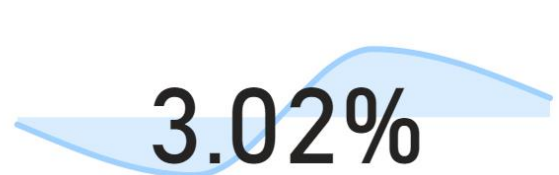
Rolling 12 month Year on Year Change for Footfall at Victoria Street, Grimsby (Higher is better)



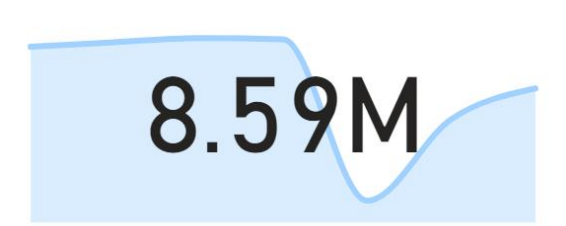
Rolling 12 month Year on Year Change for Footfall at The Promenade, Cleethorpes (Higher is better)



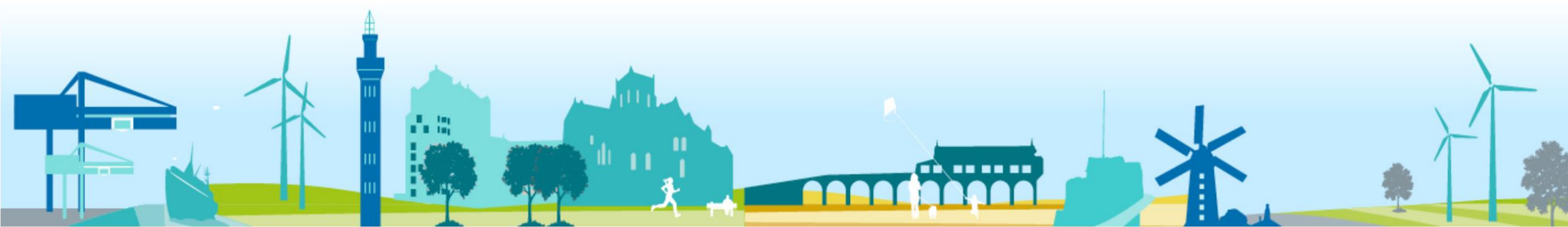
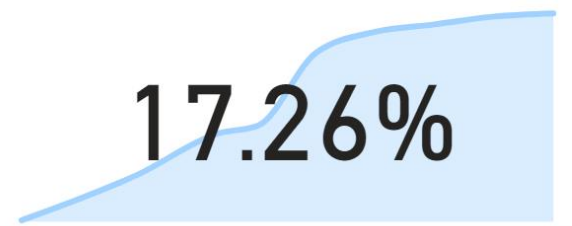
Rolling 12 month Year on Year Change for Footfall at St Peter's Avenue, Cleethorpes (Higher is better)



Visitor Numbers (estimated number of individual visits to the area) for 2022 (Higher is better)



Town centre units vacant for 6 months or longer (Lower is better)



# Regeneration

## Delivery of Priorities – Achievements, Challenges & Risks

Performance :

Green

Finance :

Amber

### Overview of achievements this quarter:

- Skills Action Plan short term actions being delivered. The progress made against the action plan will be reported to a joint scrutiny panel. These include collaboration with our partners to improve business and schools engagement and awareness of opportunities via skills events.
- UK Shared Prosperity Fund (SPF) Grimsby Town Centre Community Light switch on event at the end of Nov, successfully delivered, very well received and good impacts including increased footfall in the town centre.
- Work ongoing on the development of a draft Local Visitor Economy Partnership and Destination Management Plan for Greater Lincolnshire.
- Heritage Fund Dynamic Collection project commenced activities in December.
- Fantasia Fireworks event held at the end of October at the Meridian Showground which helps to extend the traditional tourism season and gives opportunities for local people to engage in events, and economic benefits for businesses.
- Businesses and community groups continue to be supported through UK Shared Prosperity Fund, with £1.4m committed to projects since the launch in March 2023. A further 10 projects approved through the People and Skills strand, totalling £600,000.
- Grimsby announced as one of 10 pilot towns for the High Street Accelerator Fund (£237,000) and one of the 55 Long Term Plan for Towns Fund areas, a £20m programme over 10 years.
- Department for Levelling Up, Housing and Communities (DLUHC) and Treasury visit to the Humber Freeport sites, NEL's three Freeport Seed Capital projects approved at the Freeport Board.
- £250,000 secured from Heritage Fund for delivery of Create North East Lincolnshire.
- Our Future Starts Here, curated by The Culture House, took place at Projekt Renewable in October.
- 25 grants were offered to local creatives through Create North East Lincolnshire programme
- Planning application approved in October for the St James House development. Tender process being undertaken.



## Regeneration (2)

# Delivery of Priorities – Achievements, Challenges & Risks

### Overview of achievements this quarter:

- Engagement with Historic England to continue success of the completed Heritage Action Zone.
- Freshney Place Pre-Contract Services Agreement continued delivery including asbestos removal and soft strip out of the former BHS building.
- Playing pitch & outdoor sport facilities developments continue with the delivery of the Clee Fields project and refurbishments of tennis courts across several park sites with Lawn Tennis Association grant funding.
- Tender process to secure a contractor for the new Sea Road building commenced.
- Tender process to secure a design team for Pier Gardens commenced.
- Tender process to secure a design team for the new Cleethorpes Market Square scheme completed.
- Preparation for the review of the library and archives service has progressed, including the development of phase one of public consultation.

### Key challenges:

- Some projects are in the development and design stage. Wider inflationary pressures are a cost risk and there is some mitigation in place by way of enhanced contingency. Most projects will have been tendered by the end of the financial year and that will bring greater cost certainty.
- Q3 footfall for Cleethorpes promenade was down by 2% in comparison to Q3 2022. Whilst we would anticipate good footfall during the October half-term, there were a few days of rain and it was colder than the same week in 2022. The retail areas of St Peters Ave in Cleethorpes saw a 1% increase in Q3, compared to Q3 2022. During this quarter, footfall in Victoria St, Grimsby was down slightly (by 1%) versus last year
- Maintaining appropriate levels of project management and supporting resource.
- Some additional pre-design development work has meant some delays to moving to final design prior to engaging contractors on some projects.
- The wider financial climate represents a potential challenge to the overall ambition of projects .

### Risks to non- delivery:

Ongoing inflationary pressures are meaning both material and labour costs continue to increase. This presents a risk to the scope of any project wherever it may be. The primary mitigation measure is to include enhanced inflation contingency and, if necessary, explore value engineering opportunities.

# Economy (Housing, Highways & Transport)

## Vision

**To responsibly support the economic development and growth of the borough through sustainable infrastructure and travel and by delivering housing, that meets residents needs and aspirations, promoting health and wellbeing – all underpinned by the effective and efficient use of council owned assets and resources delivering positive services/outcomes for NEL and its residents.**



Percentage of repairs to dangerous highways within 24 hours of notification for 2023-24 Oct-Dec (Higher is better)

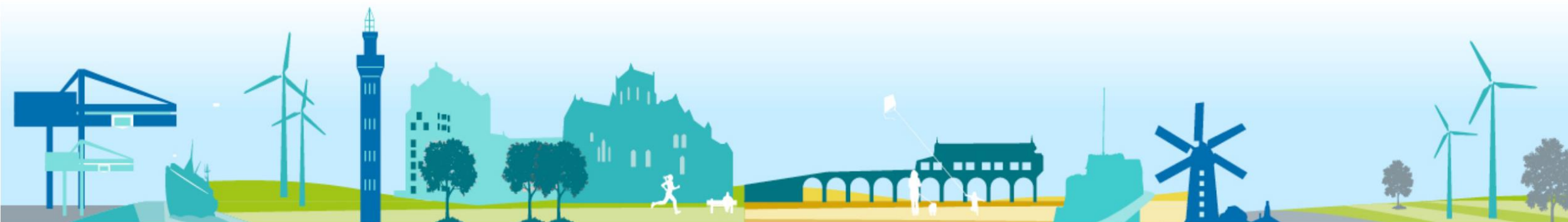
**98%**

Percentage spend of LTP allocation for 2023-24 Oct-Dec (Higher is better)

**56%**

Capital spend on Road Safety for 2023-24 Annual

**£14,136**



## Revenue

13.6%

Of Total Revenue  
Service Budgets

£0.5M

Forecast Revenue  
Overspend

2.1%

Variance as % Of Total  
Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Housing, Highways and Transport	23.9	24.4	0.5
	<b>23.9</b>	<b>24.4</b>	<b>0.5</b>

VARIANCE ANALYSIS	£M
Pressures	1.6
Opportunities	(1.1)
Income Shortfall	0.0
	<b>0.5</b>

### Service Comments:-

**In Scope Contract** - ongoing overspend of £0.4m from a higher than budgeted inflation rate that directly impacts the cost of the contract.

**Home Options** - one off overspend of £0.9m due to the purchase of Swan House and delays in opening the facility. Netted off against this is an underspend of £0.7m on commissioned accommodation service under the Supporting People service area. Works are taking place to review the spend and potentially capitalise some initial costs that can be funded through external grant approved for use on Swan House capital costs.

## Capital

28.0%

Of Total Capital  
Programme

£0.2M

Forecast Capital  
Overspend

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Housing, Highways and Transport	18.8	19.0	0.2
	<b>18.8</b>	<b>19.0</b>	<b>0.2</b>

### Service Comments:-

**Housing Grants & Loans** – Currently awaiting Compulsory Purchase Order (CPO) approval due Jan 24, budget of £0.1m to be slipped into 24/25.

**Accelerated Construction** – Overspend of £0.2m forecast from additional works and services, ultimately the scheme will help generate capital receipts that will provide additional funding for the Council.

Net New Homes for  
2023-24 Year to Date  
(Higher is better)

**407**

Proportion of households  
fuel poor, 2021 (Lower is  
better)

**18.39%**

Number of rough sleepers  
identified in the borough as at  
March 2023 (Lower is better)

**10**

Interventions to bring homes up to the  
Decent Homes Standard conducted in  
2023-24 Annual (Higher is better)

**213**

Temp accommodation  
placements as at March  
2023 (Lower is better)

**85**

Number of properties empty for  
Between 6 Months and 2 Years as at  
November 2023 (Lower is better)

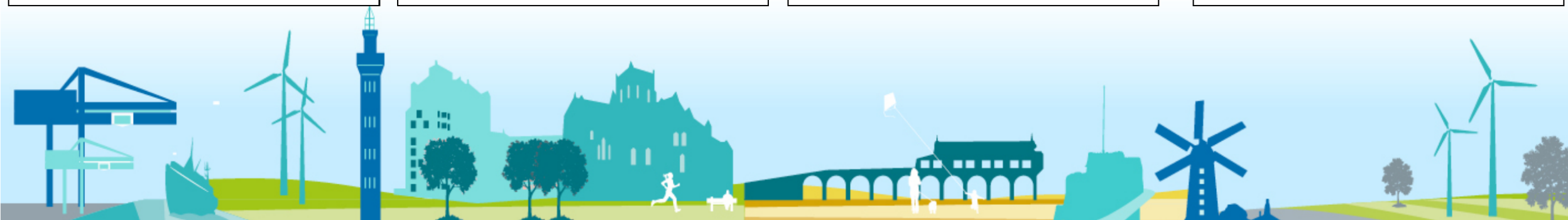
**1323**

Number of properties empty for  
Over 2 Years as at November  
2023 (Lower is better)

**823**

Percentage of Disabled Facilities  
Grant referrals complete/in  
progress (Higher is better)

**48.26%**



# Housing Highways & Transport

## Delivery of Priorities – Achievements, Challenges & Risks

Performance:

Amber

Finance:

Red

### Overview of achievements this quarter:

- The Corporation Bridge project started on site on 6th February 2023. Restoration works are progressing, with the majority of the steel base plates exposed and detailed inspection on the condition completed. Scaffolding has been installed to allow an inspection of the underneath of the bridge. The initial inspection has identified the condition of the underneath has deteriorated greater than previously believed and additional surveys are ongoing to determine the extent of the deterioration and confirmation of what additional works are required. These additional works will mean the project will have the programme extended to enable the works to be undertaken (Full condition report expected Spring 2024) When the full extent of the additional works is known, the programme will be adjusted to accommodate. The council have identified additional funding to introduce a lighting scheme to the bridge, which is being progressed and will be erected and operational by the end of the project. Additional project management resource has been provided to the project to strength governance.
- The Local Transport Plan (LTP) three-year programme has been agreed with the Portfolio Holder (PfH). The 2023/24 programme is in progress, with 35 schemes and with an expected successful completion on all schemes. 2024/25 programme will be reviewed in November to January to seek PfH approval in February 2024 to allow early mobilisation and longer lead in time to develop the schemes.
- Devolution preparation work has begun around the transport theme, an initial workshop has been held to discuss LTP alignment and to scope the provision of bus services and BSIP.
- Bus Service Improvement Plan (BSIP) has been adopted in February 2023. The programme of activity has been reviewed and agreed with Department of Transport (DfT) and is currently being delivered in conjunction with Stagecoach. An example of one of the improvements, is the introduction of CCTV, to George Street, Riverhead and Town Hall street where the existing bus shelters in the town centre are located. The CCTV is monitored by our Security control room and will provide reassurance to bus users that the shelters are being monitored to deter crime and Anti Social Behaviour (ASB) activity. Further proposals around bus fare discounts are being progressed with PfH in Feb 24 which include discounted youth fares and an extension of the £1 fare cap.

## Housing Highways & Transport (2)

### Delivery of Priorities – Achievements, Challenges & Risks

#### Overview of achievements this quarter (cont):

- A180 Structures project will see vital improvement to three major bridge structures on the main access road to Grimsby. The scheme will see the completion of the bridge repairs and carriageway surfacing works to the A180 between Pyewipe roundabout and Riby Square, utilising allocated funding from the Department for Levelling Up, Housing and Communities (DLUHC) and Council capital funding. The works will be completed in two phases, with the bridge at Gilbey and Cleethorpes Road completed at the same time with the third bridge (Alexandra Dock) completed on completion of phase one. Phase one is planned to start on site in March 2024.
- Western and Matthew Humberston former school sites disposals are both ongoing and proceeding. These schemes combined will deliver over 350 new homes.
- The Council are working hard to avoid using Bed & Breakfast/Hotel; however, this is challenging due to a shortage of available properties several lease agreements are being finalised to secure more cost effective temporary accommodation.
- Following a review of empty properties in the Borough, two initiatives have been adopted to tackle the problem that will target over 900 empty properties. These include a data cleanse exercise to establish occupied status of properties that have been empty between 120 and 300 days, and a targeted letter distribution to properties empty for under 2 years and are due to fall into a council tax premium category. The letter signposts property owners to available advice and assistance from the Housing team.
- Swan House has welcomed its first 7 tenants at the beginning of January further work is underway to improve the accommodation and provide a support package for tenants with more complex needs.
- Housing Strategy successful through scrutiny and full consultation period now complete. Approximately 140 responses to the consultation to review and consider. Overall positive contributions gained through the consultation and scrutiny. Final version of the strategy is to be present to cabinet within quarter 4 23/24

# Housing Highways & Transport (3)

## Delivery of Priorities – Achievements, Challenges & Risks

### Key Challenges

- There is an on-going challenge to meet homelessness requirements. This is a demand-led service and there is a shortage of available properties. We continue to explore all options to reduce reliance on Bed & Breakfast/Hotel accommodation. Swan House coming on line and temporary accommodation leases agreements across the borough will help to ease this pressure.
- In terms of highways and transport programmes, the wider financial climate in terms of inflation and cost of materials continues to be a risk.
- There are challenges to deliver new homes within the timescales set out in the Homes England Grant Funding Agreement for both the Western and Matthew Humberston sites. NELC are continuing discussions with Homes England to mitigate any risk.
- Devolution will create a challenge around resources to ensure NELC priorities and interests are heard regionally.

### Risks to non-delivery:

- As referred to above, ongoing inflationary pressures are meaning both material and labour costs continue to increase. This presents a risk to the scope of any project wherever it may be. The primary mitigation measure is to include realistic contingency budgets for all programmes.
- In terms of housing, there are risks relating to securing properties that we have identified as a way of mitigating our pressures relating to homelessness. We are working closely with colleagues in Legal Services to secure these properties as swiftly as possible.



# Children and Family Services 'Our children our future'

## ***Vision***

***Children, young people and their families are at the centre of all we do .and we want North East Lincolnshire to be a place our children can grow up happy and healthy, safe in their homes, with people that love them. We are ambitious for a child's future with a focus on learning and aspiration so they can be the best they can be throughout their lives.***

***By being stronger together, we can achieve our vision of 'Our Children, Our Future'Children Our Future'***



**34.8%** Of Total Revenue Service Budgets

**£4.8M** Forecast Revenue Overspend

**7.9%** Variance as % Of Total Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Safer and Partnerships	2.3	2.3	0.0
Education and Inclusion	10.8	11.2	0.4
Safeguarding and Early Help	13.9	14.5	0.6
Director Childrens Services	(3.3)	(3.3)	0.0
Women, Childrens and Families	1.1	1.1	0.0
AD Regulated Provision	36.2	40.0	3.8
<b>Total Children's &amp; Family Services</b>	<b>61.0</b>	<b>65.8</b>	<b>4.8</b>

VARIANCE ANALYSIS	£M
Pressures	5.0
Opportunities	(0.8)
Business Plan Shortfall	0.6
	<b>4.8</b>

**Service Comments:-**

The latest forecast outturn position for Childrens Services is £4.8m overspend, a net improvement of (£2.3m) against Quarter 1, as action to address the pressures has taken effect.

Education and Inclusion - £0.6m pressure is forecast within home to school transport. The main transport review needs re-establishing across all areas to ensure there is a systematic approach to planning and managing transport provision. The implementation of the Delivering Better Value (DBV) programme will ultimately reduce spend across SEN and reduce transport costs over the next 5 years. We would need to be mindful of the EP service budget in future months. The existing SLA work will be impacted as we focus on our EHCP timeliness.

Safeguarding and Early Help - the service is in the process of reconfiguration and there is still a requirement to utilise project teams, agency social workers and team managers to ensure statutory duties are met, which is creating a budget pressure of £0.6m.

Regulatory Services - the main pressures are from high-cost out of area placements and supported housing (£3.6m) and reducing demand for independent foster care, now underspending (£0.2m) as well as a further agency staffing pressure (£0.6m).

We are starting to see signs of restorative actions impacting the levels of spend, which has led to a reduction in the current projections. The activity focus for the coming months will be on placement costs and children in care.

6.6%

Of Total Capital Programme

(£0.0M)

Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Childrens & Family Services	4.4	4.4	0.0

**Service Comments:-**

The delay of the two new primary schools has led to capital funding being slipped to 2024/25, as shared in previous reporting. The schools are now planned to open in 2025, as opposed to 2024.

Number of Children In Need (CIN) (all open cases) as at 31/12/2023 (Lower is better)

**1801**

Number of children on a Child Protection (CP) plan as at 31/12/2023 (Lower is better)

**266**

Number of Children Looked After (CLA) as at 31/12/2023 (Lower is better)

**522**

Number of cases open to Early Help (EH) as at 30/09/2023 (Lower is better)

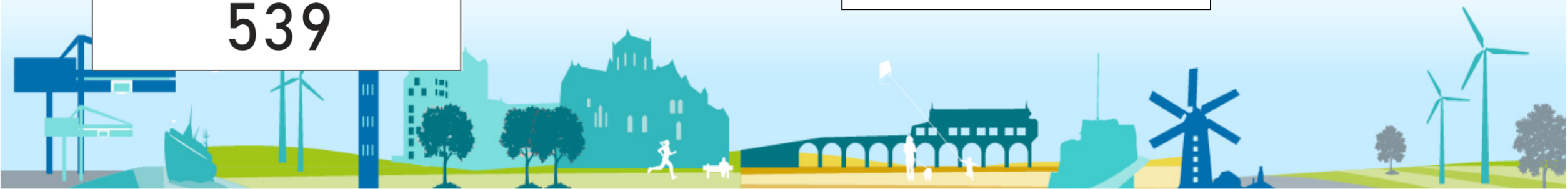
**539**

Mainstream foster carers recorded for 2023 (Higher is better)

**98**

Average caseload for qualified Social Workers as at December 2023 (Lower is better)

**19**



# Safeguarding, Early Help & Regulated Services

## Delivery of Priorities – Achievements, Challenges & Risks

Performance :

Amber

Finance :

Red

### Overview of achievements this quarter:

North East Lincolnshire Children Services continues its transformation and improvement journey, with the appointment of a new Director of Children’s Services who commenced in post in December 2023, along with a Service Director Safeguarding Family Help and Youth Justice, a Service Director Regulated Services, and a Head of Children’s Strategy Vision and Evaluation. Six Deputy Service Directors have also been appointed and will commence in post by end February 2024

Key achievements in the period are:

#### Improving Outcomes For Children

- **Ofsted Monitoring Visit January 2024:** Permanence was the subject of this monitoring visit. The feedback will be published on 21 February 2024.
- **Family Hubs:** The Family Hubs and Start for Life universal offer continues to develop with an increased number of groups and activities across the four current sites delivering; and parental feedback is very positive.
- **Integrated Front Door:** Integrated Front Door has seen a reduction in safeguarding referrals and an increased in contacts for family help. This follows the launch of the new Early Help Strategy and assessment, as well as the multi-agency referral form being switched off. The quality of referrals continues to improve enabling informed, timely decision making for children.
- **Populations and demand:** Children in care population and children placed externally continues to reduce.
- **YOUUnique awards:** The YOUUnique awards were held in November 2023 which were well attended and well received, not least as an opportunity to acknowledge and celebrate the achievements of our children in care and care leavers, and those who care and support them.

# Safeguarding, Early Help & Regulated Services (2)

## Delivery of Priorities – Achievements, Challenges & Risks

### Overview of achievements this quarter (cont):

#### Stable & Resilient Workforce

- **Children's Vision:** Building on collaborative working to date, a new vision of 'Our Children Our Future' has been developed and there are further opportunities to roll this out across Children's Services, the Council and the wider partnership, to be underpinned by strategic planning, governance and reporting processes.
- **Children's Services Workforce:** The initial scope has focussed on creating a competitive offer and salary, alongside a clear progression criteria for social workers, as well as creating additional capacity to develop a sustainable infrastructure to ensure a safe system across the scope of children's services.

### Key challenges:

We are aware that we must continue improving across all areas and drive quality to ensure we are improving outcomes for children and young people in North East Lincolnshire. Key challenges across the two priority areas:

#### Improving Outcomes For Children

**Foster carers:** There is a continued focus on reviewing and refining the foster carers financial policy to take account of the skills and current knowledge as well as foster carers commitment to their learning and development

**Care Leavers:** Work is underway to review the supported accommodation offer to care leavers as part of the refresh of the care leavers offer

**Sufficiency:** There is a focus on finalising and launching the sufficiency strategy for children in care and care leavers, which will be underpinned by a robust delivery plan. This will enhance sufficiency landscape to enable children and young people to be in a family care setting and in our local community wherever possible

# Safeguarding, Early Help & Regulated Services (3)

## Delivery of Priorities – Achievements, Challenges & Risks

### Key challenges (cont):

**Permanence:** We are focussing on developing our tracking systems across the scope of the children’s system, and there is a focus on ensuring clear permanency plans for all children in care, as well as enhancing management oversight to ensure the timeliness of plans and to avoid drift and delay

#### Stable & Resilient Workforce

**Supervision:** While it is recognised that the compliance measures of supervision have increased, there is an amplified focus on further improving the timeliness and quality of provision

**Corporate Parenting:** Work is underway to raise awareness of corporate parenting and further develop the corporate parenting offer across Children's Services, the wider Council and the wider partnership. A self-assessment is being undertaken which will help to shape and influence the corporate parenting arrangements

**Partnerships:** Work is commencing to review and refresh the local arrangements, to take account of Working Together 2023, and to further develop the infrastructure and associated workstreams. There are also opportunities to review, refine and refresh the partnership governance arrangements across corporate parenting, youth justice and SEND to provide the environment for high support and high challenge

### Risks to non-delivery:

We are aware as a service of the need to transform and improve quality across the board.

We have begun that journey but are aware of the challenges that this type of transformation brings.

To mitigate the risk of non-delivery, we continue to work with partners from Lincolnshire County Council and the Department for Education, to develop a plan of rapid but sustainable change. We have also implemented clear governance arrangements, to ensure that there is robust challenge and quality assurance across the programme.

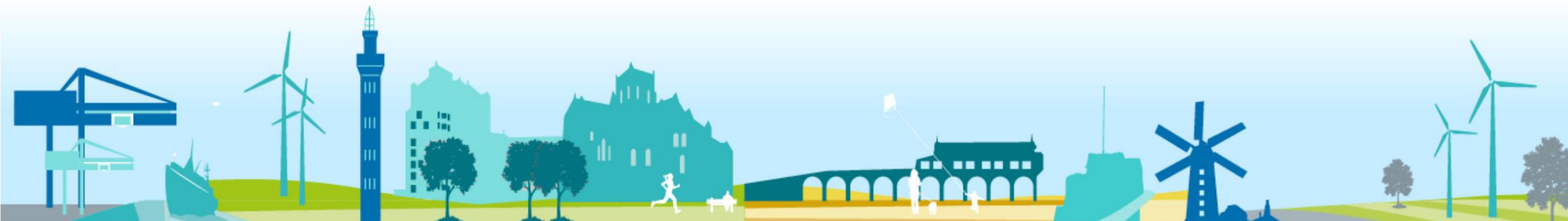
% Not in Education, Employment  
or Training (NEET) as at  
November 2023 (Lower is better)

**7.0%**

Early years; key stage 2  
and key stage 4  
outcomes  
indicators/progress  
scores

Total number of Education, Health  
and Care Plans open in the month  
for June 2023 (Lower is better)

**1564**





# Education & Inclusion

## Delivery of Priorities – Achievements, Challenges & Risks

Performance :

Amber

Finance:

Amber

### Overview of achievements this quarter:

Our bid for a 150-place free school for children and young people with social, emotional and mental health (SEMH) needs was successful. We are in the process of securing the land and reviewing the site condition and are working with the Department for Education to secure a provider.

We were one of only 55 councils to be selected to be part of a new project funded by the Department for Education dedicated to improving outcomes for children and young people with special educational needs and disability (SEND) in North East Lincolnshire.

The numbers of Electively Home Educated (EHE) children is high but in line with other local authorities, who are also experiencing high numbers. The number of EHE has raised slightly from 391 in Qtr 2 to 396 in Qtr 3.

An attendance campaign is planned to be rolled out in February and March with the campaign posters due to be posted in bus stops across the borough.

The backlog of requests for Education Health and Care Plan (EHCP) Assessment Requests have been dramatically improved. The number of unallocated assessment requests is now down to 23.

### Key challenges:

Improving school attendance across the borough remains a priority focus. An officer has been appointed to deliver the statutory school attendance duty. The formation of the Attendance Alliance with schools, health, police and legal colleagues continues to explore the barriers to attendance.

Young people who are not in employment, education or training (NEET) remain high across the Borough.

Increasing demands on school transport services.

## Education & Inclusion (2)

### Delivery of Priorities – Achievements, Challenges & Risks

#### Key challenges (cont):

Over 34% of EHCP requests have been for under 5s. To support this, an under 5 initiative has commenced, with a panel of professionals who work with U5s to ascertain whether the child can be supported through a single agency rather than requiring a statutory assessment.

Assessment timeliness has been supported with the People and Culture team exploring opportunities for the recruitment of Educational Psychologists, in addition to utilising the skills set of the specialist advisory teachers to support contribution to the statutory assessment. Weekly monitoring of timeliness is in place for team leaders and service managers.

There is a budget pressure relating to home to school transport that is being managed and we expect implementation of the Delivering Better Value (DBV) programme to impact on demand over the medium term.

#### Risks to non-delivery:

The continuation of increasing EHE numbers reduces the overall Dedicated Schools Grant (DSG) and in turn the high needs block. The regular Attendance Alliance meetings with school leaders has addressed the ways parents can be supported prior to making a choice to EHE. For the Department for Education (DfE) to stop monitoring EHCP timeliness, a target has been set of 40% of assessments to be completed within 20 weeks.

Youth incidents as a % of  
total ASB Jul-Sep 2023  
(Lower is better)

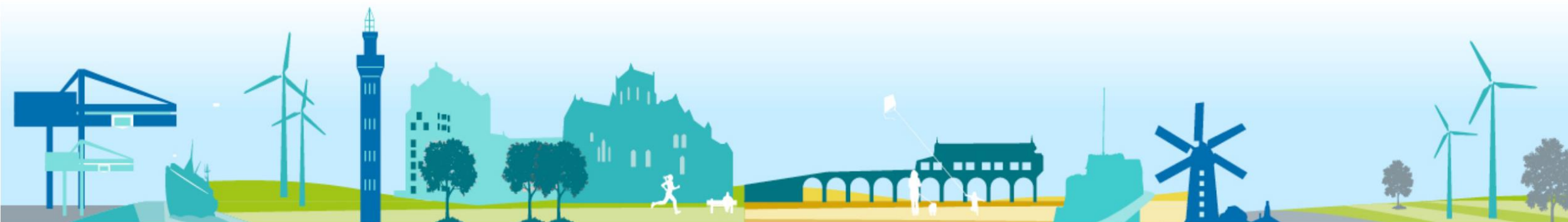
**21.00%**

Number of domestic abuse  
incidents during Q2  
2023/24 (Lower is better)

**1533**

Number of children identified at risk  
of Exploitation (Lower is better)

**34**



# Safer & Partnerships

## Delivery of Priorities – Achievements, Challenges & Risks

Performance :

Green

Finance:

Green

Overview of achievements this quarter:

**Domestic Abuse Commissioning** - Following the introduction of the Domestic Abuse Act 21 and associated duties and completion of a Domestic Abuse Needs Assessment, NELC along with key partners have come together to develop and commission our first ever Domestic Abuse offer for NEL. Tenders for 4 separate lots have gone out, including: the provision of specialist support in refuge accommodation, general support (including specialist support in safe accommodation, provision of community/outreach support, delivery of a single point of contact and coordination of a Sanctuary Scheme), support for children and the delivery of coordination activities via the Multi Agency Risk Assessment Conference (MARAC) process. Bids have been received and are currently being evaluated. Current plans are for contracts to be awarded in February and, new service provision to go live from 01/04/24 following a period of mobilisation.

**Adolescent Risk** –34 children identified as being at risk of Child Exploitation have closed to the Operational Vulnerability Meeting (OVM)/Multi Agency Child Exploitation (MACE) cohort, of those 92% had reductions in risk, 5% child transitioned into adulthood, 3% no consent for any partnership response. The number of cases within the OVM/Child Exploitation cohort has reduced from 49 to 47. This is a slight reduction and continues to demonstrate the positive impact the process has on mitigating risk for children identified at risk. In this quarter there has been the identification of 16 adults of concern and a further 2 hotspots of concern. Successful partnership disruption has occurred, including 4 CAWNS (Child Abduction Warning Notices), the arrest of 2 adults, 1 who remains in police custody and a further 3 disruption visits. There have been 6 children who have had conclusive grounds decisions made in relation to Modern Day Slavery. There have been 48 contacts into the Integrated Front Door in relation to exploitation 28% resulted in social care involvement , 43% led to other agency / Early Help support and 30% resulted in information, advice and guidance being shared. This evidences a robust tri-age process is in place. Overall missing reports were down by 27% on the previous quarter. Slight reduction on first time missing incidents.

**Anti-Social Behaviour** – work to tackle and reduce youth related anti-social behaviour continues via the Council's Anti-Social Behaviour(ASB) team and the Street Based team within Young & Safe. The street-based team are deployed 6 nights per week across the borough into areas of concern engaging with Young People. The team also operate the HAVEN centre in Grimsby town centre to reduce the issues of youth related ASB and crime. Work continues to build the Youth Engagement Alliance which brings together all voluntary sector organisations working with young people, there are currently 15 organisations that engage across youth work delivery. This has enabled a significant amount of investment to be brought into the borough which will see capital improvements to a number of facilities providing new opportunities for our young people. Currently Youth related ASB is seeing a vast reduction when compared to the previous year 22-23 to date = 950 and 23-24 to date showing 342 a reduction of 64%.

## Safer & Partnerships (2)

## Delivery of Priorities – Achievements, Challenges & Risks

### Key challenges:

**Domestic Abuse Statistics** - As at 09/01/2024 there were 419 referrals to Children’s Advice and Support Service(CASS) recorded for Q3 23/24 of which 126 (30.07%) were referred for a primary or secondary reason of domestic abuse. There were 3,518 contacts made to the front door, of which 1131(32.15%) were received with the contact reason given as domestic abuse. In Q3, there were a total of 245 cases heard at Multi Agency Risk Assessment Conference (MARAC), of which 134 (54.7% ) were repeat cases – this is the highest proportion of repeats recording started (01/04/2010). In addition, 244 children were identified as being in the household of a MARAC victim and 120 (49%) of the cases heard included at least one child. Q3 23/24 data on numbers of domestic abuse incidents reported to Humberside Police is currently unavailable.

**Adolescent Risk** - There have been 287 incidences in relation to missing/exploitation assessed via vulnerability screening during the quarter. This is a 15% reduction on the previous quarter- this was purely however in positive correlation with the reduction in missing episodes, as the discussions due to exploitation concerns increased by only 1, with 148 discussions occurring. 106 cases were discussed at the Operational Vulnerability meeting (OVM) and Multi Agency Child Exploitation meeting (MACE)-. This enables new cases to be presented and known cases to be reviewed ensuring that successful outcomes can be achieved enabling 92% of cases to be closed due to effective partnership working resulting in reduced risk to children.

**Anti-Social Behaviour** – Anti-Social Behaviour – The percentage of young people involved in ASB as percentage of overall ASB has decreased from 46.5% to 21%. These figures are currently being cross referred with Humberside Police data for accuracy. Work continues to ensure youth related ASB does not accelerate into actual crime, such as criminal damage, public order and acts of violence against the person through active targeting and engagement. Data continues to be analysed so that issues can be proactively dealt with. Work to tackle ASB continues to be developed through partnership area-based tasking meetings to jointly problem solve and provide a response that is child focused and non-punitive.

### Risks to non-delivery:

**Domestic Abuse** - Lack of identified sustainable funding to commission a non-convicted perpetrator programme. Ongoing challenges around adequate levels of resource and long-term grant funding across the partnership.

**Adolescent Risk** - A key identified risk area currently is the reduced attendance of health professionals at any exploitation missing. As a core safeguarding partner this is an area of risk which needed to be sighted on.

**Anti-Social Behaviour** – There are no current identified risks

# Adult Services

## Vision

**All adults in North East Lincolnshire will have healthy and independent lives with easy access to joined up advice and support, helping them to help themselves.**

34.3%

Of Total Revenue Service Budgets

£0.3M

Forecast Revenue Overspend

0.5%

Variance as % Of Total Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Adult Services	60.2	60.5	0.3
	<b>60.2</b>	<b>60.5</b>	<b>0.3</b>

VARIANCE ANALYSIS	£M
Pressures	1.7
Opportunities	(1.4)
Income Shortfall	0.0
	<b>0.3</b>

**Service Comments:-**

The current forecast is based on current known activity (51 more clients than budgeted for, excluding short stay activity). Risks have been identified relating to ongoing increase in activity, assumed income growth, transitions and costs to support individuals. Savings plans assumptions have been revised and will continue to be subject to in-year monitoring.

Provider sustainability pressures are being noted, indicating provider pressures at current fee rates. Pressures within short stay have been identified which also creates risk of cases translating to long term plans. A potential additional risk to short stay forecast if current activity continues.

The forecast assumes full spend of Better Care Fund (BCF) Discharge funding and drawdown from reserves to savings schemes relating to transfer of funding.

Additional Market Sustainability and Improvement funding (MSIF) has been confirmed within 23/24. Plans are being considered to support service delivery within North East Lincolnshire. NELC has received confirmation of grant allocation relating to a new grant to support urgent and emergency care of £0.366M. This is reflected in the forecast outturn position, with the funding assumed to be passported via the Partnership agreement. High risk to forecast outturn relating to increase in activity during the remainder of the financial year - additional current estimated risk is £0.25M.

Proportion of people in Receipt of Long Term Support who have Support at Home as at December 2023

**69.5%**

Proportion of people who have increased support following a Review in the last 12 months as at March 2023

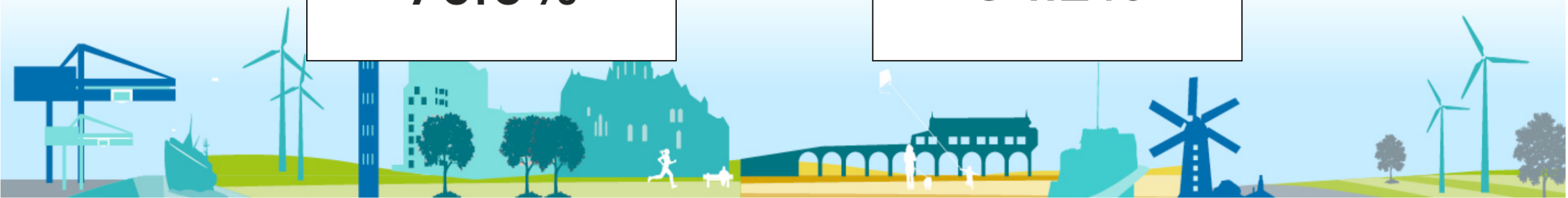
**10.4%**

The proportion of people accessing the SPA signposted to low level advice and information as at December 2023

**70.5%**

The proportion of people who have received a full assessment who then go on to receive a package of care as at December 2023

**54.2%**





# Adult Services

## Delivery of Priorities – Achievements, Challenges & Risks

Performance :	Amber	Finance :	Amber
<b>Overview of achievements this quarter:</b>	<p>Discharge performance continues to be good and continues to be recognised by national leads in National Health Service England (NHSE).  Mental Health Strategy launched as part of the Health and Care Partnership (HCP)  Reablement and rehabilitation review programme continues to progress  Care Quality Commission (CQC) inspection preparation has progressed – external peer review completed.  Draft of Section 75 agreement entering final stages in preparation for sign off</p>		
<b>Key challenges:</b>	<p>Risks have been identified relating to ongoing increase in activity, the current forecast is based on current known activity ( 51 more clients than budgeted for, excluding short stay activity), assumed income growth, transitions and costs to support individuals. Savings plans assumptions have been revised and will continue to be subject to in-year monitoring.  Provider sustainability pressures are being received, indicating provider pressures at current fee rates. Pressures within short stay care packages have been identified which also creates risk of cases translating to Long term care packages. There is a potential additional risk to short stay financial forecast if current activity continues. High risk to forecast outturn relating to increase in activity during the remainder of the financial year.  CQC preparation given the delegation of adult social care statutory duties.</p>		
<b>Risks to non-delivery:</b>	<p>Risk to the forecast outturn relating to increase in activity during the remainder of the financial year.</p>		



# Public Health

## Vision

**We want people to be informed, capable of living independent lives, self-supporting and resilient in maintaining/improving their own health. By feeling valued through their lives, people will be in control of their own wellbeing, have opportunities to be fulfilled and are able to actively engage in life in an environment that promotes health and protects people from avoidable harm.**

Number of children showing a good level of development at age five (Higher is better)

**68.80%**

Under 75 all-cause mortality rates from all causes (Lower is better)

**406.20**

directly standardised rate per 100,000 population

Proportion of children aged 4-5 years classified as overweight or obese (Lower is better)

**23.90%**

Proportion of children aged 10-11 years classified as overweight or obese (Lower is better)

**39.00%**

Infant mortality - deaths of infants aged under one year (Lower is better)

**6.00**

Rate per 1,000 live births

Perinatal mortality – stillbirths and early neonatal (<7 days) deaths (Lower is better)

**8.60**

Rate per 1,000 live births and still births

Smoking prevalence rate (Lower is better)

**21.80%**

Smoking in pregnancy rate (Lower is better)

**18.70%**

Total persons successfully quit during 2022-23 (Higher is better)

**388**

% of children having a timely 2.5 year developmental check by the Health Visiting Service (Higher is better)

**90.40%**

Outcomes associated with the implementation of the 10 year drug plan

Admissions to hospital with a diagnosis of an alcohol-specific condition (Lower is better)

**684**

Age standardised rates per 100,000 population

0.8%

Of Total Revenue Service Budgets

£Nil

Forecast Revenue Overspend

0%

Variance as % Of Total Budget Envelope

REVENUE	Budget	£'M	Forecast £'M	Variance £'M
Public Health		1.4	1.4	0.0
		<b>1.4</b>	<b>1.4</b>	<b>0.0</b>

VARIANCE ANALYSIS	£M
Pressures	0.0
Opportunities	0.0
Income Shortfall	0.0
	<b>0.0</b>

**Service Comments:-**

**Public Health – Core Funding** Public Health is not in receipt of any core council funding and meets the costs of salary inflation and any increases in mandatory and demand led services through the public health grant. There is a predicted underspend in the core Public Health budget for 2023-24, which has arisen solely due to vacancies for a number of key posts during the year. These posts have now been filled. However, potential pressures are anticipated in future years due to the uplift in the public health grant not being sufficient to meet the pay award deals for either Agenda for Change or NJC. As the uplift in Public Health Grant for 2024-25 is less than 2%, these pressures are expected to exacerbate in the coming years if we are to maintain the current Public Health grant allocation arrangements / finance principles. The budgets for both sexual health and substance use are expected to spend to budget for the current financial year. Both mandated contracts are due to be re-commissioned and there is a risk around the viability of future contracts within the current budget envelopes, although this is being managed. Adults Wellbeing has recently transferred under PH , no variances are forecasted at present -this is not public health funded.

**Public Health Nursing Service and the Wellbeing Service** - Public Health is not in receipt of any core council funding and meets the costs of salary inflation and any increases in mandatory and demand led services through the public health grant. The Public Health Nursing service is anticipating an underspend of £200k for 2023/24 due to the service carrying a significant number of vacancies, due to difficulties in recruitment to this area. This issue is reflected nationally in recruitment into Public Health Nursing Services. The Wellbeing Service is anticipating an underspend of £30k, however this includes carrying vacancies for critical posts including a wellbeing worker and a public health officer post which focusses on smoking cessation and the wider tobacco agenda, both of which are key priorities for public health. Again, as the uplift in Public Health Grant for 2024-25 is less than 2%, the pressures for both public health nursing and the wellbeing services are expected to exacerbate in the coming years if we are to maintain the current Public Health grant allocation arrangements / finance principles

# Public Health

## Delivery of Priorities – Achievements, Challenges & Risks

Performance:

Green

Finance:

Green

### Overview of achievements this quarter:

The new joint Director of Public Health for the whole of Northern Lincolnshire commenced the role during quarter 3.

The strategic frameworks for mental health, suicide prevention, healthy weight and tobacco continue to be implemented via their corresponding strategic boards.

The agreed projects funded through the initial non-recurrent £312k ICB health inequalities grant continue to progress. These focus on the communities in NEL facing the greatest health inequalities and include a targeted offer of the NHS Health Check Programme and tobacco control, a maternal wellbeing programme (focusing on reducing prematurity rates in NEL), a programme to support families in terms of achieving a healthy weight and grants for the VCSE sector for specific community-based projects. During quarter 3, the targeted tobacco and the maternal wellbeing programme commenced with referrals now being made and grants have been approved for Green Futures, Doorstep, Centre4 and the Carers Support Service. All programmes will be continuously evaluated over the year to inform the plans for the further recurrent 293k per annum in inequalities funding which is being overseen by the Population Health Management Executive Group.

The initiatives and strategies under the Starting Well Programme (eg Parent and Infant Relationships (PaIRs), infant feeding and speech, language and communication in the early years) all continue to be implemented and we continue to maintain the linkages with the Start for Life and Family Hubs Programmes to ensure that the over-arching programme connects to the wider strategic landscape and utilises all available resource to meet needs. Our Public Health offer to schools continues, with a focus this quarter on the completion of a smoking/vaping survey with school aged children and the updating of puberty training for schools, which will be delivered by the school nursing service during quarter 4.

## Public Health (2)

# Delivery of Priorities – Achievements, Challenges & Risks

### Overview of achievements this quarter (cont):

Another key development this quarter is the novation of the teenage pregnancy strategic workstream into public health from children's services. A presentation has been delivered to the Health and Wellbeing Board and a briefing has been shared with the portfolio holders and the Corporate Parenting Board. Links have been made with Learning 4 Life as they will be piloting a teen parent project with four identified schools.

For mental health, the strategic frameworks for mental wellbeing & suicide prevention continue to be implemented. The suicide prevention steering group has focused this quarter on four issues that have been highlighted in the newly released National Suicide Prevention Strategy and our own local real-time surveillance. These include relationship breakdown, financial insecurity, bereavement and making suicide everyone's business. We have also focused on completing the prevention concordat for better mental health this quarter.

The Healthy Weight Strategic Framework continues to be implemented. Key updates include a food survey that has gone live to gain local insight into food and health related trends, which will ultimately help inform NEL food environment work. Also, the holistic weight management pilot programme for pregnant women across Northern Lincolnshire has now commenced and an infant feeding coordinator post within the Public Health Nursing team has been advertised. Uptake of the tier 2 weight management programme increased again during quarter 3.

With regard to tobacco, the smoking cessation offer continues to be delivered across a variety of settings including GP practices and community-based organisations. The targeted tobacco project has commenced which aims to reduce smoking in those wards with the highest rates of smoking and health inequalities. Additional stop smoking support will be provided through the community hubs identified for the targeted programme. We have engaged across a number of settings including the YMCA, Centre 4, The Canopy and Harbour Place with over 30 referrals in service at present. An application for 'Vape to Quit' funding which will provide e-cigs through a targeted approach in social housing was submitted and approved during quarter 3.

## Public Health (3)

# Delivery of Priorities – Achievements, Challenges & Risks

### Overview of achievements this quarter (cont):

The targeted lung health check continues to be implemented in North East Lincolnshire with 366 referrals being made between June and October. Uptake of the service is currently at 97%. Referrals for tobacco dependency support will increase as the amount of people screened increases.

For sexual health, the new contract for the Northern Lincolnshire Integrated Sexual Health service was awarded during quarter 3. We are currently in the standstill period. The pharmacy sexual health needs assessment has commenced with an aim of re-commissioning the service during the new financial year.

For substance use, discussions continue regarding the re-commissioning of the new contract. Implementation of the 10-year drug strategy continues to progress and the new Director of Public Health has taken on the position of Chair of the Northern Lincolnshire Combatting Drugs Partnership. Support from OHID and JCDU continues to be provided to move things forward. The alcohol liaison nurse continues to provide support to the Diana, Princess of Wales Alcohol Care team and is now in the process of developing support for those using other substances.

### Key challenges:

Outcome indicators for health inequalities, mental health and wellbeing, suspected suicides, alcohol use, complex drug use, weight gain and smoking rates all continue to be challenging. We still also have significant concerns around a downturn in immunisation rates which could make us more vulnerable to communicable disease outbreaks in the coming years. We have successfully obtained £42k to promote uptake of various child and adult vaccinations including the MMR and shingles vaccinations. Smoking in pregnancy rates continue to adversely impact on infant and perinatal mortality rates. Premature births are the leading cause of infant mortality and NEL prematurity rates are the highest in the country. School readiness of children in NEL remains slightly lower than the England average. There are a range of inequalities, particularly amongst boys from more deprived backgrounds and those with special education needs and disabilities. Development in the communication development goal in particular is not optimal.

In terms of finance, the pay awards present public health's biggest financial risk moving forward.

### Risks to non-delivery:

None to report this quarter.



## Corporate Budget Performance

The main corporate budgets are in relation to the borrowing costs that the Council incurs to fund its capital investment programme, with the aim to manage within prudential borrowing limits and in accordance with the Council's Treasury Management Strategy.



# Funding - Summary

(£1.5M)

Forecast Revenue  
Underspend

<b>FUNDING</b>	<b>Budget £'M</b>	<b>Forecast £'M</b>	<b>Variance £'M</b>
Council tax	(82.3)	(82.3)	0.0
Business Rates	(48.6)	(50.1)	(1.5)
Revenue Support Grant	(10.7)	(10.7)	0.0
Other Corporate Funding	(25.8)	(25.8)	0.0
<b>Total</b>	<b>(167.4)</b>	<b>(168.9)</b>	<b>(1.5)</b>

## Comments:

There is an anticipated surplus position of £5.988m for business rates but this is assumed to be used to support the Council's revenue overspend position and to cover pay award liabilities beyond the original set aside contingency. Any balance thereafter are to be transferred to the Business Rates Reserve to cover anticipated liabilities and to the Transformation Reserves to cover future requirements.

1.8% Of Total Revenue Service Budgets

£0.4M

Forecast Revenue Overspend

12.5% Variance as % Of Total Budget Envelope

REVENUE	Budget £'M	Forecast £'M	Variance £'M
Other Corporate Budgets	3.2	3.6	0.4
	<b>3.2</b>	<b>3.6</b>	<b>0.4</b>

VARIANCE ANALYSIS	£M
Pressures	1.5
Opportunities	(1.1)
Income Shortfall	0.0
	<b>0.4</b>

**Service Comments:-**

Increased interest rates has increased borrowing costs, though this has been more than offset by increased income return from cash investments. The pay award and pension pressure exceed the available contingency. This will be ultimately be managed through contributions from reserves.

# Reserves

£8.3M

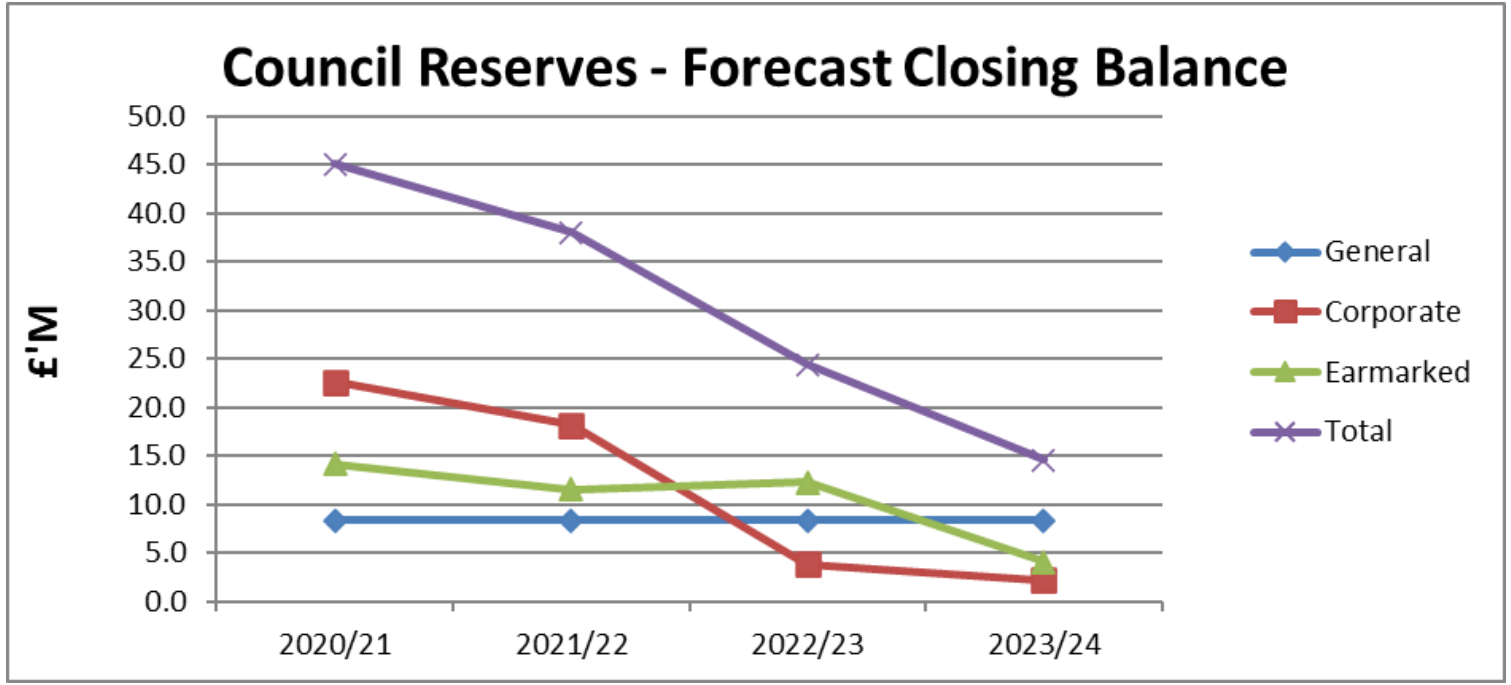
General Fund

5.0%

General Fund as %  
Of Net Budget

£14.5M

Forecast 23/24 Total  
Reserve Balance



## Comments

Reserves balances are anticipated to fall further by the end of this financial year as a result of both planned usage and from a requirement to help further support revenue overspends. The adequacy of reserves will be reviewed as part of the forthcoming budget planning process.

# Working Capital Management

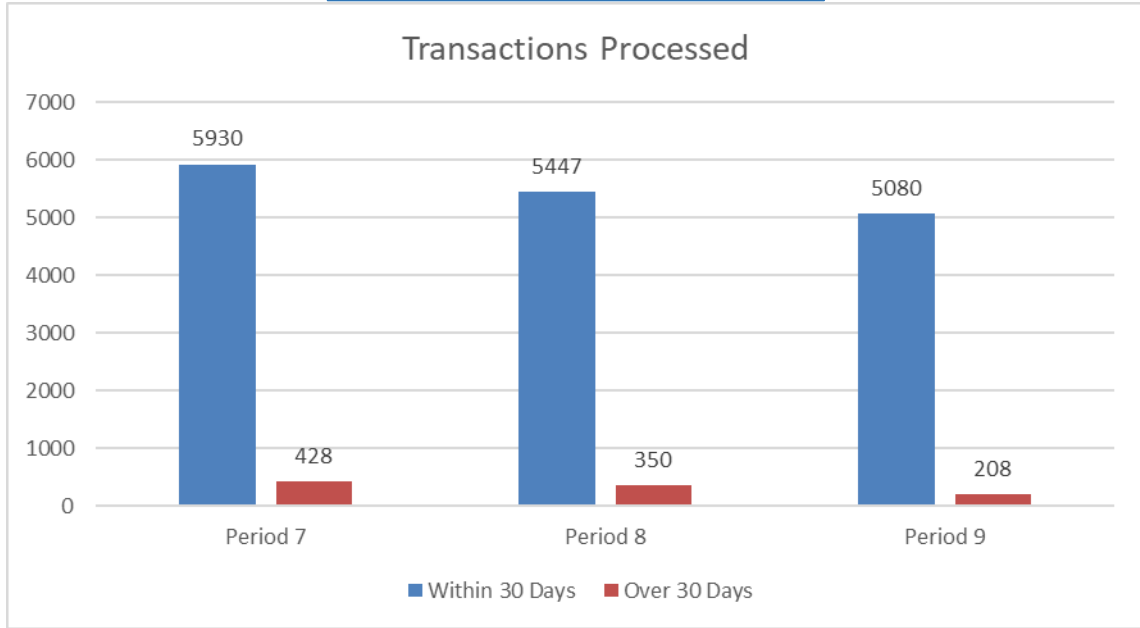
94.0%

Creditor Invoices Paid within 30 days during Qtr. 3

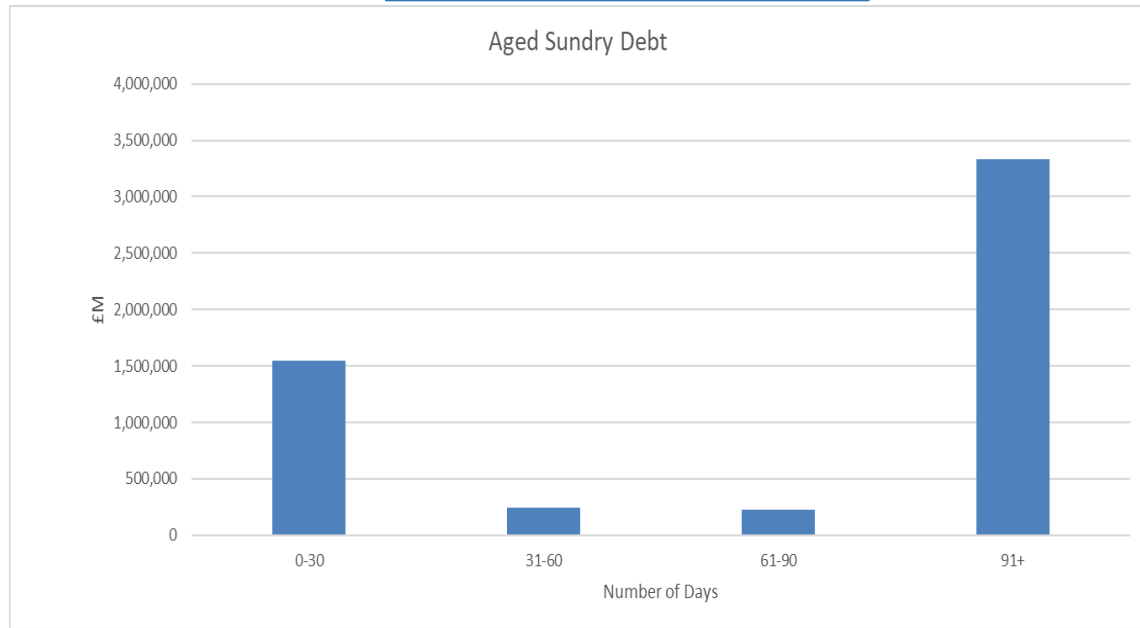
£3.3M

Value of debt over 90 days at Qtr. 3

## Invoices Paid During Qtr.



## Outstanding Debt at Qtr.



The processing of creditor invoices within terms remains constant. Quarter 2 2023-24 invoices paid within terms was 94% and Quarter 3 2023-24 remains at 94%. The volume of invoices processed in Quarter 3 c17,500 which is more than the c16,000 in Quarter 2. This is expected as Q3 covers December which coincides with the year-end period for many companies and thus invoicing is prompt. It is expected that the improvements will continue in future periods as familiarisation with the system continues to develop.

The 0-30 debt (invoices not yet due) includes 8 large invoices that total £1m. The debt for 91+ days also includes invoices where debt is being collected on agreed payment plans. Debt management continues and there are a number of factors influencing outstanding debt, initial delays in the debt recovery process due to the new finance system and the economic challenges faced by the local economy and communities. Debt management arrangements are in place, collections remain a key focus and outstanding debt continues to be monitored.

# Treasury Indicators & Cashflow 2023-24

£36.4M

Investments as at 30 Dec 23

£165.0M

Borrowing as at 30 Dec 23

5.20%

Average return on investments

3.71%

Average cost of borrowing

The following slides provide an interim update on Treasury performance against its Prudential Indicators.

The chart opposite shows the projection for various limits, determined to ensure that all borrowing is affordable and linked to the Capital Programme over time.

The Capital Financing Requirement is the underlying need to borrow for capital plans. The Authorised and Operational Boundaries are limits of borrowing that are deemed affordable, they are not targets.

Our cash position, ranged between £19m and £54m during the period.

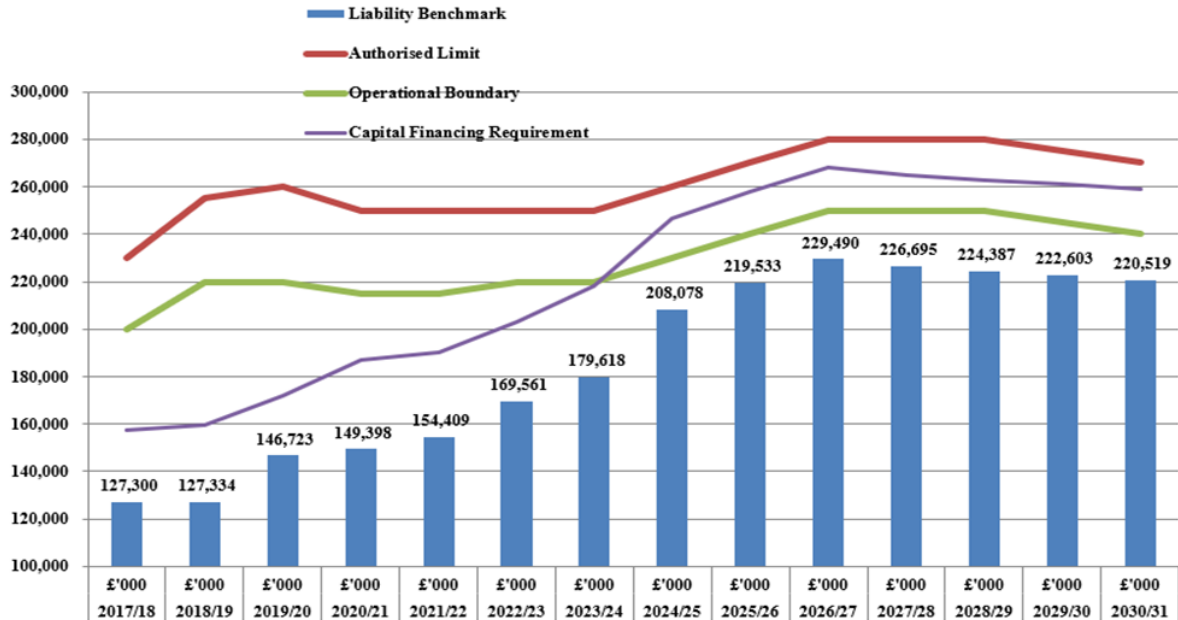
Rising rates have benefited short-term income but have created significantly more interest rate risk on our future borrowing requirement. Against this background we continue to defer borrowing (as far as possible) to see us through the peak of the current cycle.

Current borrowing and investments are consistent with the Treasury Management Strategy.

Bank rates have remained at what is now expected to be at/close to a peak of 5.25% following 14 consecutive hikes by the Bank of England paused. No further borrowing was required in Q3, helped by a significant land sale transaction in December. £0.4m of maturing loans were repaid.

We update Members on all our Prudential Indicators each quarter. The Chart below covers the Key Indicators. The columns show our expected year end borrowing levels assuming full, on-time, delivery of the agreed capital programme.

## Key Treasury Indicators



# Treasury Outlook

Pressures resulting from rising rates have now been built into future year budgets, with a prudent weighting toward rates remaining higher for longer than currently predicted by market forecasters.

The table shows current interest rate projections against budgets. These projections move in relation to both additions/slippage in the approved Capital Programme and changes in interest rate forecasts.

Budgets have been updated to align with live forecasts on rates and capital spend.

As borrowing arrangements typically form very long-term commitments the ability, once drawn, to generate revenue savings from this portion of our spend is very limited. This is an important consideration in budget setting and in all borrowing decisions.

The impact of higher rates on future budgets is shown below. These forecasts are a function of both capital spend funded by borrowing and the market forecast path for interest rates.

At period end even though rates were considered at or near their peak there was a prevailing view that levels would reduce steadily through 2024.

Net Interest Cost	2023/24	2024/25	2025/26
Forecast outturn	£4.851m	£7.461m	£8.710m
Current Budget	£6.150m	£7.975m	£9.400m
Potential Savings	£1.299m	£0.514m	£0.690m

**Ratio of Financing Costs to Net Revenue Stream:** This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income. As borrowing arrangements typically form very long-term commitments, once drawn the ability to generate savings from this portion of Council spend is very limited.

Ratio of Financing Costs to Net Revenue Stream	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
General Fund	7.20%	8.11%	8.50%	9.87%

# Prudential Indicators (The Liability Benchmark)

Although net indebtedness is forecast to increase over the next 3 years, total debt is expected to remain well below the CFR, the Liability Benchmark and both the Operational and Authorised Borrowing Boundaries during the forecast period.

The table shows a peak change in debt levels of £60m over the forecast period during which we also have £43m of debt maturities. Total new borrowing required will therefore be around £103m (subject to spend being in line with forecast).

Borrowing remains below control levels as a result of continued internal borrowing support for the Capital Programme.

Changes to accounting rules for Operating leases from April 2024 will require additional debt obligations to be reflected in our prudential Indicators and limits have been increased in readiness for this change.

Limit levels do not commit the Authority to any increase in actual borrowing.

**Gross Debt and the Capital Financing Requirement:** In order to ensure that over the medium-term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

£m	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
External Debt				
Debt at 1 April	154.4	169.6	179.6	208.1
Expected change in Debt	15.2	10.0	28.5	10.4
Other long-term liabilities (OLTL)	0.0	0.0	0.0	0.0
Expected change in OLTL	0.0	0.0	0.0	0.0
The Capital Financing Requirement	203.1	218.0	246.5	258.0
Under / (over) borrowing	33.5	38.4	33.9	34.1

**Authorised Limit for External Debt:** This is a key prudential indicator represents a control on the maximum level of borrowing. This is a legal limit beyond which external debt is prohibited and can only be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

**Operational Boundary for External Debt:** This is the limit beyond which external debt is not normally expected to exceed. (i.e. prudent but not worst case). It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance leases and other liabilities that are not traditional loans but still form part of the Authority's debt

Authorised Limit	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Authorised Limit (Borrowing)	250	260	270	280
Operational Boundary (Borrowing)	220	230	240	250
Max Debt in Period	176	208 (est)	219 (est)	229 (est)

# Prudential Indicators (The Liability Benchmark)

**Key Messages:**

A minimum cash balance of £10m will be maintained to ensure forecast liquidity needs are met.

The gap between the red and black lines in the Liability Benchmark chart shown here depicts the additional borrowing need the Authority currently projects – a peak requirement of £102.6m new loans by the end of 2026-27 – including replacement of maturing debt.

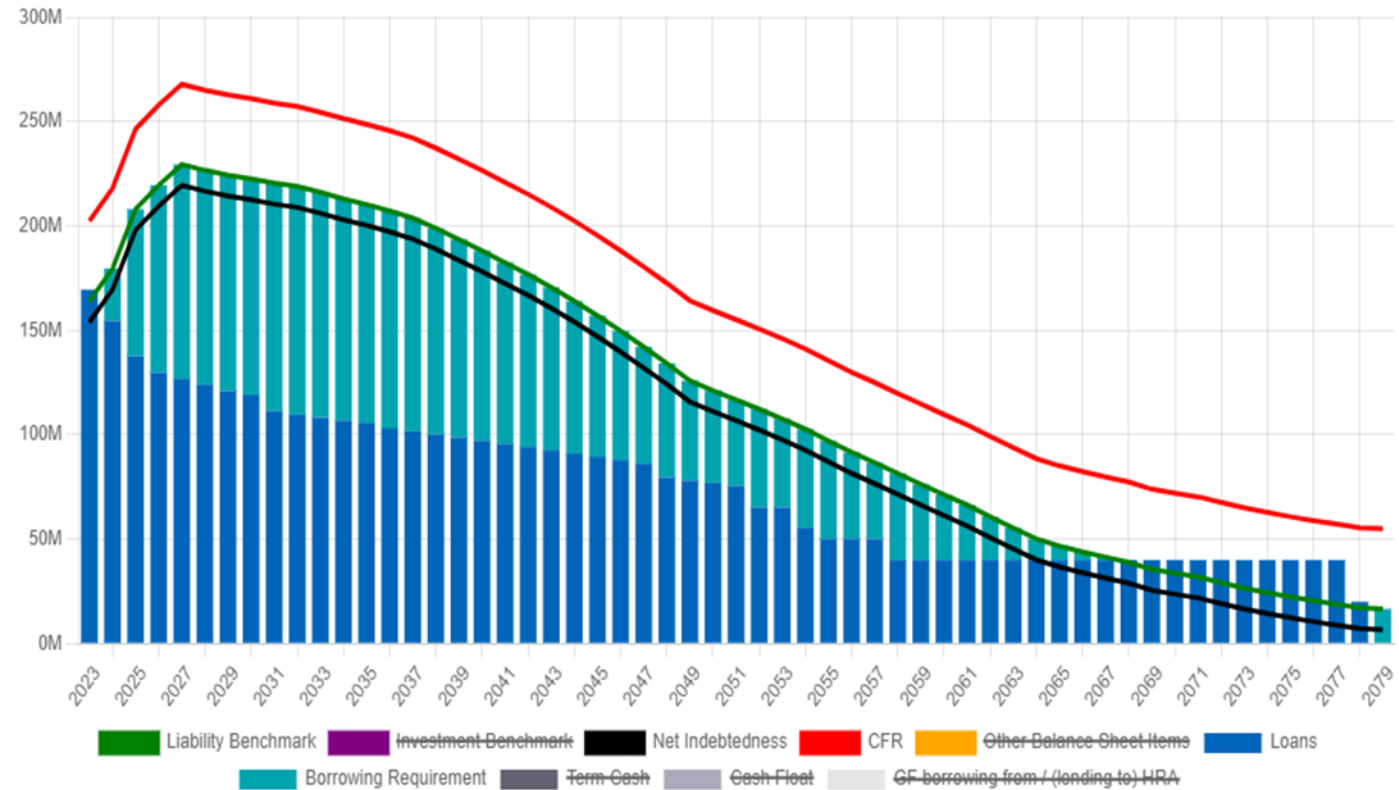
Before new long-term borrowing is entered into the Authority will have regard to the Liability Benchmark and its underlying assumptions will be assessed for their continuing prudence, with revisions made where necessary.

The **Liability Benchmark** tool is now a formal Prudential Indicator.

The Benchmark forecasts our need to borrow over a 55-year period. This aids decision making when it comes to the quantum and term to be chosen, the aim being to avoid cost of carry revenue implications and avoid the trap of defaulting to ultra-long tenors just because the yield curve tail slopes downward. It represents the level of our anticipated borrowing and in the ordinary course of business would not be expected to be exceeded. It therefore should closely mirror the Operational Boundary.

The benchmark assumes:

- future capital expenditure beyond the current programme funded by borrowing of c£8m a year on average
- minimum revenue provision on new capital expenditure based on an annuity profile of c30 years average
- No changes to Reserves beyond the current MTFP period (3 years)





# Treasury Management Indicators

## Key Messages:

A series of targets (both voluntary and centrally required) are used for performance measurement.

These targets can be more restrictive than levels set elsewhere in the Treasury strategy but by being more restrictive, can provide a potential 'early warning' of any potential issues.

Given the rise in rates seen since 2022 we anticipate continuing to utilise short-term borrowing wherever possible to meet our need until longer-term rates begin to factor in a looser rate environment. At period end this view was beginning to show up in longer term rates but new borrowing remained around 0.6% above forecast cycle lows. Close monitoring with the support of our Advisors will be maintained.

The Authority measures and manages its exposures to treasury management risks using the following indicators.

**Security:** The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	Target	Actual
Portfolio average Credit Rating	A	AA+

**Liquidity:** The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling one month period, without additional borrowing.

	Target	Actual
Total cash available within 1 week.	£10m	£16m

**Upper limits on variable interest rate exposure.** This identifies a maximum limit for variable interest rates based upon the debt position net of investments. All borrowing due to mature within 12 months is classed as variable as renewal will be subject to any short-term movement in rates.

	2023/24	Actual	2024/25	2025/26
Upper limit on variable interest rate exposure	£90m	£56m	£90m	£90m

Given the rise in rates seen since 2022 we anticipate continuing to utilise short-term borrowing wherever possible to meet our need until longer-term rates begin to factor in a looser rate environment. At period end this view was beginning to show up in longer term rates but new borrowing remained around 0.6% above forecast cycle lows. Close monitoring with the support of our Advisors will be maintained.

# Treasury Management Indicators

## Key Messages:

Maintaining a spread of maturities across our borrowing portfolio can assist with managing cash flow and re-finance risk (the risk that replacement loans are not available or that interest rate costs differ significantly from the maturing loans).

Our active investment portfolio does not lend itself to longer term investments and in the ordinary course of business deposits over 366 days wouldn't be entertained. However, one option for redressing our LOBO loan risk requires a long-term matching deposit (funded by new borrowing) and so a limit is included here to cover that transaction should it be deemed of positive benefit.

**Upper limits on fixed interest rate exposure.** This is similar to the previous indicator and covers a maximum limit on fixed interest rates;

£'m	2023/24	Actual	2024/25	2025/26
<b>Upper Limit on fixed interest rate exposure</b>	290	140	290	290

**Maturity structure of borrowing.** These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

	Upper	Lower	Actual
<b>Under 12 months</b>	70%	10%	27%
<b>12 months and within 24 months</b>	30%	0%	4%
<b>24 months and within 5 years</b>	30%	0%	5%
<b>5 years and within 10 years</b>	30%	0%	9%
<b>10 years and within 20 years</b>	30%	0%	9%
<b>20 years and within 30 years</b>	50%	0%	19%
<b>30 years and more</b>	75%	10%	26%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. Note: LOBO option dates are included as potential repayment dates, but variable rate borrowing is excluded.

**Principal Sums Invested for Periods Longer than 366 days:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2022/23	2023/24	2024/25	2025/26
<b>Limit on principal invested beyond year end</b>	£21m	£21m	£21m	£21m
<b>Current investments as at 31.12.23 in excess of 1 year</b>	0	0	0	0

# Capital Programme

Quarter 3

# Capital Programme

SCHEME	2023/24 Revised Capital Programme	2024/25 Revised Capital Programme	20225/26 Revised Capital Programme
	£'000	£'000	£'000
<b>CAPAME - HOUSING, HIGHWAYS &amp; TRANSPORT</b>	<b>18,773</b>	<b>23,093</b>	<b>7,788</b>
Disabled Facilities Grants	5,274	3,700	3,500
Local Transport Plan Schemes	5,923	4,864	4,288
Housing Assistance Grants and Loans	205	384	0
Immingham Lock flood Def Gates	62	0	0
Corporation Rd Bridge Refurb	3,613	1,655	0
Rough Sleeper Accom Grant	61	0	0
Gy and Imm Flood Innov Funding	1,550	1,563	0
Sustainable Warmth - new scheme	237	0	0
Flood Defences - Humberston Fitties	118	0	0
A180 Structures	318	10,927	0
Abbey Walk Car Park Security Measures	23	0	0
Weelsby Avenue Depot Works	41	0	0
Grimsby Surface Water Flood Alleviation	85	0	0
Bus Service Improvement Plan	1,011	0	0
Swan House	252	0	0
<b>CAPALB - LAW AND GOVERNANCE</b>	<b>0</b>	<b>72</b>	<b>0</b>
Audio Visual System	0	72	0
<b>CAPALD - DEPUTY S151</b>	<b>9,847</b>	<b>11,058</b>	<b>13,203</b>
Capital Investment	847	7,058	13,203
Capital Rec't Flexibility	9,000	4,000	0

# Capital Programme

SCHEME	2023/24 Revised Capital Programme	2024/25 Revised Capital Programme	20225/26 Revised Capital Programme
	£'000	£'000	£'000
<b>CAPAMB - REGENERATION</b>	<b>18,534</b>	<b>58,688</b>	<b>10,133</b>
Clee HLF Townscape Heritage	426	1,082	0
SHIIP Scheme	1,332	2,996	0
Playing Pitch Reprovision	4,338	403	0
Cleethorpes Public Art	25	40	0
Heritage Action Zone	485	0	0
Town Deal Investment	30	4,583	0
Towns Fund - Central Library	250	3,685	0
UK Shared Prosperity Fund	256	672	0
Leisure Capital Grant	80	80	0
Freshney Place Development	5,500	17,565	5,547
Cleethorpes Masterplan - Market Place LUF scheme	203	4,440	0
Towns Fund - St James House	500	579	0
Towns Fund - Garth Lane	265	3,089	4,410
Towns Fund - Activation Fund	223	223	176
Towns Fund - Riverhead Square	2,785	0	0
Towns Fund - Public Realm Connectivity	150	2,942	0
Cleethorpes Masterplan - Sea Rd LUF scheme	1,200	7,735	0
Cleethorpes Masterplan - Pier Gardens LUF scheme	200	8,375	0
Tennis Court Refurbishment	276	0	0
Play Zone	10	199	0

# Capital Programme

SCHEME	2023/24 Revised Capital Programme	2024/25 Revised Capital Programme	20225/26 Revised Capital Programme
	£'000	£'000	£'000
<b>CAPALF - POLICY, STRATEGY &amp; RESOURCES</b>	<b>6,337</b>	<b>6,299</b>	<b>1,797</b>
Backlog Maintenance	2,839	0	0
Property Rationalisation Programme	341	0	0
Cartergate Office Development	137	0	0
ICT Refresh	652	578	0
Heritage Assets at Risk	500	3,568	0
Business Centre Improvement	200	0	0
LMS Implementation	21	0	0
Bradley Replacement 3G Pitch	5	0	0
M365 Transformation Programme	164	131	0
CRM Developments - new scheme	104	77	0
Changing Places Fund	84	0	0
Motor Caravan Parking Pilot Scheme	17	0	0
Childrens Services Platform	1,188	1,746	1,626
Digital Platform	85	199	171
<b>CAPAKA - SAFER &amp; PARTNERSHIPS</b>	<b>229</b>	<b>0</b>	<b>0</b>
CCTV Review & Upgrade	73	0	0
Safer Streets 4	156	0	0
<b>CAPAKC - EDUCATION &amp; INCLUSION</b>	<b>4,121</b>	<b>17,243</b>	<b>5,212</b>
Schools - Devolved Formula Cap Grant	136	100	0
Schools - Backlog Maintenance	271	350	350
Schools - Basic Need Sufficiency of Places	3,418	12,493	3,796
SEND Special Prov Fund	288	4,300	1,066
New Nursery Places	8	0	0

# Capital Programme

SCHEME	2023/24 Revised Capital Programme	2024/25 Revised Capital Programme	20225/26 Revised Capital Programme
	£'000	£'000	£'000
<b>CAPAMA - ENVIRONMENT</b>	<b>9,353</b>	<b>1,012</b>	<b>179</b>
Fleet Replacement Programme	720	835	0
Enhancement of Bereavement Services	507	27	0
Depot Rationalisation	6,458	0	0
Scartho Cemetery Lodge & Waiting Rooms	539	0	0
Environmental Services Mgt System	47	0	0
Regulatory Services Management System	14	0	0
Memorial Testing & Repairs	81	0	0
Play Areas	763	0	0
Cremator Relining	106	0	0
Urban Tree Challenge Fund	64	95	179
LA Treescapes Fund	54	55	0
<b>TOTAL CAPITAL PROGRAMME</b>	<b>67,194</b>	<b>117,465</b>	<b>38,312</b>

FUNDING	2023/24 Revised Capital Programme	2024/25 Revised Capital Programme	20225/26 Revised Capital Programme
	£'000	£'000	£'000
Specific Grants	22,571	53,929	7,077
Unringfenced Grants	10,910	17,785	10,081
s106/private cont	1,908	704	300
Ring fenced cap rcpts	9,000	4,000	0
RCCO/EMR's	5	0	0
Corp Resource	22,800	41,047	20,854
<b>TOTAL FUNDING</b>	<b>67,194</b>	<b>117,465</b>	<b>38,312</b>