

CABINET

REPORT OF	Councillor Stephen Harness, Portfolio Holder for Finance, Resources and Assets
RESPONSIBLE OFFICER	Sharon Wroot, Executive Director Place & Resources
SUBJECT	Council Plan Resources and Finance Report Q1 2024/25
STATUS	Open
FORWARD PLAN REF NO.	CB 08/24/04

CONTRIBUTION TO OUR AIMS

The Council Plan, and the Budget, Finance and Business Plan were adopted by Council in February 2024. 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 Q1. Further detailed information is provided within Appendix 1 to this report.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Notes the content of the report and refers the report to all Scrutiny Panels for further consideration and oversight appropriate to the scope of the panel.
2. Approves the revised Capital Programme for 2024/27 included in Appendix 1 (Pages 74-79)

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 The Council has an ambitious programme of transformation and improvement which impacts on every area of the organisation. This report aims to inform elected members and residents about the progress that is being made to deliver against the priorities that are detailed within the [Council Plan](#).
- 1.2 Appendix 1 is structured by each area of the organisation, detailing financial performance, performance against the 'vital signs', achievements in this quarter, challenges and risk.

- 1.3 Performance information is shown in the report by way of a summary snapshot taken from a live performance dashboard. The live dashboard provides additional context for each indicator. The link to the dashboard is on our Council Plan website here: [Council Plan – Our vision and aims | NELC \(nelincs.gov.uk\)](https://nelincs.gov.uk).
- 1.4 Data on its' own does not present a complete picture. We are continuing to develop the dashboard to provide more detailed information and comparable data, including narrative about why the information is important, how we are doing, and how performance compares historically and with others. Equally important is the narrative within the attached report that provides context on the delivery of priorities for each service area.
- 1.5 Delivery of the range of priorities identified within the Council Plan is a challenge in terms of capacity to support several high-profile service transformation programmes, major regeneration programmes, and increasing demand in the day-to-day business of demand-led services. In the main, performance delivery is rated as amber, reflecting these risks.

1.6 Financial Position

- 1.7 At the end of the first quarter of the 2024/25 financial year, the Council is forecasting a £3.2M overspend against budget. Whilst the main driver for this overspend is Children's Services, restorative actions are now beginning to significantly impact numbers of children in care; with a real cash reduction in expenditure forecast against 2023/24 levels across the directorate. Work is ongoing within the service to continue this trajectory over the coming months.
- 1.8 In addition, the socio-economic environment in which the Council is operating remains challenging with, additional demand for Council services and more general pay and inflationary pressures.
- 1.9 Despite these financial pressures, the Council continues to take a more commercial approach through its capital programme and investments, supporting the Council's strategic objective of enabling the growth of a strong and sustainable economy. Major investments continue to progress and will support the Borough at a time of economic challenge.
- 1.10 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. The current forecasted position reflects the impact of these reviews, through the reduction in borrowing costs for 2024/25 of £1.4m.
- 1.11 Moreover, 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.

- 1.12 The overall funding position for the year is aligned with the one-year financial settlement from Central Government. Further updates on changes to the local government financial model and the review of fair funding are still awaited.
- 1.13 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. In Q1 2024/25 27.9% of Council Tax had been collected, this is reduced slightly from 28.1% in 2023/24. For Non Domestic Rates, the % collection for Q1 2024/25 (27.6%) has increased, compared to the same quarter last year (25.7%).
- 1.14 Focus remains on delivering long term financial sustainability, via efficient and affordable public services and addressing identified funding gaps in future years of the medium term financial plan. Priorities identified within the Council's 2024/25 business plans continue to be reviewed and developed, alongside the productivity plan recently reported, which focuses on transformation, the use of technology and barriers to change.

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 [Council Plan – Our vision and aims | NELC \(nelincs.gov.uk\)](https://nelincs.gov.uk/council-plan-our-vision-and-aims)
Budget, Finance & Business Plans [Council \(Budget\) | NELC \(nelincs.gov.uk\)](https://nelincs.gov.uk/council-budget)

14. CONTACT OFFICER(S)

Sharon Wroot, Executive Director Place & Resources
Guy Lonsdale, Assistant Director Finance
Joanne Robinson, Assistant Director Policy Strategy & Resources

COUNCILLOR STEPHEN HARNESS
FINANCE, RESOURCES AND ASSETS

Appendix 1

North East Lincolnshire Council. Council Plan Resources & Finance Report

Q1 2024/25



**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 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.

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Performance & Delivery Overview

The Council has an ambitious programme of transformation and improvement which impacts on every area of the organisation. This report aims to inform elected members and residents about the progress that is being made to deliver against the priorities that are detailed within the [Council Plan](#).

The 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 summary snapshot taken from a live performance dashboard which we are continuing to develop. The live dashboard contains more detailed information about the data that is presented in this report, and it is recommended that the dashboard is viewed alongside the report. It is accessed via this link to our Council Plan web page: [Council Plan – Our vision and aims | NELC \(nelincs.gov.uk\)](#), scroll down the page to the 'progress tracker' section of the page.

Data on its' own does not present a complete picture, which is why we are committed to continuing to develop the dashboard to provide more detailed information that sits behind each indicator, including narrative about why the information is important, how we are doing, and how performance compares historically and with others. Equally important is the narrative within this report that provides context for each service area.

Delivery of the range of priorities identified within the Council Plan is a challenge in terms of capacity to support several high-profile service transformation programmes, major regeneration programmes, and increasing demand in the day-to-day business of demand-led services.

The requirement for additional capacity is factored into external funding bids, and we utilise the flexible use of capital receipts where allowed for transformational activity. There is a particular challenge for specialist skills such project management, legal and procurement. Our programme of 'growing our own' through graduate roles and apprenticeships is on-going however this will take some time to reach fruition. 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 is also on-going..

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](#)

Information on the OfLog website now includes data pertaining to :

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

Performance & Delivery overview (2)

Service Area	Performance RAG	Finance RAG
Resources	Amber	Amber
Environment & Regulatory Services	Green	Green
Economy (Regeneration)	Amber	Amber
Economy (Housing, Highways & Transport)	Amber	Green
Economy (Safer & Stronger Place)	Green	Green
Children's Services (Safeguarding & Early Help)	Amber	Red
Children's Services (Regulated Provision)	Amber	Red
Children's Services (Education & Inclusion)	Amber	Red
Adult Services	Amber	Amber
Public Health	Amber	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.

Financial Overview

At the end of the first quarter for the 2024/25 financial year, the Council is forecasting a £3.2M overspend against budget. Whilst the main driver for this overspend is Children's Services, restorative actions are now beginning to significantly impact numbers of children in care; with a real cash reduction in expenditure forecast against 2023/24 levels across the directorate. Work is ongoing within the service to continue this trajectory over the coming months.

In addition, the socio-economic environment in which the Council is operating remains challenging, with additional demand for Council services and more general pay and inflationary pressures impacting on overall financial performance.

Despite these financial pressures, the Council continues to take a more commercial approach through its capital programme and investments, supporting the Council's strategic objective of enabling the growth of a strong and sustainable economy. Major investments continue to progress 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. The current forecasted position reflects the impact of these reviews, through the reduction in borrowing costs for 2024/25 of £1.4m

Moreover, 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.

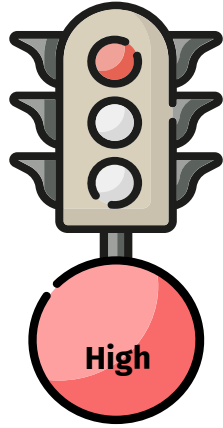
The overall funding position for the year is aligned with the one-year financial settlement from Central Government. Further updates on changes to the local government financial model and the review of fair funding are still awaited. Early indications are that a multi-year settlement is being developed.

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. In Q1 2024/25 27.9% of Council Tax had been collected, this is reduced slightly from 28.1% in 2023/24. For Non Domestic Rates, the % collection for Q1 2024/25 (27.6%) has increased, compared to the same quarter last year (25.7%).

Focus remains on delivering long term financial sustainability, via efficient and affordable public services and addressing identified funding gaps in future years of the medium-term financial plan. Priorities identified within the Council's 2024/25 business plans continue to be reviewed and developed, alongside the productivity plan recently reported, which focuses on transformation, the use of technology and barriers to change.

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

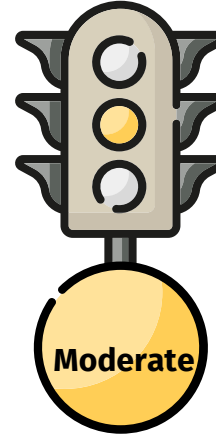
Financial Outlook



The current Medium Term Financial Plan (MTFP) showed an opening gap in future years when it was approved in February 2024. The opening MTFP gaps were £8.6M (2025/26) and £8.6M (2026/27).

Pay represents a significant element of the Council's cost base and future years pay awards remain a significant risk for the Council over the MTFP.

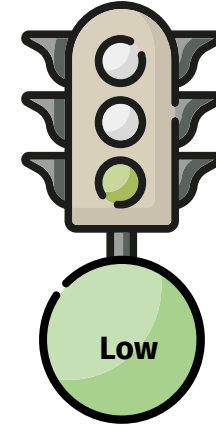
Whilst restorative actions continue within Childrens Services, this still remains an area of Financial risk. As the ongoing improvement journey continues, further actions to reconfigure staffing structures, the introduction of a renewed sufficiency strategy to reduce reliance on high-cost external placements and a new case management system will deliver further efficiencies.



Inflation continues to affect Council finances, particularly inflation linked contracts. Although the wave of high inflation seen over the previous financial year is declining and inflationary contract uplifts are included within service budgets, these costs will continue to be monitored to assess future impacts on finances.

Energy costs continue to be closely monitored as prices remain above the pre-"energy crisis" levels.

Interest rates remain elevated, and this creates pressure 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

£4.6M

Service Budgets
Forecast Variance

2.58%

% Representation of Service
Budget Overspend to Net Budget

Revenue Overview Comments:

Whilst the £4.6M overspend in service areas largely reflects the ongoing challenges being experienced within Childrens Services, restorative actions are now beginning to significantly impact numbers of children in care; with a real cash reduction in expenditure forecast against 2023/24 levels across the directorate. Work is ongoing within the service to continue this trajectory over the coming months.

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	8.9	8.9	9.3	0.4
Environment	18.7	18.7	18.7	0.0
Economy & Growth	30.8	30.9	31.2	0.3
Children & Family Services	57.5	56.0	59.9	3.9
Public Health	1.3	1.4	1.4	0.0
Adult Services	61.7	62.5	62.5	0.0
	178.9	178.4	183.0	4.6
Corporate Budgets	2.8	5.2	3.8	(1.4)
	181.7	183.6	186.8	3.2
Earmarked reserves	6.9	6.5	6.5	0.0
School Balances	0.0	(1.5)	(1.5)	0.0
Total	188.6	188.6	191.8	3.2
Funding	(188.6)	(188.6)	(188.6)	0.0
Net	0.0	0.0	3.2	3.2

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
Budget Transfers between Services						
School Budget Setting Virement			(2.5)			
Social Care Grant Allocation			0.8			0.8
Earmarked Reserve (EMR) Adjustment/Utilisations						
Total Service Budget Movement	0	0	(1.7)	0	0	0.8

Capital Budget Overview

(£0.9M)

Capital Forecast
Underspend

0.82%

% Representation of Service
Capital Underspend to Approved
Programme

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Resources	26.7	26.7	0.0
Environment	7.6	7.6	0.0
Economy & Growth	63.4	62.5	(0.9)
Children & Family Services	11.8	11.8	0.0
Public Health	0.0	0.0	0.0
Adult Services	0.0	0.0	0.0
Total Capital Budgets	109.5	108.6	(0.9)
Funding	(109.5)	(108.6)	0.9
Net	0.0	0.0	0.0

Capital Overview Comments:

The forecast underspend within Economy and Growth relate regeneration projects that will request reprofiling into 2025/26 to reflect new spending plans.

Full details of the prior capital reprofiling and programme adjustment requests (including those >£350k requiring approval) are shown on the following page.

Capital Movement Overview (Periods 1 – 3)

SCHEME	Changes to the Programme 2024/25	Changes to the Programme 2025/26	Changes to the Programme 2026/27	Comments
	£m	£m	£m	
ECONOMY AND GROWTH				
Regeneration				
Freshney Place Leisure Development	- 13.546	13.546		Reprofile budget into 25/26 to reflect latest spending plans
Towns Fund - Public Realm Connectivity	- 0.267	-		Transfer of budget between projects to reflect grants received
Cleethorpes Masterplan - Pier Gardens LUF Scheme	- 0.748	0.748		Reprofile budget into 25/26 to reflect latest spending plans
Housing, Highways and Transport				
Disabled Facilities Grants	- 0.215	0.215		Reprofile budget into 25/26 to reflect latest spending plans
Corporation Rd Bridge Refurb	0.267	-		Transfer of budget between projects to reflect grants received
Sustainable Warmth	- 0.177	-		Scheme ended due to demand levels, so remaining budget decommitted.
Local Authority Housing Fund 3 (LAHF3)	0.180	0.180		New scheme approved
SAFER TOWNS & COMMUNITIES				
HAS & Green Spaces	0.450	-		New scheme approved
RESOURCES				
Deputy S151				
Capital Investment	- 0.025	-		Allocation of Capital Capacity
CHILDRENS SERVICES				
Education and Inclusion				
Schools - Devolved Formula Cap Grant	- 0.046	0.081		Reprofile budget into 25/26 to reflect latest spending plans. Plus school direct revenue allocation to capital (£35k)
Schools - Backlog Maintenance	- 0.200	-		Reduction in Grant Funding
Schools - Basic Need Sufficiency of Places	- 2.810	2.810		Reprofile budget into 25/26 to reflect latest spending plans
SEND Special Prov Fund	- 2.224	2.224		Reprofile budget into 25/26 to reflect latest spending plans
SEMH Free School	0.025	-		Allocation of Capital Capacity
TOTAL CAPITAL PROGRAMME	- 19.336	19.804	-	
Funding				
External Grants	- 13.971	13.929		
Corporate Borrowing	- 5.400	5.875		
Revenue Contributions	0.035	-		
TOTAL FUNDING	- 19.336	19.804	-	

Denotes a Major Project

Denotes a Major Education Project

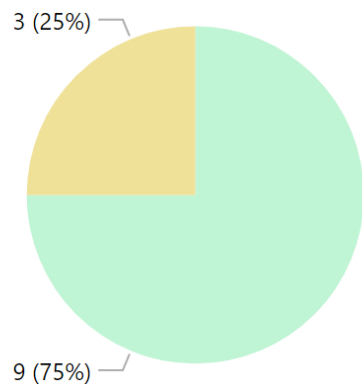
Resources

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.

Summary of Indicators against Target

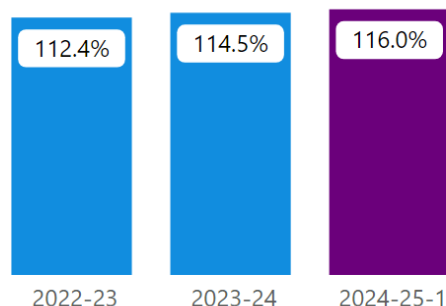
Green Amber



Apprentice Levy Year To Date Spend

G

High is good



New placements offered and engaged.
Number of placements transferred to substantive posts within the place period.

Under construction



Council tax collection achieved (%)

A

High is good

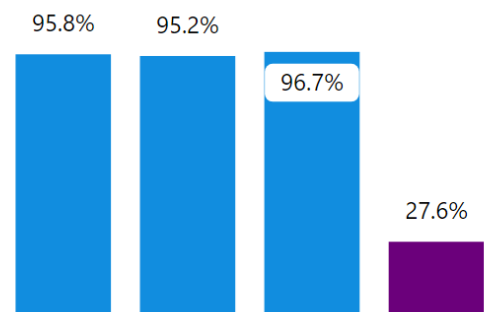


2024-25-1

National non-domestic rates collection achieved (%)

G

High is good

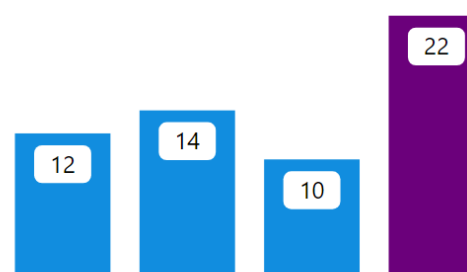


2021-22-4 2022-23-4 2023-24-4 2024-25-1

Housing Benefits average days to process

G

Low is good

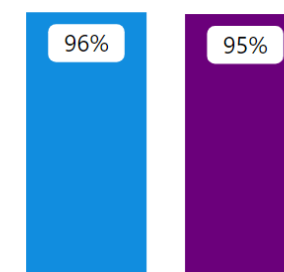


2021-22 2022-23 2023-24 2024-25-1

The average attendance per full time employee (FTE)

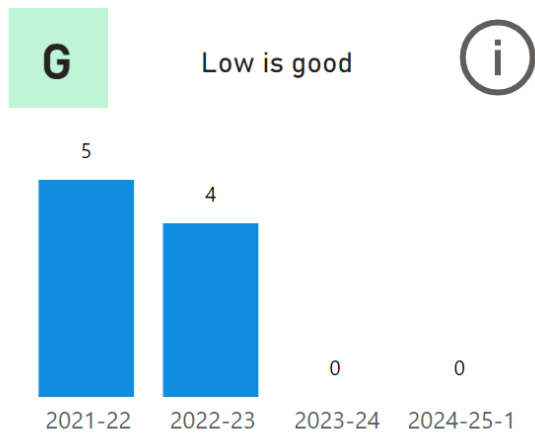
G

High is good

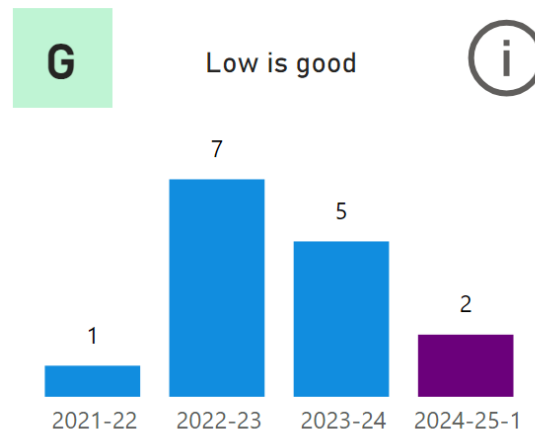


2023-24 2024-25-1

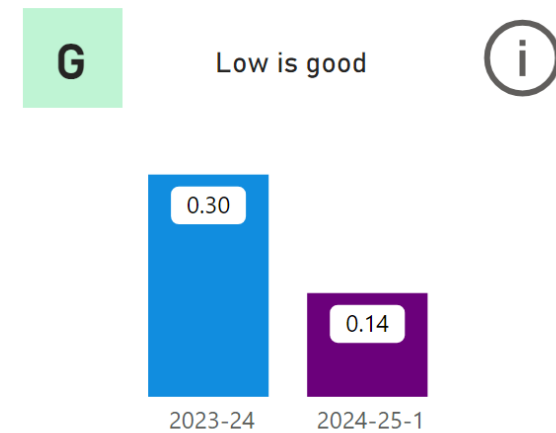
Freedom of Information cases referred to the Information Commissioner which are upheld



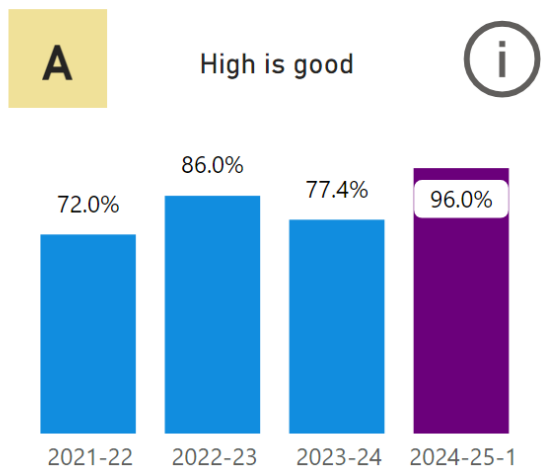
Complaints referred to the Local Government and Social Care Ombudsman which are upheld



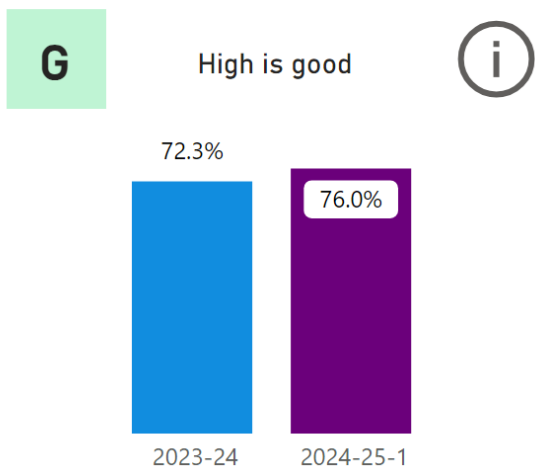
Total RIDDOR incident rate



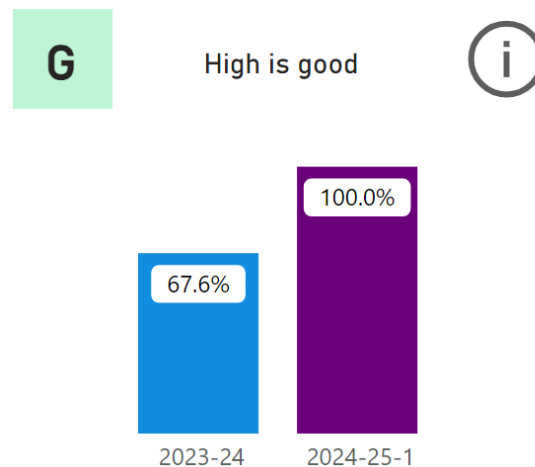
Percentage of capital programmes delivered (against revised budget)



M365 Project - Percentage of total number of tasks completed



Delivery of the Customer and Service Management Platform



Revenue

Resources Budget

4.99%

Of Total Revenue
Service Budgets

£0.4M

Forecast Revenue
Overspend

4.49%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Deputy s151	1.9	1.9	0.0
Law and Governance	2.6	2.5	(0.1)
Policy, Strategy and Resources	(0.5)	0.1	0.6
Assistant Chief Executive	1.6	1.7	0.1
Assistant Director People & Organisati	3.3	3.1	(0.2)
	8.9	9.3	0.4

VARIANCE ANALYSIS	£M
Pressures	0.9
Opportunities	(0.5)
Income Shortfall	0.0
	0.4

Service Comments:-

The forecast overspend reflects cost pressures within facilities management and under occupancy within commercial estates, work is ongoing to improve occupancy. Offsetting this are savings resulting from the business support redesign.

Capital

24.4%

Of Total Capital
Programme

£0.0M

Forecast Capital
Overspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Law and Governance	0.1	0.1	0.0
Deputy S151	16.1	16.1	0.0
Policy, Strategy and Resources	10.5	10.5	0.0
	26.7	26.7	0.0

Service Comments:-

The capital programme remains on track

Resources

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :	Amber	Finance RAG :	Amber
Overview of achievements this quarter:	AcademyNEL - good progress is being made with Achieve and Agile programmes on track for Q3 launch. CPD accreditation is ongoing. Recruitment to our Grow Your Own programmes for 2024 are progressing well and succession planning is ongoing. Agency Framework - Procurement completed, and award made. 77% reduction in agency spend since 2022. Tighter governance and compliance arrangements in place managing and challenging spend through our preferred routes. Business Support Re-design - New structure is in place and all transitional plans completed. Savings target achieved through the restructure. Work is now progressing on service level agreements, performance measures and process efficiency. Property Rationalisation – Phase 1 of property rationalisation has been completed, with all staff moves from the Civic to New Oxford House completed, and the Civic being marketed for sale. Disposal Programme – during quarter 1, offers have been accepted for former Lindsey Lower school land, former Weelsby Avenue depot site, Grimsby Business centre, and Plot Q Kiln Lane. These offers are subject to planning and/or further due diligence. Reserve sites for disposal are being identified to mitigate the risk relating to the programme. Elections – local and general elections successfully delivered. Legal Services continued reduction in spend linked to the transformation of Children’s Services. Local Taxation & Benefits – commenced a review of all households in receipt of a single person discount to ensure the discounts are correctly awarded. Developing proposals for a new simplified Council Tax Support scheme to support lower income households, ready for consultation over the summer. Improvements in Housing Benefit processing times.		

Resources

Delivery of Priorities – Achievements, Challenges & Risks (2)

Key challenges:

AcademyNEL - access to training facilities to enable delivery of the programmes. Phase 2 of property rationalisation should provide training facilities but there is a challenge in the interim period to locate suitable training facilities within the available budget.

Business Support Re-design - 13% vacancy rate is being managed with recruitment events taking place, and overtime however this may affect ability to move progress forward.

Property Disposals – whilst disposals are being agreed, offers are invariably subject to planning agreement and/or further due diligence. This creates a challenge in terms of cashflow, as the capital receipt is only realised on completion.

There is an on-going challenge within the Resources area in terms of capacity to support the programmes and projects in service areas that require any combination of legal, finance, ICT, People & Culture, project management and procurement expertise. For major projects, additional external capacity is being utilised to help to mitigate the challenge.

Risks to non-delivery:

The key risk relating to Resources is capacity to support the delivery of priorities identified throughout this report. This risk is mitigated through a robust Business Development Framework, which requires services to bring forward business cases and identify the resource that will be needed to support their business case, whether that be finance, legal, ICT, procurement, project management or people & culture capacity.

In some cases, particularly the larger programmes, the procurement of external capacity is factored into the programme. However, this does not always solve the issue as recruitment of suitable expertise for a limited time can be challenging.

There are risks around the property disposal programme relating to fluctuating market conditions and the wider economy that can have a significant impact on property values and the market appetite. We work closely with our contracted marketing agents PPH Commercial Ltd. to monitor this.

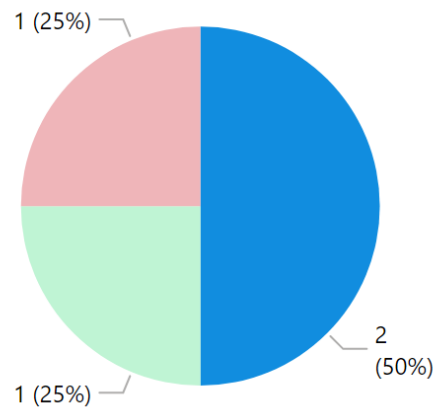
Environment & Regulatory Services

Vision

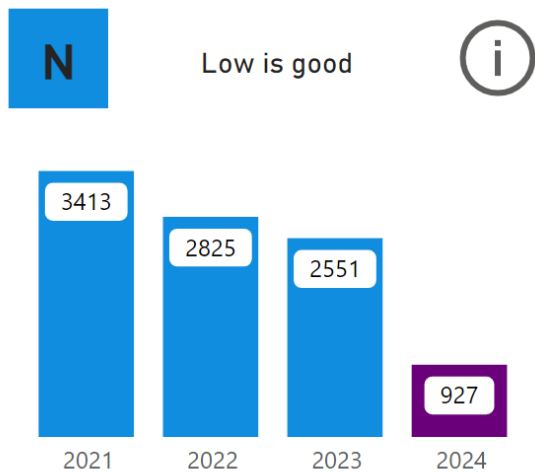
North East Lincolnshire to lead the way towards a green future.

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.

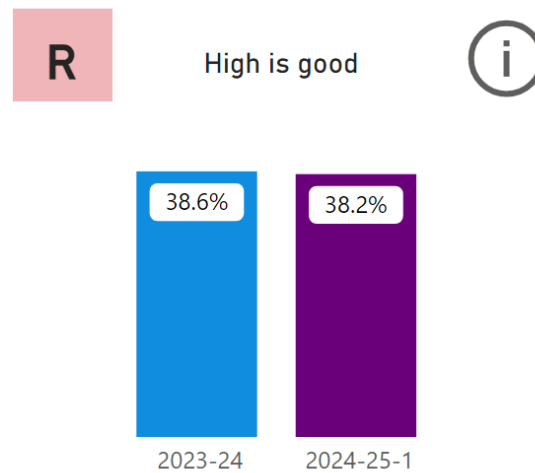
Summary of Indicators against Target



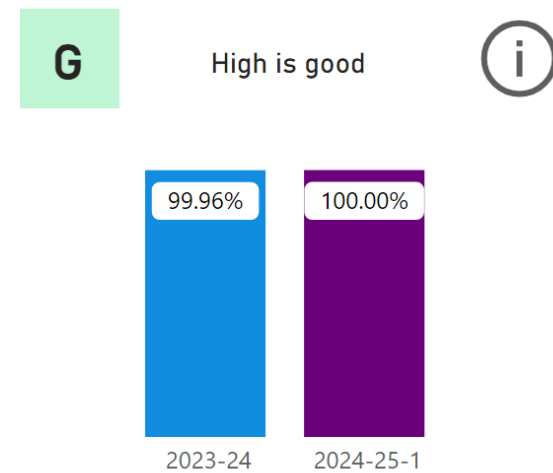
Number of fly tipping jobs logged this calendar year



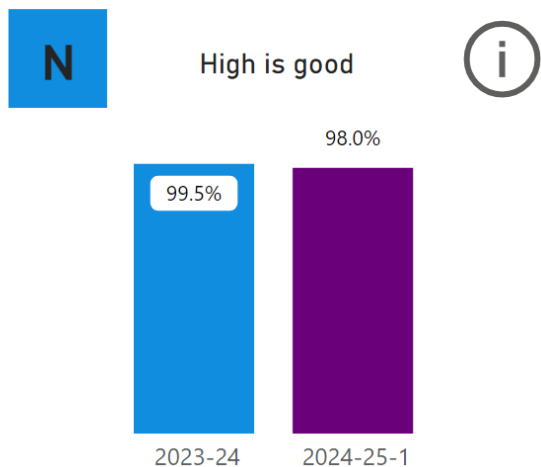
Household recycling rate



Amount of household waste diverted from landfill



% waste collections completed on time



Revenue

Environment Budget

10.5%

Of Total Revenue
Service Budgets

£0.0M

Forecast Revenue
Overspend

0.0%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Environment	18.7	18.7	0.0

VARIANCE ANALYSIS	£M
Pressures	0.5
Opportunities	(0.5)
Income Shortfall	0.0
	0.0

Service Comments:-
Overall forecast shows a balanced budget position, whilst recognising that there are potential pressures and opportunities across the different service areas.

Capital

6.9%

Of Total Capital
Programme

£0.0M

Forecast
Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Environment	7.6	7.6	0.0

Service Comments:-
The capital programme remains on track

Environment & Regulatory services

Delivery of Priorities – Achievements, Challenges & Risks (1)

Performance RAG :

Green

Finance RAG :

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.

- Established a Project Group to deliver the decarbonisation project, funded through Phase 3c Public Sector Decarbonisation Fund.
- Application to Phase 5 Public Sector Decarbonisation Fund: Low Carbon Skills Fund to support the feasibility studies and technical design for 8 of our council buildings.

Street Scene

- Depot Rationalisation, December 2024 will see the completion of single modern operational depot which will see all the frontline services in one location along with supporting higher town centre footfall and more efficient service delivery.
- Continue to improve recycling rates to support the governments recycling targets.
- Capital transitional grant of £1.35M awarded to support the delivery of weekly food waste collections from April 2026. Awaiting further revenue funding, project group in place and are on schedule to deliver borough wide new kerbside food waste collections,
- Household Recycling Rate 38%.
- The service is achieving zero waste to landfill.
- Fleet continue to improve new EV technologies with over 20% of the fleet being electric vehicles.
- Street Cleansing supported Cleethorpes Armed Forces 28,29 & 30 June, 13 staff worked tirelessly collecting over 30 tonnes of litter left by visitors and traders at the event.

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

- Community Engagement initiative to gather intelligence and deal with unacceptable waste issues and improve street scene.
- Procurement of stray dog kennelling contract to support statutory dog control function.
- Staff recruitment and training initiatives to deliver future Environmental Health Practitioners, including apprenticeships.
- 5 tobacco prosecution files submitted and 1 conviction
- Follow up work on food breaches, listeria control and legionella.
- Trading Standards surveillance work on illicit tobacco and illegal VAPES continues.
- Day of Actions supported by WISE targeted to Grimsby Town Centre to combat anti-social and environmentally anti-social behaviour such as littering and Cycling prohibitions under PSPO.

Environment & Regulatory services

Delivery of Priorities – Achievements, Challenges & Risks (2)

Overview of achievements this quarter:

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

- Planted the first 416 trees as part of our 'Greening Up Our Place' Project, working in partnership with local organisations, our partners, community groups, schools, and others to increase tree canopy cover across the borough. This was supported by our funding award from the Forestry Commission - Urban Tree Challenge Fund and Local Authority Treescapes Fund.

Revised Cleethorpes Habitat Management Plan, supported by Natural England

- Working with partners to progress updated CHMP which includes the mitigation Strategy for the Local Plan. Hosted an in-person meeting with Natural England to discuss Natural England's comments on both the draft CHMP & draft Local Plan.

Local Nature Recovery Strategy

- Commenced the consultation workshops with landowners, farmers, environmental professionals, supporting authorities, non-governmental organisations and charitable groups, Community Groups and businesses to feed into the development of the LNRS

Completion of the expansion of the port health service

- A move to the new Border Control Post in Immingham, facilitating the transition to the new Border Target Operating Model (BTOM).

Heritage Asset Work in Bereavement Services

- All heritage work has now been completed on the chapel and lodge situated within Scartho Road Cemetery.

Street Scene and Grounds Maintenance Enhanced Provision

- £150k investment on dedicated seasonal, out of hours street cleansing in the resort of Cleethorpes delivers improved cleanliness. Hit Squad responding to fly tipping and requests for street cleansing has improved response times and overall cleanliness.
- £100k investment on 3 additional Grounds Maintenance Technicians for 12 months has supported grass cutting and weed spraying operations supporting pressure points due to impacts of inclement weather.

Environment & Regulatory services

Delivery of Priorities – Achievements, Challenges & Risks (3)

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.
- Delivery of external grant funding projects for decarbonisation plans through Salix Funding.

Street Scene

- Further clarity required from Defra regarding the implementation dates of government Resource and Waste Strategy. Impacting on progress towards improved recycling rates and funding.
- Current levels of recycling borough wide will make it difficult to meet the government recycling targets.
- Capital and revenue food waste grant allocation will not meet the funding required for the roll out of kerbside food waste collections.
- Recruitment and retention of front-line staff within the whole of the environment area, support has been sort from resourcing team.
- Alignment of Salix funding and internal project timelines for the Doughty Road Depot rationalisation so decarbonisation improvements will need to be retrofitted.

Port Health

- Adapting the service to respond to the increased service demands generated by the new Border Target Operating Model.

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.

Street Scene

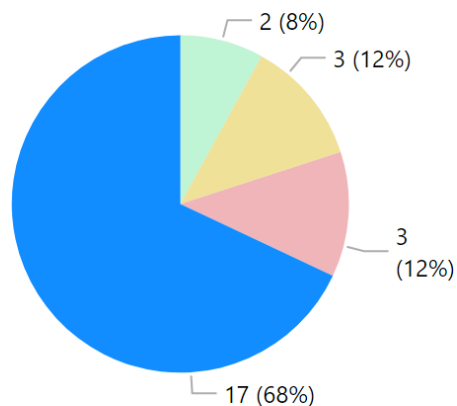
- Current levels of recycling borough wide will make it difficult to meet the government recycling targets.
- Capital and revenue food waste grant allocation will not meet the funding required for the roll out of kerbside food waste collections.



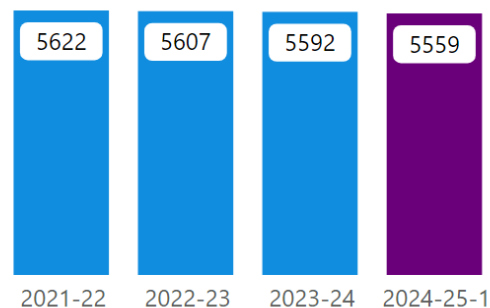
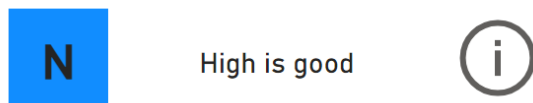
Economy & Growth, Leisure & Tourism

Summary of Indicators against Target

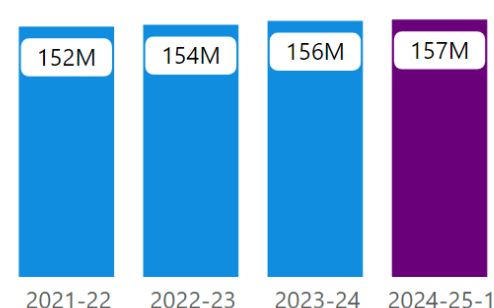
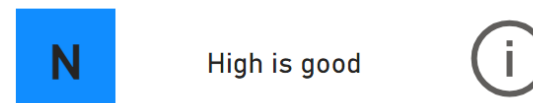
Green Amber Red No Target Set



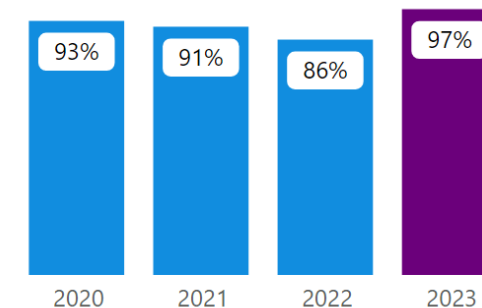
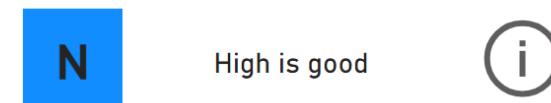
Number of businesses in rated premises



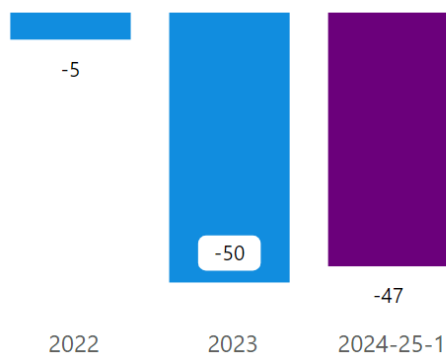
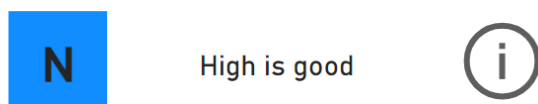
Total rateable value of NEL business premises



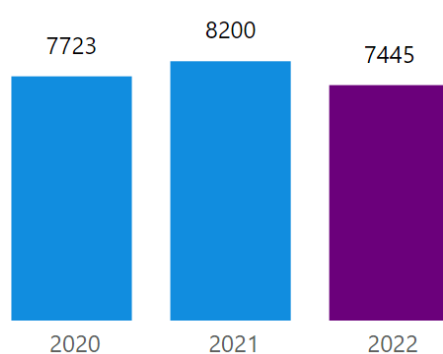
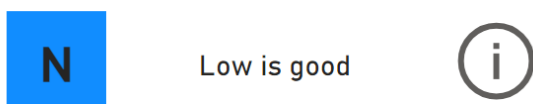
Gross weekly pay for full-time workers in NEL, as a % of England average



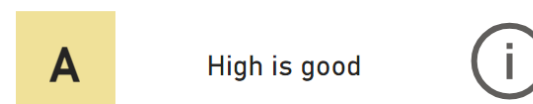
Net change of registered enterprises in North East Lincolnshire



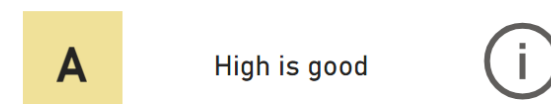
Number of workless households



% of adults qualified to level 2 and above

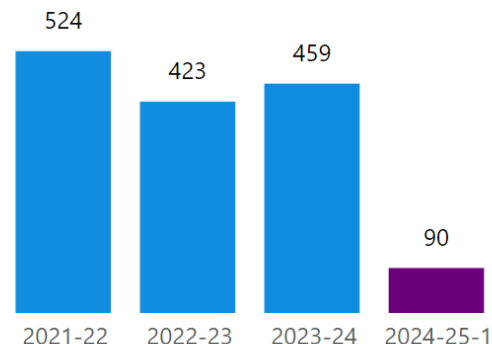


% of adults qualified to level 4 and above



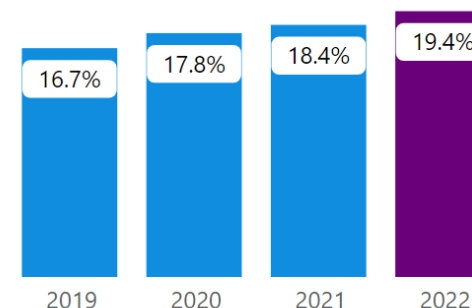
Net new homes

High is good



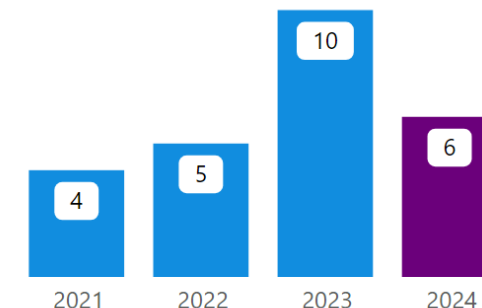
Proportion of households fuel poor

Low is good



Number of rough sleepers identified in the borough

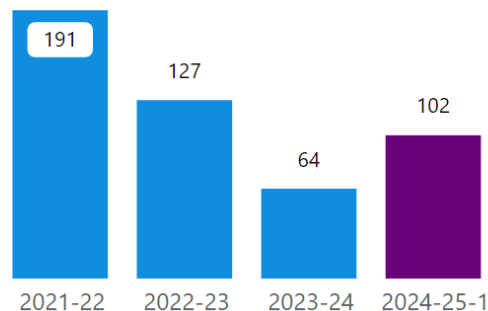
Low is good



Interventions to bring home up to the Decent Homes Standard

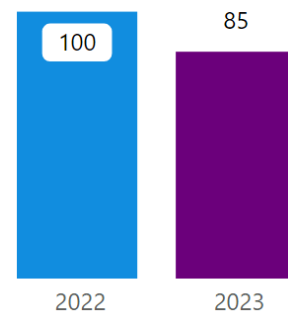
N

High is good



Temporary accommodation placements

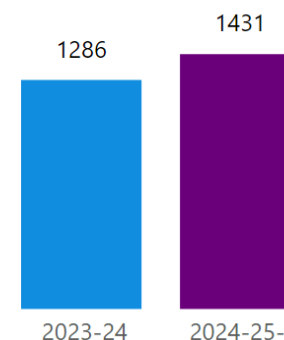
High is good



Number of properties empty for Between 6 months and 2 years

R

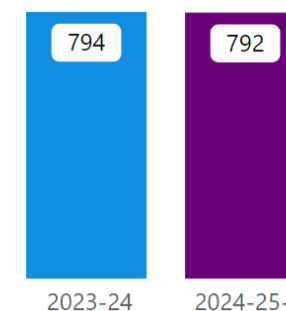
Low is good



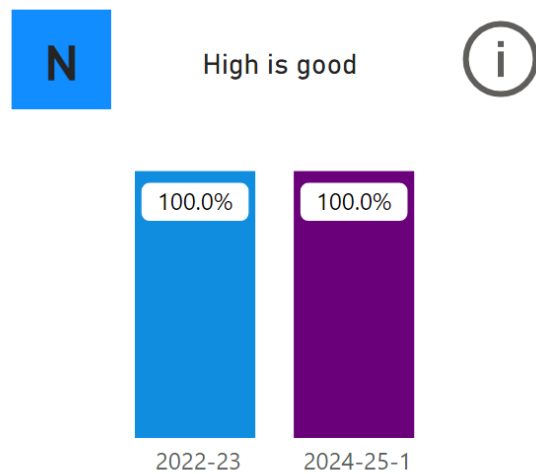
Number of properties empty for over 2 years

R

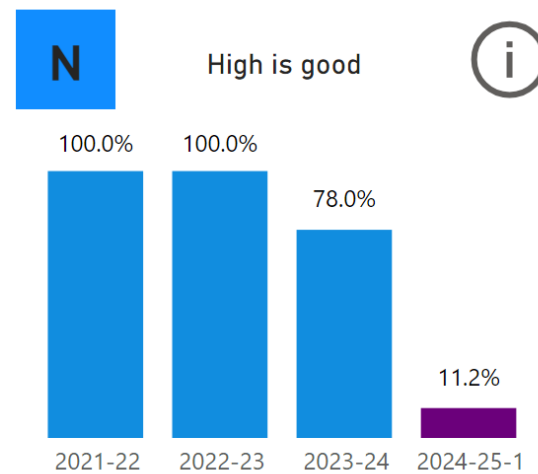
Low is good



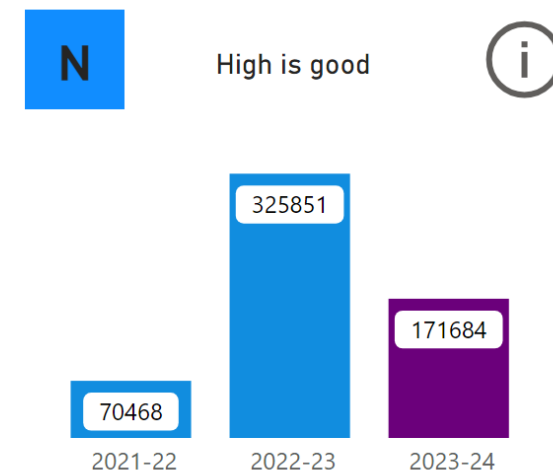
Percentage of repairs to dangerous highways within 24 hours of notificati...



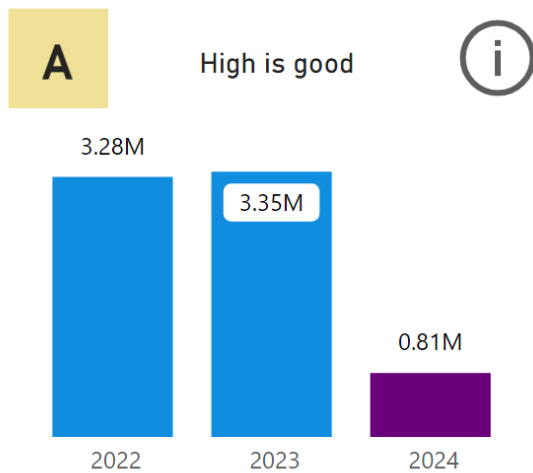
Percentage spend of LTP allocation



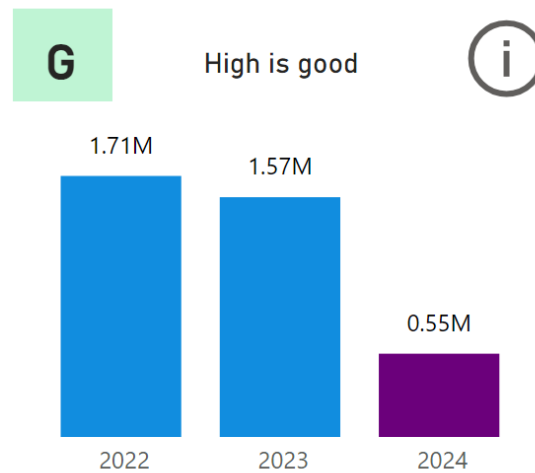
Capital Spend on Road Safety (£)



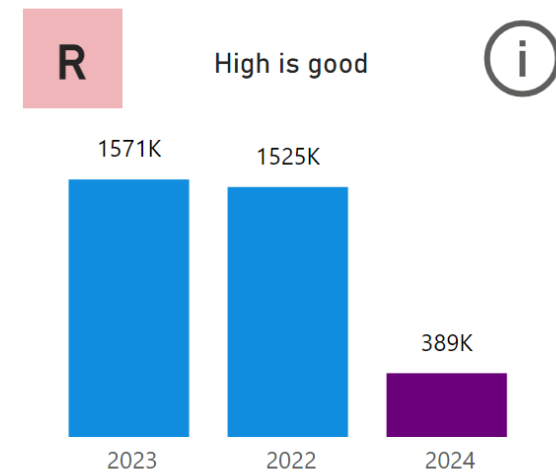
Rolling 12 month year on year change
for footfall at Victoria Street, Grimsby



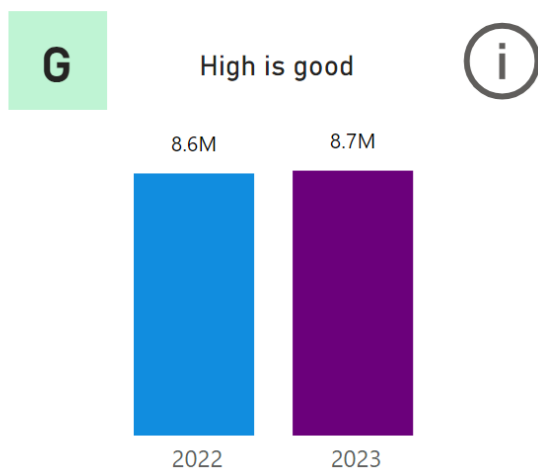
Rolling 12 month year on year change
for footfall at the Promenade, Cleethorpes



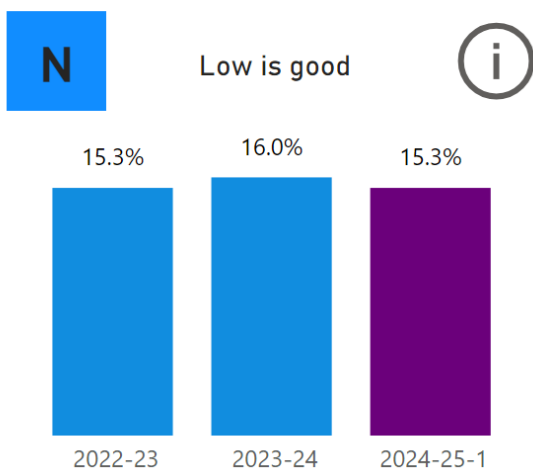
Rolling 12 month year on year change
for footfall at St Peter's Avenue, Cleethorpes



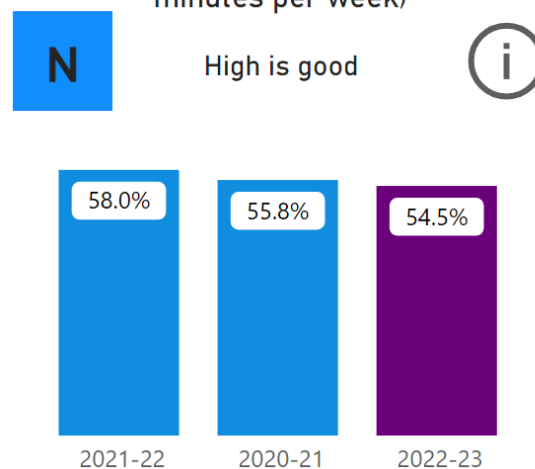
Visitor numbers (estimated number of
individual visits to the area)



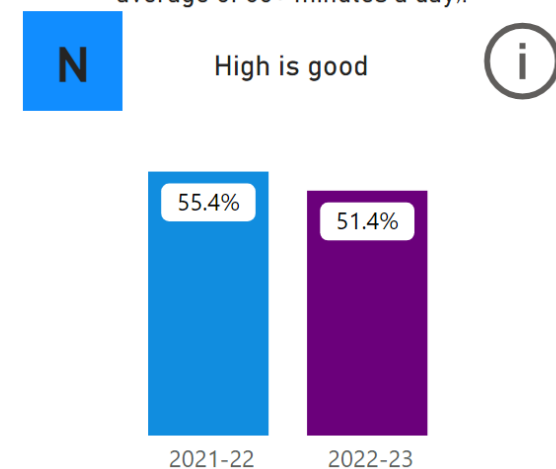
Town centre units vacant for 6
months or longer



% of adults that are identified as
physically active (active at least 150
minutes per week)



% of children and young people that are
identified as physically active (active at an
average of 60+ minutes a day).



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

2.86%

Of Total Revenue
Service Budgets

£0.2M

Forecast Revenue
Overspend

3.9%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Regeneration	5.1	5.3	0.2	Pressures	0.2
				Opportunities	0.0
				Income Shortfall	0.0
	5.1	5.3	0.2		0.2

Service Comments:-
Significant economic and regeneration works ongoing within the town centre are impacting on the reported revenue position. Over time these are expected to reduce.

Capital

27.49%

Of Total Capital
Programme

(£0.7M)

Forecast
Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Regeneration	30.1	29.4	(0.7)
	30.1	29.4	(0.7)

Service Comments:-
All the projects 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 and other key technically skilled resource, whether internal or external, continues to be a challenge and it is essential the right calibre of resource 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.

Regeneration

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Amber

Finance RAG:

Amber

Overview of achievements this quarter:

Grimsby Town Centre and Cleethorpes Masterplans

Cleethorpes Masterplan/LUF:

- Consultation undertaken for Market Place and Pier Garden schemes.
- Sea Road: Toilets closed for demolition and summer temporary provision implemented.
- Town centre leisure scheme: Independent contractor analysis of the PCSA/RIBA 4 designs commenced completed.
- St James House: E-factor led project, all asbestos removed, contractor has completed demolition works, all sub-contractors have been secured.
- Riverhead Square – Final construction of planters underway and planting commenced.

Economy and Funding

- Cabinet approved SHIP Spec unit grant programme on June 12 subject to Freeport seed capital funding being confirmed.
- Draft grant documentation and subsidy control advice continues to be developed.

Culture, Heritage, Leisure and Tourism

- Clee Fields 3G pitches & pavilion complete with the support of Football Foundation grant funding and YMCA Humber appointed as operator of the facility for 5-year initial contract term.
- Tennis court refurbishments complete with the support of LTA grant funding at Barretts Recreation Ground, Sussex Recreation Ground, and Haverstoe Park.
- Swimming Pool Support Fund grant secured from Sport England for investment into energy conservation measures at Immingham Swimming Pool.
- Create NEL continues to grow the local heritage and creative sectors e.g. Seagull trail by Dogma in Cleethorpes and £180k secured by Our Big Picture for capital works.
- £49k secured for Festival of the Sea for Festival of the Sea.
- Paint the Town Proud's latest mural 'Seaside Sundae' delivered in Cleethorpes.

Regeneration

Delivery of Priorities – Achievements, Challenges & Risks 2

Overview of achievements this quarter:

- Cleethorpes Townscape Heritage Programme extended to December 2025 broadening geographic scope to include Mermaid Fish and Chip Restaurant.
- Our Future Starts Here took place in May.
- Successful funding application to Heritage Fund for £250k for Heritage Place scoping.
- Grimsby Fishing Heritage Centre Year 2 Humber Museums Partnership progressing well, including an increase in school visits, and the creation of a new community focused blog. Plus, Year 1 Dynamic Collection has recruited volunteers and museum makers sessions being held.
- Discover and Create NEL social media channel and newsletter followers are increasing monthly and Discover NEL Spring campaign for 'out of area visitors' ongoing - 'Coastal Time' theme.

Skills and Employment

To deliver the Devolution Skills & Employment theme has been split into three workstreams:

- Adult Skills Funding (ASF) Readiness – Lead LCC
- Careers – Lead NELC
- Care Leavers – Lead NLC
- Delivering of the Skills Action Plan which is now monitored via the new North East Lincolnshire Skills Board.

Key progress:

15 UK Shared Prosperity Funded People & Skills Projects delivering directly against the priorities set out in the NEL Skills Strategy and Local Skills Improvement Plan (LSIP) Successful funding bid to continue the delivery of careers events including:

- Adult Careers events in community venues
- Parents Careers Event
- Y10 Skills Fair
- Women into Manufacturing and Engineering

Continued Promotion of Adult Learning via social media campaign, updated Adult Learning page and events such as promotional day in Freshney Place.

[Adult education and learning | NELC \(nelincs.gov.uk\)](https://nelincs.gov.uk)

Regeneration

Delivery of Priorities – Achievements, Challenges & Risks 3

Key challenges:

- Wider inflationary pressures are a cost risk. Greater cost certainty will be achieved as tender processes move to completion stage.
- Year on year footfall for Q1 was down -12% in St Peters Avenue, Cleethorpes and down -6% in Victoria Street, Grimsby. However, on the Promenade in Cleethorpes footfall was up year on year for Q1 with a +3% rise in footfall.
- Maintaining appropriate levels of project management and supporting technical 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.
- The availability of specialist resource across a variety of disciplines remains a challenge.
- Strategy, programme and project delivery across the service are heavily reliant on securing and maintaining external grant funding and therefore where this does not materialise this presents a risk to delivery.

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.



14.2%Of Total Revenue Service Budgets

£0.1MForecast Revenue Overspend

0.4%Variance as % Of Total Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Housing, Highways and Transport	25.3	25.4	0.1
	25.3	25.4	0.1

VARIANCE ANALYSIS	£M
Pressures	0.7
Opportunities	(0.6)
Income Shortfall	0.0
	0.1

Service Comments:-
It is anticipated that additional street works income should assist in reducing this pressure during the year, together with further careful management of remaining budgets. Tight controls on Bed and Breakfast budget use to keep help manage pressures in this area.

Capital

29.95%Of Total Capital Programme

(£0.2M)Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Housing, Highways and Transport	32.8	32.6	(0.2)
	32.8	32.6	(0.2)

Service Comments:-
Underspend due to Sustainable Warmth Scheme ending. This funding is no longer required and will be written back to source.

Housing, Highways & Transport

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Finance RAG :

Green

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, shot blasted and coated with a protective primer. Due to issues discovered within span 4 (lifting Span) redesign options are currently being explored with feedback expected by November. Communications to better explain the issues the project has been facing have been rolled out through Scrutiny and through public communication channels to aid with transparency.

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.

Devolution preparation work has begun around the transport theme, initial workshops have been held to discuss LTP alignment, Key Route Network (KRN) and to scope the provision of bus services and BSIP.

Bus Service Improvement Plan (BSIP) has been adopted. The programme of activity has been reviewed and agreed with Department of Transport (DfT) and is currently being delivered in conjunction with Stagecoach. Benefits of the programme include, bus priority measures, improved access to public transport, potential to construct a Transport Hub and better support for public transport users against ASB.

Western and Matthew Humberston former school sites disposals are both ongoing with potential completions dates within 2024/25 financial year. These schemes combined will deliver over 350 new homes.

Temporary Accommodation - 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.

Housing, Highways & Transport

Delivery of Priorities – Achievements, Challenges & Risks 2

Overview of achievements this quarter:

Swan House has welcomed the 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 approval by Cabinet, work is now taking place to review policy to align with the strategy, such as Selective Licencing, Care Leaver housing support, temporary accommodation and homelessness provision.

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.

Housing, Highways & Transport

Delivery of Priorities – Achievements, Challenges & Risks 3

Risks to non-delivery:

As referred to above, ongoing inflationary pressures are meaning both material and labour costs continue to increase along with the availability of consultants and contractors. 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 and reducing our reliance on B&B accommodation. We are working closely with colleagues across NELC to secure these properties as swiftly as possible.

Safer Towns & Communities

To work in partnership to make communities safer, supporting victims of crime and ASB and creating opportunities to change people's lives for the better.

To provide attractive, vibrant SAFE town and resort centres, alive with the hustle and bustle of a variety of thriving businesses and a growing residential community where culture and heritage is embraced, and a diverse offer of recreational activities and pastimes can be enjoyed by all.



0.28%

Of Total Revenue
Service Budgets

£0.0M

Forecast Revenue
Overspend

0.0%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Safer Towns & Communities	0.5	0.5	0.0	Pressures	0.0
	0.5	0.5	0.0	Opportunities	0.0
				Income Shortfall	0.0
					0.0

Service Comments:-
The revenue spend in this area comes to net nil. This is after a pressure in AD Safer relating to vacancy factor is netted off by an underspend in Crime Prevention arising from a vacancy in this service.

Capital

0.46%

Of Total Capital
Programme

(£0.0M)

Forecast Capital
Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Safer Towns & Communities	0.5	0.5	0.0
	0.5	0.5	0.0

Service Comments:
Plans are currently underway for the HSA fund to be utilised on Victoria Street Projects.

Safer & Stronger Towns

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Green

Finance RAG:

Green

Overview of achievements this quarter:

- High Street Accelerator delivery plan is showing good progress against the 3 identified priorities of safe and secure, activities and clean and vibrant high street
- Green Spaces fund phase 1 in full development, completion by latest 01-09-2024, phase 2 to be developed 01-10-2024
- Long Term Plan for Towns 10-year vision completed following engagement, awaiting further Government announcement regarding next steps.
- Q1 data indicates that all ASB down 12% from 677 to 595 incidents & Youth ASB down 31% from 315 to 218 incidents when compared to Q1 data last year.
- Monthly multi-agency Days of Action taking place in the Town Centre.

Key challenges:

- The Community Safety Partnership is currently collating crime data and community feedback as part of the Annual Joint Strategic intelligence Assessment. This assessment will then inform the priorities for the next 3 years as part of a refreshed Partnership plan which will look to tackle the key community safety challenges of the borough.
- Multi-agency Area Based Tasking is being developed to drive partnership problem solving at a place based geographical level, this will include a risk management process to prioritise action to support repeat victims and identify repeat perpetrators and repeat locations.
- Whilst overall crime continues to show quarterly reductions over the past year, North East Lincolnshire still experiences higher crime levels when compared to other areas of the country.

Risks to non-delivery:

- Work continues to be coordinated via the Community Safety Partnership arrangements and wider Council ASB Team. It is imperative moving forward that resources remain in place to meet current demand.

Children and Family Services 'Our children our future'

Vision

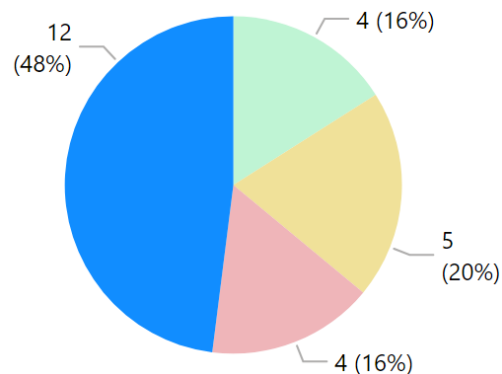
Children, young people and their families are at the centre of all we do .and we want North East Lincolnshire to be a place our children can grow up happy and healthy, safe in their homes, with people that love them. We are ambitious for a child's future with a focus on learning and aspiration so they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

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



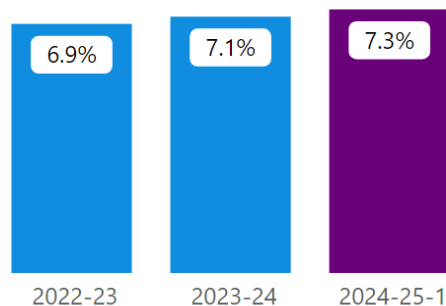
Summary of Indicators against Target

Green Amber Red No Target Set



% not in Education, Employment or training

N Low is good ⓘ

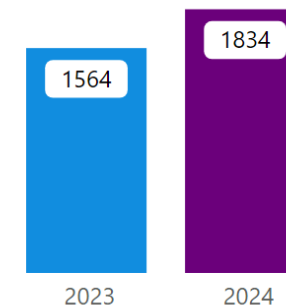


Early Years Foundation Stage Profile (EYFSP) - % achieving a Good ...

Under construction ⓘ

Total number of Education Health and Care plans open

N In range is good ⓘ



Number of referrals for Education Health and Care Plans

N Low is good ⓘ



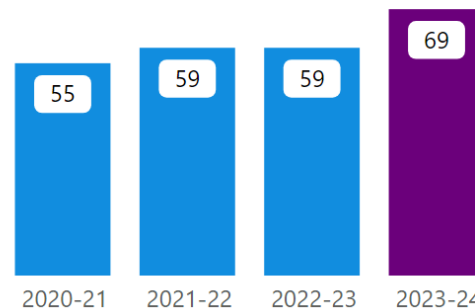
Timeliness of Education Health and Care Plans

A High is good ⓘ



Numbers of overall Permanent exclusions

N Low is good ⓘ



Numbers of overall suspensions

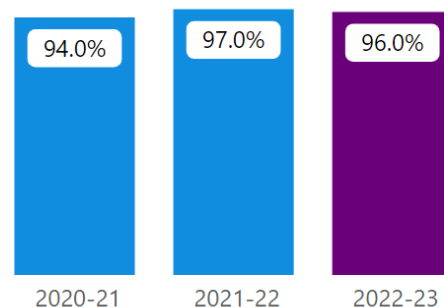
N Low is good ⓘ



Take up by 3 and 4 year olds
into childcare places

N

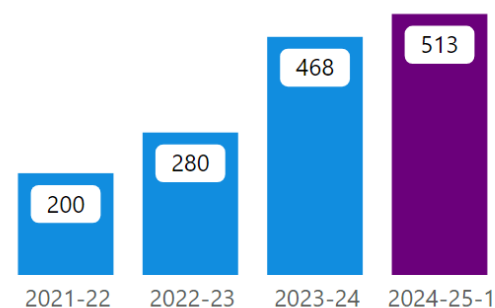
In range is good



Numbers of children who are
electively home educated

A

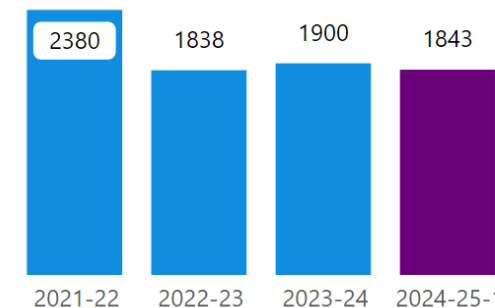
Low is good



Number of CIN (all open cases)

A

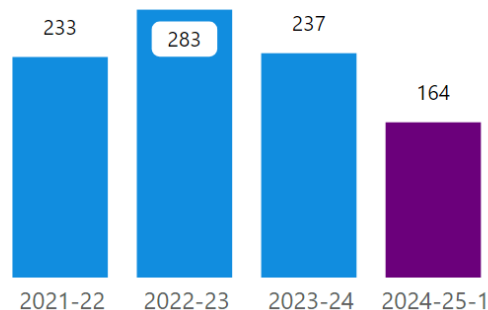
Low is good



Number of CP

G

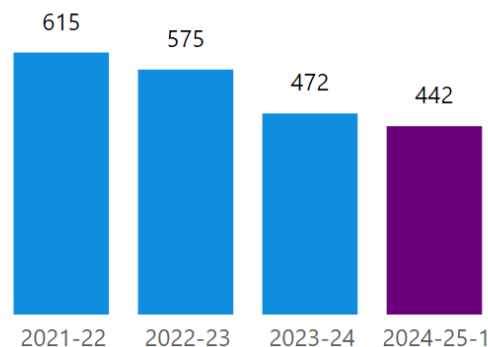
Low is good



Number of CLA

G

Low is good



Number of referrals at the front
door

R

Low is good



Numbers of Care Leavers accessing
Education, Training and Employment

R

High is good



Numbers of Care Leavers in suitable accommodation

A

High is good



2024-25-1

Number of young people identified at risk of abuse and neglect

N

Low is good

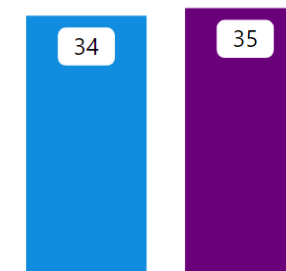


2024-25-1

Number of young people identified at risk or experiencing child exploitation

N

Low is good



2023

2024-25-1

Number of first time entrants to youth justice

N

Low is good



2024-25-1

Rates of attendance of all children, particularly the most vulnerable

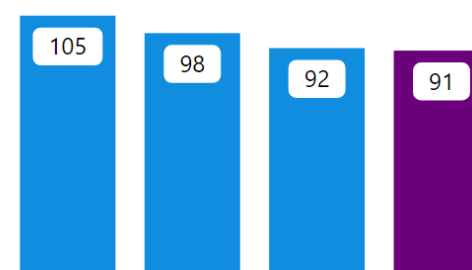
Under construction



Mainstream foster carers recorded

N

High is good



2021-22

2022-23

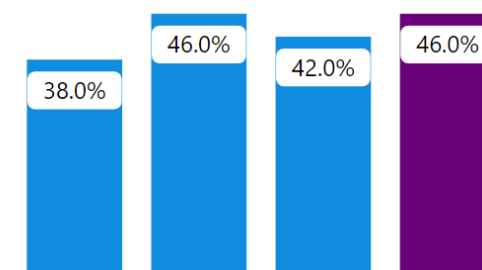
2023-24

2024-25-1

% children placed out of area

R

Low is good



2021-22

2022-23

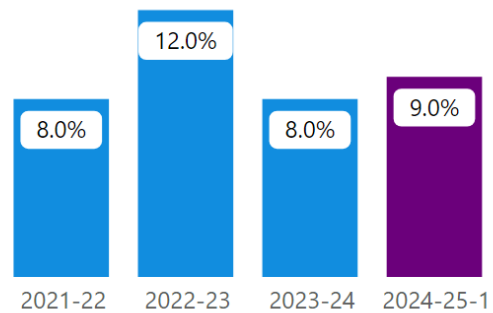
2023-24

2024-25-1

Number of placement moves

R

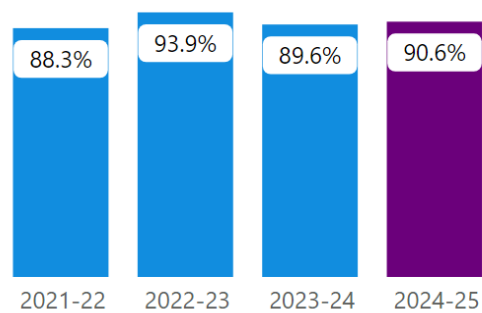
Low is good



Sufficiency of early years and school places across the Borough

G

High is good



Proportion of permanent social work qualified staff

A

High is good



Stability of the workforce (turnover)

G

Low is good



31.4%Of Total Revenue
Service Budgets

£3.9MForecast Revenue
Overspend

7.0%Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Education and Inclusion	7.8	9.7	1.9	Pressures	5.9
Women, Childrens and Families	0.2	0.2	0.0	Opportunities	(2.0)
Director Childrens Services	(3.9)	(4.6)	(0.7)	Business Plan Shortfall	0.0
Safeguarding and Early Help	13.0	14.4	1.4		3.9
AD Regulated Provision	38.9	40.2	1.3		
Total Children's & Family Services	56.0	59.9	3.9		

Service Comments:-

Restorative actions are now beginning to significantly impact numbers of children in care as shown below; with a real cash reduction in expenditure of £2.6M forecast against 2023.24 levels across the directorate. Work is ongoing within the service to continue this trajectory over the coming months.

Despite this, the latest forecast outturn position for Childrens Services is £3.9M overspend, with the key areas detailed below:

Education transport is reporting £1.3M overspend reflecting increase demand and costs within the system. The position is not out of sync with the national picture and the broader local transport review has highlighted the need to explore the drivers behind this including need, distance and choice. This further underpins the need to continue to develop in-borough specialist provision to reduce the need to transport provision.

The use of agency staff to cover Education Psychology vacancies, a review of Dedicated Schools Grant High Needs Block allocations and other variances across education services is a further £0.5M net overspend.

Integrated Front Door and CASS teams, relies on agency staff to cover vacancies at a cost of £1.0M. This has reduced with the recruitment of a permanent management team and will further reduce as social worker recruitment campaigns continue and staffing re-configurations are finalised. An overspend of £0.3M in relation to Direct Payments is also forecast.

External Placements overspend is £2.2M after an increase of £0.8M budget due to additional grant income. This is due to high cost, complex care placements and annual market increases. This is being offset by underspends (£0.7M) in in-house residential care due to one unit being closed and some additional supported accommodation grant, and a net underspend in foster care of (£0.4M). Other variances across of Regulatory Services total £0.3M pressure.

Negotiations continue with the ICB for contributions to placements costs.

10.78%

Of Total Capital Programme

(£0.0M)

Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Childrens & Family Services	11.8	11.8	0.0

Service Comments:-

Forecast capital spend is aligned with the current approved budget, following reprofiling on Sufficiency of School Places - which includes the build of 2 new primary schools, and Send Special Provision Fund into 2025/26 to reflect the new spending plans.

Safeguarding & Early Help

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Amber

Finance RAG :

Red

Overview of achievements this quarter:

- WORKFORCE:** Recruitment of a permanent, experienced leadership and management team now in place to drive forward practice improvements and transformational change. Ongoing focus on workforce development including recruitment and retention
- QUALITY OF PRACTICE:** Creating the conditions to enhance the consistency and quality of practice i.e. as a result of amplified focus on supervision
- MANAGING POPULATIONS AND DEMAND:** Refreshed practice approach and threshold document, and partners being reintegrated into the front door. Reduced number of children requiring statutory intervention, fewer children in need of protection and more children who can be cared for in their family (fewer children in care)
- PARTNERSHIPS:** Amplified focus on how partners/partnerships can contribute to the children's system and ensuring opportunities for high challenge and high support. Partners reintegrated into IFD
- **SUPERVISION** - Strengthened management oversight of children's plans to drive forward planning and intervention for children and families
- **YJ Plan completed and submitted** - NEL moved into Quadrant 1 (strong practice nationally)

Key challenges:

- **WORKFORCE** - recruitment of a stable and permanent frontline social work team
- **FH RESTRUCTURE** - The review of the Family help system to ensure a streamlined sustainable offer for children and families to meet need at the lowest level
- **MEETING NEED AT THE LOWEST LEVEL** - Work is continuing to strengthen the partnership approach to stepping down children from statutory intervention to family help internally and with partner agencies for example health

Risks to non-delivery:

Financial pressure of using agency Social workers pending successful recruitment of social workers

Regulated Provision

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :	Amber	Finance RAG :	Red
Overview of achievements this quarter:	Continued reduction in children placed with independent fostering agencies which has reduced from 141 (Mar 23) to 114 (current) - meaning a saving of approx. £1.67m in agency placement costs Increased number of enquiries to be foster carers (20 since May compared to 44 during 2023-24). This is supported by the Foster Friendly Business model and local sign up Amplified focus on embedding assurance arrangements relating to children in our care in external placements with new process now in place Developed further accommodation options for care leavers Improved compliance in relation to visits to children and planning frameworks Reduced number of placement moves by children in care		
Key challenges:	Ongoing challenge in having sufficient local provision to meet the needs of the care population and reduce external placement costs. Challenge to provide sufficient safe, suitable accommodation for care leavers aged 16-25 Continued need to ensure sufficient foster provision and continue the reduction in children placed externally Challenge in recruiting permanent staff across children's services including within the children in care team to ensure effective planning, direct work and progress Number of children still requiring high-cost commissioned provision for children with complex needs with increasing costs across the sector		
Risks to non-delivery:	The ICB contribution to children placed with external providers is approx 1% of the actual cost – this compares to up to 33% in other areas within the ICB footprint and means a shortfall for NELC in comparison of approximately £6million		

Education & Inclusion

Delivery of Priorities – Achievements, Challenges & Risks

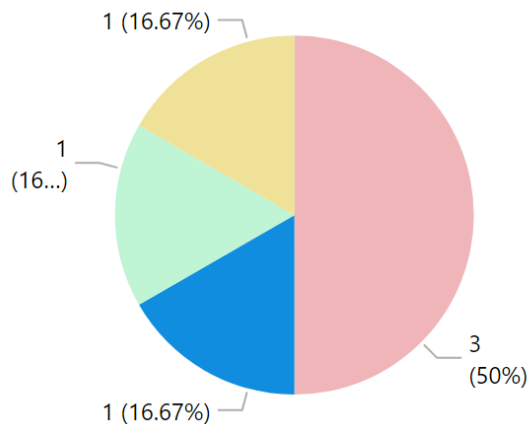
Performance RAG :	Amber	Finance RAG :	Red
Overview of achievements this quarter:	The SENDAP strategies were launched in July 2024 alongside the SEND Awards ceremony. The strategies focus on the sufficiency of SEND and AP places across the borough. As part of the delivery of the strategies, work is being undertaken to develop resource specialist provisions within our mainstream schools, including the two new primary schools having 12 RSP places. This reduces the need for children to have to travel out of area for specialist places, meaning children are educated and supported locally. Timeliness of EHCP assessments continues to improve and there has been some success with the recruitment of permanent Educational Psychologists thereby reducing the spend on locum EPs.		
Key challenges:	Reducing EHE numbers, particularly for KS4 remains a priority with the aim of developing a standalone EHE policy. Young people who are not in employment, education or training (NEET) remain high across the Borough. Increasing demands on the education transport service, with increasing requests for both EHCPs and the need for specialist transport provision due to complex health needs of the young people.		
Risks to non-delivery:	Secondary schools continue to be impacted by the large numbers of families opting to EHE their children, therefore impacting on their staffing and planning. Increasing education transport costs is adding significant pressure to the overall Children's Budget. A whole local authority transport review has identified the pressures to be determined by need (complex health needs), distance (travel to out of area special schools) and choice .		

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.***

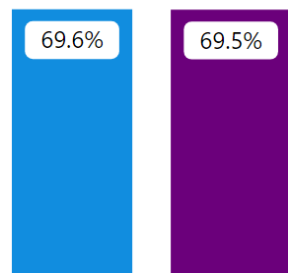
Summary of Indicators against Target



Proportion of people in receipt of long term support who have Support at Home

N

High is good



2023-24

2024-25-1

The number of carer prevention interventions per quarter

G

High is good



2024-25-1

% of people offered a direct payment that are eligible for care and support.

R

High is good



0.0%

2024-25-1

% of people whose outcomes were met following a safeguarding notification

R

High is good



2024-25-1

The proportion of people accessing the SPA signposted to low level advice and information

A

High is good



2023-24

2024-25-1

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

R

High is good



2024-25-1

35.0%

Of Total Revenue
Service Budgets

£0.0M

Forecast Revenue
Overspend

0.0%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Community (ICB)	42.2	42.4	0.2
Residential and Nursing (ICB)	23.5	23.4	(0.2)
ASC Infrastructure (ICB)	1.8	1.8	0.0
Better Care Fund (ICB)	(5.6)	(5.6)	0.0
Adult Services (NELC)	0.6	0.6	0.0
	62.5	62.5	0.0

VARIANCE ANALYSIS	£M
Pressures	0.4
Opportunities	(0.4)
Income Shortfall	0.0
	0.0

Service Comments:-

ASC S75 forecast balanced position at P3 is based on receipt of social care grant £800k, which includes forecast for in year demand.

Community: To date the number of people supported in both supported living and personal support has increased by 3. We are also continuing to see an increase in the total number of people supported at home and this has increased by 10. This has however placed a pressure on the budget. Client income from these services is forecast to underachieve, although clients will have a financial review during the year. The value of pressures amount to £400k. These issues have in part been mitigated in year by the release of discharge funding.

Residential and Nursing: Client income is forecast to increase along with a reduction in value of a high-cost transition package . High-cost placements continue to be reviewed to achieve best value. However, these projected underspends are in part mitigated by an increase in residential and nursing placements from the budgeted value.

Demand is tracking in line with 2023/24 trajectories, and this is being monitored closely due to the potential impact on the budget position.

Adult Services

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :	Amber	Finance RAG:	Amber
Overview of achievements this quarter:	Reablement review continues to progress and has entered the implementation phase Key commissioning activity (support at home, shared lives and supported living) are on track to be delivered to schedule. Recruitment of AD in commissioning Future of Adult Social Care Report completed.		
Key challenges:	Demand continues to be challenging. In Q1 there has been a net gain of 13 people requiring care and support services Restructuring within the ICB is creating some challenges within NEL place with more services being centrally delivered. Capacity to deliver all programmes		
Risks to non-delivery:	Lack of direct control over some savings programmes which are delivered on our behalf through our contracted out arrangements. On-going increases in demand for care and support services.		



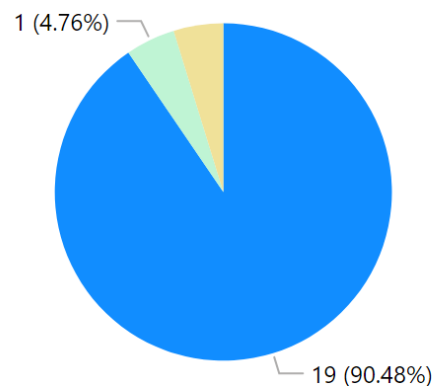
Public Health

Vision

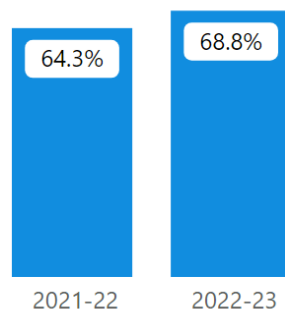
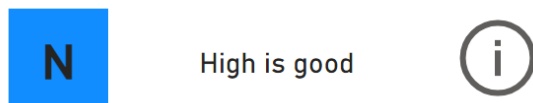
We want people to be informed, capable of living independent lives, self-supporting and resilient in maintaining/improving their own health. By feeling valued through their lives, people will be in control of their own wellbeing, have opportunities to be fulfilled and are able to actively engage in life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

Summary of Indicators against Target

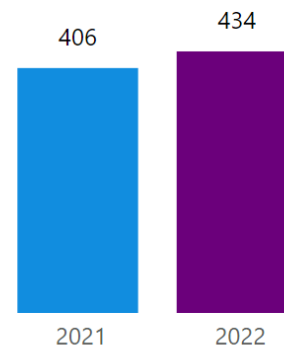
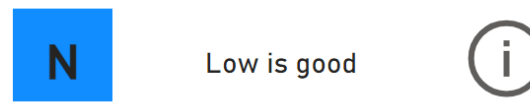
● No Target Set ● Green ● Amber



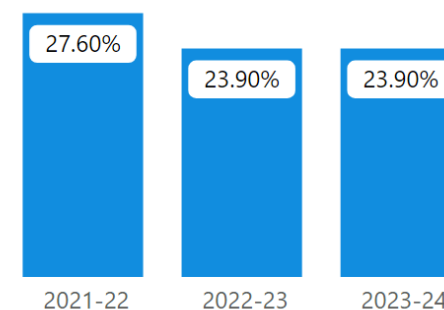
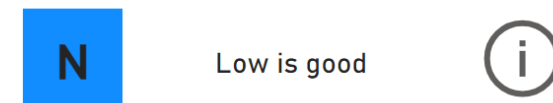
Number of children showing a good level of development at age five



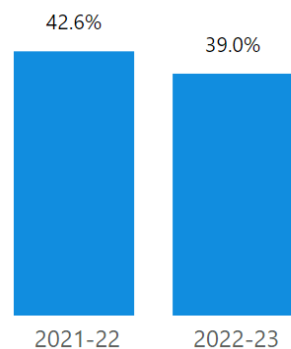
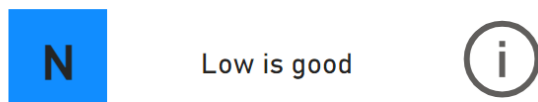
Under 75 all-cause mortality and variation between wards



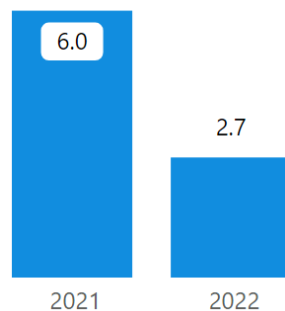
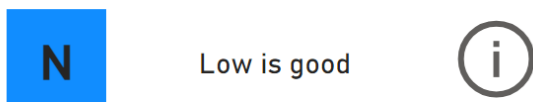
Proportion of children aged 4-5 years classified as overweight or obese



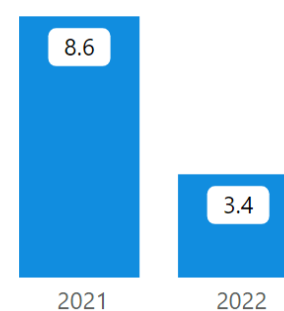
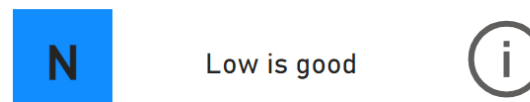
Proportion of children aged 10-11 years classified as overweight or obese



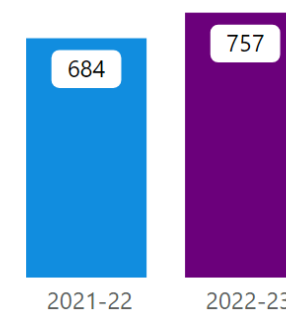
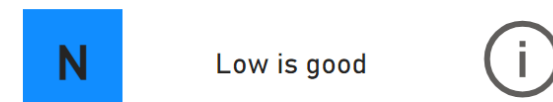
Infant mortality - deaths of infants aged under one year



Perinatal mortality - stillbirths and early (<7 days) deaths

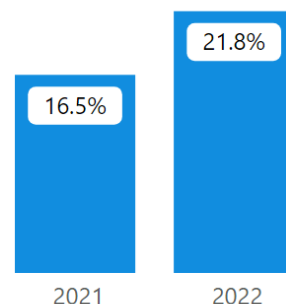


Admissions to hospital with a diagnosis or an alcohol specific-condition



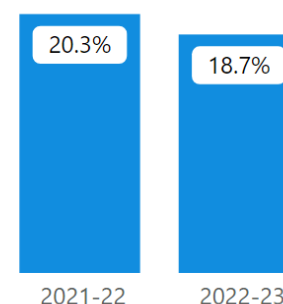
Smoking prevalence rate

N Low is good



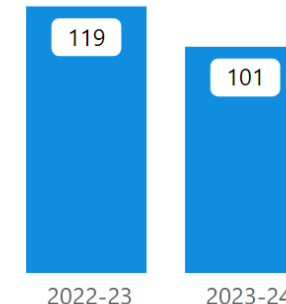
Smoking in pregnancy rate

N Low is good



Total persons sucessfully quit

G High is good



Female Healthy Life Expectancy, trends and gap with England

N High is good



Male Healthy Life Expectancy, trends and gap with England

N High is good



% of 5 year olds having experience of dental decay

N Low is good



Increase numbers in treatment

Under construction

Increase the number engaging with
community treatment provider on release
from prison (Continuity of Care)

Under construction



Increase the number of individuals
accessing residential rehabilitation

Under construction



Self-reported wellbeing-people with a
low self-worth score

N

Low is good



2022-23

Suicide rate

N

Low is good

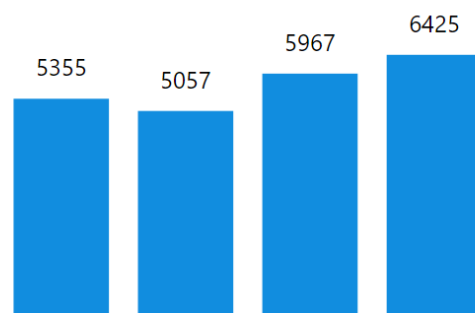


2024-25-1

Number of Domestic abuse incidents
reported to the police

N

Low is good



2020-21

2021-22

2022-23

2023-24

0.8%

Of Total Revenue
Service Budgets

£0.0M

Forecast Revenue
Overspend

0%

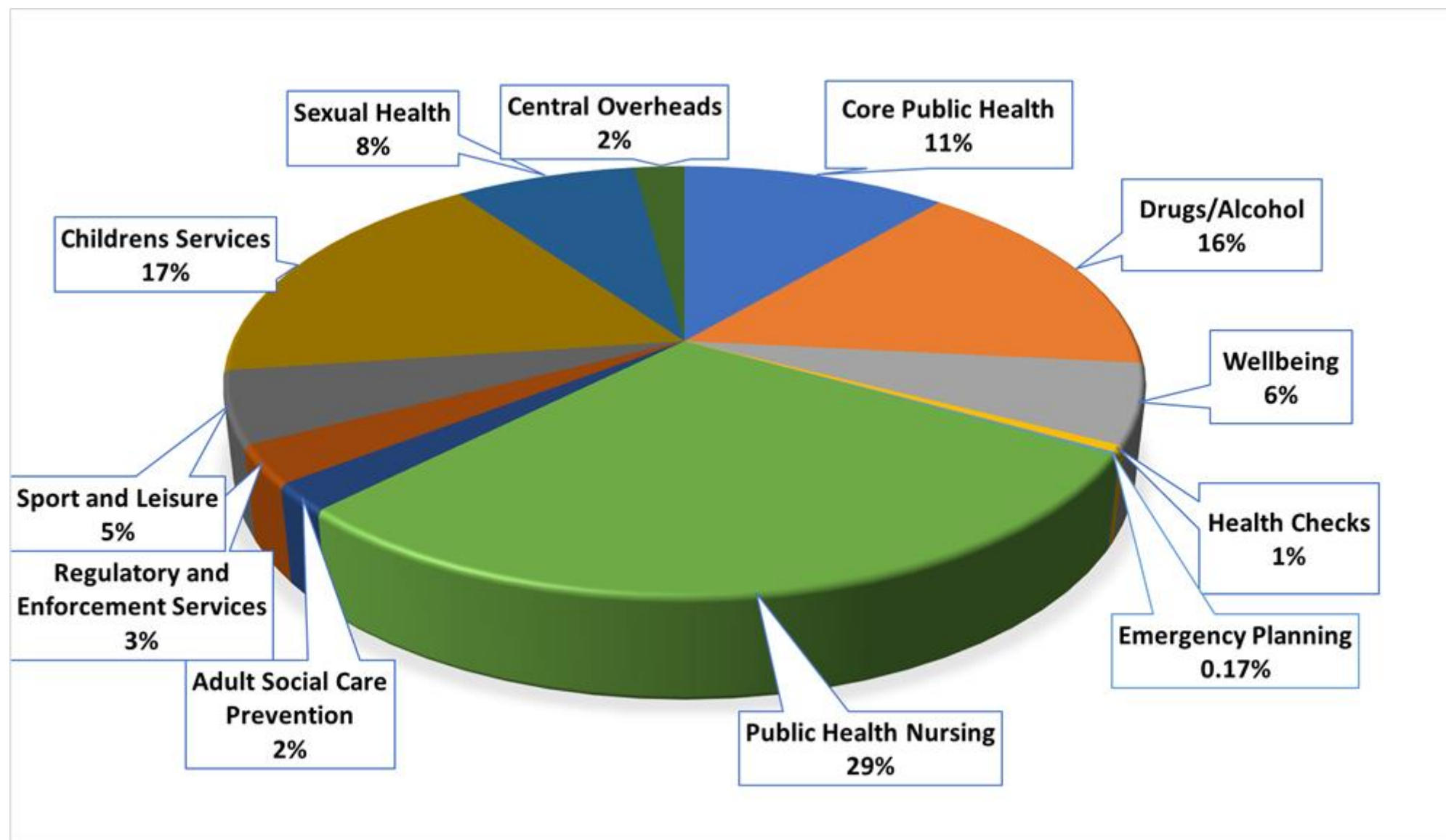
Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	
					£M
Public Health	1.4	1.4	0.0	Pressures	0.0
				Opportunities	0.0
				Income Shortfall	0.0
	1.4	1.4	0.0		0.0

Service Comments:-

Core 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 are staffing vacancies in public health which are likely to lead to an underspend at year end. We are in the process of recruiting to posts and reviewing the structure as a whole. Once all posts have been filled, we will be working towards a balanced budget. Pressures continue to be anticipated in future years due to previous uplifts in the public health grant not being sufficient to meet the pay award deals for either Agenda for Change or NJC. The budget for sexual health is expected to spend to budget this year following a review at budget setting. The substance use contract is due to be re-commissioned and there are significant concerns regarding the viability of services within the current budget envelope. The Adult Wellbeing budgets do receive some corporate funding, but both are expected to spend to budget this financial year. The current contracts for Healthwatch and Patient Advocacy are in the process of being extended for 1 final year (24/25). Depending on the pay award, the wellbeing service is anticipating a £22k pressure, however this will be covered from PH Funds.

Public Health Children & Wellbeing 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 for 2024/25. This is due to the service carrying vacancies, which we are in the process of filling. As the uplift in Public Health Grant for 2024-25 was less than 2% , the pressures for public health nursing is expected to exacerbate significantly in the coming years if this small level of inflation continues year on year. Domestic Abuse spend is within budget and in line with expectations. We have commissioned a root and branch review of domestic abuse which will include strategy, commissioning, workforce, and finance



Public Health

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :	Amber	Finance RAG:	Green
Overview of achievements this quarter:	The initiatives under the Starting Well Programme have all continued to progress this quarter. Specifically for Parent and Infant Relationships, we have drafted a whole system pathway and staff have been recruited to both specialist health visiting and mental health roles and a multi-agency panel and process has now been implemented to assess each complex referral (This is called "Thinking Together about Baby" (TTAB). For infant feeding, we have recruited to an Infant Feeding Coordinator post and the work is now underway to further increase the infant feeding team and develop the full offer for parents. For maternal wellbeing, the 2 wellbeing workers are currently supporting a caseload of 32 families. For smoking in pregnancy, a new re-focus on this priority on a Northern Lincolnshire footprint has been established. The initiatives funded through Health Inequalities Grant also continue to progress this quarter. Most notably, the targeted Health Check programme has commenced and two new wellbeing workers focusing specifically on healthy childhood weight have also commenced . This quarter, our new Public Health Manager focusing on tobacco and smoking cessation has taken up post, working across the Northern Lincolnshire footprint, taking forward numerous initiatives which have been made possible through the new Local Stop Smoking Services and Support Grant. The new plan has key priorities of expanding and modernising the smoking cessation support offer, increasing the coverage of the referral pathways and workforce development. This quarter, we also ran a promotional campaign to increase the uptake of childhood immunisation, especially MMR, which has had a positive impact. We have also invested in several voluntary sector programmes providing targeted wellbeing support to vulnerable people and those in our most deprived communities.		
Key challenges:	The main challenge impacting on health improvement and reducing health inequality are the social and economic difficulties in some of our urban communities. Almost all of our health indicators are worse in more deprived communities and although considerable health improvement has occurred, this is in more affluent communities. For the Starting Well Programme and the implementation of the 10 year drug strategy, the key challenge is the risk to grant funding. We are working with colleagues in central Government to highlight these risks and seek clarification on the sustainability of the funding moving forwards.		
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

(£0.0M)

Forecast Revenue Underspend

77.4%

Local Taxation Funding

22.6%

Government Grant Funding

FUNDING	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Collection Fund	(145.9)	(145.9)	0.0
Funding	(42.7)	(42.7)	0.0
Total	(188.6)	(188.6)	0.0

Comments:

No year end variance is currently forecast.

2.9%

Of Total Revenue
Service Budgets

(£1.4M)

Forecast Revenue
Underspend

26.9%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Other Corporate Budgets	5.2	3.8	(1.4)	Pressures	0.1
	5.2	3.8	(1.4)	Opportunities	(1.5)
				Income Shortfall	0.0
					(1.4)

Service Comments:-

Underspend reflects the reduction in borrowing costs due to reprofiling of 24/25 capital spend. Plus, additional interest income as a result of interest rates not reducing as quickly as expected.

Reserves

£8.3M

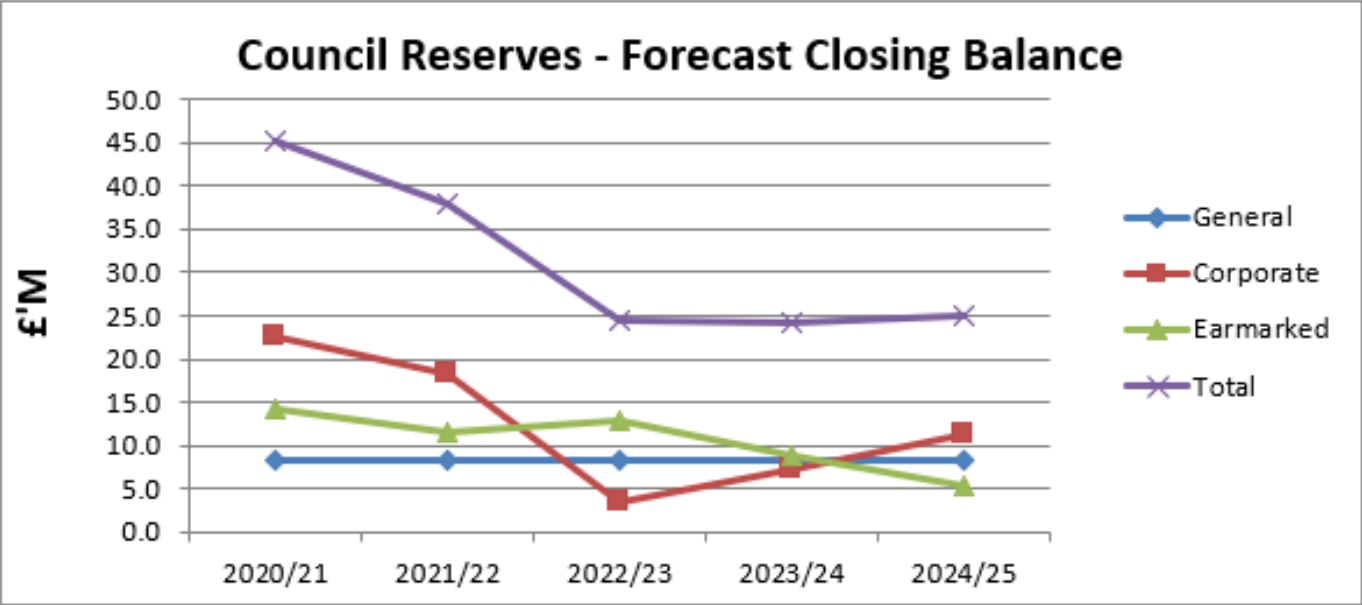
General Fund

4.7%

General Fund as % Of
Net Service Budget

£24.9M

Forecast 24/25 Total
Reserve Balance



Comments

Earmarked reserves balances are anticipated to fall by the end of this financial year as a result of planned usage. Increases in corporate reserves are aligned to the current MTFP, the overall adequacy of reserves will be reviewed as part of the forthcoming budget planning process.

Working Capital Management

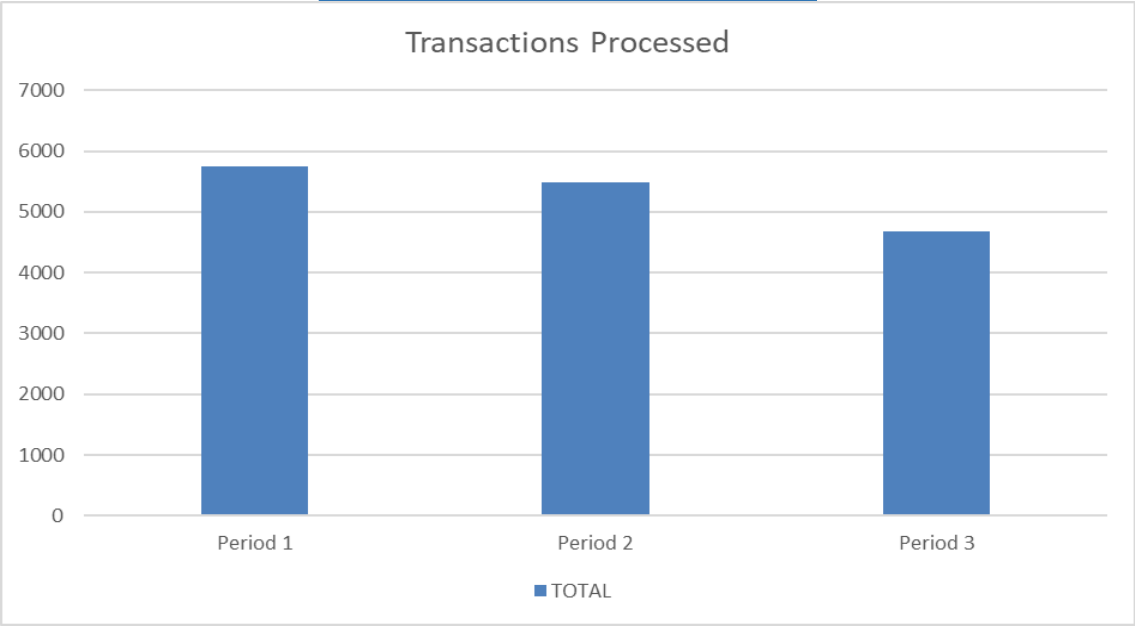
94.0%

Creditor Invoices Paid within 30 days during Qtr. 1

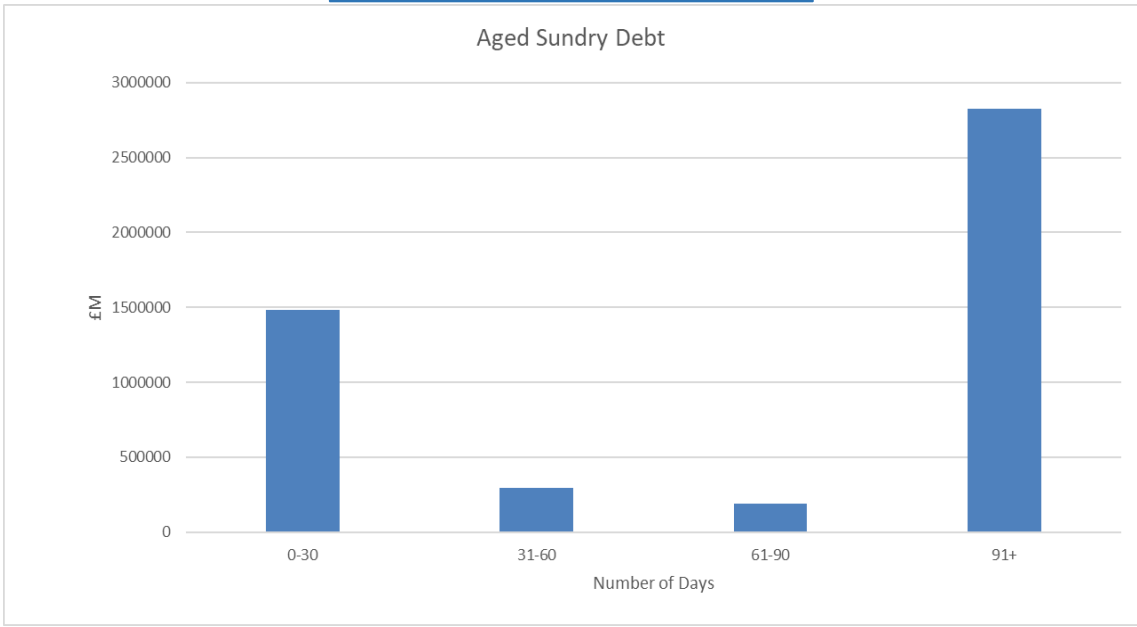
£2.8M

Value of debt over 90 days at Qtr. 1

Invoices Paid During Qtr.



Outstanding Debt at Qtr.



The processing of creditor invoices within NELC terms remains constant. Quarter 4 2023-24 invoices paid within terms was 94%, Quarter 1 2024-25 remains at 94%. The volume of invoices processed in Quarter 1 2024-25 was c16,000, this was a slightly less than the c17,000 processed in Quarter 4 2023-24. Areas for improvement continue to be explored as knowledge of the financial system capabilities

The debt for 91+ days includes invoices where debt is being collected on agreed payment plans. Overall outstanding debt has reduced by 26% from Q4 2023-24 . 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 2024-25

£18.0M

Investments as at 30 June 24

£159.8M

Borrowing as at 30 June 24

5.16%

Average return on investments

3.76%

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.

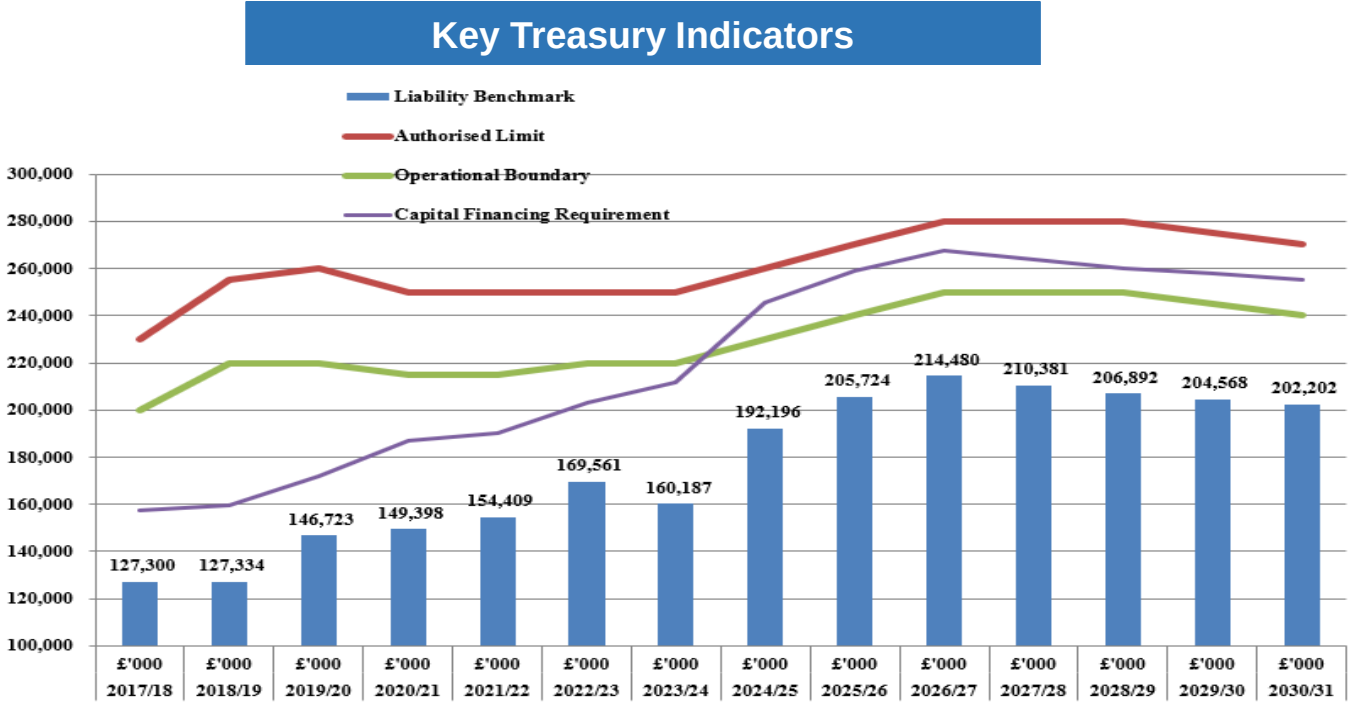
Our cash position, ranged between £12m and £37m during the period.

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 past the peak of the current cycle.

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

Bank rates have remained at what is expected to be a peak of 5.25% since August 2023 following 14 consecutive hikes by the Bank of England. To avoid committing to new long-term borrowing during peak rates, we are securing funding via short-term loans from other Local Authorities where required. £15m of new loans were taken during the period and £15.3m was repaid, including £0.2m of higher rate loans, repaid early to take advantage of the boosted discounts available while general rates are elevated.

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



Treasury Outlook – Cost of Debt

Pressures resulting from higher 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 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 later in 2024, although the structure of inflation calculations introduced a strong possibility that the window for rate cuts is closing, before another cycle of higher inflation materialises.

Net Interest Cost	2024/25	2025/26	2026/27
Forecast outturn	£6.508m	£8.957m	£9.864m
Current Budget	£7.975m	£9.400m	£10.349m
Potential Savings	£1.467m	£0.443m	£0.485m

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	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund	7.21%	7.63%	8.94%	9.38%

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 £64m over the forecast period during which we also have £33m of debt maturities. Total new borrowing required will therefore be around £97m (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 the 2024/25 financial year 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: 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	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt				
Debt at 1 April	169.6	160.2	192.2	205.7
Expected change in Debt	(9.4)	32.0	13.5	8.8
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	211.6	245.4	259.0	267.7
Under / (over) borrowing	51.4	53.2	53.3	53.2

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	192 (est)	206 (est)	214 (est)

Prudential Indicators (The Liability Benchmark 2)

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 £97.9m new loans by the end of 2026-27 – including replacement of maturing debt.

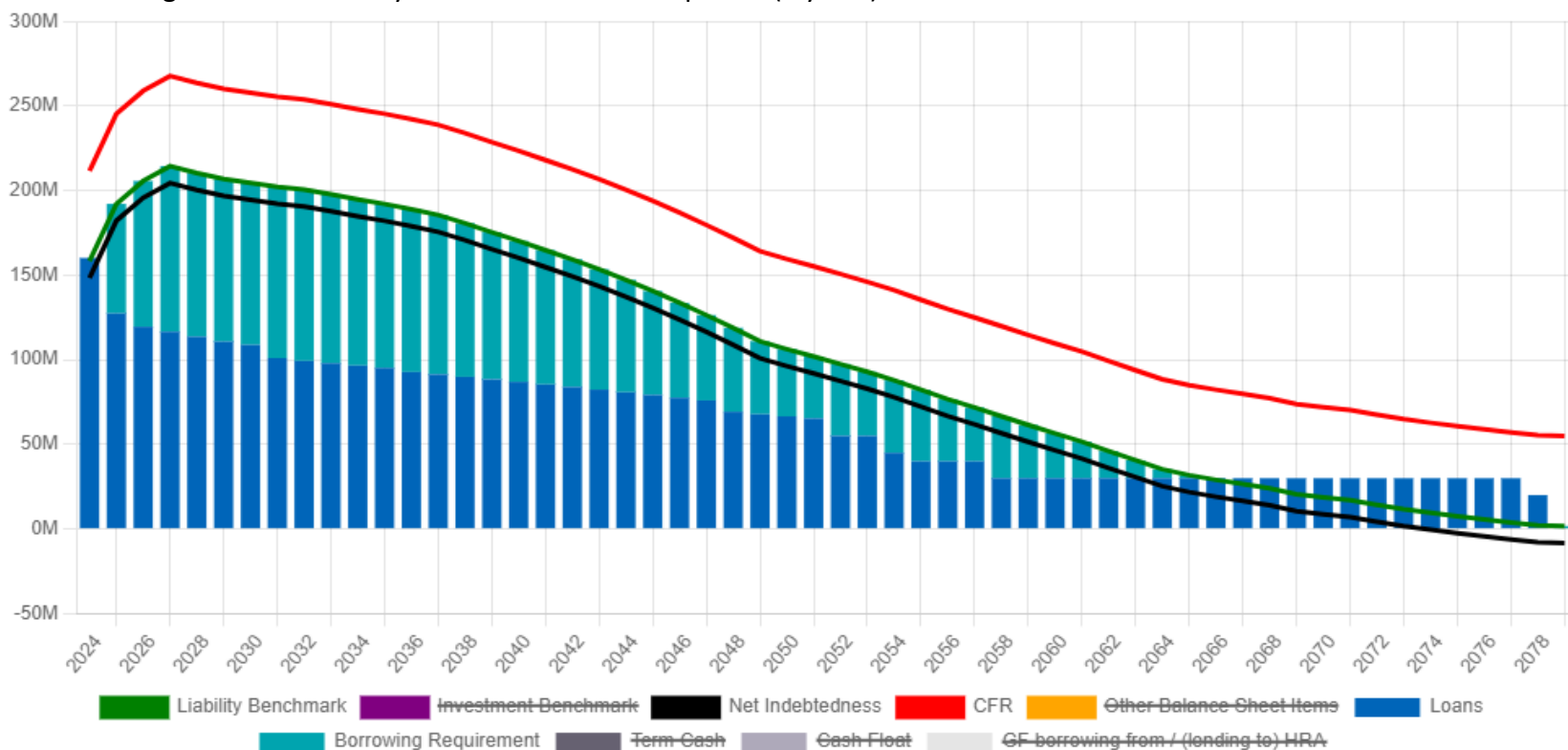
Before new long-term borrowing is entered into the Authority will have regard to the Liability Benchmark and its underlying assumptions will be assessed for their continuing prudency, with revisions made where necessary.

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 elevated 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 0.8% 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.

	2024/25	Actual	2025/26	2026/27
Upper limit on variable interest rate exposure	£90m	£42m	£90m	£90m

Given the elevated 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 0.8% above forecast cycle lows. Close monitoring with the support of our Advisors will be maintained.

Treasury Management Indicators 2

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	2024/25	Actual	2025/26	2026/27
Upper Limit on fixed interest rate exposure	290	139	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
Under 12 months	70%	10%	25%
12 months and within 24 months	30%	0%	5%
24 months and within 5 years	30%	0%	6%
5 years and within 10 years	30%	0%	9%
10 years and within 20 years	30%	0%	10%
20 years and within 30 years	50%	0%	23%
30 years and more	75%	10%	22%

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:

	2023/24	2024/25	2025/26	2026/27
Limit on principal invested beyond year end	£21m	£21m	£21m	£21m
Current investments as at 30.6.24 in excess of 1 year	0	0	0	0

Capital Programme

Quarter 1

Capital Programme

SCHEME	2024/25 Capital Programme	2025/26 Capital Programme	2026/27 Capital Programme	Changes to the Programme 2024/25	Changes to the Programme 2025/26	Changes to the Programme 2026/27	2024/25 Revised Capital Programme	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme
	£000	£000	£000	£000	£000	£000	£000	£000	£000
ECONOMY AND GROWTH									
Regeneration									
Clee HLF Townscape Heritage	1,139	-	-				1,139	-	-
SHIIP Scheme	1,235	-	-				1,235	-	-
Playing Pitch Reprovision	883	-	-				883	-	-
Cleethorpes Public Art	53	-	-				53	-	-
Town Deal Investment	4,581	-	-				4,581	-	-
Towns Fund - Central Library	3,592	-	-				3,592	-	-
UK Shared Prosperity Fund	704	-	-				704	-	-
Leisure Capital Grant	80	-	-				80	-	-
Freshney Place Leisure Development	18,546	5,547	-	- 13,546	13,546		5,000	19,093	-
Cleethorpes Masterplan - Market Place LUF Scheme	1,700	2,828	-				1,700	2,828	-
Towns Fund - St James House	2,229	-	-				2,229	-	-
Towns Fund - Activation Fund	281	176	-				281	176	-
Towns Fund - Riverhead Square	823	-	-				823	-	-
Towns Fund - Public Realm Connectivity	2,836	-	-	- 267			2,569	-	-
Cleethorpes Masterplan - Sea Road LUF Scheme	2,300	6,365	-				2,300	6,365	-
Cleethorpes Masterplan - Pier Gardens LUF Scheme	2,850	5,597	-	- 748	748		2,102	6,345	-
Tennis Court Refurbishment	33	-	-				33	-	-
Play Zone	209	-	-				209	-	-
House of Fraser	-	-	-				-	-	-
Freshney Place Fit Outs	350	300	300				350	300	300

Capital Programme

SCHEME	2024/25 Capital Programme	2025/26 Capital Programme	2026/27 Capital Programme	Changes to the Programme 2024/25	Changes to the Programme 2025/26	Changes to the Programme 2026/27	2024/25 Revised Capital Programme	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Housing, Highways and Transport									
Disabled Facilities Grants	5,275	3,500	-	215	215		5,060	3,715	-
Local Transport Plan Schemes	6,971	4,288	-				6,971	4,288	-
Housing Assistance Grants and Loans	649	-	-				649	-	-
Immingham Lock Flood Def Gates	3	-	-				3	-	-
Corporation Rd Bridge Refurb	2,604	-	-	267			2,871	-	-
Rough Sleeper Accom Grant	61	-	-				61	-	-
Gy and Imm Flood Innov Funding	1,909	-	-				1,909	-	-
Sustainable Warmth	207	-	-	177			30	-	-
Flood Defences - Humberston Fitties	83	-	-				83	-	-
A180 Structures	10,526	-	-				10,526	-	-
Grimsby Surface Water Flood Alleviation	62	-	-				62	-	-
Bus Service Improvement Plan	617	-	-				617	-	-
Towns Fund - Garth Lane	2,672	4,410	-				2,672	4,410	-
Toll Bar Drop Off	524	-	-				524	-	-
Greater Lincs Groundwater Project	850	1,000	150				850	1,000	150
Local Authority Housing Fund 3 (LAHF3)				180	180		180	180	-
SAFER TOWNS & COMMUNITIES									
CCTV Review & Upgrade	-	-	-				-	-	-
HAS & Green Spaces	-	-	-	450			450	-	-

Capital Programme

SCHEME	2024/25 Capital Programme	2025/26 Capital Programme	2026/27 Capital Programme	Changes to the Programme 2024/25	Changes to the Programme 2025/26	Changes to the Programme 2026/27	2024/25 Revised Capital Programme	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme
	£000	£000	£000	£000	£000	£000	£000	£000	£000
RESOURCES									
Law and Governance									
Audio Visual System for Grimsby Town Hall	72	-	-				72	-	-
Deputy S151									
Capital Investment	4,087	11,369	19,700	- 25			4,062	11,369	19,700
Capital Rec't Flexibility	12,000	2,000	2,000				12,000	2,000	2,000
Humber Freeport Seed Challenge	-	-	-				-	-	-
Policy, Strategy and Resources									
Backlog Maintenance	2,897	-	-				2,897	-	-
Property Rationalisation Programme	154	-	-				154	-	-
Cartergate Office Development	136	-	-				136	-	-
ICT Refresh	640	-	-				640	-	-
Heritage Assets at Risk	3,807	-	-				3,807	-	-
Business Centre Improvement	197	-	-				197	-	-
M365 Transformation Programme	96	-	-				96	-	-
Customer Services Mgt Platform	45	-	-				45	-	-
Changing Places Fund	-	-	-				-	-	-
Childrens Services Platform	2,260	1,626	-				2,260	1,626	-
Digital Platform	271	171	-				271	171	-
Northgate Cloud Upgrade	37	-	-				37	-	-

Capital Programme

SCHEME	2024/25 Capital Programme	2025/26 Capital Programme	2026/27 Capital Programme	Changes to the Programme 2024/25	Changes to the Programme 2025/26	Changes to the Programme 2026/27	2024/25 Revised Capital Programme	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme
	£000	£000	£000	£000	£000	£000	£000	£000	£000
ENVIRONMENT									
Fleet Replacement Programme	1,441	975	-				1,441	975	-
Enhancement of Bereavement Services	521	-	-				521	-	-
Depot Rationalisation	4,492	-	-				4,492	-	-
Scartho Cemetery Lodge & Waiting Rooms	24	-	-				24	-	-
Environmental Services Mgt System	47	-	-				47	-	-
Regulatory Services Management System	4	-	-				4	-	-
Memorial Testing & Repairs	25	-	-				25	-	-
Play Areas	3	-	-				3	-	-
Urban Tree Challenge Fund	95	72	107				95	72	107
LA Treescapes Fund	55	-	-				55	-	-
Salix - Public Sector Decarbonisation Scheme	854	4,562	-				854	4,562	-
CHILDRENS SERVICES									
Safer and Partnerships									
CCTV Review & Upgrade	-	-	-				-	-	-
Safer Streets 4	-	-	-				-	-	-
Education and Inclusion									
Schools - Devolved Formula Cap Grant	181	-	-	- 46	81		135	81	-
Schools - Backlog Maintenance	348	350	-	- 200			148	350	-
Schools - Basic Need Sufficiency of Places	11,910	5,103	-	- 2,810	2,810		9,100	7,913	-
SEND Special Prov Fund	4,386	1,066	-	- 2,224	2,224		2,162	3,290	-
SEMH Free School				25			25	-	-
Wraparound Childcare Programme	308	-	-				308	-	-
TOTAL CAPITAL PROGRAMME	128,830	61,305	22,257	- 19,336	19,804	-	109,494	81,109	22,257

Capital Programme

SCHEME	2024/25 Capital Programme	2025/26 Capital Programme	2026/27 Capital Programme	Changes to the Programme 2024/25	Changes to the Programme 2025/26	Changes to the Programme 2026/27	2024/25 Revised Capital Programme	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Funding									
External Grants	70,933	35,216	257	- 13,971	13,929		56,962	49,145	257
Corporate Borrowing	43,478	24,089	20,000	- 5,400	5,875		38,078	29,964	20,000
Capital Receipts	12,000	2,000	2,000				12,000	2,000	2,000
Revenue Contributions	-	-	-	35			35	-	-
Other Private inc S106	2,419	-	-				2,419	-	-
TOTAL FUNDING	128,830	61,305	22,257	- 19,336	19,804	-	109,494	81,109	22,257

Denotes a Major Project

Denotes a Major Education Project