

Appendix 1

North East Lincolnshire Council. Council Plan Resources & Finance Report

Q3 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

This report relates to performance against the Council Plan 2022-2025. A new Council Plan for 2025-2028 was approved by Council in December 2024, and reporting against the new plan will commence from Q1 2025, consistent with finance reporting arrangements.

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. The live dashboard includes links to more detailed information including historic and comparator data, and any defined targets. We are continuing to develop the dashboard to reflect feedback from Elected Members received through Scrutiny. You can view the most up to date version and the further detail that sits behind the information presented in this report through this link on our [Council Plan](#) web page.

Data on its' own does not present a complete picture. 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 appropriate for transformational activity. There is a particular challenge recruiting to roles requiring specialist skills such as social work, project management, surveying, 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 and is proving particularly successful in stabilising the workforce within Children's Services, recognised in the most recent Ofsted Monitoring Visit letter published 17th October 2024.

Performance & Delivery overview (2)

Service Area	Performance RAG	Finance RAG
Resources	Green	Green
Environment & Regulatory Services	Green	Green
Economy (Regeneration)	Amber	Green
Economy (Housing, Highways & Transport)	Amber	Amber
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 third quarter of the 2024/25 financial year, the Council is forecasting a £0.9m overspend against budget. This represents a £0.6m improvement to the forecasted position at the end of the second quarter. Whilst the main driver for this overspend is Children's Services, restorative actions are now beginning to significantly impact numbers of children looked after; resulting in an improved forecast position for the financial year. The overall improved forecast position also reflects the establishment of income generation from the new Border Target Operating Model (BTOM) within Environmental Regulation, work is ongoing in developing and optimising this service.

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 £2.8m.

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.

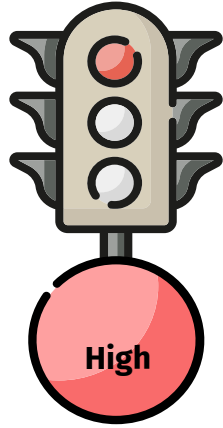
The overall funding position for the year is aligned with the one-year financial settlement from Central Government. Further updates on changes to the local government financial model and the review of fair funding are expected in the new year, following the confirmation of a one year settlement again for 2025/26. Early indications are that a multi-year settlement will be in place from 2026/27 and will be developed during the next financial year.

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 Q3 2024/25 79.2% of Council Tax had been collected, this is in line with the collection rate of for the same period in 2023/24. For Non Domestic Rates, the % collection for Q3 2024/25 (79.42%) is also consistent compared to the same quarter last year

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)

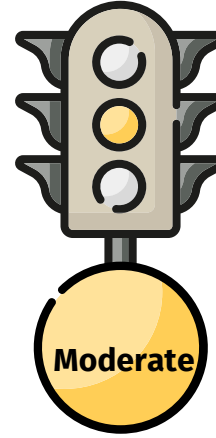
Financial Outlook



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). The current draft MTFP shows a balanced position for 2025/26, but gaps are still present in future years.

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.

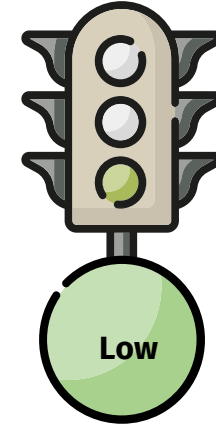
Whilst restorative actions continue within Childrens Services, this still remains an area of Financial risk. As the ongoing improvement journey continues, further actions to reconfigure staffing structures, the introduction of a renewed sufficiency strategy to reduce reliance on high-cost external placements 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 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 council has now received its provisional settlement for the 2025/26 financial year, with some new funding allocations clearly aligned to need and ability to raise funding. There is also a commitment by the new Government to review the funding model for 2026/27 and the council remains committed to working with the Government on a long-term plan to fund local services.

Announcement of the Greater Lincolnshire Devolution deal ensures that local leaders have access to sustainable funding and greater freedom to take decisions on how to provide vital services in our communities.

Revenue Budget Overview

£0.9M

Total Revenue
Forecast Overspend

(£0.2M)

Service Budgets
Forecast Variance

(0.11%)

% Representation of Service
Budget Underspend to Net
Budget

Revenue Overview Comments:

The overspend forecast for the year is £0.9m, this reflects an improved position from Quarter 2 of £0.6m.

Challenges remain ongoing within Childrens Services, with work on improvement plans continuing. This trajectory is reflected in the £0.7m reduction in forecast overspend since Quarter 2.

The improved position within Environmental Services remains, driven by the initial establishment of income generation from the BTOM within Port Health.

The increase in Corporate budgets reflects a revised forecast position on the usage of flexible use of capital receipts to fund transformational activities.

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	10.2	9.8	(0.4)
Environment	18.7	19.2	16.9	(2.3)
Economy & Growth	30.8	31.5	31.4	(0.1)
Children & Family Services	57.5	57.2	59.7	2.5
Public Health	1.3	2.0	1.9	(0.1)
Adult Services	61.7	63.3	63.5	0.2
	178.9	183.4	183.2	(0.2)
Corporate Budgets	2.8	2.4	3.5	1.1
	181.7	185.8	186.7	0.9
Earmarked reserves	6.9	4.3	4.3	0.0
School Balances	0.0	(1.5)	(1.5)	0.0
Total	188.6	188.6	189.5	0.9
Funding	(188.6)	(188.6)	(188.6)	0.0
Net	0.0	0.0	0.9	0.9

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
School Budget Setting Virement			(2.5)			
Social Care Grant Allocation			0.8			0.8
Pay Award	0.9	0.1	1.0	0.5	0.0	0.0
Earmarked Reserve (EMR) Adjustment/Utilisations	0.3				0.5	0.7
Total Service Budget Movement	1.2	0.1	(0.7)	0.5	0.5	1.5

Capital Budget Overview

(£1.9M)

Capital Forecast
Underspend

(2.32%)

% Representation of Service
Capital Underspend to Approved
Programme

CAPITAL	Approved Programme £'M	Forecast £'M	Variance £'M
Resources	20.5	20.5	0.0
Environment	6.3	6.6	0.3
Economy & Growth	44.8	42.6	(2.2)
Children & Family Services	10.9	10.9	(0.0)
Public Health	0.0	0.0	0.0
Adult Services	0.0	0.0	0.0
Total Capital Budgets	82.5	80.6	(1.9)
Funding	(82.5)	(80.6)	1.9
Net	0.0	(0.0)	(0.0)

Capital Overview Comments:

Review of the capital programme is ongoing, reprofiling and decommitment of projects is undertaken to reflect the latest 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 7 – 9)

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				
Clee HLF Townscape Heritage	- 0.264	0.264	-	Reprofile budget into 25/26 to reflect latest spending plans
Heritage Action Zone	0.050	0.300	0.250	Reprofile budget into 25/26 and 26/27 to reflect latest spending plans
Towns Fund - Central Library	- 3.589	-	-	Reallocation and reprofiling of budget into future years to reflect latest spending plans
Freshney Place Leisure Development	- 0.311	0.322	17.164	Reprofile budget into 25/26 and 26/27 to reflect latest spending plans, including realignment of current and additional funding
Cleethorpes Masterplan - Market Place LUF Scheme	- 0.118	0.118	-	Reprofile budget into 25/26 to reflect latest spending plans
Towns Fund - Activation Fund	- 0.138	0.138	-	Reprofile budget into 25/26 to reflect latest spending plans
Towns Fund - Riverhead Square	- 0.261	0.261	-	Reprofile budget into 25/26 to reflect latest spending plans
Towns Fund - Public Realm Connectivity	- 2.529	2.529	-	Reprofile budget into 25/26 to reflect latest spending plans
Cleethorpes Masterplan - Sea Road LUF Scheme	- 0.482	0.482	-	Reprofile budget into 25/26 to reflect latest spending plans
Freshney Place Fit Outs	-	0.350	0.350	Reprofile budget into 25/26 to reflect latest spending plans
Cleethorpes Masterplan - LUF Wayfinding	- 0.080	0.080	-	Reprofile budget into 25/26 to reflect latest spending plans
Cleethorpes Masterplan - LUF Logistics	- 0.094	0.094	-	Reprofile budget into 25/26 to reflect latest spending plans
Housing, Highways and Transport				
Local Transport Plan Schemes	- 0.340	0.340	-	Reprofile budget into 25/26 to reflect latest spending plans
Housing Assistance Grants and Loans	- 0.111	0.111	-	Reprofile budget into 25/26 to reflect latest spending plans
Gt and Imm Flood Innov Funding	- 0.500	0.500	-	Reprofile budget into 25/26 to reflect latest spending plans
A180 Structures	- 1.655	1.655	-	Reprofile budget into 25/26 to reflect latest spending plans
Bus Service Improvement Plan	- 0.300	0.820	-	Reprofile budget into 25/26 to reflect latest spending plans
Greater Lincs Groundwater Project	- 0.100	0.100	-	Reprofile budget into 25/26 to reflect latest spending plans
Local Authority Housing Fund 3 (LAHF3)	- 0.180	0.180	-	Reprofile budget into 25/26 to reflect latest spending plans
Transport Hub	1.900	-	-	New scheme approved
SAFER TOWNS & COMMUNITIES				
HAS & Green Spaces	- 0.150	0.150	-	Reprofile budget into 25/26 to reflect latest spending plans
RESOURCES				
Deputy S151				
Capital Investment	- 1.975	1.975	-	Reprofile budget into 25/26 to reflect latest spending plans
Property Rationalisation Programme	0.333	-	-	Additional funding approved
Cartergate Office Development	- 0.068	-	-	Project complete, remaining budget decommitted.
ICT Refresh	-	0.955	2.542	Reprofile budget into 25/26 to reflect latest spending plans
Heritage Assets at Risk	- 3.207	3.207	-	Reprofile budget into 25/26 to reflect latest spending plans
Business Centre Improvement	- 0.097	0.097	-	Reprofile budget into 25/26 to reflect latest spending plans
ENVIRONMENT				
Fleet Replacement Programme	- 0.327	0.327	-	Reprofile budget into 25/26 to reflect latest spending plans
Scartho Cemetery Lodge & Waiting Rooms	- 0.021	-	-	Project complete, remaining budget decommitted.
CHILDRENS SERVICES				
AD Regulated				
Childrens Residential Transformation	0.600	0.930	0.070	New scheme approved
Education and Inclusion				
Schools - Basic Need Sufficiency of Places	- 0.400	0.400	-	Reprofile budget into 25/26 to reflect latest spending plans
SEND Special Prov Fund	- 1.125	1.125	-	Reprofile budget into 25/26 to reflect latest spending plans
SEMH Free School	- 0.015	0.015	-	Reprofile budget into 25/26 to reflect latest spending plans
TOTAL CAPITAL PROGRAMME	- 15.554	16.481	20.376	
Funding				
External Grants	- 8.634	13.534	0.100	
Corporate Borrowing	- 6.920	2.947	20.276	
TOTAL FUNDING	- 15.554	16.481	20.376	

Denotes a Major Project
Denotes a Major Education Project

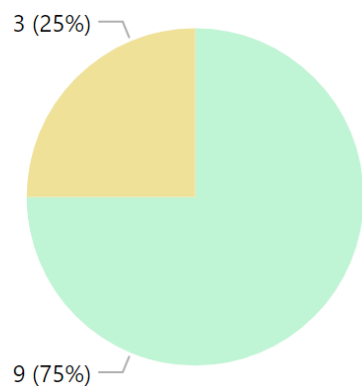
Resources

Vision

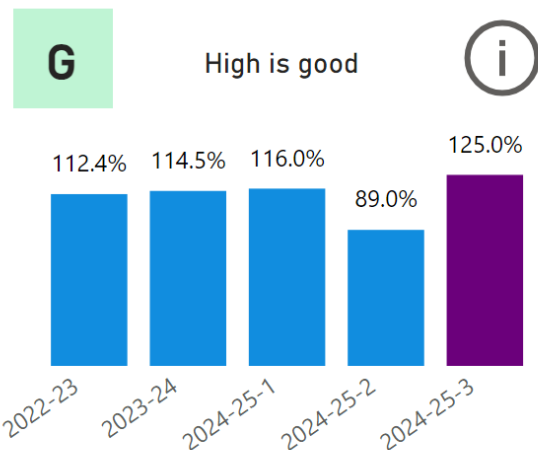
To support the organisation in a way that is pro-active, flexible, efficient, and responsive to the needs of services, residents, partners and businesses and elected members, whilst ensuring that we have robust governance arrangements in place that mitigate the risk of financial, reputational, safeguarding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

Summary of Indicators against Target

● Green ● Amber



Apprentice Levy Year To Date Spend

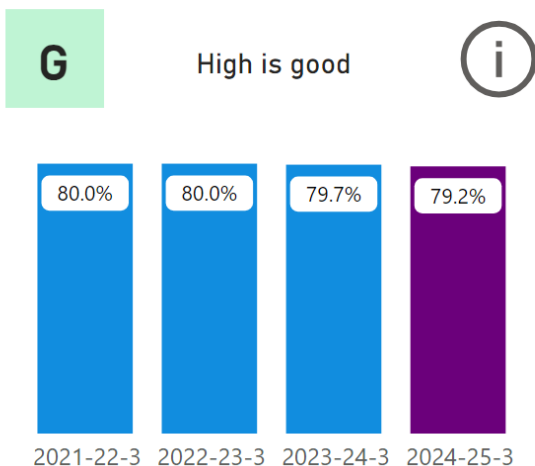


New placements offered and engaged.
Number of placements transferred to substantive posts within the place period.

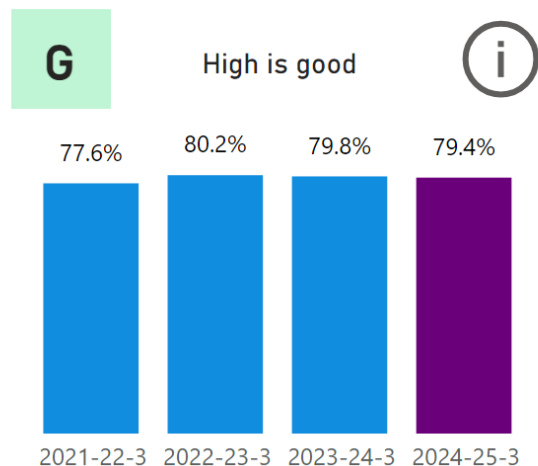
Under construction ⓘ



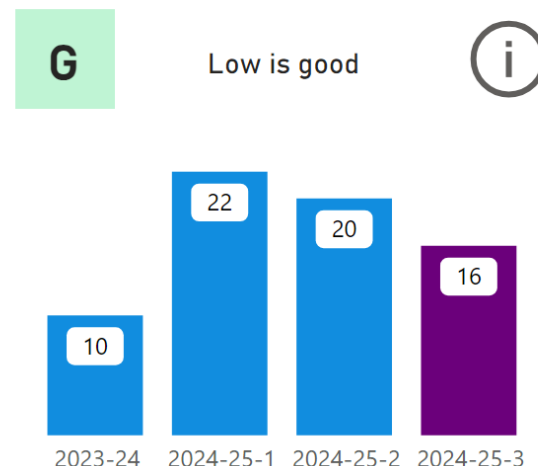
Council tax collection achieved (%)



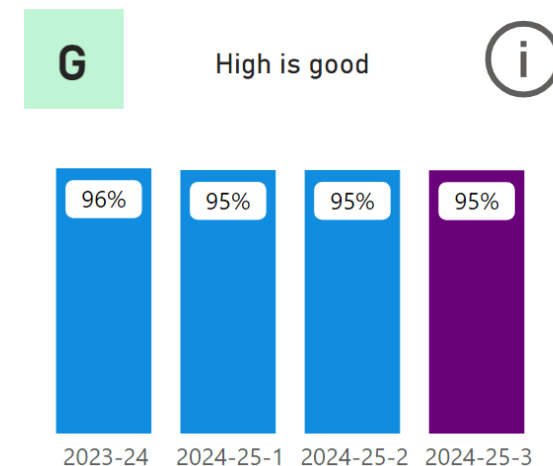
National non-domestic rates collection achieved (%)



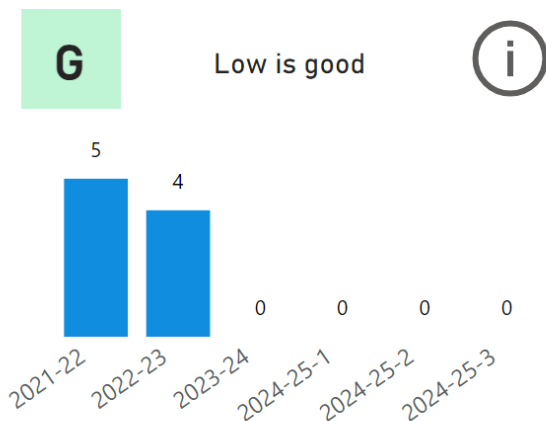
Housing Benefits average days to process



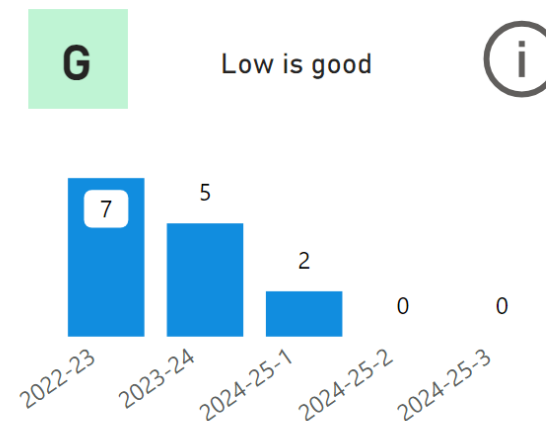
The average attendance per full time employee (FTE)



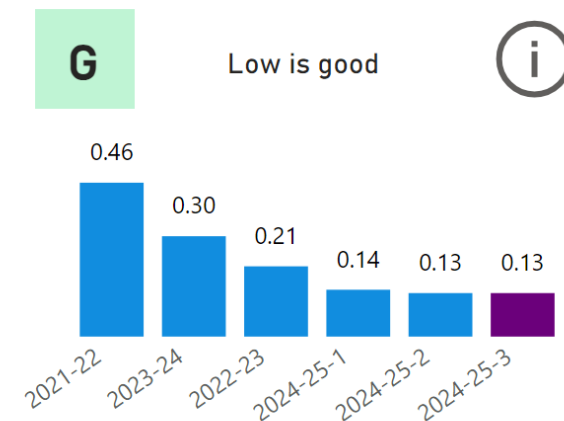
Freedom of Information cases referred to the Information Commissioner which are upheld



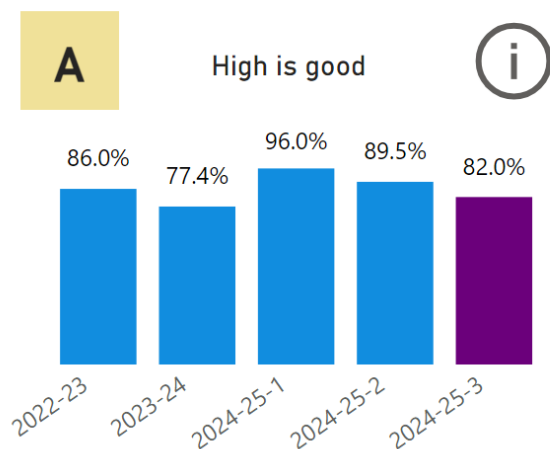
Complaints referred to the Local Government and Social Care Ombudsman which are upheld



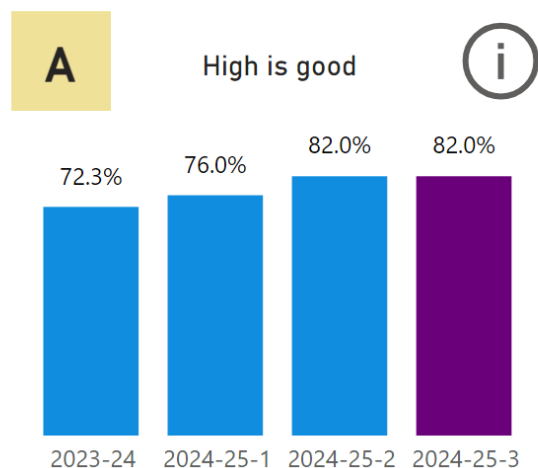
Total RIDDOR incident rate



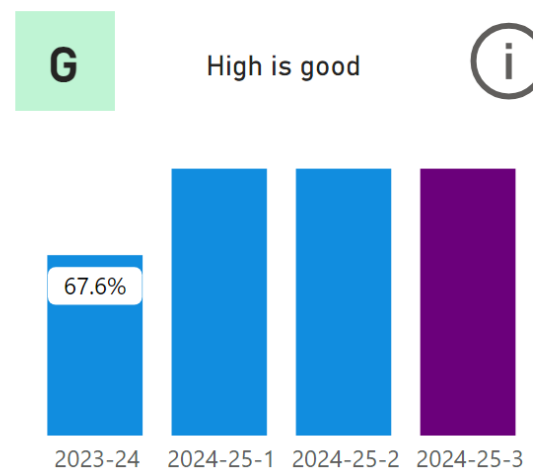
Percentage of capital programmes delivered (against revised budget)



M365 Project - Percentage of total number of tasks completed



Delivery of the Customer and Service Management Platform



Revenue

Resources Budget

5.57%
Of Total Revenue
Service Budgets

(£0.4M)
Forecast Revenue
Underspend

(3.92)%
Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Deputy s151	2.2	2.2	0.0
Law and Governance	3.8	3.1	(0.7)
Policy, Strategy and Resources	0.2	1.2	1.0
Assistant Chief Executive	0.0	0.0	0.0
Assistant Director People & Organisation	4.0	3.3	(0.7)
	10.2	9.8	(0.4)

VARIANCE ANALYSIS	£M
Pressures	1.1
Opportunities	(1.5)
Income Shortfall	0.0
	(0.4)

Service Comments:-
Facilities management and commercial estate are both forecasting overspends. Facilities management is due to increased costs for cleaning, grounds maintenance, utilities and business rates. Commercial Estate is also affected by increased utility costs and there is a historic pressure relating to underoccupancy. Work is on-going to improve occupancy. This area will be impacted by the assets disposal programme. The positive swings in Children and Family Services are now having encouraging impact on the budget for Legal services. This coupled with an incremental approach to staffing structure is resulting in savings. People & organisation are currently retaining vacancies in line with the current vacancy freeze & also as a strategic decision to assist in meeting the vacancy factor target. Both the holiday extra and additional AVCs scheme are forecast to come in over their target. The Business Support Re-design has realised (£183k) of savings.

Capital

24.85%
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	14.1	14.1	0.0
Policy, Strategy and Resources	6.3	6.3	0.0
	20.5	20.5	0.0

Service Comments:-
The capital programme remains on track

Resources

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :	Green	Finance RAG :	Green
Overview of priorities & achievements this quarter:	<p>AcademyNEL - Progress on the development of the AcademyNEL programmes are progressing well, with full launch in Q4 still on track. SharePoint site launched, content is now in continuous improvement phase and will grow as required. Continuation of the CPD accreditation now ongoing. Children's Services, continues to be a key area of focus, and further development discussions to take place with Education and Adult Social Services.</p> <p>Agency Framework -Contract has been agreed and lessons learnt completed. Promotion of the framework is underway across the Council. Significant reduction in agency spend by 77% since 2022 and 83% of agency spend is now through the framework. Further work to be undertaken around governance ensuring tighter control on off contract spend, recruitment, compliance and finances.</p> <p>Business Support Re-design - Full transition to the new business support model in October 2024, with all vacancies resulting from the change management process being successfully filled. 100% of service agreements have been initiated and agreed in principle. Ongoing exploration on improving processes to drive efficiencies is identifying areas to focus on especially around areas where the use of AI and TEAMS could provide significant efficiencies</p> <p>Property Rationalisation – The work to detach the Civic Offices from Cleethorpes Town Hall will commence February 2025,this is required for the sale of the building. Phase 2 property rationalisation will see the development of the former Holme Hill school for some services to re-locate to. Enabling works, including surveys and strip out, continue. A specific area of the building is being scoped and progressed to tender to provide confirmation of costs which will be used to form the basis for likely costs to the remainder of the building to inform an updated feasibility to refresh the Business Case</p> <p>Disposal Programme – during Q3 offers subject to planning have been accepted on several surplus buildings, these are following our internal governance processes. Exchange of conditional contract for former Bursar School and Nursery has taken place subject to planning. Disposal of the former Western School site has completed.</p> <p>Legal Services - overall reduction in spend, largely due to the improvements in Children's Services.</p> <p>Local Taxation & Benefits – A review of all households in receipt of a single person discount to ensure the discounts are correctly awarded has been successfully ¹⁶ completed. New simplified Council Tax Support scheme to support lower income</p>		

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. During Q4 of 2024/25 we are testing an approach which is used in other authorities, to take certain properties to auction where appropriate.

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

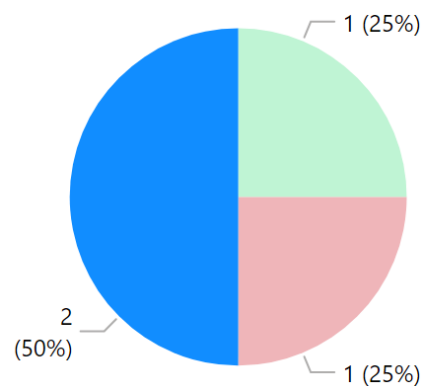
Vision

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

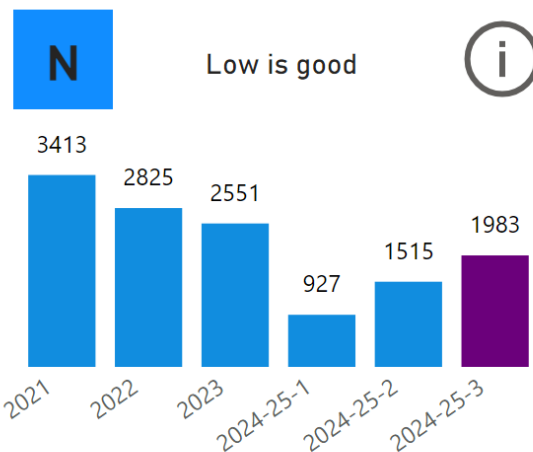
We recognise that we are part of a larger system of change and need to work with others to achieve a sustainable future for our place. We must prioritise our actions so that we use our resources in the best way to have the greatest impact. We will do this by considering our strengths as an organisation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

Summary of Indicators against Target

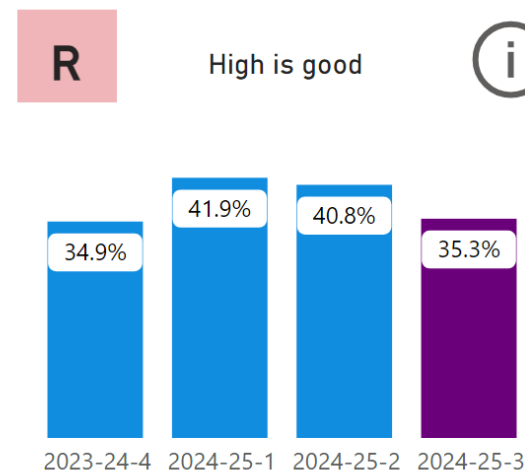
Green Red No Target Set



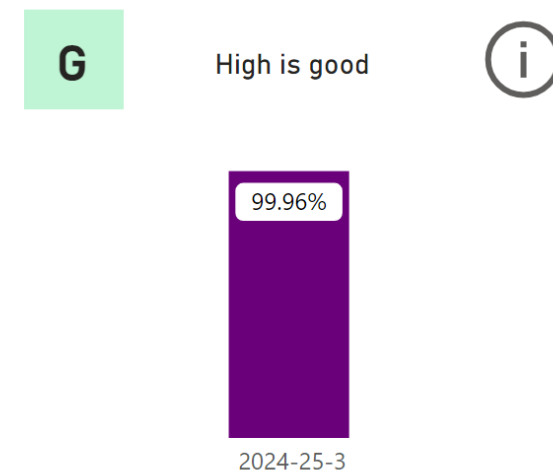
Number of fly tipping jobs logged this calendar year



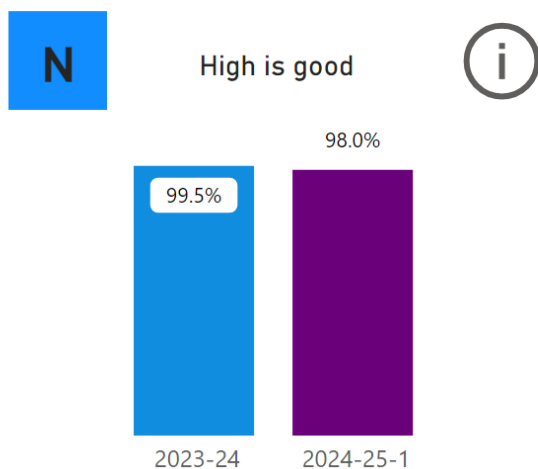
Household recycling rate



Amount of household waste diverted from landfill



% waste collections completed on time



Revenue

Environment Budget

10.47%

Of Total Revenue
Service Budgets

(£2.3M)

Forecast Revenue
Underspend

(12.00)%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget	Revenue Forecast	Variance £'M	VARIANCE ANALYSIS		£M
	£'M	£'M		Pressures	Opportunities	
Environment	19.2	16.9	(2.3)	Income Shortfall		
						(2.3)

Service Comments:-
The forecast underspend is driven by the new Border Target Operating Model (BTOM), which has started to generate fees associated with a much expanded offer, and now applies a risk based approach to imports. It is acknowledged that further resource will be required to ensure that in the longer term we meet the required level and quality of service.

There remains a pressure in waste disposal associated with the inflationary uplift and gate fees.

Capital

7.64%

Of Total Capital
Programme

£0.3M

Forecast
Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Environment	6.3	6.6	0.3

Service Comments:-
The forecast overspend is mainly associated with profiling of capital spend between years on the Salix Decarbonisation Scheme.

Environment & Regulatory services

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

Performance RAG :

Green

Finance RAG :

Green

Overview of priorities & achievements this quarter:

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

- Delivery stage of Phase 1 Salix: Public Sector Decarbonisation Scheme (PSDS)3c. Includes technical designs for the infrastructure works in 2025/26.
- Successful application to Phase 5 Public Sector Decarbonisation Fund: Low Carbon Skills Fund for feasibility and technical design work for 8 more council buildings. Equans commissioned with Decarbonisation Plans due in February
- Submitted Salix PSDS 4 application in November 2024, includes Doughty Learning Centre and 3 Town Hall Square.

Street Scene

- Depot Rationalisation, Work ongoing to deliver a 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.
- Household Recycling Rate for Q3 35%.
- The service is achieving zero waste to landfill where regulatory controls allow.
- Fleet continue to improve new EV technologies with over 20% of the fleet being electric vehicles.

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

- WISE Officers contribute to Operation Mastery days of action in Q3 issuing fixed penalty notices to tackle anti-social behaviour in Grimsby Town Centre.
- Trading Standards working with partner organisations such as Humberside Police uncovered 28,120 cigarettes, 12.45 kilos of tobacco and 3133 illegal disposable vapes in shops during a four-week operation in October, as part of Stoptober, Public Health campaign. The products have an estimated value of over £100,000.
- Environmental Health issue food premises with a Hygiene Emergency Prohibition Notice, resulting in immediate closure due to a serious risk to public health. Decision endorsed by Magistrates Court. Investigations ongoing.
- Taxi Licensing team and Humberside Police carry out a joint operation, spot checking sixteen random taxis. 38 Drivers, vehicle condition, licence, insurance and vehicle tax checked. 1 immediate suspension for illegal tyres.
- Prosecution and £100 fine at Magistrates court for breach of no cycling PSPO. Also £200 costs and £40 victim surcharge totalling £340.

Environment & Regulatory services

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

Overview of priorities & achievements this quarter:

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

- Delivering Phase 2 of 'Greening Up Our Place Project' during November 2024 – March 2025. This was supported by funding award from the Forestry Commission - Urban Tree Challenge Fund and Local Authority Treespaces Fund.
- Preparing plans for a Community Woodland at Bradley. Commenced engagement phase with ward councillors, local residents and businesses. Working on Phase 2 of the application to the Forestry Commission.

Revised Cleethorpes Habitat Management Plan (CHMP), supported by Natural England

- Awarded £250,000 from the National Lottery Heritage Fund to support our Dynamic Understanding of the Natural Environment Project (DUNE). The project aims to increase understanding and awareness of the SSSI, improve alternative recreational greenspace and reduce the recreational pressures on the SSSI. THE CHMP has been approved by Natural England and now needs progressing to Cabinet.

Local Nature Recovery Strategy (LNRS)

- Continued consultation on the LNRS, including 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 Strategy. Draft Strategy due in June 2025.

Completion of the expansion of the port health service

- Commercial Regulatory team end first calendar year of 2024 delivering new border controls operating over 7 days with 2 shifts. Approx 26,000 import checks completed, over 780 physical checks carried out and over 1000 export health certificates issued.

Heritage Asset Work in Bereavement Services

- Work on the Waiting Room at Scartho Road Cemetery continues to enable future lease..

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 operational pressure points due to impact 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 grant funded projects for decarbonisation plans through Salix Funding.
- Delays to the LNRS
- Delivering inland food interventions.

Street Scene

- Capacity to implement 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.

Port Health

- Work continues to adapt the service to respond to the increased service demands generated by the new Border Target Operating Model.

Risks to non-delivery:

Street Scene

- Capital and revenue food waste grant allocation will not meet the funding required for the roll out of kerbside food waste collections.

Regulatory Services

- Capacity available to deliver inland food interventions affected by demands of port health function resulting in less inspections taking place. Recruitment underway with action plan being developed.

Local Nature Recovery Strategy (LNRS)

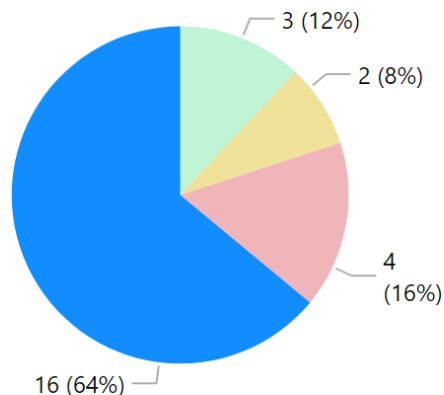
- Delays to LNRS may impact on Planning decisions. Working with Planning to understand these challenges and responding to a request from Lincolnshire County Council for additional capacity to support the development of the Strategy.

A photograph of a waterfront area. In the foreground, there is a paved walkway with a white metal railing. To the left, a large yellow crane structure is visible. In the background, there is a red brick building and a paved area with some greenery. The sky is blue with some clouds.

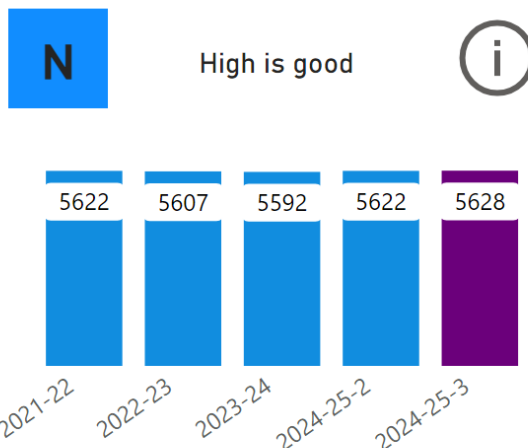
Economy & Growth, Leisure & Tourism

Summary of Indicators against Target

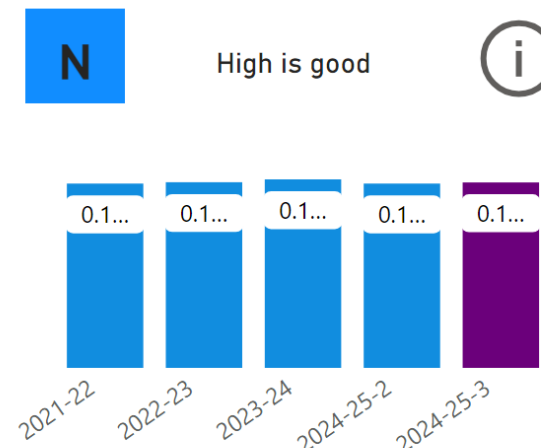
Green Amber Red No Target Set



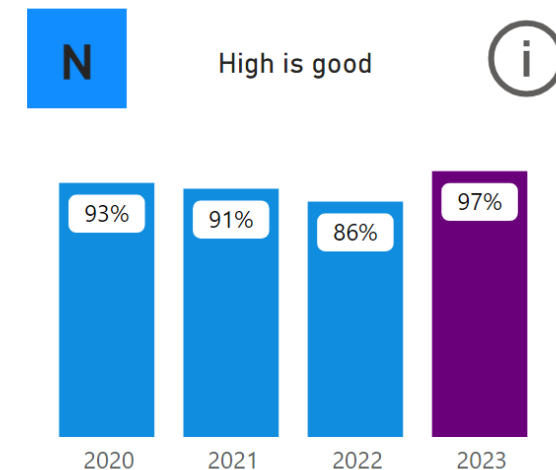
Number of businesses in rated premises



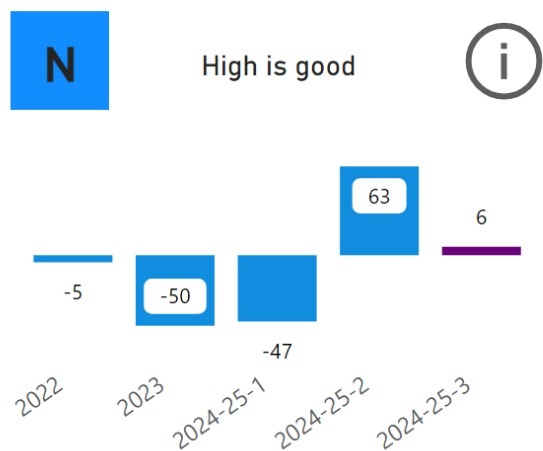
Total rateable value of NEL business premises



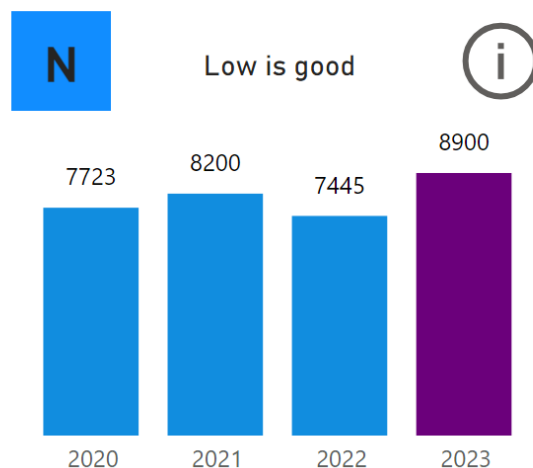
Gross weekly pay for full-time workers in NEL, as a % of England average



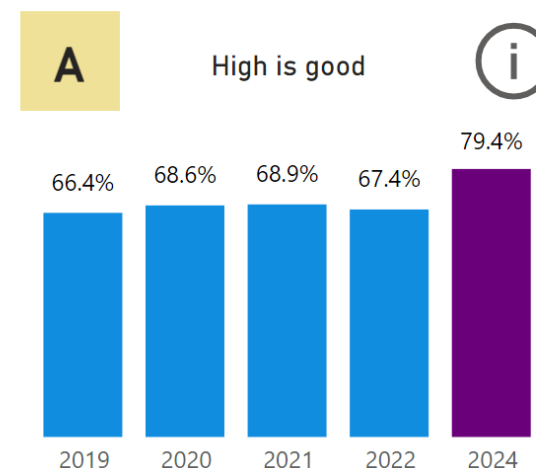
Net change of registered enterprises in North East Lincolnshire



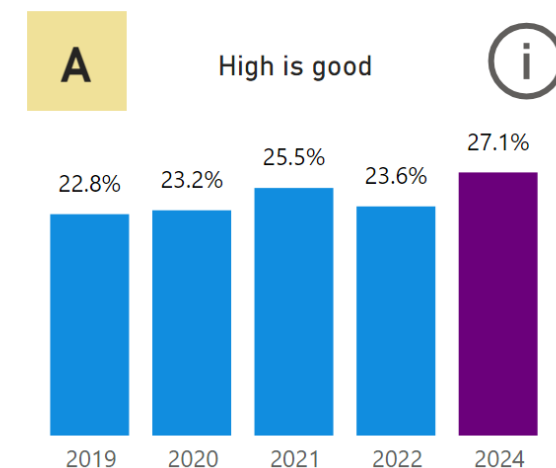
Number of workless households



% of adults qualified to level 2 and above

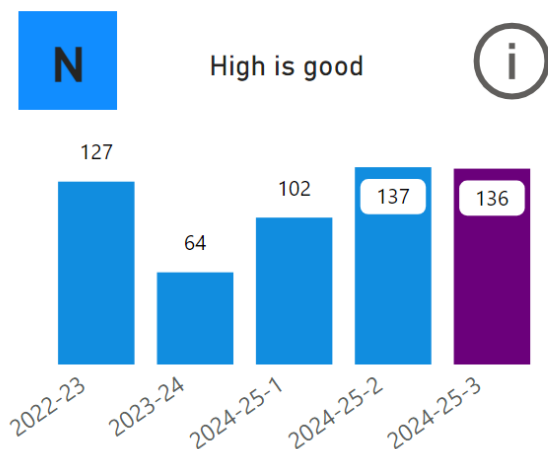


% of adults qualified to level 4 and above

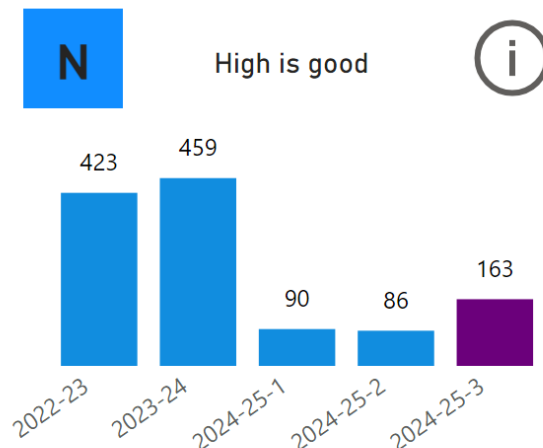


Percentage of Disabled Facilities
Grant referrals complete/in progress

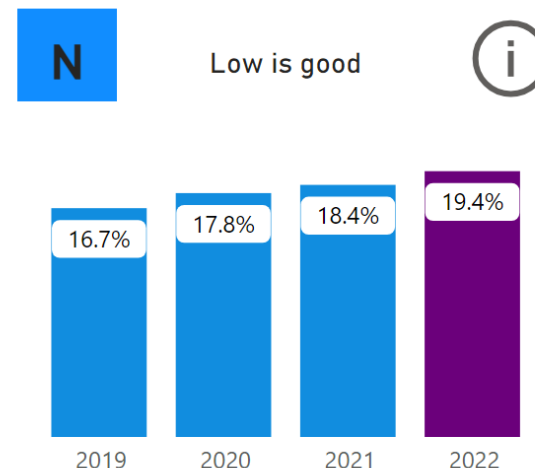
Under construction



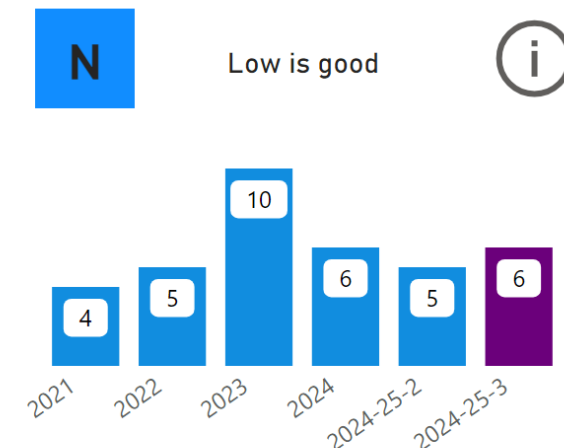
Net new homes



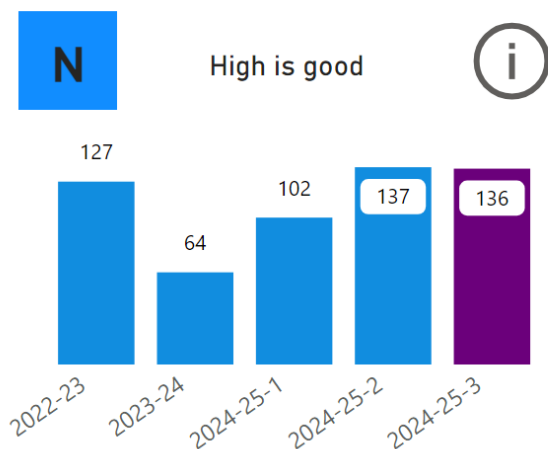
Proportion of households fuel poor



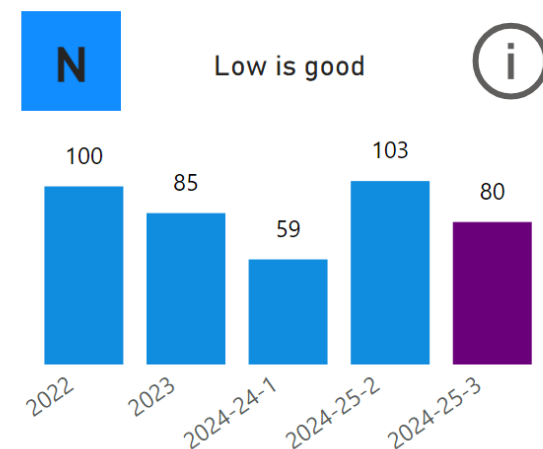
Number of rough sleepers identified
in the borough



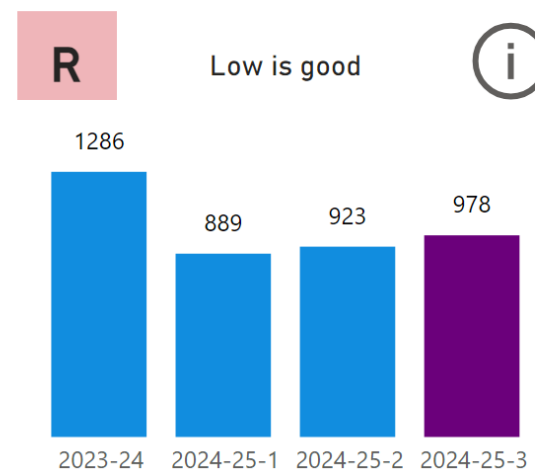
Interventions to bring home up to
the Decent Homes Standard



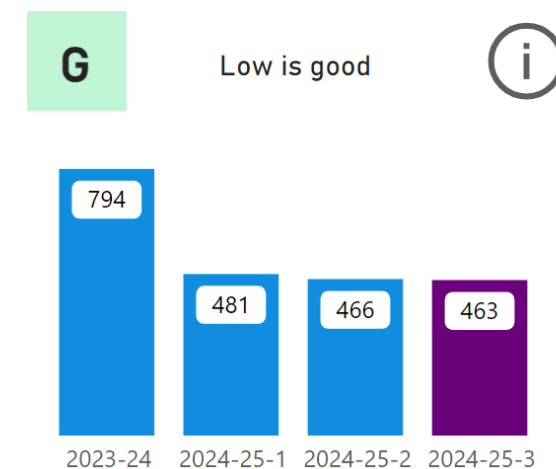
Temporary accommodation
placements



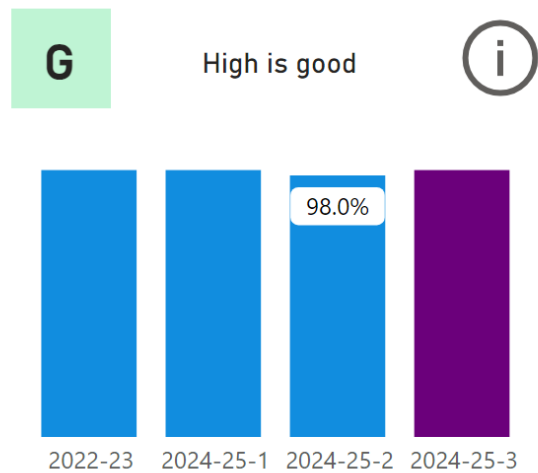
Number of properties empty for
Between 6 months and 2 years



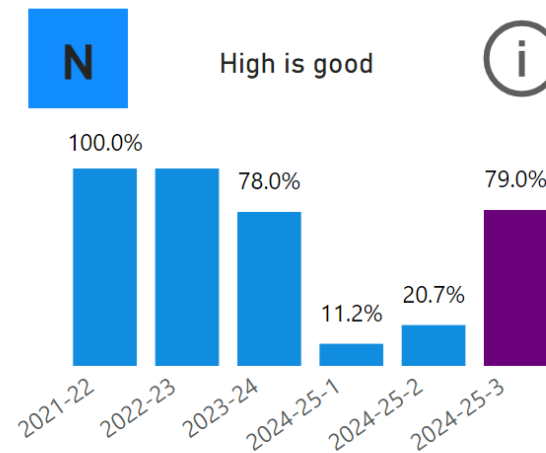
Number of properties empty for
over 2 years



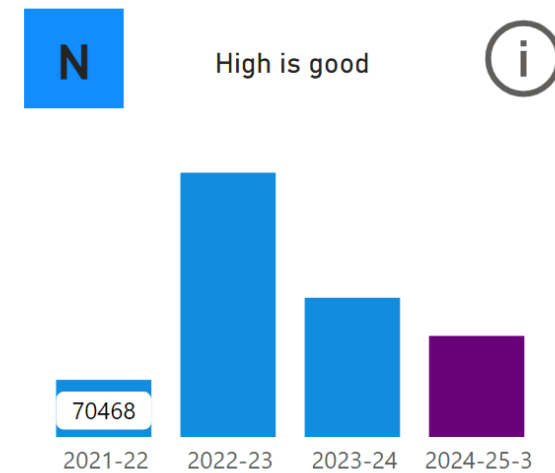
Percentage of repairs to dangerous highways within 24 hours of notificati...



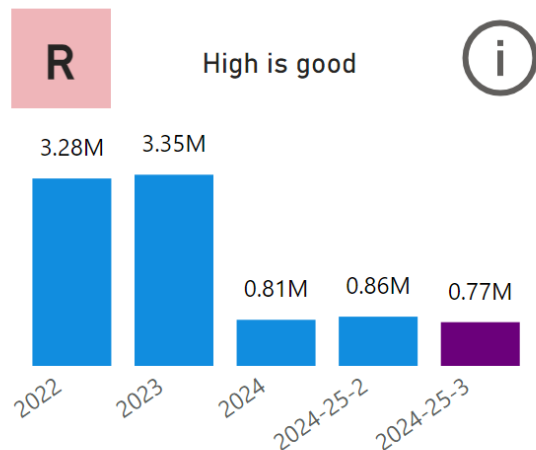
Percentage spend of LTP allocation



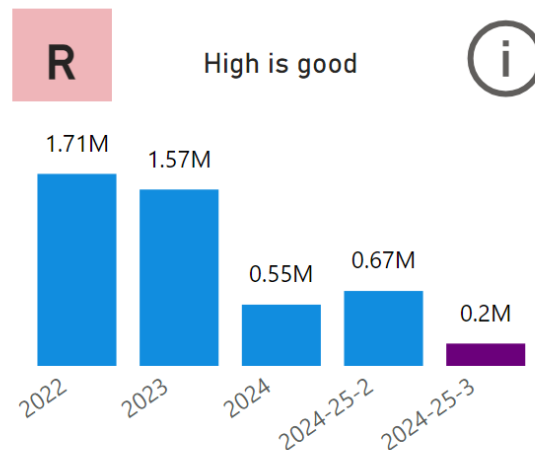
Capital Spend on Road Safety (£)



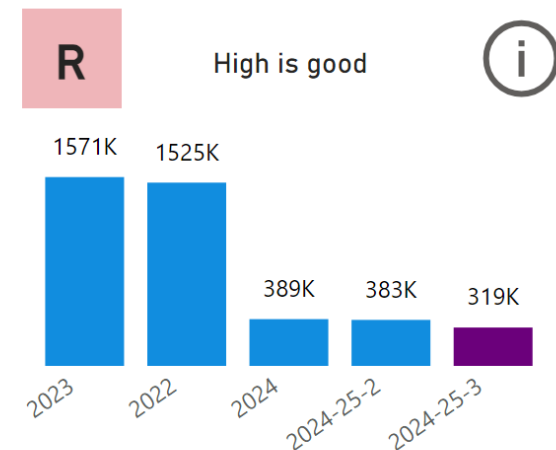
Rolling 12 month year on year change
for footfall at Victoria Street, Grimsby



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



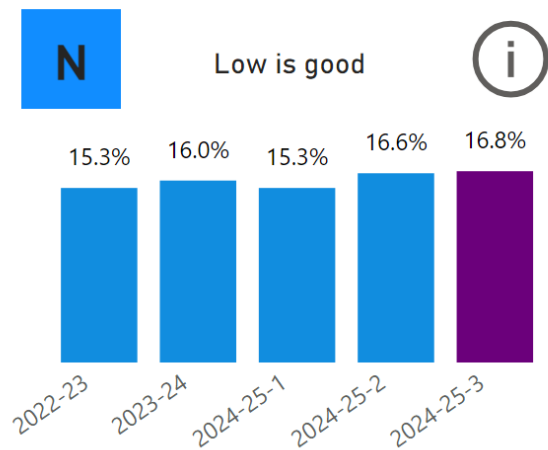
Rolling 12 month year on year change
for footfall at St Peter's Avenue, Cleethorpes



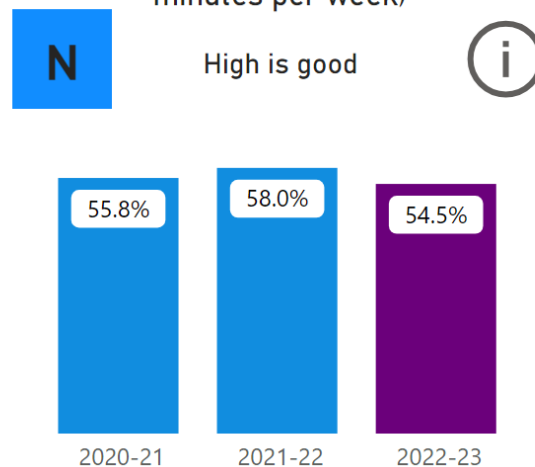
Visitor numbers (estimated number of
individual visits to the area)



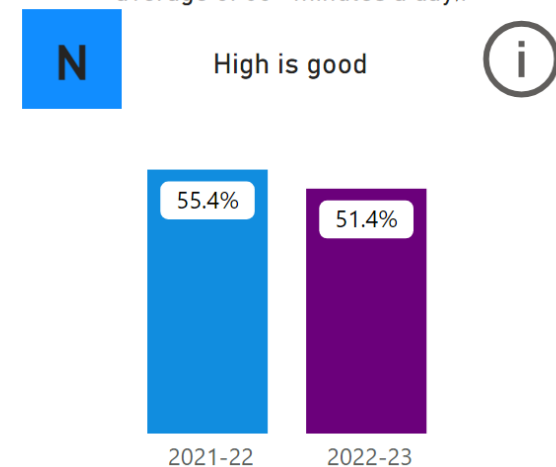
Town centre units vacant for 6
months or longer



% 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

2.78%
Of Total Revenue
Service Budgets

(£0.3M)
Forecast Revenue
Underspend

(5.90)%
Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Regeneration	5.1	4.8	(0.3)	Pressures	0.0
	5.1	4.8	(0.3)	Opportunities	(0.3)
				Income Shortfall	0.0
					(0.3)

Service Comments:-
The Regeneration area has robust controls across all of revenue. Foresight is used to mitigate potential issues before they arise to ensure consistent accurate reporting is undertaken.

Capital

19.39%
Of Total Capital
Programme

(£0.2M)
Forecast
Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Regeneration	16.0	15.8	(0.2)
	16.0	15.8	(0.2)

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 resource, whether internal or external, continues to be a challenge and it is essential the right calibre of project management is in place to oversee what are in many instances complex and multi-faceted schemes. The Assistant Director for Regeneration is holding further budget challenge meetings to challenge in year spend projections. Several large projects are advancing towards tender and/or decision point and this will further inform the likely outturn and other slippage that may be required.

The Freshney Place Leisure Development is now approved and moving to contract / mobilisation.

0.11%Of Total Revenue Service Budgets

(£0.1M)Forecast Revenue Underspend

50.00%Variance as % Of Total Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
PMO Team	0.2	0.1	(0.1)
	0.2	0.1	(0.1)

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

Service Comments:-
This area is in support of the project management team that support schemes over all areas of the authority. There is a small revenue budget which is currently forecasting an underspend due to capitalisation of staff over the ongoing capital projects for the authority.

Regeneration

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Amber

Finance RAG:

Amber

Overview of priorities & achievements this quarter:

Grimsby Town Centre and Cleethorpes Masterplans

Cleethorpes Masterplan/LUF:

- Technical design underway and continued stakeholder engagement for Market Place and Pier Garden schemes.
- Sea Road: Principal contractor appointed and works commenced.

Town Centre Schemes:

- Freshney Place Leisure Development approved, and contractor being appointed.
- St James House - E-factor led project, construction works progressing well, on track to complete by the end of Q4.
- Riverhead Square – practical completion achieved, snagging underway and awaiting final utility connection from NPG.

Economy and Funding

- Freeport seed capital released. CATCH expansion contracted and first claim made.
- NELC led speculative unit grant being awarded to deliver 100,000 sq ft of industrial space.
- Final Enterprise Zone plot at Pioneer Park under offer.
- Victoria Street permanent festoon lighting procured and expected to be installed Q4.
- Initial consultation and support programmes for Top Town market traders.
- Stena Line/ABP Development Consent Order (DCO) approved on 4th October to construct new terminal at Immingham Docks.
- UKSPF confirmed extension for a further year (25/26).

Culture, Heritage, Leisure and Tourism

- Secured £401k from Sport England for place expansion funding to support delivery of sport and physical activity strategy until 2027.
- Create NEL continues to grow the local heritage and creative sectors e.g. Creative Careers week event in partnership with Franklin College and Our Future Starts Here by The Culture House.
- £250k awarded from Heritage Fund for the DUNE project to explore the natural heritage of Cleethorpes' saltmarsh.

Regeneration

Delivery of Priorities – Achievements, Challenges & Risks

Overview of priorities & achievements this quarter:

- Humber Museum Partnership project at GFHC continues to increase school visits and improve engagement with the community.
- Dynamic Collections volunteers working through the museum's ephemera collection. Planning for the May 2025 exhibition. Heritage Heroes group going well.
- DiscoverNEL followers for social media channels and newsletter subscribers continues to grow in Q3.
- Created seasonal content for Discover to promote autumn and winter activities.
- Despite adverse weather the Grimsby Christmas Festival was delivered and received good national publicity. Cleethorpes Christmas light switch on was also delivered.
- Meridian Showground pricing review for the 25-26 season completed. Ongoing work taking place to raise the capacity of the venue.

Skills and Employment

Ongoing work to deliver the Skills and Employment Devolution Deal. This is split into three workstreams: Adult Skills Funding (ASF) Readiness, Careers and Care Leavers.

- ASF readiness conditions and commissioning options prepared.
- Strategic Skills Plan commissioned
- Careers draft action plan completed
- Care Leavers workstream recommendation to engage with the national care leavers covenant.
- The Skills Action Plan is now in delivery of revised medium-term actions and the progress is monitored by the NEL Skills Board.
- UK Shared Prosperity Funded People & Skills projects in delivery directly against the priorities set out in the NEL Skills Strategy and Local Skills Improvement Plan.
- Secured £16k funding to continue the delivery of careers events for young people and adults, including an additional Women into Manufacturing and Engineering Event.
- Two adult learning promotion events held within leisure centres.
- Delivery of local regeneration information and skills data to secondary school staff.

Regeneration

Delivery of Priorities – Achievements, Challenges & Risks

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 Q3 in retail areas was down -11% in St Peters Avenue, Cleethorpes and down -7% in Victoria Street, Grimsby. The footfall on the Promenade in Cleethorpes was up year on year for Q3 by +9%.
- Maintaining appropriate levels of project management and supporting resource.
- The wider financial climate represents a potential challenge to the overall ambition of projects.
- Engagement and commitment from a wide range of employers in skills projects.
- Substantially reduced timescale to deliver Freeport seed capital projects.

Risks to non-delivery:

- The previous high inflationary environment has resulted in significantly more expensive construction materials and labour shortages have materially increased costs also. 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 explore value engineering opportunities.
- The availability of specialist resource across a variety of disciplines remains a challenge.
- General capacity to deliver projects and services is an ongoing challenge.
- Facilitation of marketing and events is largely reliant on external funding sources.
- Strategy, programme and project delivery across the service, notably Culture Heritage, Leisure and Tourism are heavily reliant on securing and maintaining external grant funding and therefore where this does not materialise this presents a risk to delivery.
- There are no substantive budgeted posts within leisure and skills.
- Have established working relationship with Anglian Water in relation to industrial water scarcity.

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.



13.96%Of Total Revenue
Service Budgets

£0.3M

Forecast Revenue
Overspend

1.2%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Housing, Highways and Transport	25.6	25.9	0.3	Pressures	1.3
	25.6	25.9	0.3	Opportunities	(1.0)
				Income Shortfall	0.0
					0.3

Service Comments:-
Additional Street Works income will assist in reducing the current forecast pressure, together with further careful management of remaining budgets. Tight controls on the Bed and Breakfast budget use are in place to support this area.

Capital

34.55%Of Total Capital
Programme

(£0.2M)

Forecast Capital
Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Housing, Highways and Transport	28.5	26.5	(2.0)
	28.5	26.5	(2.0)

Service Comments:-
The Transport Hub scheme has been delayed therefore the funding will need to be slipped to fund works in next financial year.

Housing, Highways & Transport

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Amber

Finance RAG :

Amber

Overview of priorities & achievements this quarter:

Schemes within the local transport plan continue to be delivered as part of this financial years the delivery programme, these include maintenance work, resurfacing, road safety amongst other highway and transportation related schemes. The programme is currently on track in regards delivery and spend of this years funding and scheme commitments.

Bus Service Improvement Plan (BSIP) continues to be delivered in line with this financial years funding profile and scheme delivery programme. Improvements which have already been delivered via this programme are, bus service improvements, increased mobile cctv units on bus routes, discounted fares for youths, enhanced parking enforcement, £1 leisure shopper tickets and the introduction of pre 09:30 concessionary travel. Further work on promotional ticket schemes will be delivered along with further bus priority enhancements during the remainder of this years programme.

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. The Western site is close to completions with regards to the land sale which should be finalised within Q3. Options for the sale of the Matthew Humberston site continue to be pursued.

Temporary Accommodation - The Council are working hard manage the pressure the homelessness team and wider housing service are facing in relation to discharging the councils' duties and responsibilities. Support from across the corporate centre and wider external stakeholders is in place to build in additional resource to manage front door demand and back-office process.

Swan House continues to welcomed tenants into the facility, Humber Care have been appointed to provide support to the rough sleeper wing with and an internal proposal being developed to provide less intensive housing related support in house.

Housing, Highways & Transport

Delivery of Priorities – Achievements, Challenges & Risks

Key challenges:

There is an on-going challenge to meet homelessness requirements. This is a demand-led service and there is a shortage of available properties. Work is underway in regard to a service wide review to ensure the resource we have is fit for purpose, efficient and able to flex where demands such as severe winter weather occur. This process is ongoing and supported by the wider council resources to ensure sustainable outcomes are achieved.

Large schemes such as corporation bridge and the A180 bridges project continue to offer challenges as both projects progress, the project teams and board continue to manage risk and introduce measure to mitigate impact where appropriate.

Risks to non-delivery:

As referred to above, ongoing inflationary pressures are meaning both material and labour costs remain unpredictable over the long term along with the availability of consultants and contractors. This presents a risk to the scope of any project during development and feasibility. The primary mitigation measure is to include realistic contingency budgets for all programmes, monitoring spend forecasts.

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.



0.33%

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	0.6	0.6	0.0	Pressures	0.0
	0.6	0.6	0.0	Opportunities	0.0
				Income Shortfall	0.0
					0.0

Service Comments:-
A balanced position for quarter three has been maintained, with small pressure and opportunities being managed within the budget envelope.

Capital

0.36%

Of Total Capital
Programme

(£0.0M)

Forecast Capital
Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Safer Towns & Communities	0.3	0.3	0.0
	0.3	0.3	0.0

Service Comments:
The HSA & Green Spaces budget has now been reduced following the deadline for spend on the Green Spaces grant being extended to end of June 2025.

Safer & Stronger Towns

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Green

Finance RAG:

Green

Overview of priorities & achievements this quarter:

- The High Street Accelerator and Safer Streets Programmes are showing good progress in the Town Centre and progress includes:-
- Planting in Victoria Street completed and Festoon lighting to be installed by the end of January with a Pop-up Garden and wider planters planned for Quarter 4.
- WISE PSPO enforcement officers have successfully enforced the no cycling area of Victoria Street resulting in a reduction in cycling .
- Monthly multi-agency Days of Action continue to take place
- Plans to move the HAVEN centre to Queen Street are also in progress to make way for the new transport hub.
- The Selective Licensing Working Party have undertaken extensive work in readiness for consultation for a designated Area on the East Marsh which will commence in January.

Key challenges:

- Work continues to tackle Serious Violence with a focus on Serious Youth Violence, Violence against Women and Girls and Night-Time Economy violence which is being overseen via the Community Safety Partnership arrangements.
- Multi-agency Area Based Tasking continues to be developed to drive partnership problem solving at a place based geographical level. This includes a risk management process to prioritise action to tackle crime and anti-social behaviour, support repeat victims and identify repeat perpetrators and repeat locations.
- Tackling Anti-social behaviour remains a key priority for the Council and wider Community Safety Partnership. Latest data available from April to December 2024 indicates that all reported ASB is up by 52 incidents from 1638 to 1723 incidents. when compared to the same period in 2023. Positively data available for the same period indicates Youth ASB has reduced by 78 incidents from 676 to 539 incidents when compared to the same period in 2023.

Risks to non-delivery:

Work continues to be coordinated via the Community Safety Partnership arrangements and wider Council ASB Team and Town Centre Manager. It is imperative moving forward that resources remain in place to meet the current demand and drive forward improvements. A review of the provision within Safer & Stronger Place will take place during 2025.

Children and Family Services 'Our children our future'

Vision

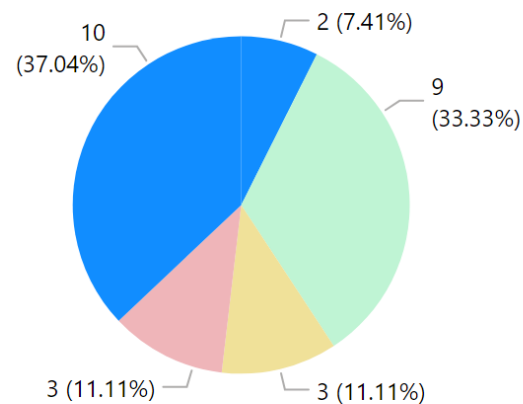
Children, young people and their families are at the centre of all we do .and we want North East Lincolnshire to be a place our children can grow up happy and healthy, safe in their homes, with people that love them. We are ambitious for a child's future with a focus on learning and aspiration so they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

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

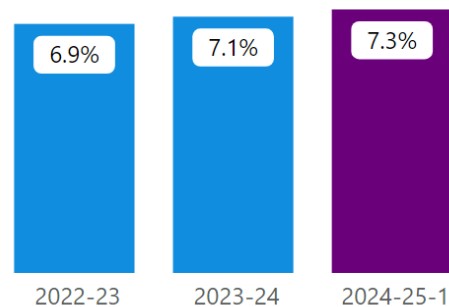
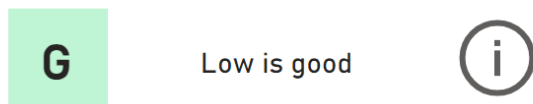


Summary of Indicators against Target

● (Blank) ● Green ● Amber ● Red ● No Targ...



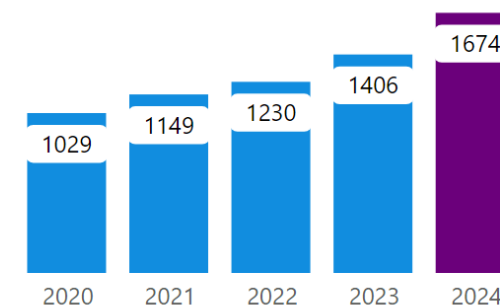
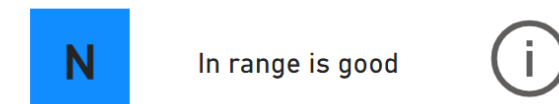
% not in Education, Employment or training



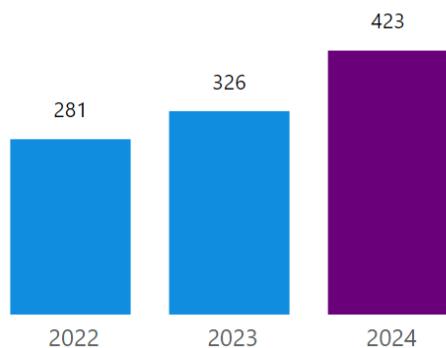
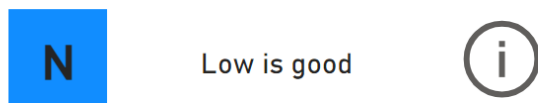
Early Years Foundation Stage Profile (EYFSP) - % achieving a Good ...

External Dataset ⓘ

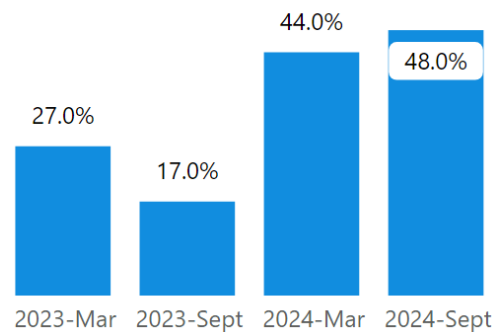
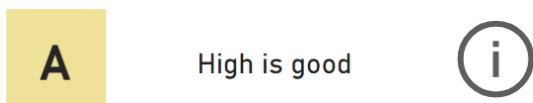
Total number of Education Health and Care plans open (0-25 year olds)



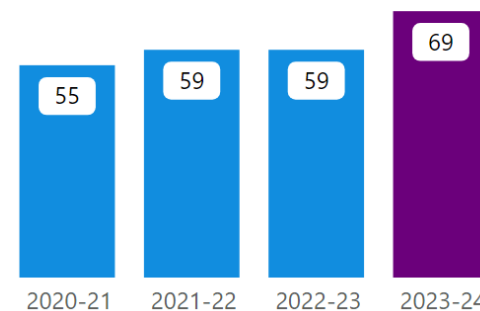
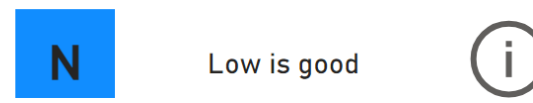
Number of initial requests for an Education Health and Care Plan



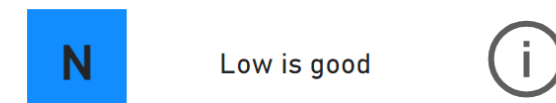
Cummulative % Education Health and Care Plans provided within 20 w...



Numbers of overall Permanent exclusions



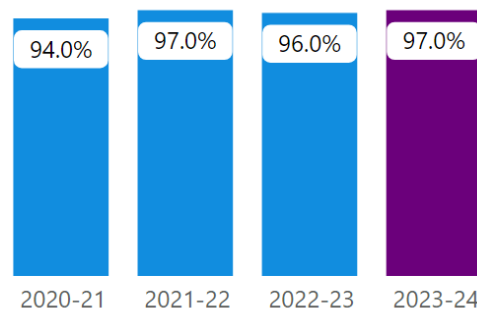
Numbers of overall suspensions



Take up by 3 and 4 year olds
into childcare places

N

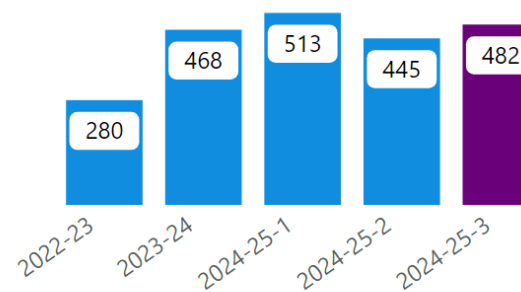
In range is good



Numbers of children who are
electively home educated

G

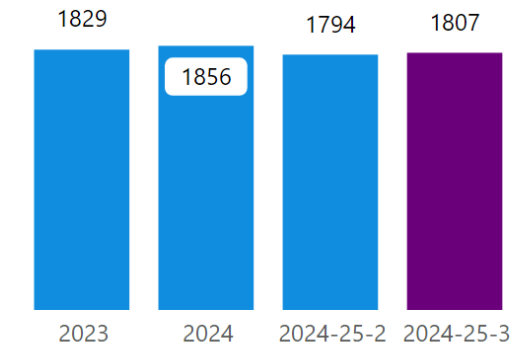
Low is good



Number of CIN (all open cases)

G

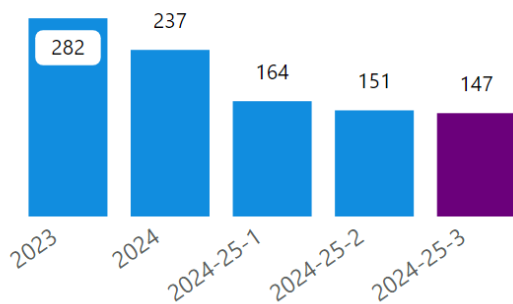
Low is good



Number of CP

G

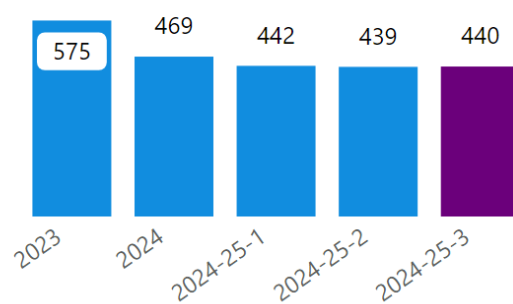
Low is good



Number of CLA

G

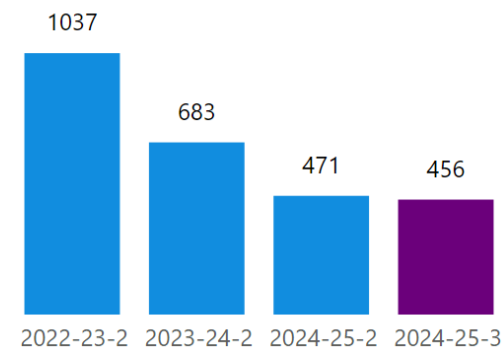
Low is good



Number of referrals at the front
door

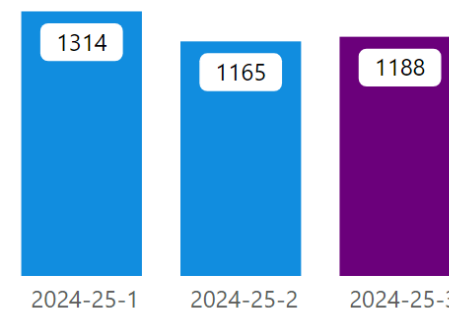
G

Low is good



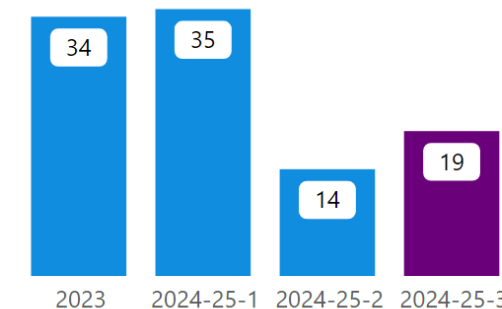
Number of young people identified at risk of abuse and neglect

N Low is good ⓘ



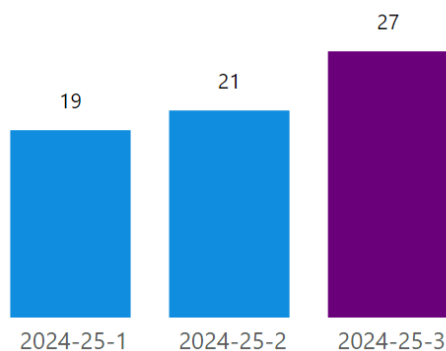
Number of young people identified at risk or experiencing child exploitation

N Low is good ⓘ



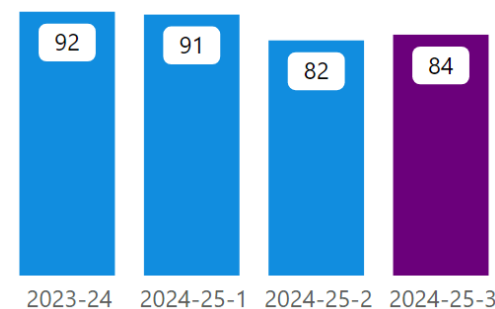
Number of first time entrants to youth justice

N Low is good ⓘ



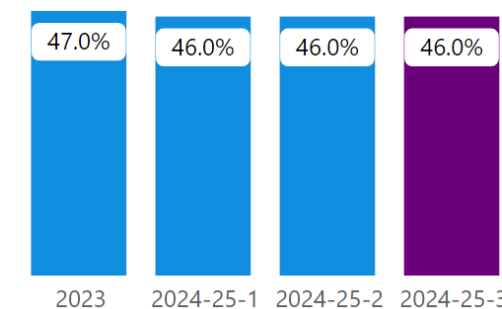
Mainstream foster carers recorded

R High is good ⓘ

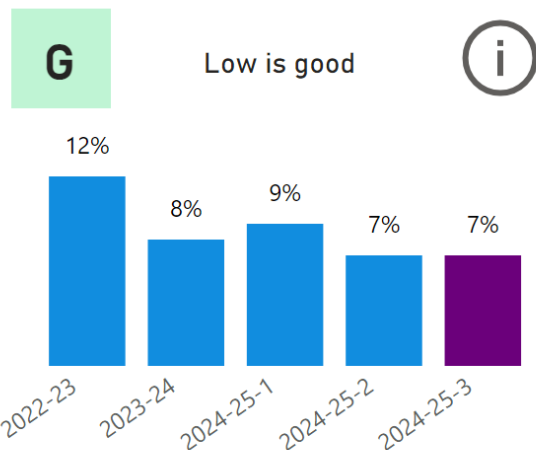


% children placed out of area

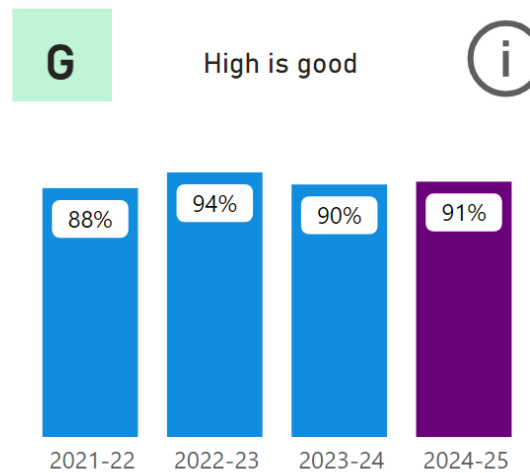
R Low is good ⓘ



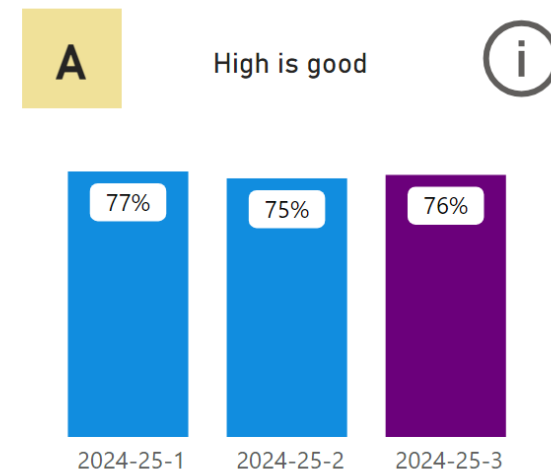
% of children with 3 or more placement moves in a 12 month period



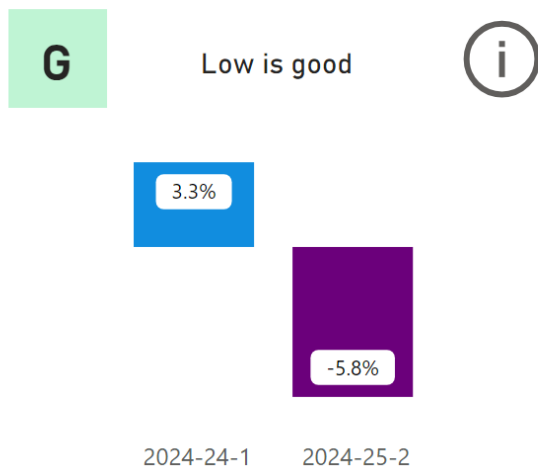
Sufficiency of early years and school places across the Borough



Proportion of permanent social work qualified staff



Stability of the workforce (turnover)



31.19%

Of Total Revenue
Service Budgets

£2.5M

Forecast Revenue
Overspend

4.4%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance	£'M
Education and Inclusion	8.0	9.5		1.5
Women, Childrens and Families	0.3	0.3		0.0
Director Childrens Services	(4.0)	(4.0)		0.0
Safeguarding and Early Help	12.5	13.3		0.8
AD Regulated Provision	40.4	40.6		0.2
Total Children's & Family Services	57.2	59.7		2.5

VARIANCE ANALYSIS	£M
Pressures	6.3
Opportunities	(3.8)
Business Plan Shortfall	0.0
	2.5

Service Comments:-

- Restorative actions are significantly impacting the numbers of Children Looked After and associated activity with a real cash reduction in expenditure against 2023/24. An overspend of £2.5M is forecast for Quarter 3 which is a reduction of £0.7M since Quarter 2.
- Education: The Transport overspend is driven by demand within the system. The local authority transport review highlighted areas to explore and an Education Transport group has been developed to explore awards and strengthen the independent travel offer. Activity around increasing specialist education places within borough has gained traction, with several schools now in the development of resource specialist provisions (RSPs), thereby reducing the need to transport children out of borough. The planned SEMH free school planned build for 2027 is now at concept design stage. The use of agency staff to cover Education Psychology vacancies, a review of Dedicated Schools Grant High Needs Block allocations have also contributed to the current forecast overspend.
- Safeguarding: Children's Disability Service is contributing to the overspend and this service is being reviewed as part of the Short-break offer. Integrated Front Door and CASS also forecast a pressure as a result of agency staff costs and kinship care payments. Reliance on Agency staff has reduced during the year with a staffing re-configuration now reflected in the budget.
- Regulatory: External Placements forecast overspend is due to high cost, complex care placements and annual market increases however is decreasing as care planning activity is progressed. Negotiations with the ICB have progressed and contributions to placements costs have been built into monitoring. This, however is a significant risk as a final agreement with the ICB regarding funding has not yet been achieved. Children's residential care is undergoing a redesign and a new model is being developed, currently an underspend due to vacant posts is being reported due to Heneage being closed. The Agency staff in the Fostering service have all been released as the reconfiguration has been recruited to and overall foster care and adoption forecasts a year end underspend.
- Dedicated Schools Grant (DSG) - The forecast cumulative deficit at 31st March 2025 is £12.2M, an in-year increase of £8.2M on the previous year. Out of area placement costs, top up funding to high needs and mainstream settings and EOTAS packages account for a significant part of the current forecast in year High Needs Block overspend.

13.21%

Of Total Capital Programme

(£0.0M)

Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Childrens & Family Services	10.9	10.9	(0.0)

Service Comments:-

The capital programme focused on new schools remains on track

Safeguarding & Early Help

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Amber

Finance RAG :

Red

Overview of priorities & achievements this quarter:

WORKFORCE: We have recruited 25 new social workers this year (compared to 0 in the preceding 3 years). We have reduced our agency staff from 74 to 21 and have no project teams meaning the consistency of worker for children has improved alongside the quality of intervention. We do remain challenged with the recruitment of permanent social workers and have an amplified focus on recruitment through social media with a number of targeted campaign

QUALITY OF PRACTICE: We have revised our audit framework to further strengthen opportunities to learn from and improve practice i.e. by improving our direct work

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: An umbrella partnership strategy across the scope of children, young people and families and multi agency working group.

SCP strategies and underpinning delivery plans in place to address priority areas of focus in relation to neglect, child sexual abuse, child exploitation and early help

SUPERVISION - Continuing to strengthen management oversight of children's plans to drive forward planning and intervention for children and families

DOMESTIC ABUSE, NEGLECT SEXUAL ABUSE AND CHILD EXPLOITATION – There has been an amplified focus across the workforce and the partnership to enhance the identification if risk and provide a robust response to prevent escalation. Strategies have been launched and development sessions are ongoing

Key challenges:

WORKFORCE - Ongoing need for amplified focus on recruitment of a stable and permanent frontline social work team

FAMILY HELP 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 further successful recruitment of social workers

Regulated Provision

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :		Amber	Finance RAG :	Red
Overview of priorities & achievements this quarter:		<p>FOSTERING: As a result of recruitment activity, there are now 100+ foster friendly businesses and 30+ foster friendly schools/colleges, which has resulted in a significant increase in fostering enquiries leading to an increase in projected approvals of foster carers (14 new households anticipated to be approved by the end of 24/25)</p> <p>CARE LEAVERS: Additional housing capacity has been created for care leavers and further options are being explored to increase both 16/17 yr old accommodation and for care experienced people aged 18+ Protected characteristics for care experienced people was endorsed at Full Council in October 2024 and work is ongoing to deliver this within the Council</p> <p>CORPORATE PARENTING: Amplified focus on raising awareness of corporate parenting and programme delivered during Corporate Parenting Fortnight resulting in increased offers of support and opportunities for children in care and care leavers</p> <p>COMMISSIONING: The amplified focus on oversight of external placements and high challenge to negotiate associated costs, in line with children and young people's care plans continues</p> <p>STABILITY: Continuing lower number of placement moves by children in care and reduced changes in Social Worker as a result of the increased focus on recruitment</p> <p>WORKFORCE: Ongoing progress to deliver against the Children's Services workforce strategy</p>		
Key challenges:		<p>SUFFICIENCY: There is an ongoing focus on having sufficient local provision to meet the needs of the care population and reduce external placement costs. This includes both fostering and children's home provision and the continuing need to deliver provision that meets the needs of children with very complex needs who have also experienced trauma There continues to be a challenge in ensuring sufficient safe, good quality accommodation for care leavers aged 16-25. There continue to be discussions and negotiations regarding packages of support and funding arrangements with colleagues across the partnership including the ICB</p> <p>WORKFORCE: Continued focus on recruiting permanent staff across children's services including specific challenges within the Council's children's homes. Increased capacity has been recruited to within leaving care provision.</p>		
Risks to non-delivery:		<p>The partnership contribution to children placed with external providers has been provisionally agreed by the ICB at 10% as an interim arrangement whilst further work is undertaken with the ICB regarding their contribution. Negotiations continue regarding future arrangements and it continues to be a significant risk that both the in-year and future</p>		

Education & Inclusion

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Amber

Finance RAG :

Red

Overview of priorities & achievements this quarter:

CAPITAL BUILD: Concept designs for SEMH free school are in place. The builds of the two new primary schools in Scartho and Waltham are progressing with the planned 12 place resource specialist provisions. Several mainstream settings have now committed to the development of RSPs and have progressed to the recruitment stage in addition to the SEND team entering into reviews for places. This will reduce the need for children to have to travel out of area for specialist places, meaning children are educated and supported locally.

EARLY YEARS: The early years sufficiency team are working closely with colleagues and the job centre to promote early years as a career of choice (in the context of sufficiency issues). The current take up of EY entitlements is both higher than stat neighbours and national figures.

SENDAP: The new revised iteration of the SENDAP Partnership Board is now fully embedded reinforcing the governance and oversight of SEND and AP.

EHCP: Timeliness of EHCP assessments continues to be stable. The permanent EP leadership team have commenced a recruitment campaign for both trainee and qualified EP roles, supported by the recruitment team.

Key challenges:

EHE: Reducing EHE numbers, particularly for KS4 remains a priority with the aim of developing a standalone EHE strategy. Mitigating actions underway and next steps identified in the short, medium and long term, with a planned round table event for January 2025 to scope the support available for children and families.

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

EDUCATION TRANSPORT: 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. The development of an Education Transport Project group and separate Reviewing Group has strengthened both the decision-making and review process to determine need, distance or choice.

EHCPs: The number of children with an EHCP has risen to 2000 and capacity within both the SEND team and sufficiency of provision remaining a challenge.

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.⁵¹ Increasing education transport costs is adding significant pressure to the overall

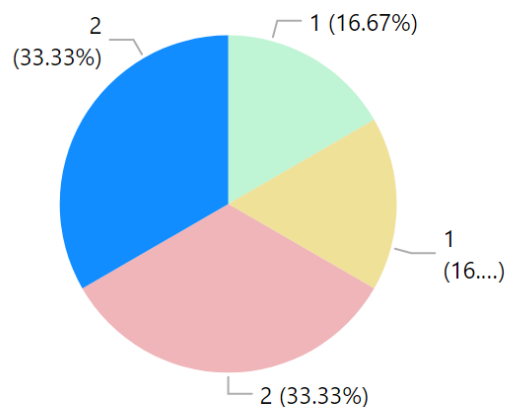
Adult Services

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

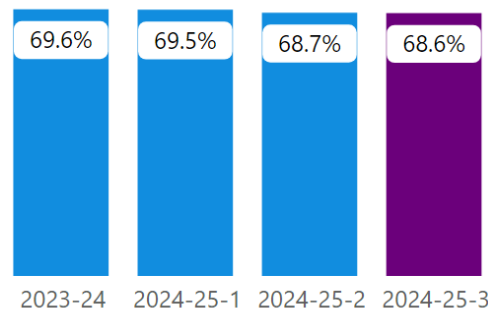
Green Amber Red No Target Set



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

N

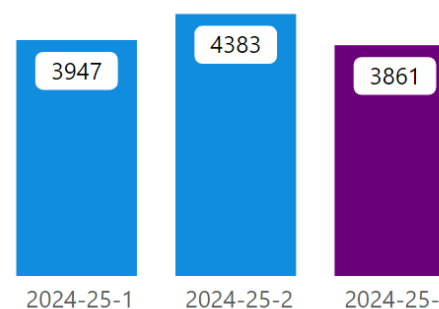
High is good



The number of carer prevention interventions per quarter

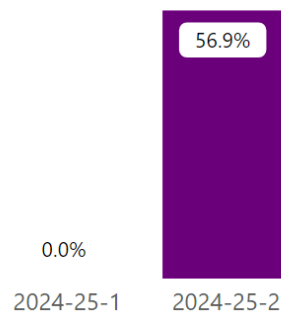
N

High is good



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

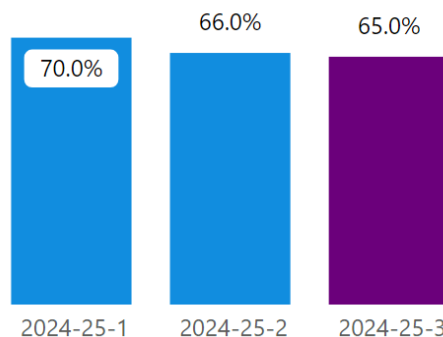
Under construction



% of people whose outcomes were met following a safeguarding notification

R

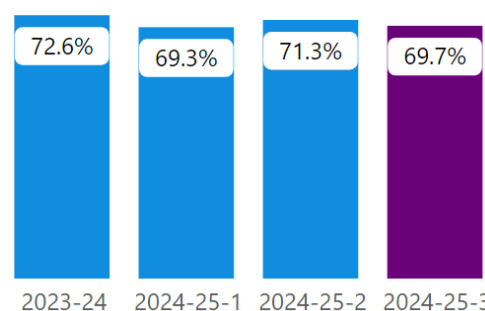
High is good



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

R

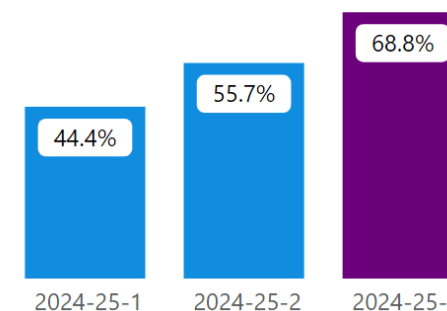
High is good



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

A

High is good



34.50%Of Total Revenue
Service Budgets

£0.2MForecast Revenue
Overspend

0.27%Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Community (ICB)	43.0	43.4	0.4
Residential and Nursing (ICB)	23.3	23.1	(0.2)
ASC Infrastructure (ICB)	1.8	1.8	0.0
Better Care Fund (ICB)	(5.6)	(5.6)	0.0
Adult Services (NELC)	0.8	0.8	0.0
	63.3	63.5	0.2

VARIANCE ANALYSIS	£M
Pressures	0.2
Opportunities	0.0
Income Shortfall	0.0
	0.2

Service Comments:-
Adult social care forecast is based on current known risks particularly demographic demand and increasing complexity. Risk to forecast outturn relating to activity following demand, particularly as we come into the winter period. Quarter 3 indicates an improved position overall, release of discharge funding has mitigated the position.

Community: Year to date the number of clients supported has increased across Supported living and personal support, Support at home and Direct Payments, a net increase of 67 compared to budgeted . Client income continues to be monitored.

Residential: High cost placements continue to be reviewed to achieve best value. Long term placement numbers are similar to budgeted, however have been higher during the year to date, with a reduction of 14 in December.

Adult Services

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :	Amber	Finance RAG:	Amber
Overview of priorities & achievements this quarter:	<p>Implementation phase of the reablement review for phase one is complete. The benefits of this in terms of productivity and efficiency are greater than predicted. Key commissioning activity (support at home, shared lives and supported living) are on track to be delivered to schedule. This will add further diversification to adult social care support options and increase market stability and influence</p> <p>Telecare commissioning has been completed and gives a good platform on which to further expand the use of technology in social care.</p> <p>Future of Adult Social Care Report completed which outlines key challenges and risks over the next 10 years particularly in relation to demographic demand</p> <p>Extra Care Housing commissioning is progressing. Tender will be published at the beginning of Q4</p> <p>CQC preparation continues as planned.</p>		
Key challenges:	<p>Demand continues to be challenging particularly rising numbers in people requiring support at home.</p> <p>Winter illnesses are creating some data fluctuations which are being closely monitored.</p> <p>Restructuring within the ICB is creating some challenges within NEL place with more services being centrally delivered.</p> <p>Capacity to deliver all programmes particularly the delivery of key commissioning priorities and market shaping of older peoples residential and nursing care.</p>		
Risks to non-delivery:	<p>Lack of direct control over some savings programmes and transformation which are delivered on our behalf</p> <p>Demand continues to be challenging.</p>		



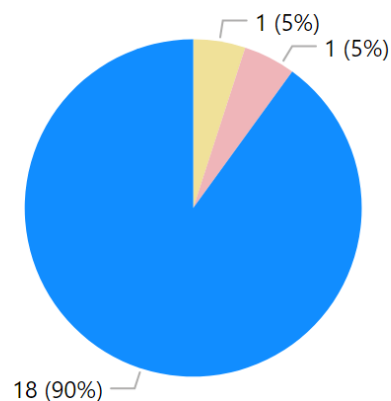
Public Health

Vision

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

Summary of Indicators against Target

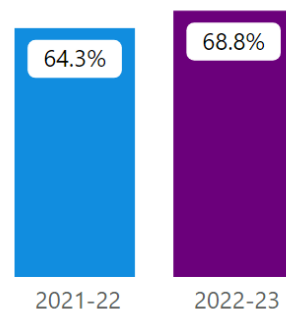
● Amber ● Red ● No Target Set



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

R

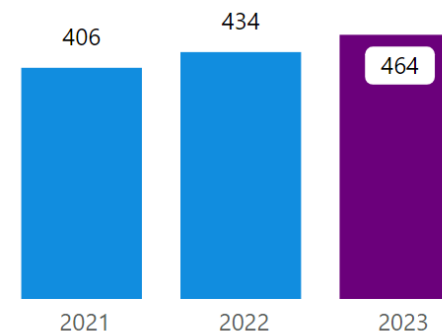
High is good



Under 75 all-cause mortality and variation between wards

N

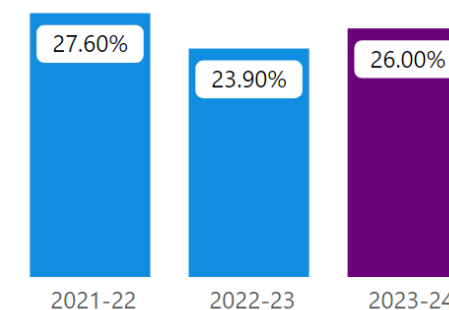
Low is good



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

N

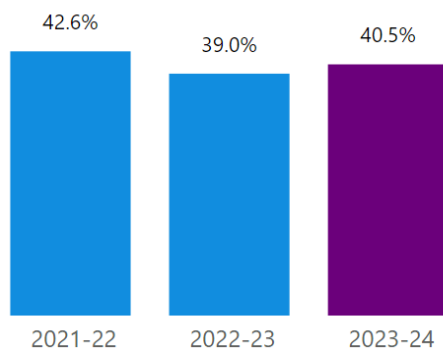
Low is good



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

N

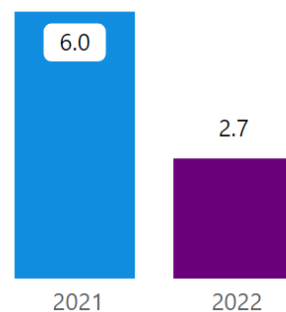
Low is good



Infant mortality - deaths of infants aged under one year

N

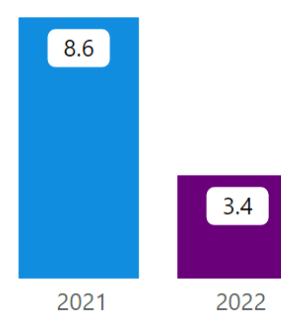
Low is good



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

N

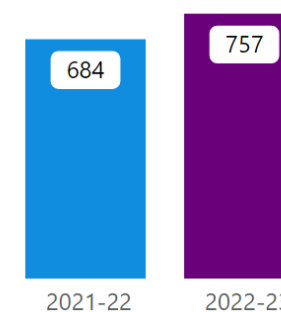
Low is good



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

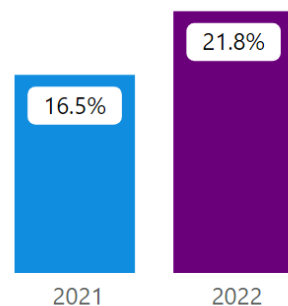
N

Low is good



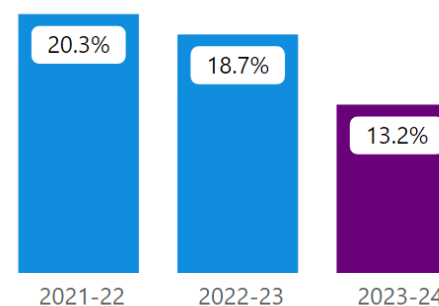
Smoking prevalence rate

N Low is good ⓘ



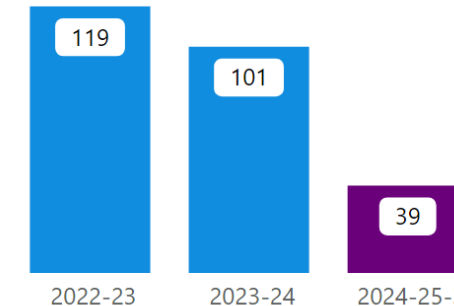
Smoking in pregnancy rate

N Low is good ⓘ



Total persons sucessfully quit

A 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

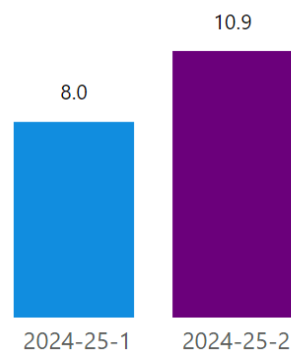


2022-23

Suicide rate

N

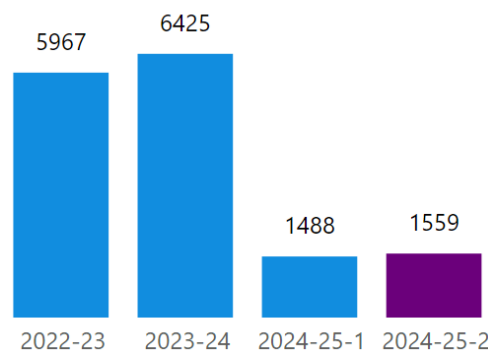
Low is good



Number of Domestic abuse incidents reported to the police

N

Low is good



1.09%

Of Total Revenue
Service Budgets

(£0.1M)

Forecast Revenue
Underspend

(5.00%)

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	
				£M	
Public Health	2.0	1.9	(0.1)	Pressures	0.0
				Opportunities	(0.1)
				Income Shortfall	0.0
	2.0	1.9	(0.1)		(0.1)

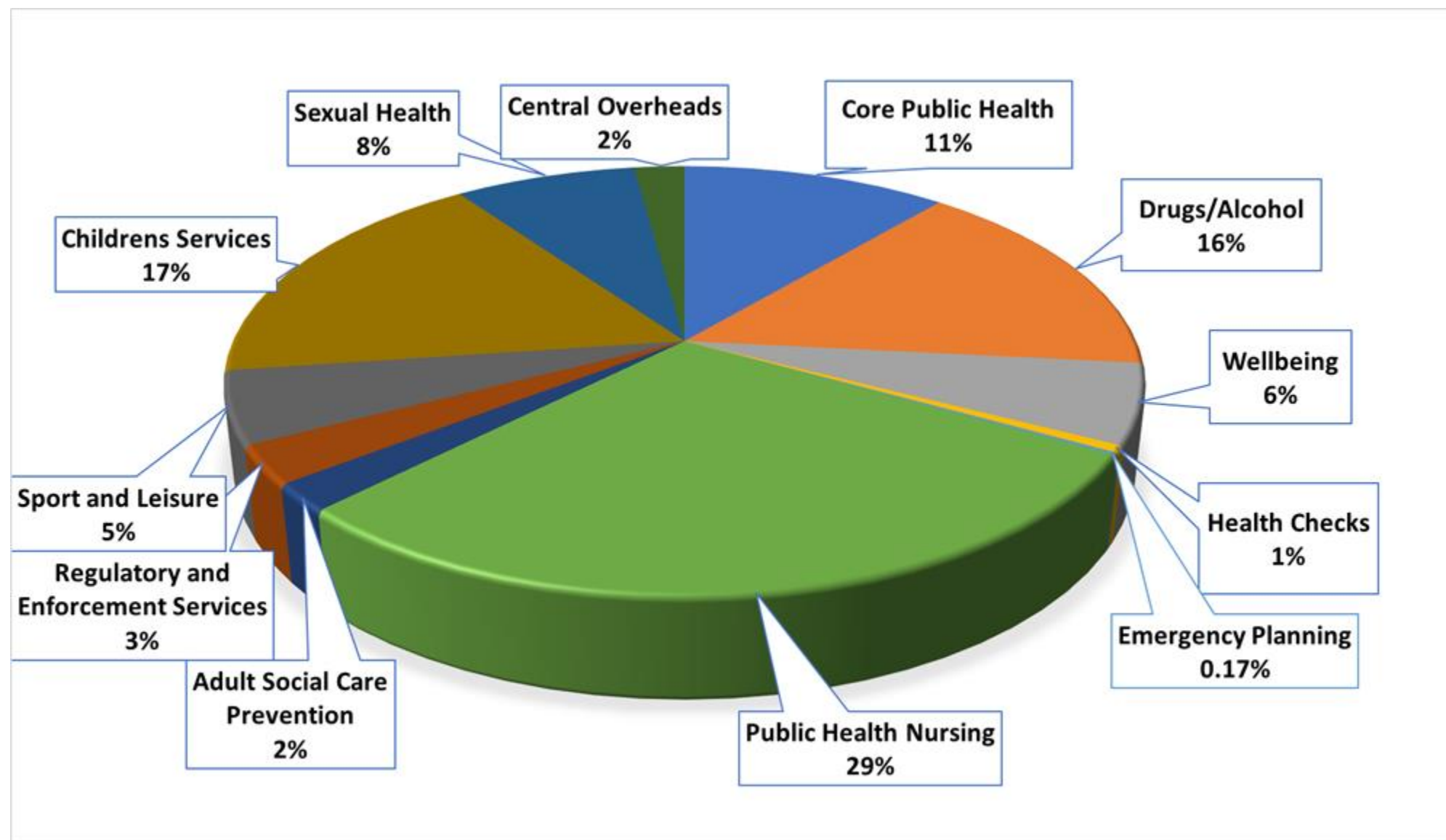
Service Comments:-

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. We are working towards a balanced budget.

The substance use contract is due to be re-commissioned and delivery will be need to be reviewed to ensure that it is contained within the budget envelope. The current contracts for Healthwatch and Patient Advocacy are in the process of being extended.

Public Health Children & Wellbeing 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. Domestic Abuse spend is within budget and in line with expectations.

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Public Health

Delivery of Priorities – Achievements, Challenges & Risks

Performance RAG :

Amber

Finance RAG:

Amber

Overview of priorities & achievements this quarter:

The Starting Well Programme, which includes many initiatives linked to Start 4 Life, continue to support our communities and represent a growing and robust partnership system across NEL. The numbers of families accessing breastfeeding and infant relationship support, and experiencing successful outcomes, is increasing compared to previous quarters and that need is being matched by a newly established and capable workforce. Support for reducing Smoking in Pregnancy remains a high priority and following a multi-agency workshop last quarter, there is an increasingly improving and evolving mechanism of incentives and support initiatives available.

The Young Person's Sexual Health Website and campaign called "Check me out" continues to be a success, being accessed by young people and is helping to improve education, access to contraception and sexual health advice. This campaign along with a wider system approach is included in the strategy to reduce the number of teenage pregnancies, and associated risks, and support teenage parents. On 1st April 2024, Lincolnshire Community Health Services (LCHS) became the new Northern Lincolnshire integrated sexual health provider. A priority for the service is to increase access for young people including flexible opening hours and young people's clinics offering contraception such as Long-Acting Reversible Contraception, emergency hormone contraception and free condoms as well as STI screening and advice. LCHS have recently moved premises from Stirling Street to Quayside Medical with the view that this location is more accessible for those who need sexual health services the most. The Haven Centre in Grimsby town centre is due to commence delivery of a regular clinic for young people, with drop-in clinics available offering sexual health information and advice. A SPOKE clinic at the Roxton Centre is also now fully operational, ensuring ease of access to sexual health services for those who live in and around the Immingham area.

For substance use, numbers in treatment continue to increase across all substance use groups with the greatest increase in people accessing the service for support with alcohol use. People accessing treatment after release from prison has seen a continued increase and now appears stable. People exiting treatment after successfully completing has also risen over the last quarter. The offer to young people needing support with substance use continues to grow and partnership working within this area remains very strong. The recovery community continues to go from strength to strength with a new project 'From the Dockside' starting in the quarter. This project includes collaboration between the recovery community and local musicians to host regular free gig nights, jam sessions and a podcast promoting the wellbeing benefits of music. This project will widen in the coming month to incorporate a rolling food programme teaching basic culinary skills and also an oral histories podcast from ex-fishermen and dock workers 'from the Dockside'

Public Health (2)

Delivery of Priorities – Achievements, Challenges & Risks

	<p>Our new tobacco plan funded through the Local Stop Smoking Services and Support Grant continues to progress, expanding and modernising the smoking cessation support offer. We have been informed that the grant will continue for 25/26 with a similar level of investment, bringing a level of sustainability for the projects within the plan. We are also about to embark on a review of the smoking cessation offer provided through our wellbeing service. These activities build on the progress we have made in reducing smoking rates in recent years.</p> <p>The NELC Health Protection Team continues to work closely with partner organisations to ensure that outbreaks of infectious disease are managed timely and efficiently. New projects are underway to increase screening rates for infectious diseases and the team is committed to increasing uptake of all adult and childhood immunisations to protect our populations health now and in the future. As part of our winter planning arrangements, we targeted under-represented and priority groups in terms of flu vaccination.</p> <p>For domestic abuse, we commissioned a root and branch review of domestic abuse during 2024/25 which includes strategy, commissioning, workforce, and finance. The recommendations from this review will be considered and implemented over the coming months.</p> <p>With regard to the Health Inequality grant projects, the main development has been with the child health programme (Let's Go Grimsby). A robust monitoring and evaluation plan has been finalised for the programme, to enable the evaluation of child and parent outcomes. The programme is now operational in Littlecoates School, supporting 9 families. The current focus is on selecting a second school to offer the programme to from April 2025. An East Marsh Community Plan is in the final stages of development and the Population Health Executive Board has approved funding for similar plans to be produced for West Marsh, Sydney Sussex and South wards. It has also approved a range of grants to voluntary sector organisations that are focussed on improving health inequalities across our borough.</p>
Key Challenges:	<p>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 has mainly occurred in more affluent communities which has widened health inequalities. We are working with colleagues in central Government to highlight these risks and seek clarification on the sustainability of various grant funding moving forwards.</p>
Risks to non-delivery:	<p>None to report this quarter.</p>



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:

Collection fund is anticipated to be in line with budget

1.31%
Of Total Revenue
Service Budgets

£1.1M

Forecast Revenue
Overspend

45.83%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M	VARIANCE ANALYSIS	£M
Other Corporate Budgets	2.4	3.5	1.1	Pressures	3.9
	2.4	3.5	1.1	Opportunities	(2.8)
				Income Shortfall	0.0
					1.1

Service Comments:-

A favourable forecast for net borrowing and investments costs of £2.8m is driven by increased investment income as a result of rates not reducing as quickly as expected, alongside a reduction in borrowing costs due to reprofiling of 24/25 capital spend.

A reduction in the use of flexible use of capital receipts is now forecast, as a result of reprofiling expected sale timelines and to reflect the revised requirement of transformational activities being funded in this manner.

Reserves

£8.3M

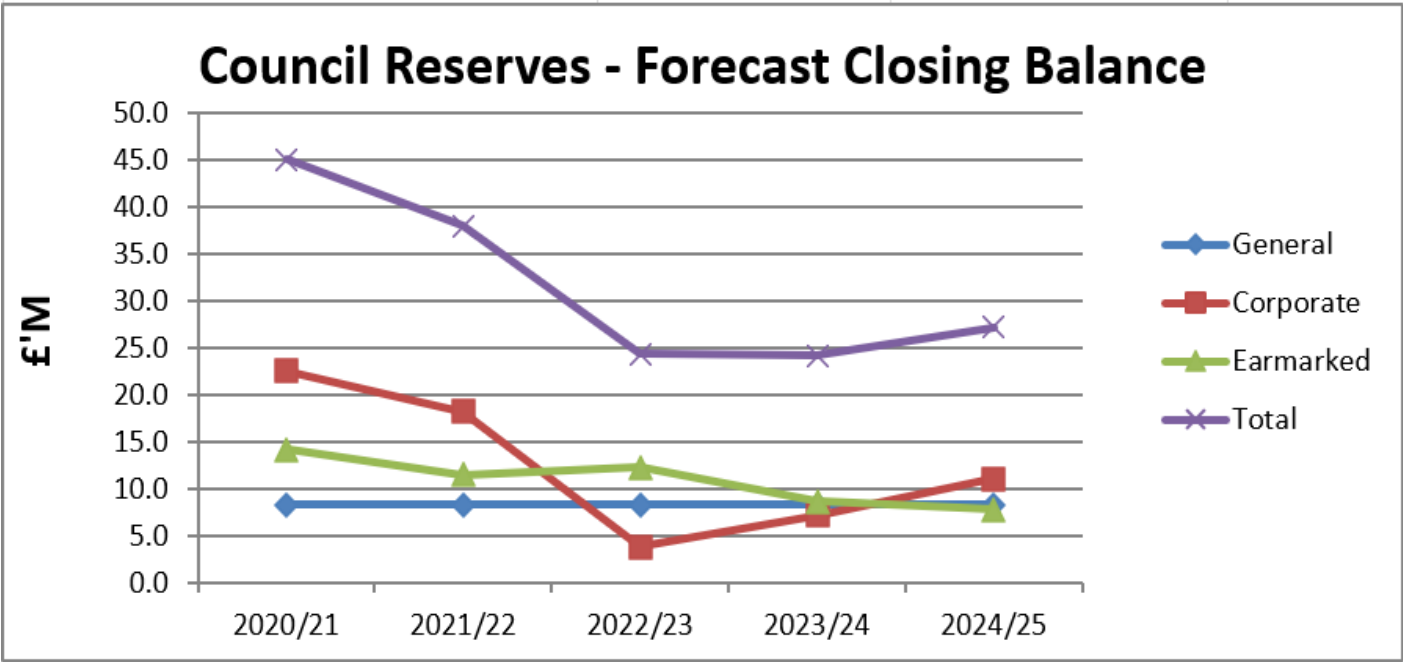
General Fund

4.52%

General Fund as % Of
Net Service Budget

£27.2M

Forecast 24/25 Total
Reserve Balance



Comments

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

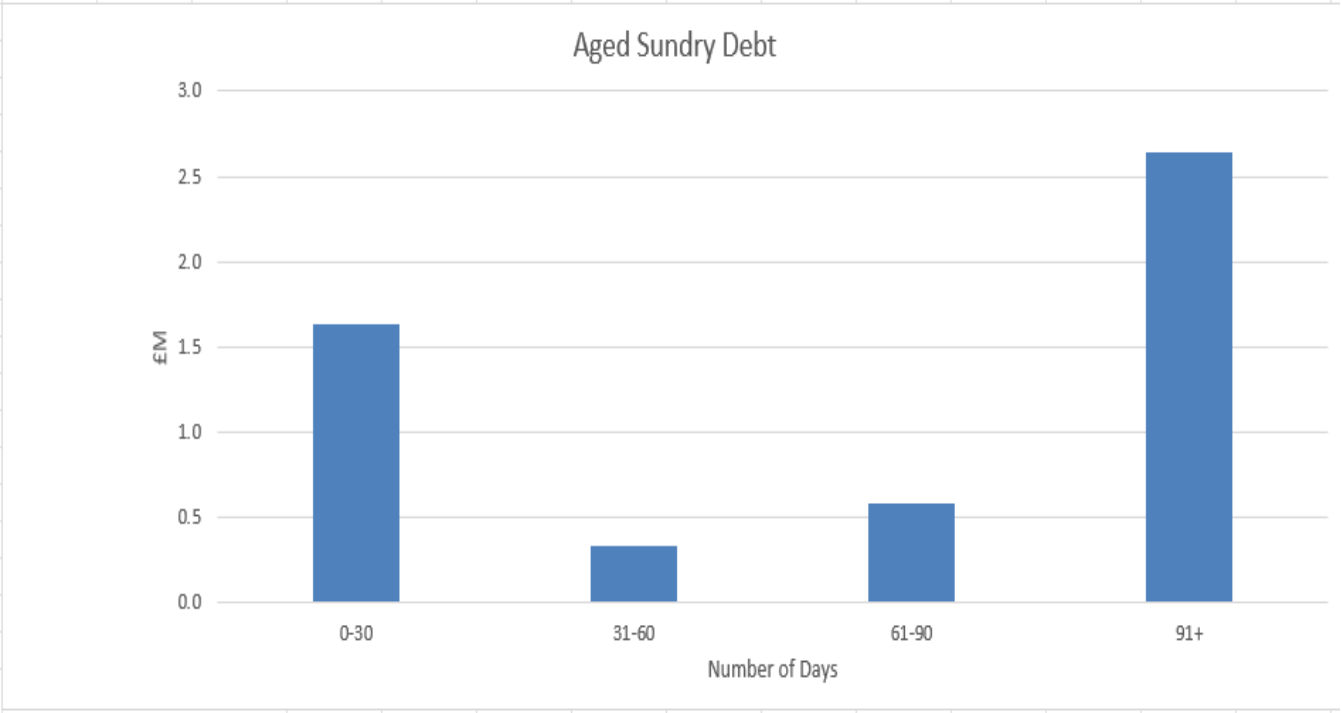
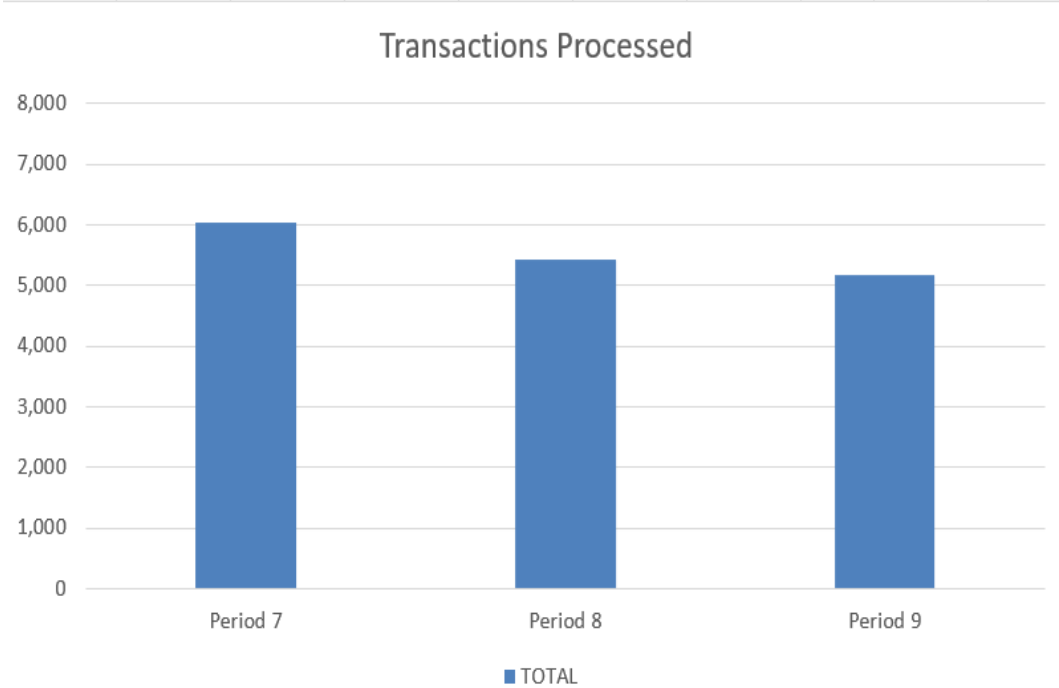
Working Capital Management

95.0%

Creditor Invoices Paid within 30 days during Qtr. 3

£2.64M

Value of debt over 90 days at Qtr. 3



The processing of creditor invoices within NELC terms remains constant. Quarter 2 2024-25 invoices paid within terms was 94%, Quarter 3 2024-25 is at 95%. The volume of invoices processed in Quarter 3 2024-25 was c16,700, a slight decrease against the c17,000 processed in Quarter 2 2024-25. Areas for improvement continue to be explored as knowledge of the financial system capabilities continue to develop.

Overall outstanding debt has decreased from Q2 by £0.5M primarily in the 0-30 day category; which are invoices not yet due, but also in the 91+ category. The debt for 91+ days includes invoices where debt is being collected on agreed payment plans. Debt management continues and there are a number of factors influencing outstanding debt, delays in the debt recovery process when the new finance system was implemented and the economic challenges faced by the local community. Debt management arrangements are in place and collection remains a key focus with the level of outstanding debt being regularly monitored.

Treasury Indicators & Cashflow 2024-25

£27.9M

Investments as at 31 Dec 24

£168.6M

Borrowing as at 31 Dec 24

4.67%

Average return on investments

3.81%

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.

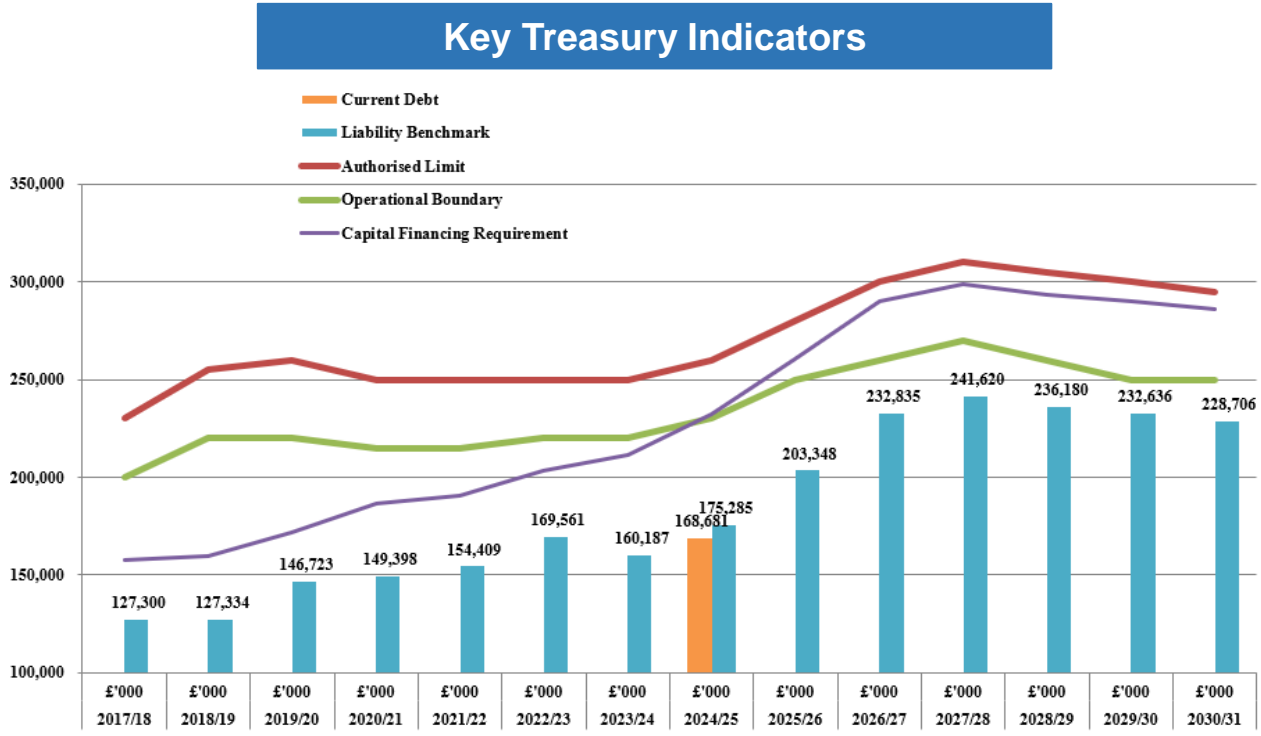
Our cash position, ranged between £26m and £60m during the period.

Higher rates have benefited short-term income but have created 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.

Market expectations of Bank Rate cuts have been tempered during the period, primarily due to sticky inflation data resulting in higher forward expectations. To avoid committing to new long-term borrowing during a period of still elevated rates, we are securing funding via short-term loans from other Local Authorities where possible. £10m of LOBO loans were repaid during the period and refinanced over a shorter period via Public Works Loan Board. In aggregate, £37m of new loans were arranged during the period, with £30m being repaid.

We update Members on all our Prudential Indicators each quarter. The Chart below covers the Key Indicators. The columns show our expected year end 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 and reprofiling 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 there was a prevailing view that interest rate levels would only reduce slowly during 2025, although changes in growth and inflation data could impact rate paths in either direction.

Net Interest Cost	2024/25	2025/26	2026/27
Forecast outturn	£5.229m	£7.960m	£10.025m
Current Budget	£7.975m	£9.400m	£10.349m
Potential Savings	£2.746m	£1.440m	£0.324m

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	6.70%	7.23%	8.83%	9.73%

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 £73m over the forecast period during which we also have £58m of debt maturities. Total new borrowing required will therefore be around £131m (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 of around £4m to be reflected in our prudential Indicators and limits have been increased in readiness for this change. This is merely an accounting change and the Authority’s debt obligations and cash flows are unchanged.

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 purposes the Authority should ensure that debt does not, except in the short term, exceed the total capital financing requirement in the the current and next two financial years as updated for the Treasury Strategy 2025-26

£m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt				
Debt at 1 April	169.5	160.2	181.9	206.3
Expected change in Debt	(9.3)	15.1	28.0	29.5
Other long-term liabilities (OLTL)	0.0	0.0	4.0	4.0
Expected change in OLTL	0.0	4.0	0.0	0.0
The Capital Financing Requirement	211.6	232.5	260.6	290.1
Under / (over) borrowing	51.4	57.2	57.3	57.3

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. L

Authorised Limit	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Authorised Limit (Borrowing)	250	260	280	310
Operational Boundary (Borrowing)	220	230	260	270
Max Debt in Period	176	182 (est)	203(est)	233 (est)

Prudential Indicators (The Liability Benchmark)

Key Messages:

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

The gap between the red and black lines in the Liability Benchmark chart shown here depicts the additional borrowing need the Authority currently projects – a peak requirement of £131m new loans by the end of 2027-28 – including replacement of maturing debt.

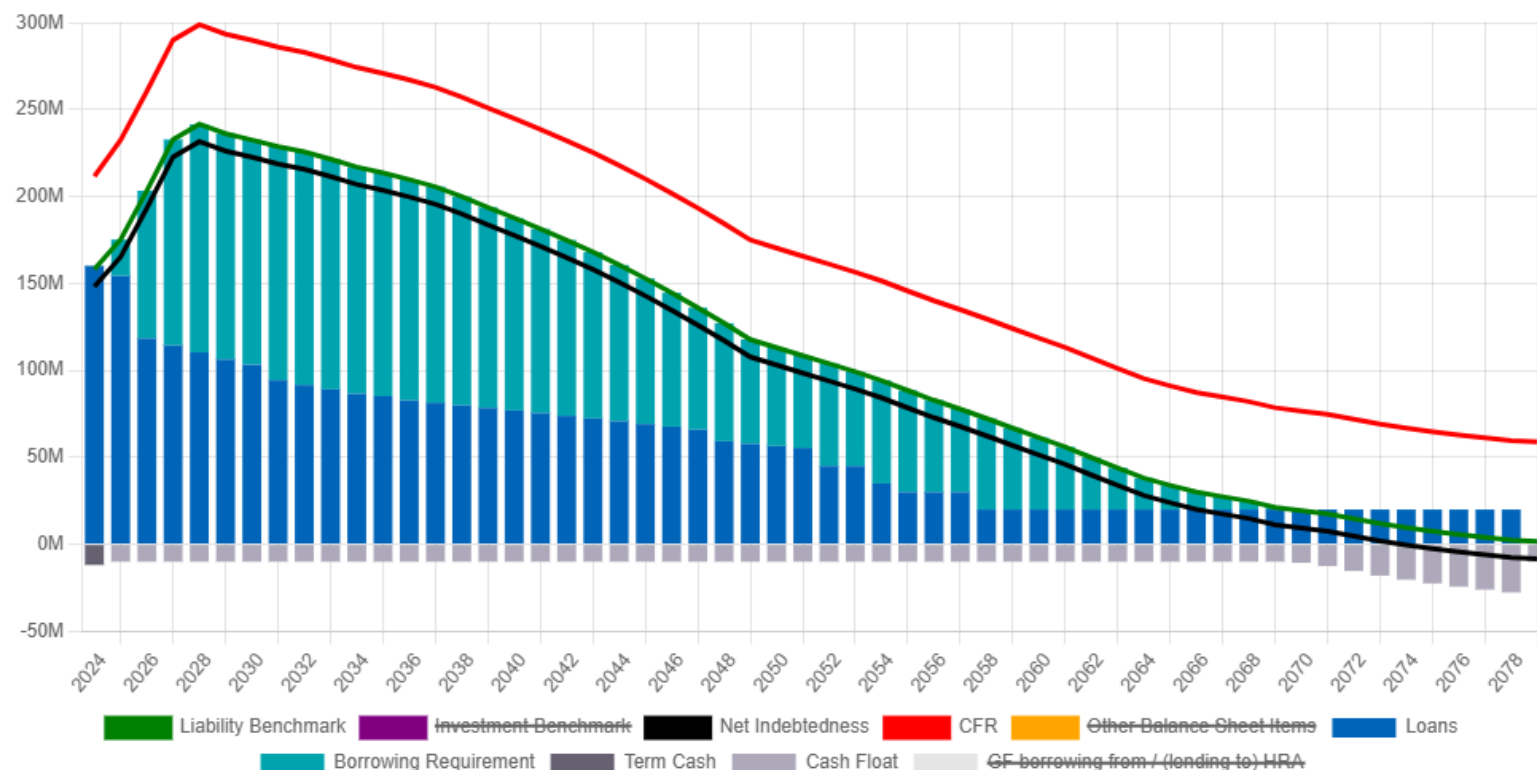
Before new long-term borrowing is entered into the Authority will have regard to the Liability Benchmark and its underlying assumptions will be assessed for their continuing prudency, with revisions made where necessary.

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 to measure performance.

These targets can be more restrictive than levels set 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 markets believed the pace and scale of future rate cuts had both declined, meaning longer term rates remained elevated. This was exacerbated post period end by concerns over UK Government debt plans resulting in rates not seen since the Global Financial Crisis. 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 1 week period.

	Target	Actual
Total cash available within 1 week.	£10m	£26m

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	£34m	£80m	£80m

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 markets believed both the pace and scale of future rate cuts had declined, meaning longer term rates remained elevated. This was exacerbated post period end by concerns over UK Government debt plans resulting in rates not seen since the Global Financial Crisis. Close monitoring with the support of our Advisors will be maintained.

Treasury Management Indicators

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

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

Recent higher rates have meant that one of our LOBOs has now been repaid (see future year reduction in Limit across). If the prevailing market continues it is likely that another £10m LOBO will be called (and repaid) early in 2025-26.

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	148	310	330

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%	30%
12 months and within 24 months	30%	0%	2%
24 months and within 5 years	30%	0%	7%
5 years and within 10 years	30%	0%	11%
10 years and within 20 years	30%	0%	9%
20 years and within 30 years	50%	0%	23%
30 years and more	75%	10%	18%

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	£11m	£11m
Current investments as at 31.12.24 in excess of 1 year	0	0	0	0

Capital Programme

Quarter 2

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	911	228	-	-	264	264	647	492	-
SHIP Scheme	299	529	407				299	529	407
Playing Pitch Reprovision	229	654	-				229	654	-
Cleethorpes Public Art	53	-	-				53	-	-
Heritage Action Zone				50	300	250	50	300	250
Town Deal Investment	3,950	631	-				3,950	631	-
Towns Fund - Central Library	3,592	-	-	-	3,589	-	3	-	-
UK Shared Prosperity Fund	704	-	-				704	-	-
Leisure Capital Grant	80	-	-				80	-	-
Freshney Place Leisure Development	5,000	19,093	-	-	311	-	4,689	18,771	17,164
Cleethorpes Masterplan - Market Place LUF Scheme	650	3,769	-	-	118	118	532	3,887	-
Towns Fund - St James House	2,229	-	-				2,229	-	-
Towns Fund - Activation Fund	281	176	-	-	138	138	143	314	-
Towns Fund - Riverhead Square	823	-	-	-	261	261	562	261	-
Towns Fund - Public Realm Connectivity	2,569	-	-	-	2,529	2,529	40	2,529	-
Cleethorpes Masterplan - Sea Road LUF Scheme	1,420	7,038	-	-	482	482	938	7,520	-
Cleethorpes Masterplan - Pier Gardens LUF Scheme	600	7,643	-				600	7,643	-
Tennis Court Refurbishment	36	-	-				36	-	-
Play Zone	209	-	-				209	-	-
House of Fraser	-	-	-				-	-	-
Freshney Place Fit Outs	-	650	300		-	350	-	300	650
Cleethorpes Masterplan - LUF Wayfinding	100	272	-	-	80	80	20	352	-
Cleethorpes Masterplan - LUF Logistics	100	50	-	-	94	94	6	144	-

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	5,060	3,715	-				5,060	3,715	-
Local Transport Plan Schemes	6,431	4,288	-	340	340		6,091	4,628	-
Housing Assistance Grants and Loans	377	272	-	111	111		266	383	-
Immingham Lock Flood Def Gates	3	-	-				3	-	-
Corporation Rd Bridge Refurb	2,871	-	-				2,871	-	-
Rough Sleeper Accom Grant	61	-	-				61	-	-
Gy and Imm Flood Innov Funding	1,909	-	-	500	500		1,409	500	-
Sustainable Warmth	30	-	-				30	-	-
Flood Defences - Humberston Fitties	83	-	-				83	-	-
A180 Structures	10,526	-	-	1,655	1,655		8,871	1,655	-
Grimsby Surface Water Flood Alleviation	62	-	-				62	-	-
Bus Service Improvement Plan	617	-	-	300	820		317	820	-
Towns Fund - Garth Lane	677	6,405	-				677	6,405	-
Toll Bar Drop Off	524	-	-				524	-	-
Greater Lincs Groundwater Project	100	1,750	150	100	100		-	1,850	150
Local Authority Housing Fund 3 (LAHF3)	180	180	-	180	180		-	360	-
Car Park Schemes	250	150	-				250	150	-
Transport Hub				1,900			1,900	-	-
SAFER TOWNS & COMMUNITIES									
HAS & Green Spaces	450	-	-	150	150		300	150	-

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	4,062	11,369	19,700	- 1,975	1,975		2,087	13,344	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	-	-	333			487	-	-
Cartergate Office Development	136	-	-	- 68			68	-	-
ICT Refresh	640	-	-		955	2,542	640	955	2,542
Heritage Assets at Risk	3,807	-	-	- 3,207	3,207		600	3,207	-
Business Centre Improvement	197	-	-	- 97	97		100	97	-
M365 Transformation Programme	157	252	457				157	252	457
Customer Services Mgt Platform	45	-	-				45	-	-
Childrens Services Platform	1,175	2,671	-				1,175	2,671	-
Digital Platform	20	422	-				20	422	-
Northgate Cloud Upgrade	37	-	-				37	-	-
CS Platform Residential Homes	40	-	-				40	-	-

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	1,000	1,416	-	- 327	327		673	1,743	-
Enhancement of Bereavement Services	150	-	-				150	-	-
Depot Rationalisation	4,492	-	-				4,492	-	-
Scartho Cemetery Lodge & Waiting Rooms	24	-	-	- 21			3	-	-
Environmental Services Mgt System	-	-	-				-	-	-
Regulatory Services Management System	4	-	-				4	-	-
Memorial Testing & Repairs	-	-	-				-	-	-
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									
AD Regulated									
Childrens Residential Transformation				600	930	70	600	930	70
Education and Inclusion									
Schools - Devolved Formula Cap Grant	135	81	-				135	81	-
Schools - Backlog Maintenance	148	350	-				148	350	-
Schools - Basic Need Sufficiency of Places	9,100	7,913	-	- 400	400		8,700	8,313	-
SEND Special Prov Fund	2,162	3,290	-	- 1,125	1,125		1,037	4,415	-
SEMH Free School	25	-	-	- 15	15		10	15	-
Wraparound Childcare Programme	308	-	-				308	-	-
TOTAL CAPITAL PROGRAMME	98,040	91,891	23,121	- 15,554	16,481	20,376	82,486	108,372	43,497

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	50,415	55,307	257	- 8,634	13,534	100	41,781	68,841	357
Corporate Borrowing	33,171	34,584	20,864	- 6,920	2,947	20,276	26,251	37,531	41,140
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	98,040	91,891	23,121	- 15,554	16,481	20,376	82,486	108,372	43,497

Denotes a Major Project

Denotes a Major Education Project