

Appendix 1

North East Lincolnshire Council - Council Plan Resources & Finance Report

Quarter 1 -
2025/26



Introduction

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

This report is a combined performance and budget report 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).
- Council Plan priority performance overview.
- A red, amber or 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 including an update on the Key Pillars of the Medium-Term Financial Plan approved in February 2025.

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Performance & Delivery Summary

This is the first progress update on our [Council Plan for 2025–2028](#), which was approved in December 2024. This plan sets out our ambitious vision for transformation and improvement across all areas of the Council, and we're committed to keeping you informed every step of the way.

This report highlights the progress we're making in delivering the priorities that matter most to our residents and communities. It's designed to provide a clear and transparent view of how each part of the organisation is contributing to our shared goals.

You'll find updates on:

- Financial performance
- Key performance indicators (our 'vital signs')
- Service achievements this quarter
- Challenges and risks we're managing
- How each service is supporting the Council Plan priorities

To make this information as accessible and useful as possible, we've included a snapshot from our [live to dashboard](#). This dashboard is continuously updated and includes links to more detailed data, including historical trends, comparisons, and targets.

We're also actively improving the dashboard based on feedback from Elected Members through Scrutiny, ensuring it meets your needs and expectations.

You can explore the latest performance data and dive deeper into the details by visiting our [Council Plan – Performance and Progress](#) web page.

Financial performance is a key part of this report, helping to provide a clear picture of how each service area is delivering on the [2025–26 Business Plans](#), which were agreed at Budget Council. This financial context is essential to understanding how we're progressing with the priorities set out in our Council Plan.

Delivering these priorities is no small task. We're balancing the demands of major regeneration projects, high-profile service transformation programmes, and increasing pressures on our day-to-day services. Despite these challenges, we remain focused and proactive in ensuring we have the right resources in place.

To support this, we have our Key Pillars of the Medium-Term Financial Plan: Commercial Council, Productivity, Housing, Transport, Strategic Asset Management and Digital & Technology

We recognise that recruiting for specialist roles—such as social workers, project managers, surveyors, legal professionals, and procurement experts—can be particularly challenging. That's why we're committed to growing our own talent through graduate schemes and apprenticeships. While this is a long-term investment, it's already showing promise.

We're also working hard to position North East Lincolnshire as a fantastic place to live and work. Our enhanced recruitment marketing is helping to attract and retain skilled professionals, and we're proud that this work is already making a real difference.

Joanne Robinson - Assistant Director Policy, Strategy & Resources.

Performance & Delivery Overview

[illegible]

Key:

Green	As planned.
Amber	Under target with plans in place to mitigate risk of non-delivery within this financial year or on-going programmes in delivery stage.
Red	Under target, longer term plans are in place to mitigate within the Medium-Term Financial Plan (MTFP) period.

Financial Overview

At the end of the first quarter of the 2025/26 financial year the Council is forecasting a £1.5M overspend against budget, this reflects the ongoing complex social environment in which we operate.

A key driver in the forecast overspend is the council's ability to reclaim full housing benefit subsidy for accommodation providers that do not meet the DWP criteria for full cost recovery, this is driven largely by an increase in unregistered providers in the local area. A service review of the housing provision and the impact on the recoverable housing subsidy has been instigated to help mitigate the full year forecasted impact.

Whilst restorative actions within Children's Services continue to impact numbers of children looked after, there remains pressures in key areas including education transport and high cost out of area placements. Offsetting this adverse forecast are favourable cost movements being generated from the new Border Target Operating Model (BTOM) within Environmental Regulation, as work continues to develop and optimise this service.

The socio-economic environment remains challenging, with additional demand for Council services and more general pay and inflationary pressures impacting on financial performance. Service areas continue to proactively monitor budgets to ensure both effective service delivery and financial sustainability.

To help further alleviate ongoing financial pressures, the Council continued 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 growth of the Borough.

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

Moreover, the Council continues to operate within its approved Treasury Management Strategy, with all treasury management decisions being taken with reference to agreed prudential indicators. Taking into account ongoing volatile interest rates, we will continue to utilise short-term borrowing where possible during 2025/26 to meet our borrowing requirement until longer term rates stabilise.

The Council does not operate in isolation from the communities and businesses it serves, and we are continuing to carefully monitor the collection of local taxation given the challenges and wider impacts across the area. In Q1 2025/26 27.9% of Council Tax had been collected, this is in line with the collection rate of for the same period in 2024/25. For Non Domestic Rates, the % collection for Q1 2025/26 (28.1%) was slightly higher when compared to the same quarter last year (27.6%)

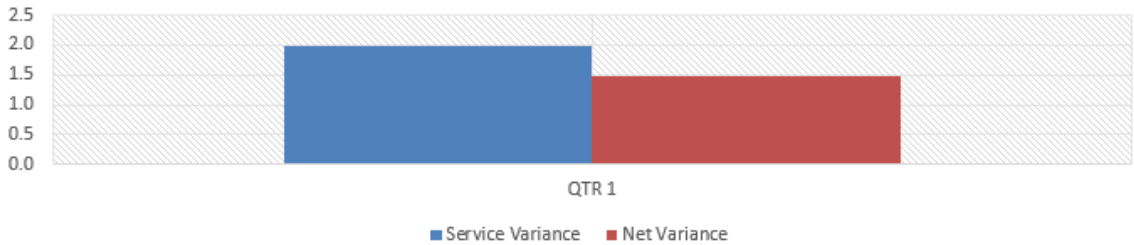
Focus remains on delivering long term financial sustainability, via efficient and affordable public services and addressing identified funding gaps in future years of the medium-term financial plan. Priorities identified within the Council's 2025/26 business plans continue to be developed and implemented focusing on transformation, the use of technology and barriers to change.

The ongoing review of the Local Government Funding model will be critical in shaping the Council's future financial plans and regular updates will be provided as part of the refresh of the Medium Term Financial Plan.

Guy Lonsdale – Section 151 Officer

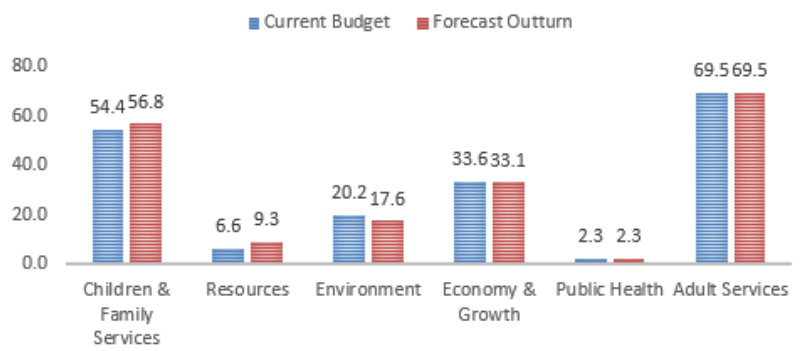
FINANCIAL OVERVIEW - QTR1

Quarterly Revenue Spend Forecast Position £'M



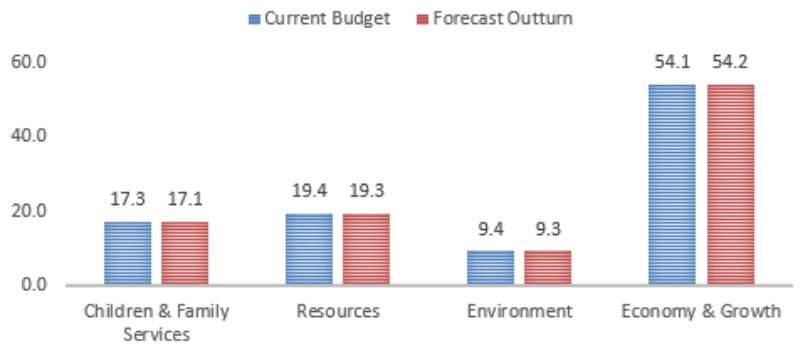
Service Revenue Position

Variance 1.07%

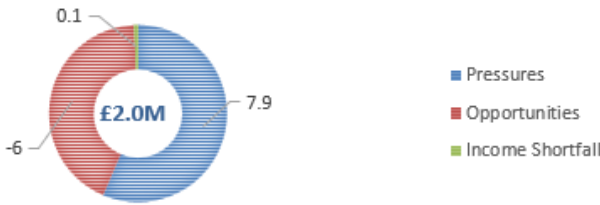


Service Capital Position

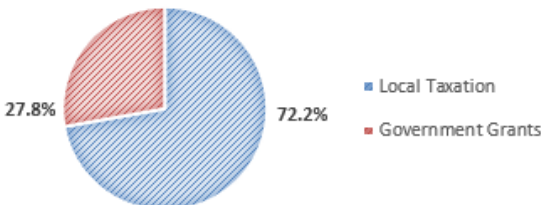
Variance -0.22%



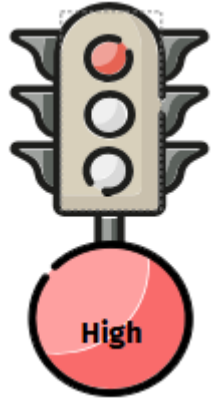
Service Over Spend Analysis £'M



Funding



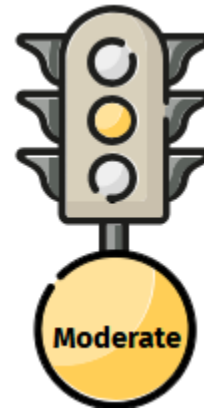
Financial Outlook



The current Medium Term Financial Plan (MTFP) showed an opening gap in future years when it was approved in February 2025. The opening MTFP gaps were £4.4M (2026/27) and £6.4M (2027/28).

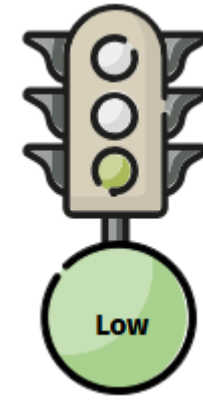
Pay represents a significant element of the Council's cost base and future years pay awards remain a significant risk for the Council over the MTFP.

Children's Services continue to pose a financial risk due to high service demands, despite ongoing transformation. Additionally, the rise in unregistered housing providers and the overall demand on the housing provision presents another significant financial risk.



Inflation continues to affect Council finances, particularly inflation linked contracts. Although the wave of high inflation seen over previous financial years has declined and inflationary contract uplifts are included within service budgets, inflationary levels continue to be monitored to assess future impacts on finances.

Whilst we have seen a reduction in Interest rates over the last year, volatility in rates driven by the wider economic climate still remains. This volatility has the ability to create pressure for the Council in future years in terms of anticipated borrowing costs. The Council's capital programme continues to be reviewed and reprioritised in light of these issues.



The 2025/26 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 are now being consulted on, with the first multi year settlement expected for the 2026/27 financial year

The impact of the fair funding reform and business rate reset will be modelled during the upcoming revision of the Medium Term Financial Plan

The continuing development of the Greater Lincolnshire Combined Authority ensures local leaders have access to sustainable funding and greater freedom to take decisions on how to provide vital services in the area.

Revenue Budget Overview

£1.5M Total Revenue
Forecast Overspend

£2.0M Service Budgets
Forecast Variance

1.07%

% Representation of Service
Budget Overspend to Net Budget

Revenue Overview Comments:

The overall forecast position at the end of Quarter 1 is an overspend of £1.5M, this reflects a service area pressure of £2M which demonstrates the ongoing complexity and financial implications of service demands.

The rise in non-registered housing providers, who do not meet the DWP criteria for full housing benefit subsidy recovery is creating a significant pressure within local taxation and benefits. Close collaboration with the housing team is required to evaluate options to help mitigate this pressure.

Whilst challenges remain within Children's Services, restorative actions are continuing. The significant improvements already implemented have resulted in a real cash reduction in expenditure against 2023/24

Optimisation of the Border Target Operating Model (BTOM) within Environment Services is resulting in a forecast favourable year end position, however the impact of any changes by central government in relation to streamlining of the ports, will need to be evaluated once known.

REVENUE	Original Approved Budget £'M	Revised Budget £'M	Forecast £'M	Variance £'M
Resources	9.7	6.6	9.3	2.7
Environment	20.2	20.2	17.6	(2.6)
Economy & Growth	33.5	33.6	33.1	(0.5)
Children & Family Services	63.9	54.5	56.9	2.4
Public Health	2.1	2.3	2.3	0.0
Adult Services	69.5	69.5	69.5	0.0
	198.9	186.7	188.7	2.0
Corporate Budgets	3.2	18.5	18.0	(0.5)
	202.0	205.2	206.7	1.5
Earmarked reserves	5.4	3.7	3.7	0.0
School Balances	0.0	(1.5)	(1.5)	0.0
Total	207.4	207.4	208.9	1.5
Funding	(207.4)	(207.4)	(207.4)	0.0
Net	0.0	0.0	1.5	1.5

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.

(This list does not include year end technical adjustments)

BUDGET ADJUSTMENT DESCRIPTION	Resources £'M	Economy & Growth £'M	Children's & Family Services £'M	Environment £'M	Public Health £'M	Adult Services £'M
Budget Transfer between services						
Schools Budget Setting			(10.4)			
Earmarked Reserve (EMR) Adjustment / Utilisations						
Delivering Better Values grant allocation			0.4			
Various Early Years Education grant allocations			0.5			
Total Service Budget Movement	0.0	0.0	(9.5)	0.0	(1.6)	0.0

Capital Budget Overview

(£0.2M)

Capital Forecast
Underspend

(0.22%)

% Representation of Service
Capital Underspend to Approved
Programme

CAPITAL	Original Approved Programme £'M	Approved Programme £'M	Forecast £'M	Variance £'M
Resources	22.9	19.4	19.3	(0.0)
Environment	6.4	9.4	9.3	(0.1)
Economy & Growth	65.0	54.1	54.2	0.1
Children & Family Services	14.1	17.3	17.1	(0.2)
Public Health	0.0	0.0	0.0	0.0
Adult Services	0.0	0.0	0.0	0.0
Total Capital Budgets	108.4	100.2	100.0	(0.2)
Funding	(108.4)	(100.2)	(100.0)	0.2
Net	0.0	(0.0)	(0.0)	(0.0)

Capital Overview Comments:

The approved programme incorporates the latest reprofiling of the capital programme, reflecting revised timelines in several of the more complex and multi-faceted projects where factors including contractual issues, re-procurement or redesign have been encountered.

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

SCHEME	Changes to the Programme 2025/26	Changes to the Programme 2026/27	Changes to the Programme 2027/28	Comments
	£000	£000	£000	
ECONOMY AND GROWTH				
Regeneration				
Playing Pitch Reprovision	- 0.529	0.529	-	Reprofile budget into 26/27 to reflect latest spending plans
UK Shared Prosperity Fund	0.319	-	-	Reflects new year funding
Freshney Place Leisure Development	- 10.125	10.125	-	Reprofiled budget reflects construction programme that commenced in January 2025
Cleethorpes Masterplan - Market Place LUF Scheme	- 3.297	3.297	-	Reprofiled budget reflects current status of design and consultation work
Towns Fund - Activation Fund	- 0.100	0.100	-	Reprofile budget into 26/27 to reflect latest spending plans
Cleethorpes Masterplan - Sea Road LUF Scheme	- 4.871	4.871	-	Reprofiled budget reflects procurement of the principal contractor
Cleethorpes Masterplan - Pier Gardens LUF Scheme	- 3.910	3.910	-	Reprofiled budget reflects revised timeline for procurement of contractor
Housing, Highways and Transport				
Disabled Facilities Grants	2.054	-	-	Increased to reflect new year funding
A180 Structures	- 1.873	1.873	-	Reprofiled budget reflects procurement of a contractor for phase 2
Bus Service Improvement Plan	- 2.011	2.011	-	Reprofile budget into 26/27 to reflect latest spending plans
Towns Fund - Garth Lane	- 0.500	0.500	-	Reprofiled budget reflects the planning process, led by the Development Partner
Greater Lincs Groundwater Project	- 1.850	1.850	-	Reprofile budget into 26/27 to reflect latest spending plans
Local Authority Housing Fund 3 (LAHF3)	- 0.090	0.090	-	Reprofile budget into 26/27 to reflect latest spending plans
Transport Hub	- 0.638	0.488	-	Reprofiled budget reflects demolition programme proposed construction phase
ENVIRONMENT				
Mayoral Renewable Fund	0.226	-	-	New grant funding
CHILDRENS SERVICES				
Education and Inclusion				
Schools - Devolved Formula Cap Grant	0.015	-	-	Adjusted to align with new year funding
Schools - Backlog Maintenance	- 0.151	-	-	Increased to reflect new year funding
Schools - Basic Need Sufficiency of Places	1.020	5.250	-	Increased to reflect new year funding and new project approval
SEND Special Prov Fund	- 0.118	0.314	-	Reprofiling of budget to reflect latest spending plans, plus increase for new year funding
SEMH Free School	- 0.010	0.010	-	Reprofile budget into 26/27 to reflect latest spending plans
TOTAL CAPITAL PROGRAMME	- 26.440	35.218	-	

Funding				Denotes a Major Project
External Grants	- 18.177	22.605	-	Denotes a Major Education Project
Corporate Borrowing	- 8.263	12.613	-	
TOTAL FUNDING	- 26.440	35.218	-	

Key Pillars of the Medium- Term Financial Plan



Key Pillars of the Medium-Term Financial Plan

Focus on cross cutting transformational priorities, aiming to building overall financial resilience

People & Place

Commercial Council

Deliver a more commercial focus inc. Fees & Charges, Rental Income, Investment Properties

Housing

Priorities centred around housing inc. housing strategies; residential homes; extra care facilities; housing subsidies

Digital & Technology

Provision of the latest technology to drive efficiency and improve delivery

Strategic Asset Management

Drive effective utilisation of current estate inc. property rationalisation; fleet management; utilisation of empty spaces.

Transport

Optimise the transport provisions inc. educational transport; adult transport; bus services; devolution

Productivity & Cost Effectiveness

Drive optimisation of our resources, to deliver best value inc. invest to save; restructuring; facilities management

Tackling the wider determinants of health

Commercial Council

Priority Projects Update (including impacts on financials / performance / outcomes)

Port Health Transformation (Border Target Operating Model - BTOM)

The implementation of the BTOM for EU and non-EU imports has contributed to a net positive position within the Environment area. This investment supports regulatory compliance and operational readiness at the border, with a focus on streamlining inspection processes and enhancing digital infrastructure. However, this area is subject to further government streamlining which may impact future forecasts.

Fishing Heritage Centre Income Uplift

A modest but strategic uplift is planned for the Fishing Heritage Centre. This is part of a broader initiative to grow visitor numbers and school engagement through the Humber Museum Partnership, supported by marketing campaigns and event programming funded via the UK Shared Prosperity Fund. The uplift aligns with regeneration priorities and aims to enhance the Centre's financial sustainability while contributing to cultural and educational outcomes.

Commercial Estate Rent and Service Charge Reviews

A saving of £0.05 million is expected from rent and service charge reviews across the Council's commercial estate. However, challenges remain with ongoing pressures in this area, driven by shortfalls in expected rental income and rate charges. The commercial estate remains a key area of financial scrutiny, with service leads tasked with identifying mitigation strategies and improving forecasts.

Productivity

Priority Projects Update (including impacts on financials / performance / outcomes)

Optimisation of Fostering and In-House Residential Provision

A £0.5M productivity improvement is forecast through better matching of children to in-house fostering and residential placements. This reduces reliance on high-cost external placements and supports improved outcomes for children.

Transformational Savings Target

A cross-cutting transformation programme is expected to deliver £0.56M in savings. This includes service redesign, digital enablement, and process automation across multiple directorates.

Review of Continuing Healthcare (CHC) / Adults Social Care (ASC) Package Funding

A review of CHC and ASC packages is underway to ensure appropriate funding contributions from health partners and to align care packages with assessed needs. This is part of a broader effort to manage demand and cost pressures in adult social care

Commissioning

Key commissioning activity is planned across shared lives, support at home, extra care, and bed-based services. These initiatives aim to reshape the local care market, improve value for money, and ensure sufficiency of provision in line with demographic trends (£0.97M)

Further Efficiency Savings

Additional efficiency savings of £0.54M are being pursued across adult services areas. These include rationalisation of contracts, improved procurement, and better use of technology.

Optimisation of Borrowing Costs Aligned with Capital Programme

Given ongoing interest rate volatility, the capital programme is being actively reviewed to ensure that borrowing is optimised. This includes rephasing projects, exploring alternative funding sources, and ensuring that capital investment aligns with strategic priorities.

Housing

Priority Projects Update (including impacts on financials / performance / outcomes)

Ongoing Delivery

- Review of temporary accommodation (completed by end of September)
- Cleansing of all data relating to temporary accommodation & homelessness (end of August)
- Complete the homelessness and rough sleeping strategy (Jan 2026)
- Develop Affordable Housing Strategy (Jan 2026)
- Supported housing needs assessment to be completed (August 2025)
- Establish forum and relationship with Private Sector Landlords (September 2025)
- Re establish the Homelessness Reduction Board (September 2025)
- Recruitment of new AD for Housing and Communities (in post by Jan 2026)

Planned Delivery

- Delivery of actions overseen by the Housing Board covering
- Influence and increasing supply
- Reducing need
- Building a fit for purpose front door
- Improved case management
- Moving households towards independence
- Extra Care Housing
- Children's residential social care

Transport

Priority Projects Update (including impacts on financials / performance / outcomes)

Ongoing Delivery

- Re-procurement of the hire care framework
- Report to leadership and decision on the number and use of pool cars (November 25)
- Adult Social Care – review of older people's and working age adults day services

Planned Delivery

- Alignment of application of organisational transport related policies - In place for April 2026
- Review of transport related benefits as part of the job evaluation long term project
- Day service – implementation of new delivery models – April 2026

Strategic Asset Management

Priority Projects Update (including impacts on financials / performance / outcomes)

Ongoing Delivery

- Vehicle review undertaken as part of Equans in-sourcing exercise. Vehicles which were leased by Equans have been replaced with vehicles purchased through the capital programme and will be managed through the rolling fleet management programme that is refreshed annually, thus avoiding on-going revenue costs.
- Land & Property Strategic Asset Management Plan approved by Cabinet, and delivery plan drafted.
- Strategic Asset Review multi-disciplinary project team set up, currently in 'discovery' stage, collating relevant data and information required.

Planned Delivery

- Review of commercial estate performance and opportunities.
- Revisit property disposal programme and amend as required.
- Bring forward the revised business case for the development of Holme Hill former school as part of the operational estate.
- Develop the business case for the refurbishment of Grimsby library on receipt of all structural survey information.

Digital & Technology

Priority Projects Update (including impacts on financials / performance / outcomes)

Ongoing Delivery

- Delivery of our Artificial Intelligence Prototypes & governance development continues with prototypes of transcription tools and Microsoft Copilot licences.
- Data cleansing has taken place on the Education and Health Care Plans system and Early Years System on the Children's Platform Project.
- Environmental Services systems continue to be embedded and the waste aspect of the Alloy platform has gone live with tablets being used in many of the refuse trucks to update on the progress of rounds etc. This work supports the foundations for the ongoing development of the Council's customer and service management platforms.
- The roadmap to move the Council's documents to a centralised cloud hosted document store is being delivered with 30% completion to date. A review of resourcing is taking place to ensure post transfer support is in place to embed the new ways of working.
- Cyber - An anti-phishing campaign has been completed in this first quarter and any users compromised are required to undertake further training.
- Children's Services data is being prioritised for the data warehouse developments. Scoping activity has been taking place during this quarter.
- A decision has been made not to progress a re-procurement of the Local Taxation and Benefits system re-procurement at this stage due to the Local Government Reorganisation plans.
- A suite of analytics tools have been deployed to analyse engagement and user behaviour on the Council websites. This will enable data driven improvements to the Council's digital services and content.

Planned Delivery

- New technology is being progressed in highways to enable improved capturing of road conditions across the Council's road network. Benefits such as ability to capture road condition data more promptly and across larger percentage of the network will be achieved.
- AI use cases with Microsoft 365 copilot (200 licence deployment)
- A review of all websites is planned to establish if they will remain standalone or the content should be migrated to the main Council website. A content review will be undertaken for the main Council website and section pages are also in the process of being reviewed and along with their appearance for both desktop and mobile formats. This work will enable us to gather enough insights to build our future digital platform presence.
- We are continuing work to embed the customer and service management platform with an ongoing review and development of contact forms and communication.

Finance and Performance Review against Council Plan Priorities and Service Areas



STRONGER ECONOMY

- Supporting Industry, Business & Housing
- Growing Skills
- Attractive & Vibrant Town Centres
- Improving our Journeys
- Happy Visitors & Great Leisure
- Preserving our Heritage



STRONGER COMMUNITIES

- Nurturing our Children and Building their Future
- Supporting our Adults
- Living a Healthy Life
- Good & Sustainable Homes
- Telling our story of Culture and Heritage
- Clean & Safe Streets & Open Spaces



GREENER FUTURE

- Our Waste and Recycling
- Looking After and Protecting our Parks and Public Spaces
- Our Coastline
- Our Green Ambition



ENGAGING AND EFFECTIVE COUNCIL

- A Great Place to Work and Develop
- Financially Stable
- Effective Management of Assets
- Accessible and Engaging
- Digitally Smart

Stronger economy and stronger communities



Resources

Engaging and Effective Council

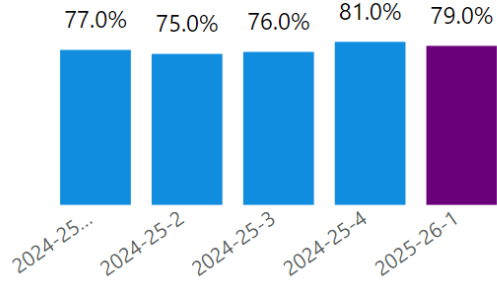
As we work with our partners, our people and our colleagues, we must ensure that we provide services that are effective, value for money and deliver what our residents want, and what is best for our borough. We can only do this if we get the very best from our employees and use all that is available to us to take North East Lincolnshire forward.



Proportion of permanent social work qualified staff

A

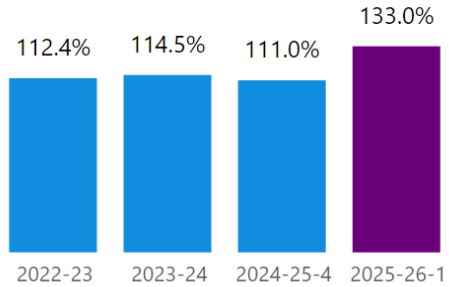
High is good



Apprentice Levy Year To Date Spend

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High is good



% Placement retention and progression to a substantive post (Graduate and apprentices)

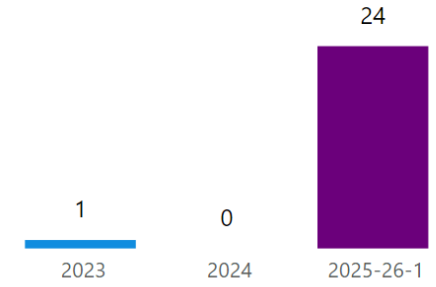
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High is good



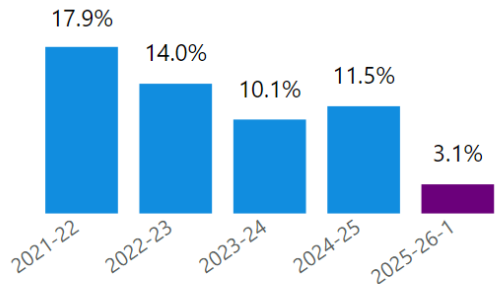
NPS Score (Employee Voice and Pulse Survey)

High is good



Employee Turnover Rate

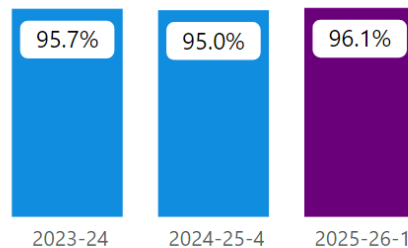
Low is good



The average attendance per full time employee (FTE)

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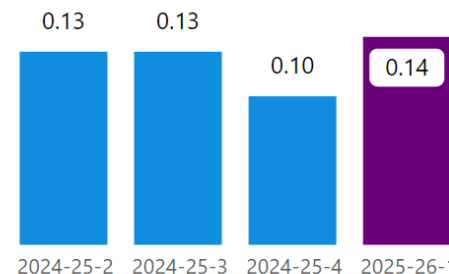
High is good



Total RIDDOR incident rate

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Low is good



Performance Overview

Resources (1)

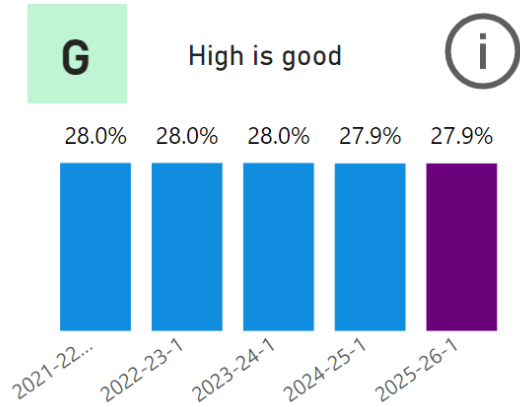
Council Plan Priority	Commentary
Engaging and Effective Council - A Great Place to Work and Develop	<p>In Q1 2025–26, North East Lincolnshire Council has made steady progress towards its ambition of being an engaging and effective council. The “Great Place to Work” indicators on slide 23 reflect a strong focus on workforce development, with positive trends in apprentice levy spend, staff attendance, and retention of graduates and apprentices into substantive roles. The proportion of permanent social work-qualified staff remains a key metric, supporting workforce stability in critical services. The Net Promoter Score (NPS) from the Employee Voice rose to 24, representing a significant increase from the previous year and signals growing staff loyalty and satisfaction</p> <p>The Council continues to invest in digital transformation and inclusion, with AI prototypes and Microsoft Copilot licences being trialled, and a discovery phase underway to establish a local baseline for digital inclusion. These efforts align with the Council’s “Digitally Smart” priority.</p> <p>The Business Support redesign is progressing well, supporting the Council’s wider transformation agenda and its focus on productivity and financial resilience It is contributing to cross-cutting savings and service improvements, particularly through digital enablement and process automation. This work supports the Council’s aim to deliver more efficient, value-for-money services and is aligned with the Medium-Term Financial Plan’s focus on productivity and cost-effectiveness.</p> <p>AcademyNEL continues to play a vital role in addressing recruitment challenges by developing internal talent pipeline, by offering structured pathways for apprentices and graduates, and structured learning programmes which aligns with the Council’s commitment to being a great place to work and develop, and supports long-term workforce sustainability</p> <p>Despite financial pressures, particularly around housing subsidy recovery and facilities management, the Council remains committed to delivering value for money and improving outcomes. The Resources service area is rated green for performance, though red for finance, reflecting ongoing challenges being actively managed.</p>

Engaging and Effective Council

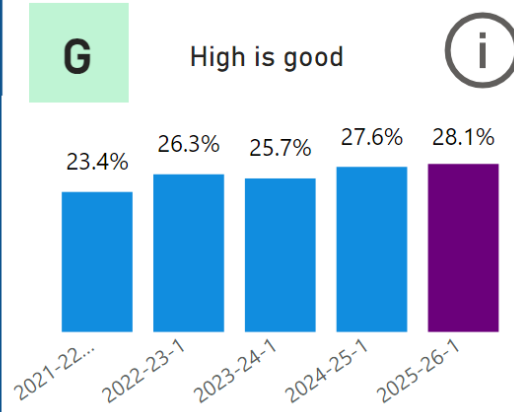
Financially Stable / Effective Management of Assets



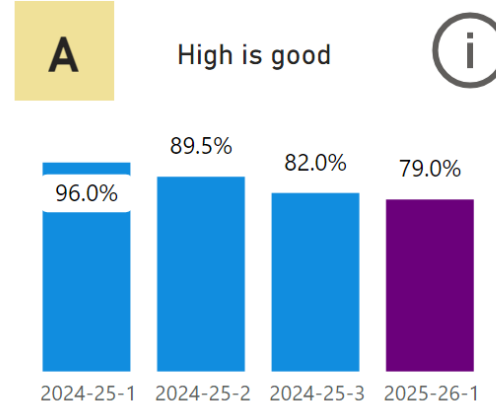
Council tax collection achieved (%)



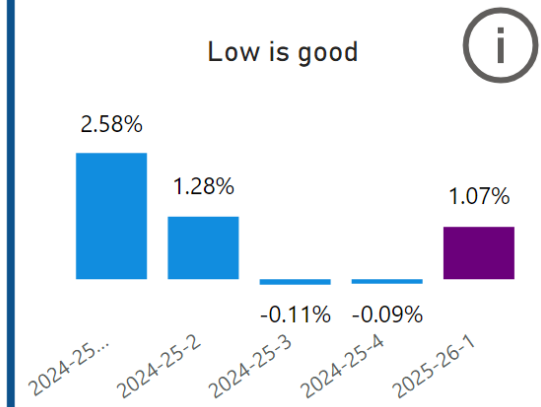
National non-domestic rates collection achieved (%)



% of capital programmes delivered (against revised budget)



% variance against revenue service budget (revised).



% of capital backlog maintenance projects delivered on time



0.0%
2025-26-1

% of capital backlog maintenance projects delivered within budget



0.0%
2025-26-1

% occupation of the total commercial estate



96.5%
2025-26-1

% occupation Business Centres and managed workspaces



79.6%
2025-26-1



Performance Overview

Resources (2)

Council Plan Priority	Commentary
Engaging and Effective Council - Financially Stable	<p>Council Tax collection is improving compared to the same time in the last two financial years. We are not yet back to pre-pandemic collection levels but are seeing steady sustainable improvement.</p> <p>Collection of National Non-Domestic Rates (NNDR) is also in a better position at this point compared to the same time in recent years.</p> <p>Page 6 (Financial Overview) provides further context in terms of both capital and revenue challenges and mitigation actions.</p>
Engaging and Effective Council - Effective Management of Assets	<p>During this quarter, the Land & Property Strategic Asset Management Plan was approved by Cabinet, and a delivery plan has been drafted.</p> <p>Page 19 (Strategic Asset Review) provides details about ongoing and planned priorities.</p> <p>The data that will be used to demonstrate the effective management of assets is new and to be developed following the in-sourcing of Equans services to the Council.</p> <p>There are currently 73 projects underpinning the backlog maintenance programme ranging from low value projects to 10 projects that are subject to a formal project agreement providing instruction to progress the management, delivery and co-ordination of works from Inception RIBA Stage 0 through to RIBA Stage 7. This includes stages for preparation and brief (1); concept design (2); developed design (3); technical design (4); construction (5); handover and close out (6) and in use (7) as well as sourcing quotations or tender documentation to appoint contractors to deliver the works. At this early stage of the financial year these are all in progress and yet to be completed, hence the two indicators showing as 'zero'.</p> <p>The Council's commercial property estate comprises 322 lettable units, of which 11 are currently vacant at Q1. The Council's business centres that were previously managed via Equans provide 186 lettable units, of which 38 are currently vacant at Q1</p>

Engaging and Effective Council

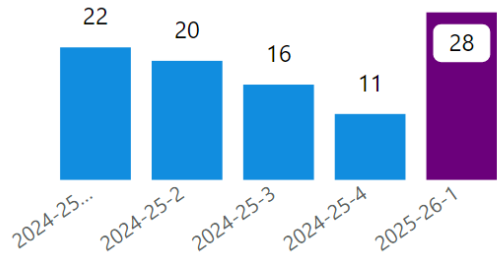
Accessible and Engaging / Digitally Smart



Housing Benefits average days to process

R

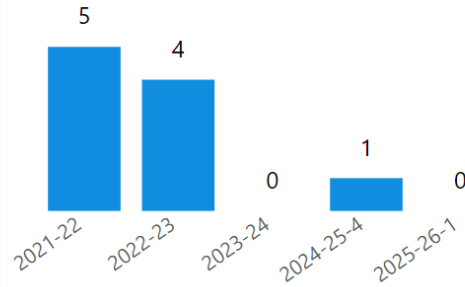
Low is good



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

G

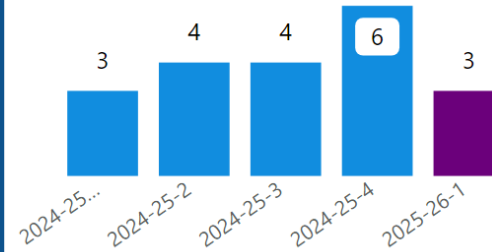
Low is good



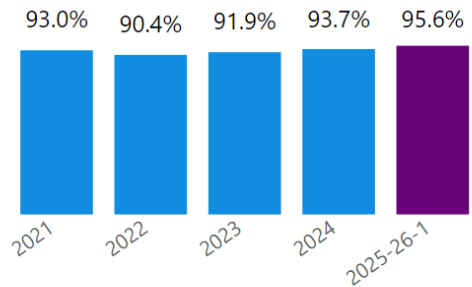
Complaints referred to the Local Government and Social Care Ombudsman which are upheld (Year to Date)

A

Low is good



% of households and businesses connected to gigabit-capable broadband



The number of new technologies delivered from our ICT Roadmap in 25/26

New Indicator



Performance Overview

Resources (3)

Council Plan Priority	Commentary
Engaging and Effective Council - Accessible and Engaging	<p>Freedom of Information (Fol) requests and complaints data is a useful source of intelligence that helps us to understand issues that are important to our community and where performance improvement may be needed. When someone feels that their request has not been resolved to their satisfaction, they can escalate their request to the Information Commissioners Officer (ICO) for FOI or the Local Government Ombudsman (LGO) for complaints. The numbers that are upheld by these bodies indicate how well the Council dealt with the original request. During quarter 1 there were no referrals to the ICO. 3 complaints that were referred to the LGO have been upheld, these were in relation to different elements of Children's Services. The LGO has since confirmed that they are satisfied with the remedies that have been completed by the Council and the cases have been closed.</p> <p>Housing Benefit processing times have slipped below target during Q1 which is a usual experience at this time of year following annual Council Tax billing. Performance is still within DWP threshold and is expected to improve over the year.</p> <p>Our Engagement Team have supported a wide variety of engagement activity including the library and archives review, Public Health Nursing consultations, Selective Licensing, tree planting activities and the DUNE project. The team has engaged with schools, community groups and the public working on initiatives like Community/Town plans and the 'Poo Bag Partner' project. They have also attended larger events like the Skills Fair and Later Life Partnership Older Person Advice Days.</p>
Engaging and Effective Council - Digitally Smart	<p>Work has been started on exploring the Council's approach to Digital Inclusion and how we establish our local baseline and measure progress. Discovery work will commence in August. Good progress is being made with our AI prototypes with work currently taking place to evaluate transcription AI tools and options being scoped to trial the use of digital agents. The Council is also implementing a small number of Microsoft Copilot licences with its workforce. AI Governance has been developed and is being implemented. Council wide training has been delivered on copilot chat as part of our existing Microsoft Licensing model with around 500 staff attending.</p> <p>The area is part of the Government Gigabit programme, timescales for work to commence are still awaited and dependent on work in other areas to bring the infrastructure to our area. The programme is progressing and infrastructure getting closer to NEL.</p>

Revenue

Resources Budget

3.52%	Of Total Revenue Service Budgets	£2.7M	Forecast Revenue Overspend	41.70%	Variance as % Of Total Budget Envelope
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REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Deputy s151	2.0	3.7	1.7
Law and Governance	2.7	2.6	(0.1)
Policy, Strategy and Resources	(1.0)	(0.1)	0.9
Assistant Director People & Organisation	2.9	3.1	0.2
	6.6	9.3	2.7

Service Comments:-
The Deputy s151 pressure stems from the council’s limited ability to recover full housing benefit subsidies. This is mainly due to payments made for accommodation that doesn’t meet DWP criteria—particularly non-registered providers and temporary housing. Although the council must still pay for this accommodation if individuals qualify for support, it doesn’t receive full reimbursement. Since this is a demand-led service, costs can vary throughout the year. A review of the housing provision and its impact on subsidy recovery is underway to minimise the projected financial impact.

Pressures within Policy, Strategy and Resources are driven by facilities management and commercial estates, work is ongoing to review the potential requirement for budget realignment in these areas. Budgets moved in house from Equans will be subject to further analysis.

Capital

19.32%	Of Total Capital Programme	£0.0M	Forecast Capital Underspend
--------	-------------------------------	-------	--------------------------------

CAPITAL	Original Programme £'M	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Deputy S151	15.3	9.3	9.3	0.0
Policy Strategy and Resources	7.6	10.0	10.0	(0.0)
Law Governance and Assets	0.0	0.0	0.0	0.0
	22.9	19.4	19.3	(0.0)

Service Comments:-

Deputy S151 (£0.0M) – Covers flexible use of capital receipts (£2.15M) and Investment Capacity (£7.2M), full expenditure expected for the year.

Policy, Strategy & Resources (£0.0M) – Spend remains on track.

Resources

Achievements, Challenges & Risks

Performance RAG

Green

Finance RAG

Red

Achievements:

During Q1 most teams across Resources have been heavily involved in the in-sourcing of Equans services to NELC. This has included support to the formal staff consultation, planning the induction and integration of staff teams including office moves, engaging with sub-contractors, novation and procurement of contracts and services to ensure on-going delivery of services, service budget and performance data development.

Our Elections team supported the first election for the Greater Lincolnshire Combined County Authority (GLCCA) in May, with the Chief Executive acting as the Returning Officer for Greater Lincolnshire and the results broadcast from Grimsby Town Hall.

The first Achieve Programme, a bespoke senior leadership development programme and a key element of AcademyNEL was launched in Q1, representing an important milestone in the development of AcademyNEL and supporting our future leaders in their personal and professional development journey.

Key challenges:

The key financial challenges for Resources relate to Housing Benefit Subsidy recovery, and the on-going budget pressures relating to both the operational and commercial estate. As detailed on page 29, this is a demand-led service, however, a review of housing provision and its' impact on subsidy is underway aimed at mitigating this budget pressure.

Page 19 details the plans relating to the management of the estate, the in-sourcing of Equans services will afford the Council the opportunity to better understand potential mitigation to manage this.

Capacity to support multiple projects and programmes always remains a challenge however, this is regularly monitored and additional capacity brought in for specific projects as required.

Risk to non-delivery:

None identified at present

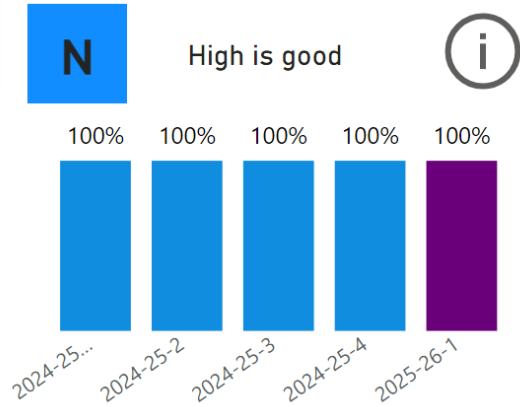
Environment & Regulatory Services

Greener Future

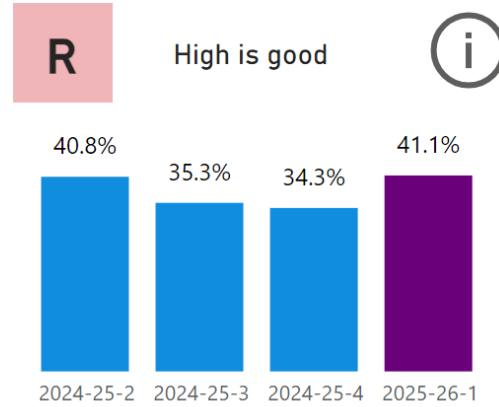
Never has there been a more important time to look at our plans for a greener future for all. North East Lincolnshire is benefitting from the renewable energy sector which is positive. But we must also consider how we develop greener hearts and minds across our borough.



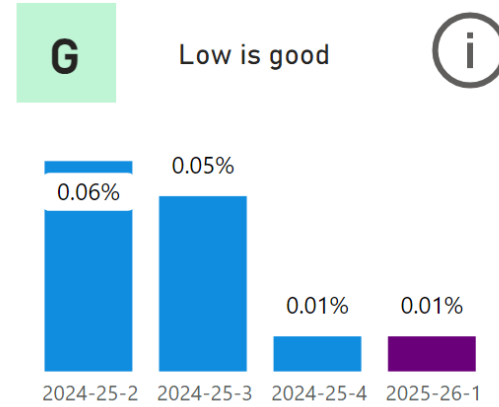
% of fly tipping reports collected
within 5 working days



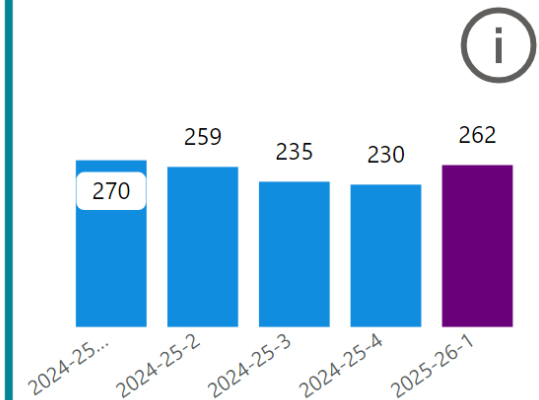
Household recycling rate



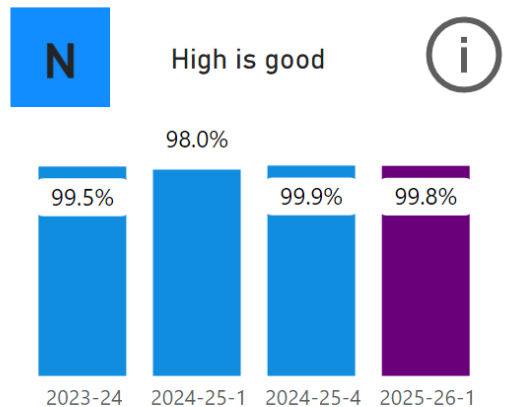
% of municipal waste landfilled



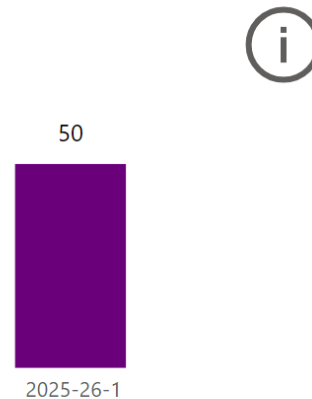
Total Household Waste per 1000
Households (tonnes)



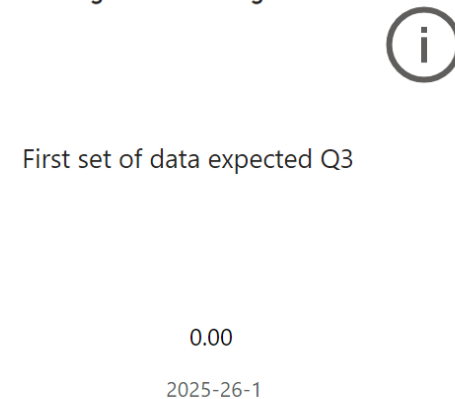
% waste collections completed on time



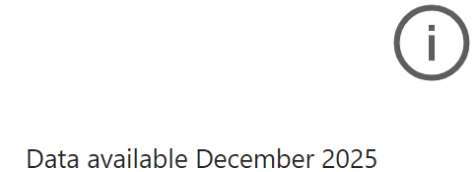
Number of Fixed Penalty Notices
Issued for Public Space Protection Orders



Number of NELC Electric vehicle
points that the council has funded via
government grants.



Total CO2 emissions across Council
Assets (tonnes)



Performance Overview

Environment and Regulatory Services (1)

Council Plan Priority	Commentary
Greener Future - Our Waste and Recycling	<p>The Q1 recycling rate (41.1%) remains relatively static in NELC mirroring the national picture. For comparison in 23/24 the mean for NEL Cipfa family group was 38.94% and NELC ranked 8th out of 16 councils (NELC 37.7%). Waste strategy nationally is changing significantly to increase recycling rates and reduce avoidable waste. The Council is required to implement weekly food waste collections by 31 March 2026 and a Cabinet decision on the preferred option and approaches for implementation is due 20 August.</p> <p>We are high performing sending close to zero waste to landfill during Q1. For comparison in 23/24 the mean for NEL Cipfa family group was 5.35% and NELC ranked 6th out of 16 at 0.34%.</p> <p>Waste collections continue to deliver at close to 100%.</p> <p>The total amount of waste per 1000 households is 262 tonnes in Q1, which is comparable to the previous year. For comparison in 23/24 the annual mean for NEL Cipfa family group was 954 tonnes and NELC ranked 11th out of 16 at producing 989 (lower is better).</p> <p>The percentage of flytipping collected within 5 working days was 100% in Q1 and for all of the previous year demonstrating our commitment to keeping our area clean</p> <p>Depot Rationalisation, work is ongoing to deliver a single modern operational depot.</p>
Greener Future - Looking After and Protecting our Parks and Open Spaces	<p>We continue to strive to ensure our parks and open spaces are looked after and protected. Work aligns to the approved tree strategy which support the maintenance of the borough's trees.</p> <p>A task force has been established to focus on our resort with a focus on safety.</p>

Performance Overview

Environment and Regulatory Services (2)

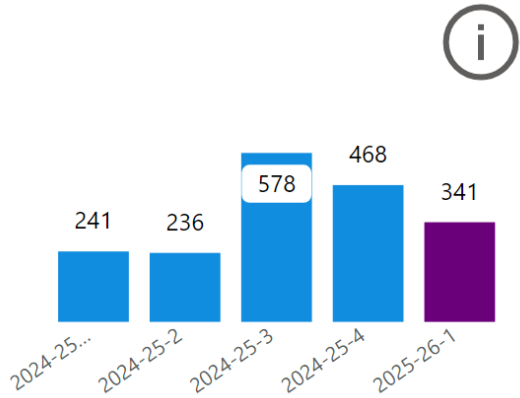
Council Plan Priority	Commentary
Greener Future - Our Coastline	<p>The research and Engagement Officer and Coastal Ranger continue to work on the coastline, this includes walks and talks along the coastline raising the profile of the unique heritage asset. Officers attending the Lincolnshire Show, to showcase the DUNE Project and get an understanding what potential visitors may want to see if Cleethorpes was considered a sustainable tourism destination.</p> <p>The team are working with the Insights team to pull together a dashboard to be able to collect and report on data collected and a full engagement plan.</p> <p>In addition, and as part of the DUNE Project, the group have held an engagement session with environmental professionals across the region partnering the DUNE Project, with quarterly meetings now established.</p>
Greener Future - Our Green Ambition	<p>Successful funding previously obtained through two separate applications to the Public Sector Decarbonisation Scheme enables the replacement of old heating systems and improvements in energy efficiency in some of our buildings. These projects are continuing, and will contribute to improved energy efficiency and long term financial sustainability</p> <p>Awarded funding through the Mayoral Renewable Fund for rooftop solar PV for Doughty Depot. We are continuing to engage with MCCA regarding the acceptance criteria for the grant and exploring all deliverable options.</p> <p>There has been a procurement issue which delayed the delivery of the first round of the On-Street Residential Chargepoint Scheme (ORCS) in Q1, delivery is now expected to commence from Q3. Work is underway to recommission Electric Vehicle Charging Points (EVCP) in 2 NELC car parks during Q2, with further activity planned for later this year.</p>

Stronger Communities

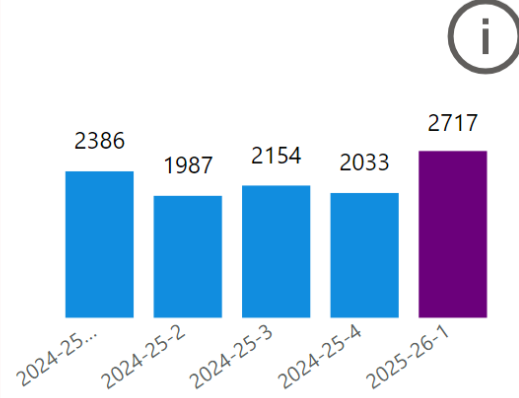
Clean and Safe Streets and Open Spaces



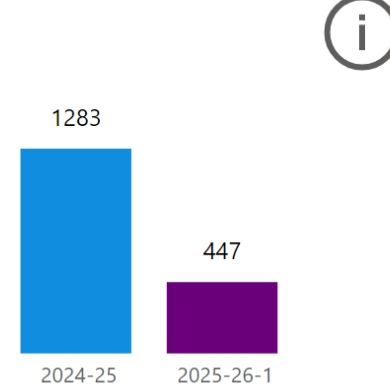
Number of Penalty Charge Notices Issued (Camera Enforcement at Schools)



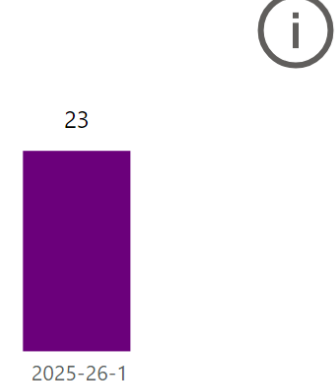
Number of Penalty Charge Notices Issued (Total)



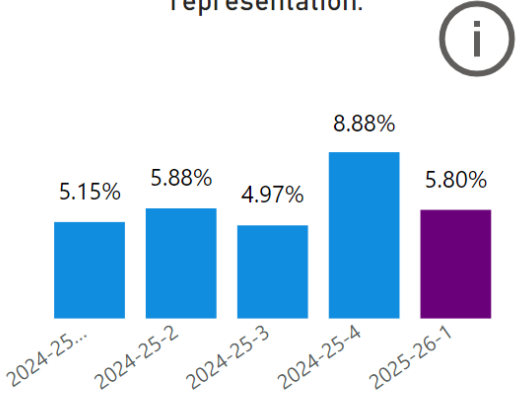
Number of Fixed Penalty Notices Issued for littering



Number of Fixed Penalty Notices which progress to formal prosecution.



% of Penalty Charge Notices (PCN) appeals upheld. Includes both informal challenge and formal representation.



Performance Overview

Environment and Regulatory Services (3)

Council Plan Priority	Commentary
Stronger Communities - Clean and Safe Streets and Open Spaces	<p>The number of PCNs arising from approved devices (cameras) has increased by 44% compared to Q1 last year. Number of PCNs issued can fluctuate during the year due to school holiday periods when cameras do not operate. There is also a variation due to changes in compliance across the various school sites and new sites being introduced.</p> <p>The total number of PCNs issued in Q1 has also increased by 13% on the same period last year. 12% of PCNs issued were subject to challenge at the date of analysis. 5.8% of appeals were upheld (of the total issued).</p> <p>Six wards in the borough received £200K additional street cleaning resources following a one year budget increase and we have recruited 4 additional barrow operatives and 2 Deep Clean operatives on a 12- and 6-month contract, respectively.</p> <p>Deep cleaning has taken place in Sidney Sussex ward. The Street Cleansing team are at the heart of the project, supported by numerous teams including the Research and Engagement team who are focusing on delivering an environmental education programme.</p>

Revenue

Environment Budget

10.81%

Of Total Revenue
Service Budgets

(£2.6M)

Forecast Revenue
Underspend

(12.8)%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Environment	20.2	17.6	(2.6)

Service Comments:-
There is a range of pressures and opportunities across the service but these are predominantly masked by the potential for overachieved income in CRT from the port. There is uncertainty about when the Government will review the current arrangements formally, so this income is not guaranteed. Opportunity for the new Head of Street Scene to have an in depth review of budgets in Q3 25/26. Waste disposal contractor confirmed in February 25 that we will continue to pay lower banding rate (H) including North Lincs waste. So favourable financial position if we achieve 64,001 tonnes.

Capital

9.38%

Of Total Capital
Programme

(£0.1M)

Forecast Capital
Underspend

CAPITAL	Original Programme £'M	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Environment	6.4	9.4	9.3	(0.1)

Service Comments:-
Capital spend on depot continues to be carefully monitored. Small underspend driven by decommitment of spend relating to project from the previous year.

Environment & Regulatory services

Achievements, Challenges & Risks

Performance RAG

Finance RAG

Green

Achievements:

Preparations for new staff within the Housing, Civil Enforcement and Parking Services will result in a smooth transition into the council.
Procurement of new vehicles to support service delivery and TUPE transfer.
Early implementation of Clean & Green additional street cleansing resources.
Designed an office waste recycling scheme which will be implemented during the year.

Key challenges:

Managing expectations about delivery of existing priority frontline services alongside the desire for new and enhanced services.
Challenges include finite resources, availability of competent workforce, recruitment and retention, and managing demand.
Delivery of grant funded projects for decarbonisation plans through Salix Funding.
Delays to the Local Nature Recovery Strategy (LNRS)
Delivering inland food interventions following port expansion and oversight by the FSA.
Awaiting confirmation of government new burdens funding for food waste collections.
Work continues to adapt the port health service to respond to the increased demands generated by the new Border Target Operating Model. Further challenges due to recent government announcement to revise current arrangements again.

Risk to non-delivery:

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.

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.

Economy & Growth, Leisure & Tourism



Regeneration

Stronger Economy

Our ambition is to create a place where we attract and sustain businesses of all kinds, you will see how this vision runs alongside a determination to work within our communities and with all our partners. We aim to ensure that the residents of North East Lincolnshire have the skills and inspiration to support, work and enjoy all that we have here.



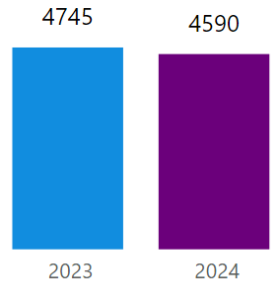
Stronger Economy

Supporting Industry & Business

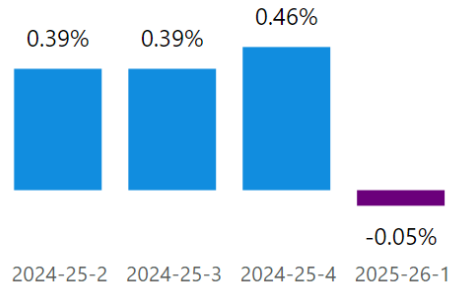


Net change of registered enterprises
in North East Lincolnshire

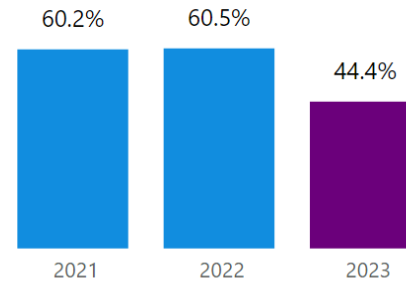
High is good



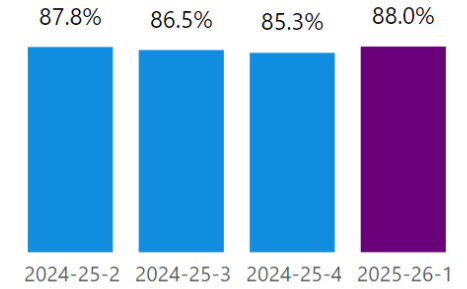
% change of the total number of
registered businesses



% of new businesses surviving 3
years



% of rated business premises occupied

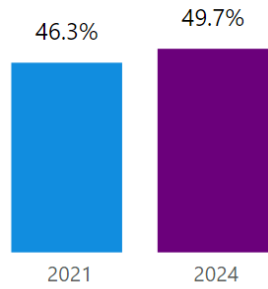


Stronger Economy Growing Skills



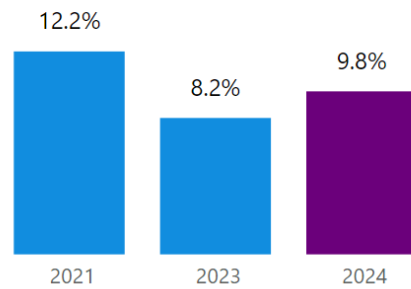
% of adults qualified to level 3 and above

High is good

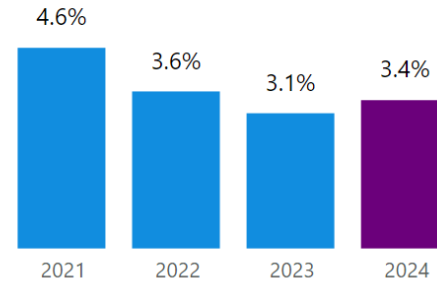


% of adults with no qualifications

Low is good



Unemployment Rate (Office of National Statistics)



Performance Overview

Regeneration (1)

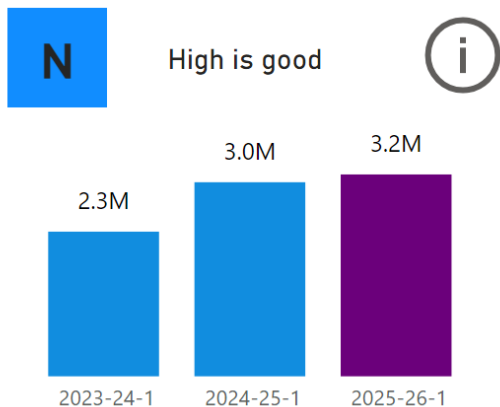
Council Plan Priority	Commentary
Stronger Economy - Supporting Industry, Business and Housing (Industry and Business focus)	<ul style="list-style-type: none">• Interest in the region for large scale investment projects, particularly in energy technologies remains buoyant, but hampered by water availability and grid connection timeframes.• UK Shared Prosperity Fund continues to support a range of business support measures for organisations in NEL, including small revenue grants to assist growth plans, specialist advisor programmes and dedicated business support.• CATCH due to commence phase 2 of the Freeport Seed Capital project with planning approved for an extension to the existing building to create R&D/Innovation space, increase learner capacity, and create exhibition space.• ABP submitted planning application for circa. 100,000 sq.ft of industrial space at Pioneer Park and have submitted first Freeport seed capital claim.• Team attendance at UKReiFF, the Lincolnshire Show, and a Business Expo at Centre 4 to promote the region and services on offer.• Much of the data is annual in nature but those which are collected quarterly shows a relatively stable position.
Stronger Economy - Growing Skills	<ul style="list-style-type: none">• Qualification data trends show improvement at low level qualifications. The gap with the national average for those with no qualifications has decreased from 5.6 percentage points (pp) to 3.1pp between 2021 and 2024.• At level 2 the gap has also decreased from a 10.7 pp gap to a 5.8pp gap demonstrating the initiatives are working to support those at the lower level.• The gap at level 3 and 4 continues to widen with national averages. At level 3 the gap has widened from 15.2 pp to 18.2pp between 2021 and 2024.• 11 UK Shared Prosperity People & Skills Projects in delivery for 25-26 supporting people into work or training.• Community Careers events in delivery have so far been held at the YMCA and at Freshney Place, reaching over 300 people.• Continued engagement with the MCCA and colleagues across Greater Lincolnshire to ensure regional and national initiatives support people in North East Lincolnshire.

Stronger Economy

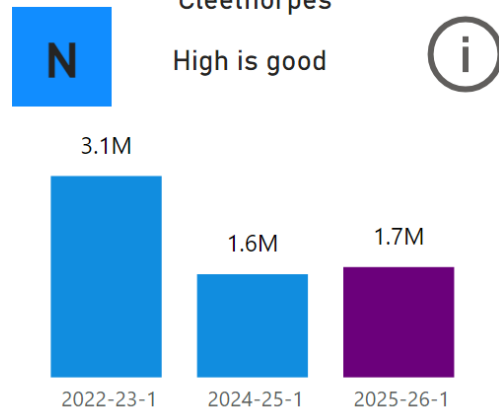
Attractive and Vibrant Town Centres



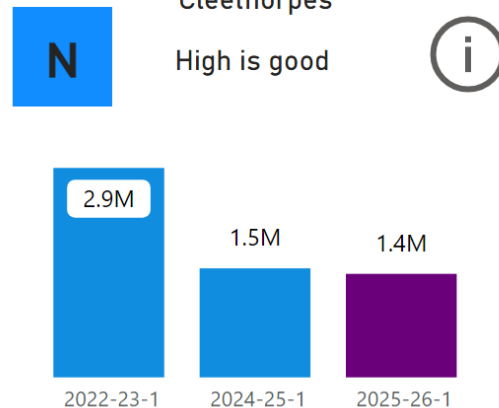
Rolling 12 month year on year change
for footfall at Victoria Street, Grimsby



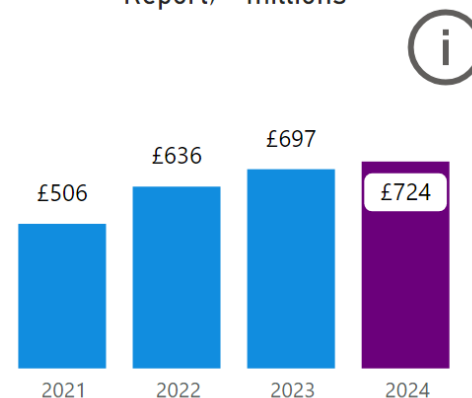
Rolling 12 month year on year change
for footfall at the Promenade,
Cleethorpes



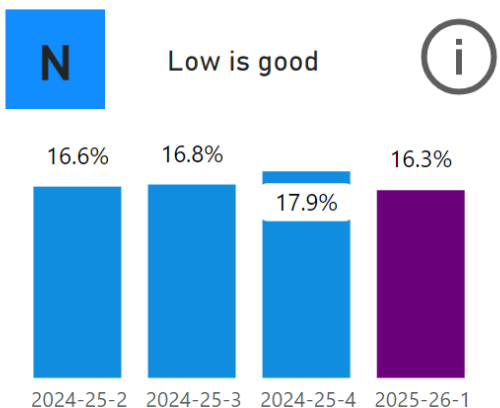
Rolling 12 month year on year change
for footfall at St Peter's Avenue,
Cleethorpes



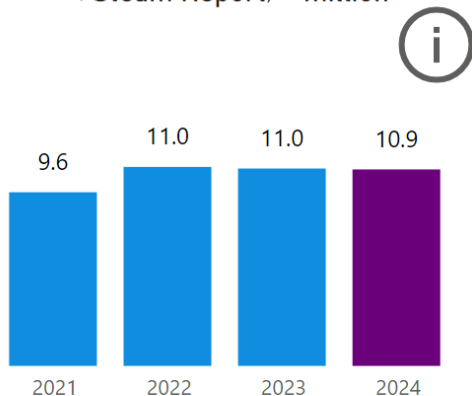
Visitor Economic Impact in North East
Lincolnshire (Annual from the Steam
Report) - millions



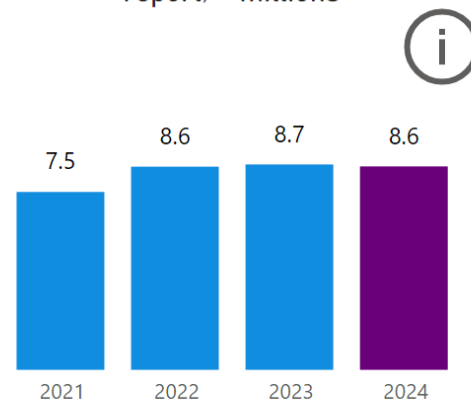
Town centre units vacant for 6 months
or longer



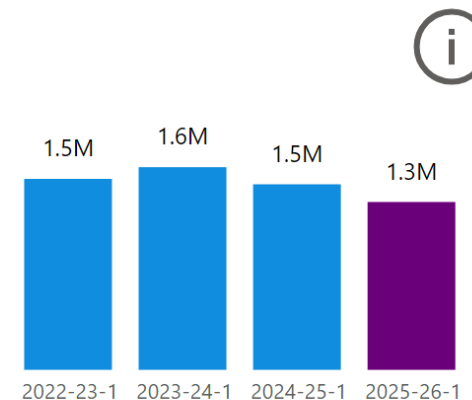
Number of visitor days and nights in
North East Lincolnshire (Annual from
the Steam Report) - millions



Number of visitors to North East
Lincolnshire (annual from the STEAM
report) - millions



Number of visits to Freshney Place



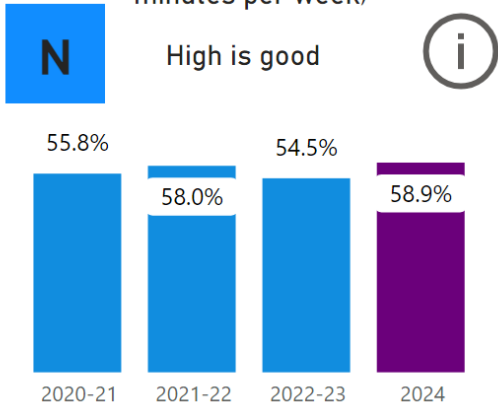
Performance Overview

Regeneration (2)

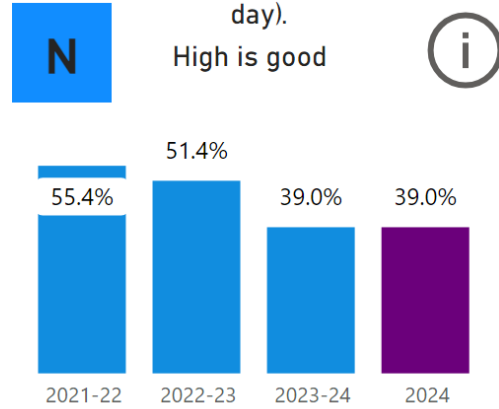
Council Plan Priority	Commentary
Stronger Economy - Attractive and Vibrant Town Centres	<p>Grimsby</p> <ul style="list-style-type: none">• St James House phase 1 development completed with 89% of offices pre-let (16 of the 18 available).• Temporary top town market re-opened in Freshney Place.• Victoria Street planting scheme completed, pocket park designs approved and lighting consultations with property owners underway. High Street Accelerator programme closed end of June, all funding committed.• Demolition commenced on the former market hall and bull-ring units as part of the Freshney Place Leisure Development.• Procurement brief completed for refresh of Grimsby Masterplan and Movement Strategy.• Rolling year on year footfall for the promenade reflects a good weather period during Q1.• Freshney Place footfall has reduced as expected given the leisure development. Longer term that development is expected to drive a more varied footfall into the centre and wider town centre. The Property Managers for the centre note that ongoing engagement with tenants suggests that notwithstanding the lower footfall, it appears some visitors are making targeted shops resulting in potentially higher basket spend with the underlying assumption being that the quality of visits appear to be improving. Nationally, retail footfall across the UK in June 2025 showed a mixed picture compared to June 2024, with trends leaning slightly downward. Extreme weather, including sustained hot weather, was counted as a major factor discouraging shoppers from visiting physical shops. <p>Cleethorpes</p> <ul style="list-style-type: none">• Pier Gardens principal contractor procurement commenced.• Process identified for the procurement of new principal contractor for the Sea Road development.• Market Place technical designs near to completion.



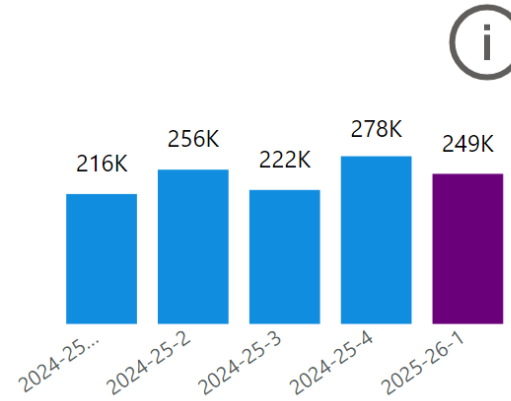
% of adults that are identified as physically active (active at least 150 minutes per week)



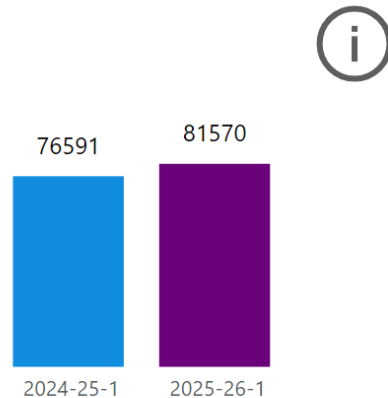
% of children and young people that are identified as physically active (active at an average of 60+ minutes a day).



Number of usages at Council leisure facilities



Number of visits to the Grimsby Fishing Heritage Centre



Performance Overview

Regeneration (3)

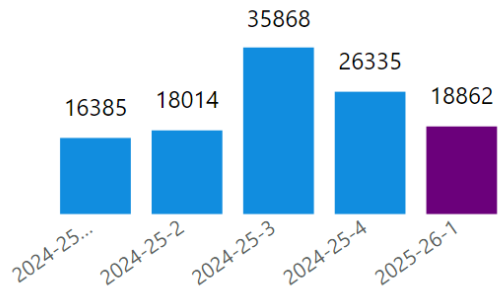
Council Plan Priority	Commentary
Stronger Economy - Happy Visitors and Great Leisure	<ul style="list-style-type: none"> Investment secured to deliver refurbishment of Ormiston Maritime Academy Hockey Pitch in partnership with the Academy, the Council and Sport England. The Hockey Pitch was at end of life and the refurbishment will take place over Summer-25 to protect Hockey in the area. Development of new Playing Pitch Strategy (PPS) underway with procurement of consultant to develop PPS across 2025-26. Phase-2 library and archives review ongoing, with Public Consultation and Engagement completed across Q1 period. Created seasonal content for DiscoverNEL website and social media channels to promote the area. NEL tourism represented at the Lincolnshire Show. Meridian Showground progressing work to raise the capacity of the venue. Dogma's mural completed at Victoria Street, Grimsby. Our Future Starts Here welcomed Middlechild's Braking Point to Grimsby.
Stronger Economy - Preserving Our Heritage	<ul style="list-style-type: none"> ACE Humber Museum Partnership and NLHF Dynamic Collection projects at GFHC launched new joint exhibition. Footfall up year on year at Fishing Heritage Centre (GFHC) Blue plaque unveiled for Edwin Watkin at the GFHC. Heritage skills event took place in Cleethorpes with school children participating in hands on learning including stone masonry and brick laying. Cleethorpes Townscape Heritage Programme works ongoing at both 42-45 Alexandra Road and the Dolphin and works at the Mermaid café complete. GY95 and Sir Moses Montefiore Synagogue secured Heritage Fund support for their projects. King Charles Coastal Path NEL section opened.

Stronger Communities

Telling our Story of Culture and Heritage



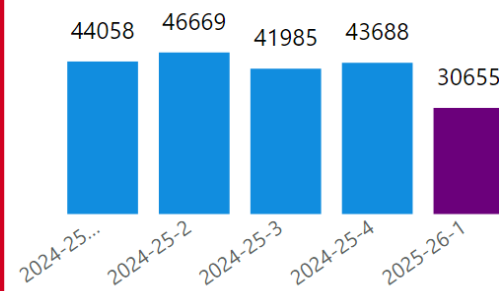
Attendance at performances at the
Grimsby Auditorium



% of people engaged with the arts in NEL
in person in the last 12 months (from
annual survey)



Number of visits at Council libraries –
own narrative (borrowing, renewals,
footfall)



Performance Overview

Regeneration (4)

Council Plan Priority	Commentary
Stronger Communities - Telling our Story of Culture and Heritage	<p>Through Create NEL supported programmes, numerous projects have been delivered to increase engagement and participation in the arts. This includes:</p> <ul style="list-style-type: none">• Mural completed at the Brew Stop in Cleethorpes and one has commenced at the Tree House at Weelsby Woods.• Festival of the Sea delivered in Riverhead Square, Alexandra Docks & Heritage Square in June-25 including cookery demonstrations, food tasting walks, walkabout theatre and live music.• Sea Like Mirror visited Cleethorpes in June-25. A major national project led by Cement Fields & RNLI touring across 5 seaside towns nationally.• Our Future Starts Here and Beach of Dreams took place in Cleethorpes in May.• Nunny's Farm commenced delivery of Arts Council Funded workshops for the community.• Havelocks Kingdom took place in Grimsby Minster.• Green Future's Artist Market took place.• Digital Commission working with Threshold Studios (Frequency Festival) launched. <p>• Library visits have dropped due to the ongoing closure of the Central Library although there has been a not unexpected increase in visitors to Cleethorpes and Waltham libraries</p>

Revenue

Economy (Regeneration) Budget

2.37%	Of Total Revenue Service Budgets	(£0.0M)	Forecast Revenue Underspend	(0.6)%	Variance as % Of Total Budget Envelope
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REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Regeneration	4.4	4.4	(0.0)
	4.4	4.4	(0.0)

Service Comments:-
At this early stage in the year we are currently forecasting a £36K underspend. The key area for oversight is planning income, which is largely outside of the authority's control but reviewed on a regular basis. Beyond this there are robust monitoring controls across all revenue areas.

Capital

28.55%	Of Total Capital Programme	£0.1M	Forecast Capital Overspend
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CAPITAL	Original Programme £'M	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Regeneration	44.3	28.6	28.7	0.1
	44.3	28.6	28.7	0.1

Service Comments:-
The capital position as reporting against the current approved programme is largely on target. The original programme was approved prior to have a full contractor profile for the Freshney Place development. The Cleethorpes LUF schemes have been reprofiled to take account of the now resolved landlord and tenant challenge and relaunching the procurement exercise for Pier Gardens, the technical highway matters requiring resolution on Market Place and also, the sad issue with the former contractor for Sea Road. Project managers have been challenged on what is anticipated to be prudent spend over the year and as can be seen above this has led to reprofiling of budgets at this early stage of the year.

0.15%

Of Total Revenue
Service Budgets

(£0.1M)

Forecast Revenue
Underspend

(27.0%)

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
PMO Team	0.3	0.2	(0.1)
	0.3	0.2	(0.1)

Service Comments:-

The project management team support schemes over all areas of the authority and are currently undergoing a review. This will incorporate full budget analysis to ensure fit for purpose.

Regeneration

Achievements, Challenges & Risks

Performance RAG

Amber

Finance RAG

Amber

Achievements:

- Matrix Accreditation for the Adult Careers Team with excellent feedback.
- 230 adults attending a careers event at the YMCA.
- Launch of the Skills Survey.
- Completion of Mermaid Café at Cleethorpes station as part of the Cleethorpes Townscape Heritage Programme.
- Sea Like a Mirror, Beach of Dreams and Our Future Starts Here delivery established new and nationally significant creative partnerships working with nationally acclaimed organisations.
- Continued progression of Freeport seed capital projects.
- At GFHC, launched HMP and Dynamic Collections exhibition.
- GFHC visitor numbers in Q1 2025 (24,895) have increased by 35% vs Q4 2024 (18,376).
- At MSG, six events held including Ella Henderson with approx. 6,000 in attendance.
- Rolling year on year footfall on the Promenade up by 6.9% (Q2 2024 - Q1 2025).
- Rolling year on year change for footfall in Victoria Street up by 4% (Q2 2024 - Q1 2025).

Key challenges:

- Wider inflationary pressures are a cost risk. Greater cost certainty will be achieved tender processes move to completion stage.
- 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.
- Water scarcity is now an impediment to development.
- Reliance on external grant funding in several areas, notably Culture, Heritage, Leisure and Tourism

Risk 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, Tourism and Skills are heavily reliant on securing and maintaining external grant funding and therefore where this does not materialise this presents a risk to delivery.
- Working relationship established with Anglian Water in relation to industrial water scarcity.

Housing, Highways & Transport

Stronger Economy - Improving Our Journeys

We all need to move around our borough with safe and easy routes across North East Lincolnshire.

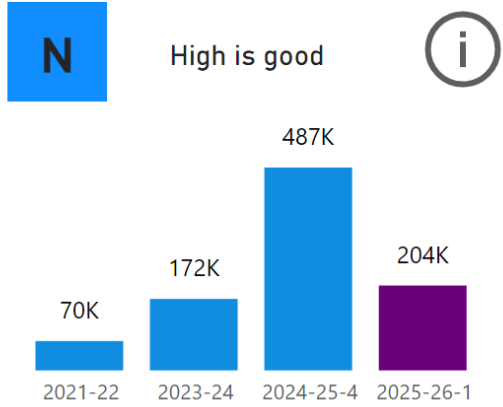
Stronger Communities - Good and Sustainable Homes

Living a healthy life is what we want for our residents and ensuring access to good quality and affordable homes in the borough will contribute hugely towards that ambition.





Capital Spend on Road Safety (£) (Cummulative values)

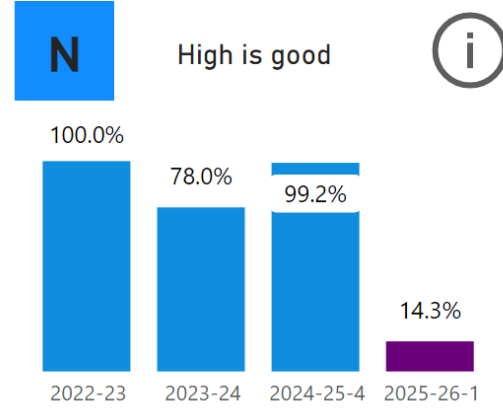


Number of LTP schemes delivered

New Indicator ⓘ



% spend of LTP allocation

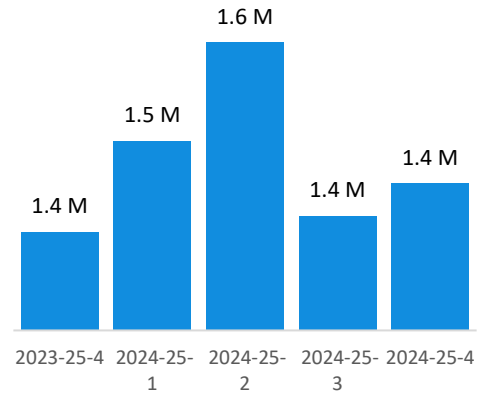


Road Condition Survey to be undertaken to establish a baseline

New Indicator ⓘ



Public transport usage



Stronger Communities Good and Sustainable Homes

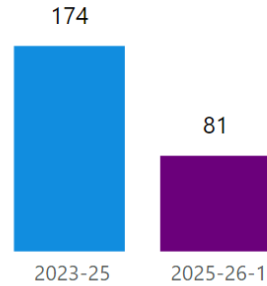


Approving the Local Plan for submission
by 2026 to secretary of state in
accordance with Government timescale

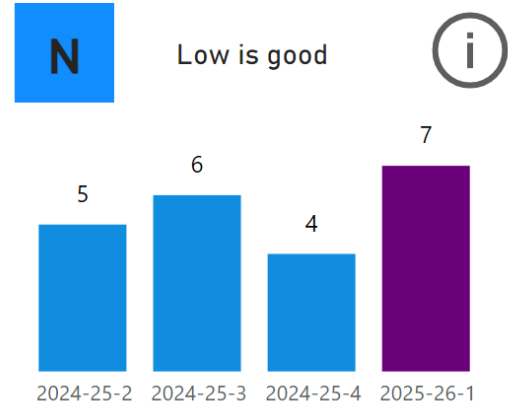


On Track

Interventions in homes where hazards
have been removed (Cat 1 and 2)



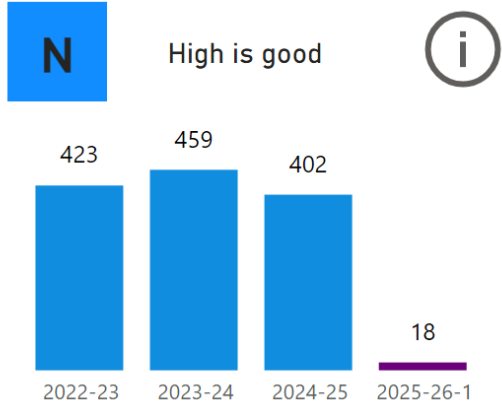
Number of rough sleepers identified in
the borough



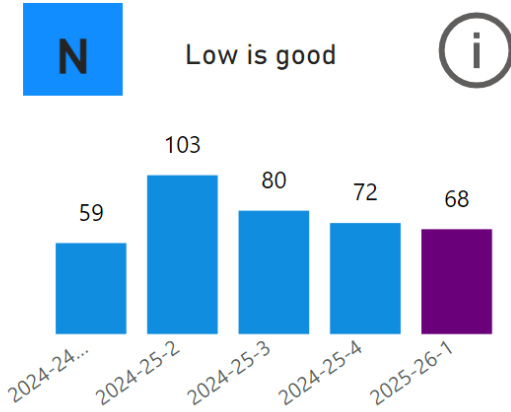
Stronger Economy Housing



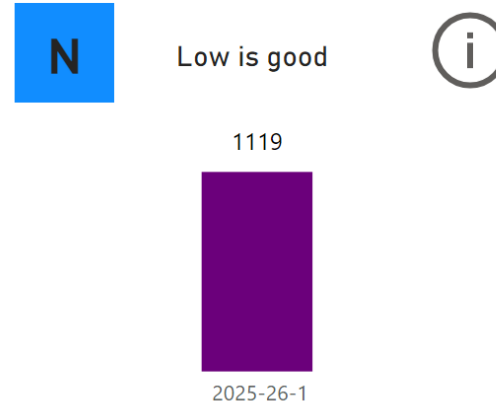
Net new homes



Temporary accommodation placements



Number of properties empty for over 1 years as at the end of the period



Performance Overview

Housing, Highways & Transport (1)

Council Plan Priority	Commentary
Stronger Economy - Improving Our Journeys	<p>The Highways and Transportation Service maintains the integrity of our roads and coordinates maintenance and utility activities, ensuring the expeditious movement of traffic throughout the borough to improve journey times and the overall reliability of the highway network.</p> <p>The Local Transport Plan (LTP) provides the framework for highways and transportation delivery across the network. 2025-26 will see 43 schemes proposed with an overall value of £6M, currently the service has delivered 3 which equates to 7% of this year's programme.</p> <p>Every year a road conditions survey is carried out to provide the evidence-based approach that sets the services forward plan for highway maintenance and repairs. The latest survey demonstrates our network is improving on condition which means our investment in planned maintenance is having a positive impact.</p> <p>Public transport usage reduces traffic congestion and lowers carbon emissions all while providing accessible and affordable travel options to connect people to jobs, education and essential services.</p> <p>Active travel helps to build stronger, healthier communities by encouraging people to connect with their local area, reduce car dependency and improve physical and mental wellbeing (such as cycling, walking and wheeling). In 2025-26 so far we have designed 4 active travel schemes with a total value of £1.4M</p> <p>Road safety is a key priority within the Highways and Transportation service, working with colleagues in Public Health we aim to target the root causes, addressing road safety education to our schools and colleges, managing risk and implementing mitigation measures across the network. Our current road safety based spend for 2025-26 is £200,000.</p> <p>Through our Bus Service Improvement Plan (BSIP) the team aims to improve reliability, rural transport, accessibility and community usage providing all residents of North East Lincolnshire with options in regard to travel. In 2025-26 we have 25 amount of schemes within our BSIP to the value £7M (capital and revenue), currently the service has delivered 15 which equates to 60% of this year's programme.</p>
Stronger Communities - Good and Sustainable Homes	<p>Home Choice Lincs is NELC and NLC's social housing register and process for residents wishing to take up social housing opportunities. A review is in progress to ensure access to social housing is fair, efficient and fit for purpose.</p> <p>The service is reviewing relationships with social housing partners to better understand options around routes to increase sustainable pathways to secure, stable and suitable housing. Additionally, the service is also developing stronger ties with private sector landlords to increase the options available to residents through establishing a private sector landlord forum. Both of these initiatives are targeting a key priority of influencing and increasing supply of social and affordable housing across the borough.</p> <p>Several housing policies are currently being reviewed, these include the Homelessness and Rough Sleeping Strategy along with the Affordable Homes Strategy. Both strategies are designed to improve the lives and opportunities of NEL residents. The supported housing needs assessment is due to be completed August.</p>

Performance Overview

Housing, Highways & Transport (2)

Council Plan Priority	Commentary
Stronger Economy – Supporting Industry, Business and Housing (Housing focus)	<p>Works have begun on the old Western school site being carried out by Keepmoat. These properties will boost the number of new homes being built in the borough, along with other developments such as Garth Lane, coming online later in the year.</p> <p>Work within the Housing Options team to reduce the number of people in temporary accommodation is ongoing and is reducing, as the longer term pathways to sustainable housing are established.</p> <p>The number of empty homes across the borough continues to be a challenge. The Housing service supported by other teams across the Council are committed to challenging the owners of these empty properties to bring them back into full use.</p>

15.23%Of Total Revenue Service Budgets (£0.4M)Forecast Revenue Underspend (1.5%)Variance as % Of Total Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Housing, Highways and Transport	28.4	28.0	(0.4)
	28.4	28.0	(0.4)

Service Comments:-
The forecasted underspend is driven in the main by additional income relating to S38 fees, adoption of new roads from new housing developments. Work continues on the development of budgets relating to the Equans contract which was brought in house from 1 July 2025.
Whilst housing is currently reporting a nearly balanced position, there are a number of issues around demand and trend that are being addressed in the service. Any subsequent revisions to forecasted spend will be reported accordingly.

Capital

25.06%Of Total Capital Programme (£0.0M)Forecast Capital Underspend

CAPITAL	Original Programme £'M	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Housing, Highways and Transport	20.5	25.1	25.1	0.0
	20.5	25.1	25.1	0.0

Service Comments:-
At present capital spend is forecast to be on track for the financial year. Profiling against the major projects and further funding being received this financial year from LTG is underway.
Once finalised, the carparking tender for demolition will be taken through the Business Development Group.

Housing, Highways & Transport

Achievements, Challenges & Risks

Performance RAG	Amber	Finance RAG	Red
Achievements:	<p>Sustainable drainage scheme funded via the EA's Innovation fund is nearing completion</p> <p>Preparation and transfer of EQUANS staff within Facilities Management, Highways and Transportation and Professional Services</p> <p>Appointment of interim resource to help lead transformation in the Housing Options team</p>		
Key challenges:	<p>Demand for temporary accommodation remains high, increasing the risk of financial pressures around the housing budget</p> <p>Ensuring suitable accommodation across all housing pathways</p> <p>Cultural changes between EQUANS way of working and NELC staff being fully supported and encouraged to focus on innovation</p> <p>Staffing resources and structures will require review in the coming months following the EQUANS transfer</p> <p>Local Transport Grant funding £6M coordinating works over this financial year, alongside 2025-26 LTP commitments</p> <p>Coordinating the highway network</p>		
Risk to non-delivery:	<p>Lack of sufficient housing supply for people requiring social housing</p> <p>Inability to establish partnerships that support the delivery of the whole housing agenda.</p> <p>Resources in the housing team to deliver key priorities.</p> <p>Contract issues around Corporation Bridge</p>		

Safer Towns & Communities

Stronger Communities - Clean and Safe Streets and Open Spaces

Let's be proud of where we live and work and let's see 'our place' looking clean and feeling safe. We are doing lots of work and supporting others to take pride in their local areas. We value those people, community groups, partners and businesses who help us achieve this – and we must keep going.

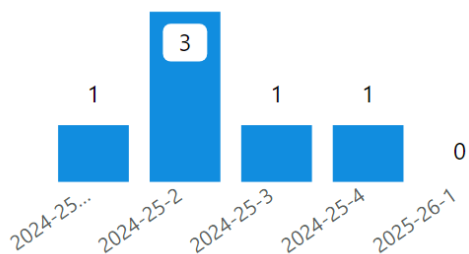


Stronger Communities

Clean and Safe Streets and Open Spaces



Number of ASB Case reviews received and acted upon



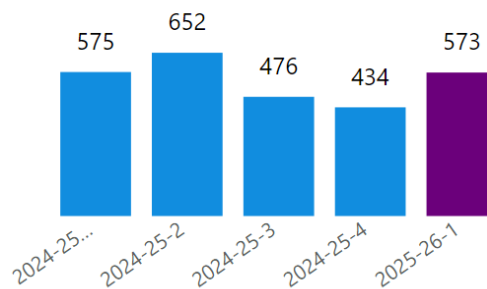
Number of environmental crime FPNs issued or prosecutions supported by CCTV RDC evidence



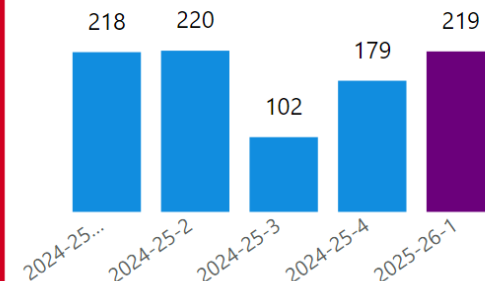
New Indicator



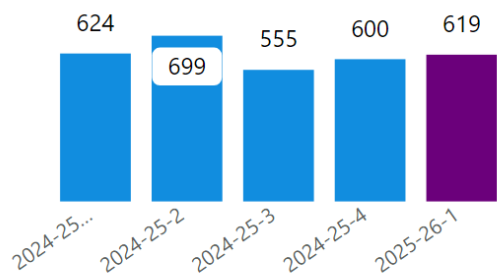
Number of reported anti-social behaviour incidents



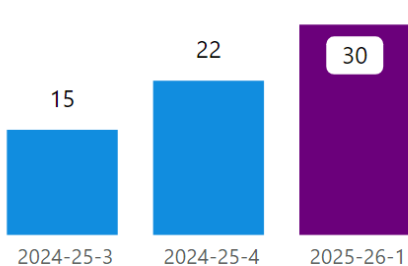
Number of reported youth related anti-social behaviour incidents



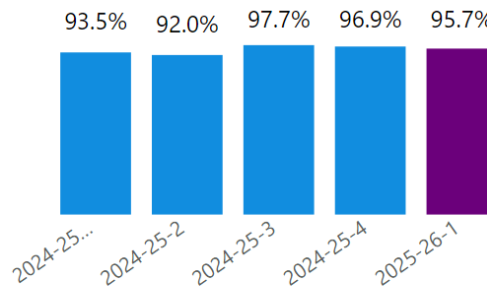
Number of times CCTV has supported an incident attended by Emergency Services



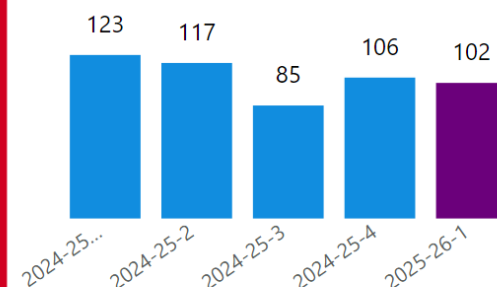
Number of FPNs issued for cycling in GY Town Centre



% of Public Space CCTV fixed cameras operational



Number of incidents captured on CCTV and supplied to Humberside Police

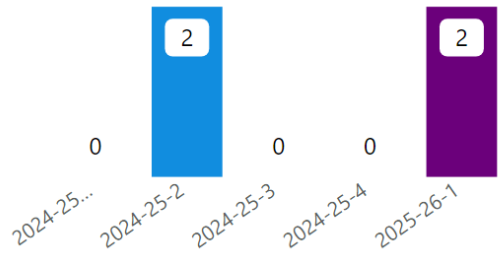


Stronger Communities

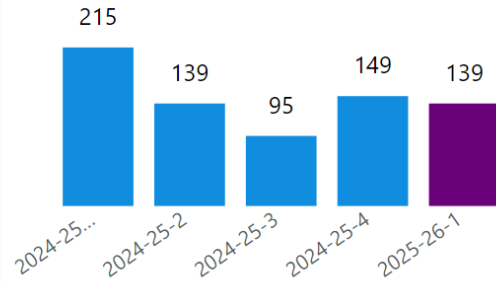
Clean and Safe Streets and Open Spaces



Number of incidents captured on CCTV
and supplied to Humberside Police
resulting in positive outcome



Number of incidents caught in
progress and reported to Humberside
Police



Performance Overview

Safer Towns & Communities

Council Plan Priority	Commentary
Stronger Communities - Clean and Safe Streets and Open Spaces	<p>Anti-Social Behaviour (ASB) - in Q1 compared to the same period last year ASB has reduced by 3.7% from 595 – 573 incidents, with Youth related ASB remaining relatively static from 218 – 219 incidents. Youth related ASB equates to 38.2 % of all reported ASB.</p> <p>ASB Case reviews - There have been 0 ASB case reviews received within this reporting period. The ASB team have a dedicated Victims Champion and a monthly proactive risk process that identifies ASB victims early reducing the likelihood of triggering an ASB Case Review. This has been accredited through the Home Office recommended ASB Help process.</p> <p>Fixed Penalty Notices - There has been an increase in fixed penalty tickets issued for cycling in the town centre contravening the Public Space Protection Order which is in place to deter cycling, from 15 in Q3 to 22 in Q4 and 30 in Q1 25-26. This is enforced through a contract with WISE. Fixed penalty tickets for cycling make up 81% of all tickets issued within the town centre. The remaining being issued for littering.</p> <p>CCTV – North East Lincolnshire has a range of Fixed Public Facing Cameras and Rapid Deployment Cameras (RDC) as part of its capability. At the last reporting point 95.7% of all Fixed Public Facing Cameras were deployed and operational and 95% of all RDC's deployed and operational. The Fixed Public Facing Cameras have supported 619 incidents. Off these incidents 22% (139) have been caught in progress by the CCTV operators and 73% (102/139) of these have been passed to Humberside Police to be used in the development of an investigation. 100% of all ASB cameras continue to support a live Police/Partnership problem solving initiative.</p> <p>Prosecutions at Court - This quarter has seen 2 successful prosecutions at court supported by CCTV evidence. Positive outcomes at court utilising CCTV will often be protracted due to the length of time investigations take to get to Court. Longitudinal analysis will enable a better understanding of outcomes over time and will continue to be tracked.</p>

0.27%

Of Total Revenue
Service Budgets

£0.0M

Forecast Revenue
Underspend

0.0%

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Safer Towns & Communities	0.5	0.5	0.0
	0.5	0.5	0.0

Service Comments:-
Spend is currently forecast to be materially in line with budget expectations for the financial year.

Capital

0.42%

Of Total Capital
Programme

(£0.0M)

Forecast Capital
Underspend

CAPITAL	Original Programme £'M	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Safer Towns & Communities	0.2	0.4	0.4	0.0
	0.2	0.4	0.4	0.0

Service Comments:
It has been confirmed by the grant provided that HSA and Green Spaces funds can be spent post June 2025, provided plans are in place for their utilisation.
Approximately £62k may need to be held as a contribution to appropriate regeneration schemes / installation of festoon lights.

Safer & Stronger Towns

Achievements, Challenges & Risks

Performance RAG	Green	Finance RAG	Green
Achievements:	<p>Operation Mastery - also known as Safer Streets 5 continues to achieve excellent crime and ASB reductions within Grimsby town centre when compared to 23-24 to 24-25, these include:-</p> <ul style="list-style-type: none"> •All ASB reduced by 14% •All Alcohol related ASB reduced by 51% •All crime reduced by 5% (compared to 2% for the whole borough) •Violent crime with injury reduced by 23% •Bicycle theft reduced by 47% •All theft by 9%. <p>Public Space Protection Orders (PSPOs) - All current PSPO's have been successfully reviewed and refreshed for aq further 3 years to help reduce ASB in some of our parks and op spaces.</p> <p>Fair Play Football - The service has been successful in securing £240k of funding from the National Ottery which will ensure the fair play football programme will continue for a further 3 years ensuring our Young People continue to be engaged in this positive activity.</p> <p>Green Spaces- funding has been successfully utilised to bring colour and vibrance back into Victoria Street. This has included hanging baskets, floor planters and living walls. A pop up garden is also due to be installed and planning permission is being sought for festoon lights which will be installed following the completion of the leisure scheme.</p> <p>Plan for Neighbourhoods – The Council has recently launched an engagement process to develop a 10-year Regeneration Plan and initial 4-year investment plan which will see £20m of investment into Grimsby based on community priorities.</p>		
Key challenges:	<p>Safer and Stronger Place is currently undertaking a thorough review to determine its scope and capability moving forward. This will ensure that the present and future demands and requirements of the Council in this important area of work are considered to ensure the Council has the resources and capabilities to work across a range of important issues that affect the public . The review will focus on a number of key areas including CCTV & Security, the Resort function and requirements, Community Safety & Anti-Social Behaviour and Placed Based Approaches that consider management of our town centres and public spaces. The service continues to oversee a range of community safety and regeneration agendas with limited resources.</p>		
Risk to non-delivery:	<p>As above, it is acknowledged that the resourcing requirements within the Safer & Stronger area requires reviewing to ensure it has the capability to deliver across a range of areas that are important to the Council and wider public. A formal review is currently taking place to identify what the resource requirement will need to look like moving forward.</p>		

Children and Family Services

Stronger Communities - Nurturing our Children and Building their Future

In the spirit of 'Our Children Our Future', children, young people and families are at the centre of all we do.

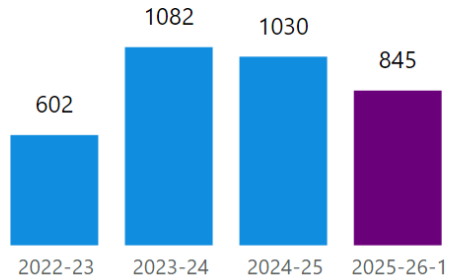


Stronger Communities

Nurturing our Children and Building their Future



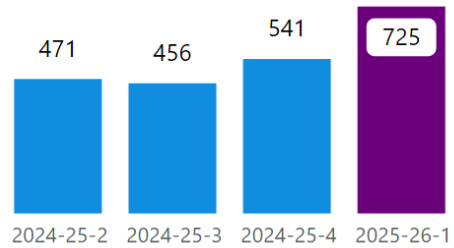
Number of Family Help cases across the partnership



Number of referrals at the front door

R

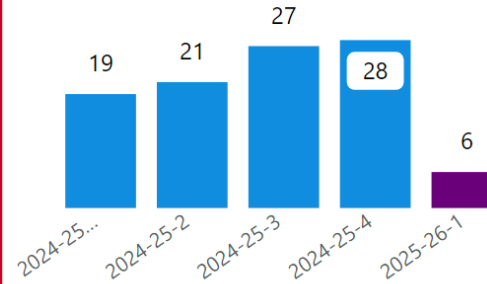
Low is good



Number of first time entrants to youth justice

N

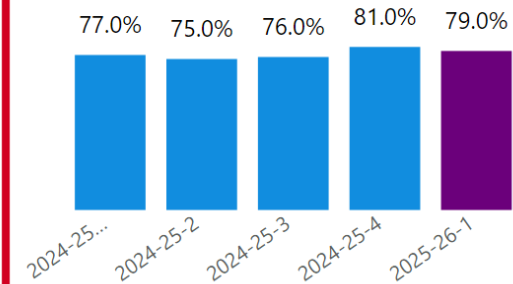
Low is good



Proportion of permanent social work qualified staff

A

High is good



Performance Overview

Children and Family Services (Safeguarding and Early Help)

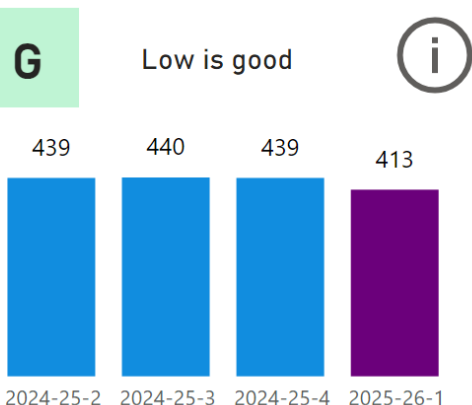
Council Plan Priority	Commentary
Stronger Communities - Nurturing our Children and Building their Future	<p>Family help:</p> <p>The partnership approach to family help at the earliest point means more families receive the help and support they need by the person who knows them best. This has been further strengthened within the recent restructure to align support with the times that families most need this. We will continue to build on this as we develop in line with the Social care reforms</p> <p>Referrals:</p> <p>The number of referrals to the Integrated Front Door has seen an overall decrease. During Q1 there has been an increase in referrals aligned to the strengthened work across the partnership and launch of key strategies (Neglect, sexual harm and harm outside the home). By the end of June, referral numbers were in line with expected targets.</p> <p>Re-referrals have reduced substantially and children and families are now more likely to receive appropriate support and intervention to meet need and prevent escalation and reducing the need for repeat referrals to children's social care</p> <p>First time entrants to Youth Justice</p> <p>Children benefit from a child first approach which has enabled first time entrants to youth justice to reduce significantly through robust prevention and diversion work across the partnership work.</p> <p>Recruitment:</p> <p>Staff recruitment continues to be a priority and as a result, there has been significant progress in recruitment activity, which has resulted in 43 social workers being recruited, with a further 10 onboarding (and a reduction of agency social workers from 90 to 16). As at end June 2025, we have 8 social worker vacancies, for which we have received 23 applications, of which we are interviewing 11. At 5.74%, the NEL turnover rate is very low compared with 13.8% from a national perspective.</p>

Stronger Communities

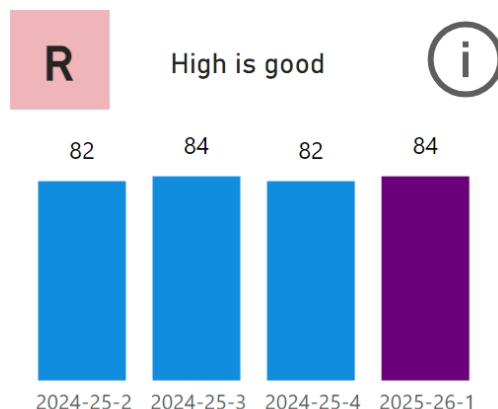
Nurturing our Children and Building their Future



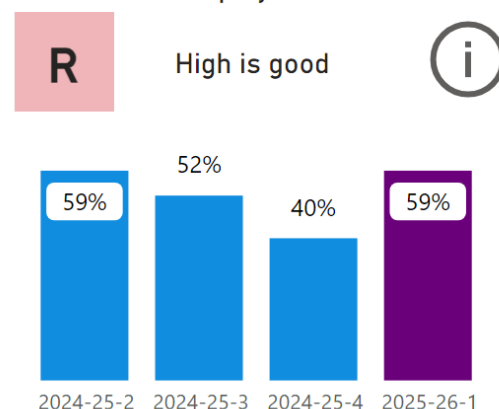
Number of CLA



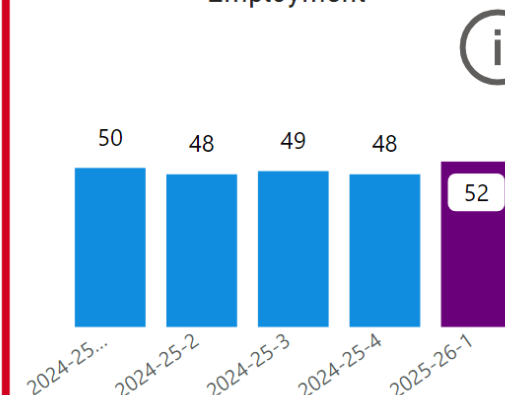
Mainstream foster carers recorded



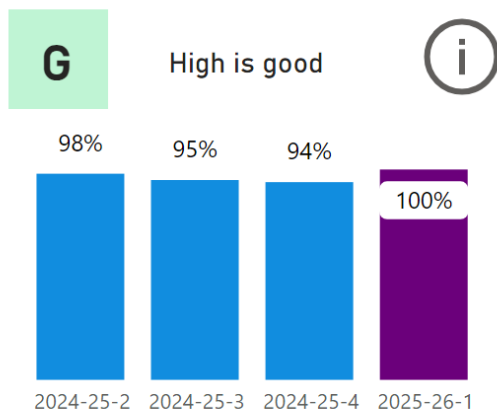
% of Care Leavers aged 17-18
accessing Education, Training and
Employment



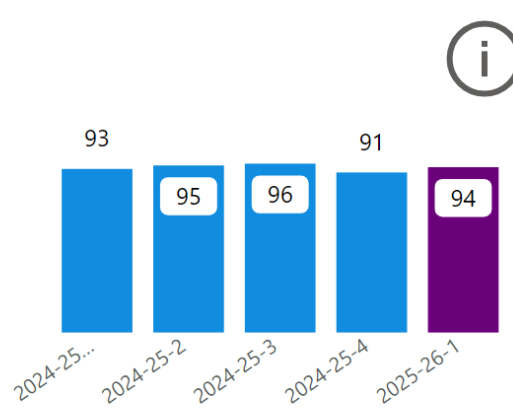
% of Care Leavers aged 19-21
accessing Education, Training and
Employment



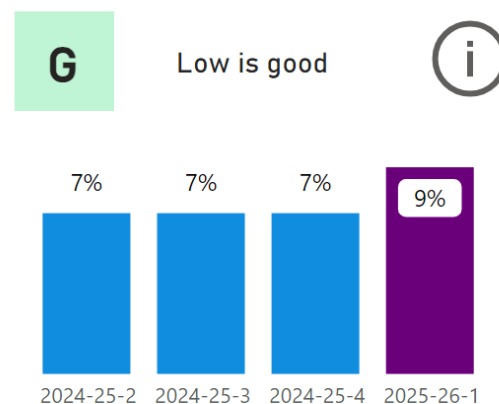
% of Care Leavers aged 17-18 in
suitable accommodation



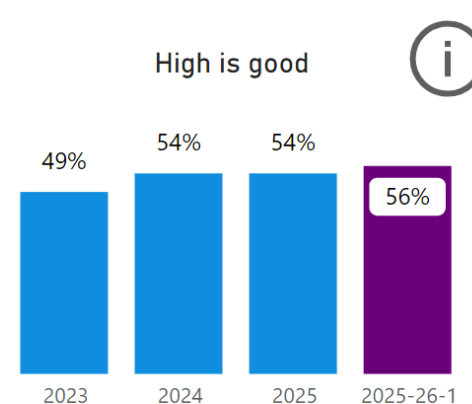
% of Care Leavers aged 19-21 in
suitable accommodation



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



% of children in our care placed in
own provision



Performance Overview

Children and Family Services (Regulated Provision)

Council Plan Priority	Commentary
Stronger Communities - Nurturing our Children and Building their Future	<p>Children in Care: The children in care population continues to safely reduce with very low numbers subsequently re-entering care</p> <p>Stability: The number of placement moves has been affected by higher numbers of children being reunited with their family networks and / or moving to permanence</p> <p>Children in our own provision: This continues to increase and as our new homes and more foster carers are established, this is expected to continue</p> <p>Foster carers: It is anticipated that there will be at least 16 carers approved this year - a substantial improvement on previous years</p> <p>NEW INDICATOR Care Leavers 19-21 Accessing Education Employment and Training Education, Employment and Training: Whilst this dipped early in the year, this is now showing significant improvement and developments in place will ensure this continues to improve. There have been recent improvements in the recording mechanisms to ensure accuracy of all data</p> <p>NEW INDICATOR - Care Leavers in suitable accommodation: Identifying and providing suitable accommodation for care leavers continues to be a significant area of development to meet their needs</p>

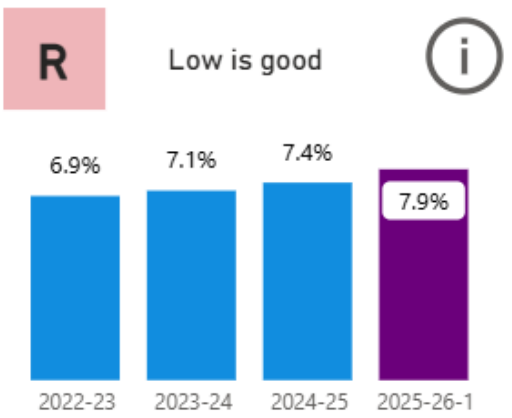
Stronger Communities

Nurturing our Children and Building their Future

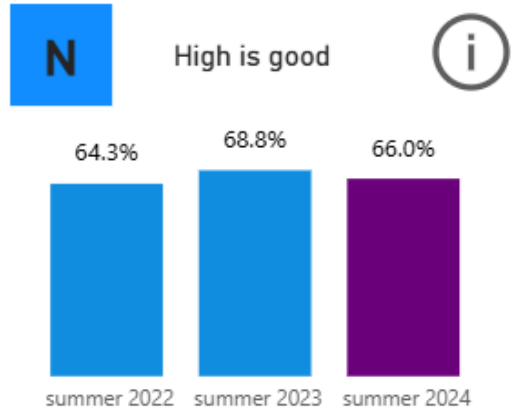


Zoom Out

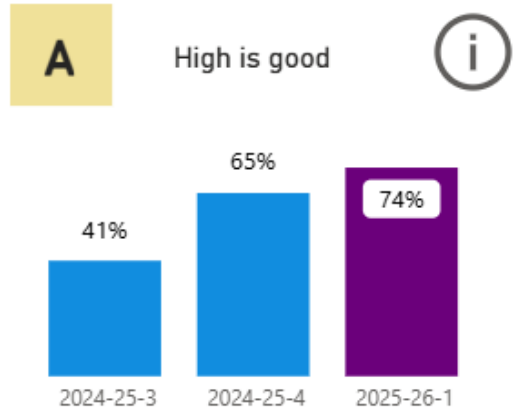
% not in Education, Employment or training



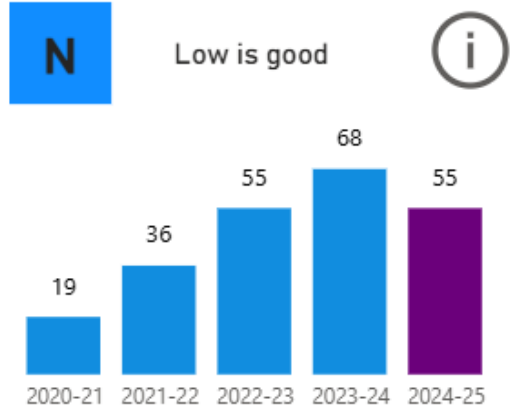
Early Years Foundation Stage Profile (EYFSP) - % achieving a Good Level of Development (GLD)



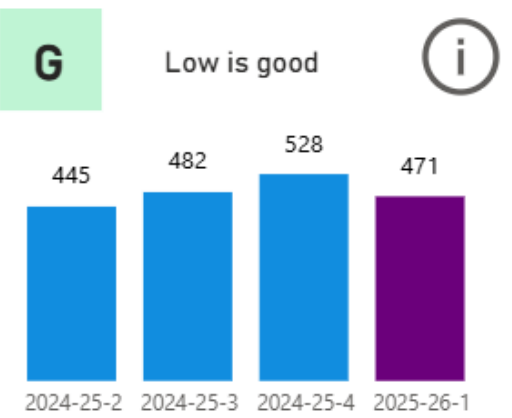
Cummulative % Education Health and Care Plans provided within 20 weeks including exceptions.



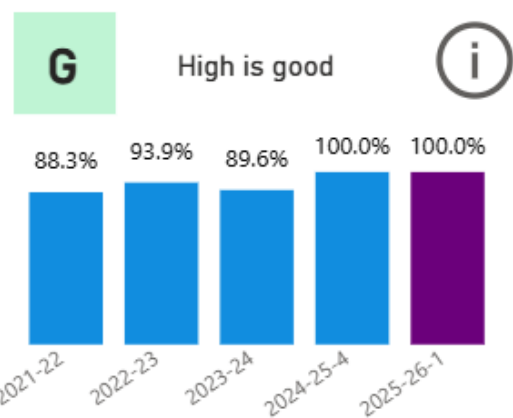
Numbers of overall Permanent exclusions



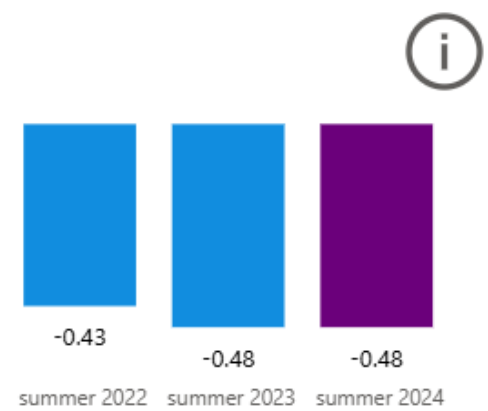
Numbers of children who are electively home educated



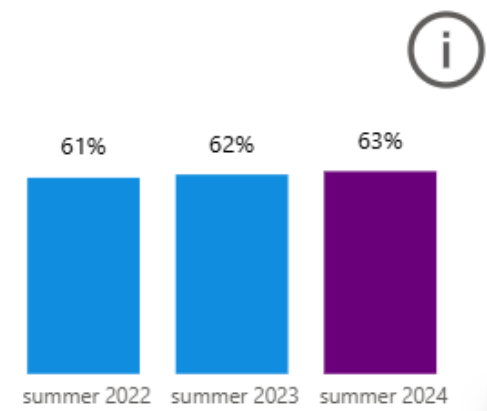
Sufficiency of early years and school places across the Borough



Key Stage 4 - Progress 8 Score



Pupils meeting expected standard in reading, writing and maths



Performance Overview

Children and Family Services (Education and Inclusion)

Council Plan Priority	Commentary
Stronger Communities - Nurturing our Children and Building their Future	<p>NEET: Whilst our NEET % is higher than national comparators, the combined NEET and Not Known % brings us in line with our neighbouring LAs.</p> <p>EHCP timeliness: EHCP completion within 20 weeks has improved during the quarter. . There have been significant improvements in this area largely as a result of investment in Education Psychology capacity through locums.</p> <p>Permanent Exclusions: the total number of Permanent Exclusions has reduced in the 24/25 Academic Year in comparison to the 23/24 Academic Year.</p> <p>Electively Home Educated: The trend for new electively home educated (EHE) cases has continued to rise, but at a slower rate, and reflects the national trend for rising numbers. A transformation project is underway.</p> <p>Attendance: There is an improved attendance picture locally, with NEL's overall school attendance currently stands at 0.2% above national, with those children on a child protection plan 2.1% improvement with their attendance from this time last year. Overall improvement across the Borough of more than 1% across the Academic Year.</p> <p>Reducing the attainment gap: Pupil Premium Policy has been updated to reflect the need for schools to successfully evidence the impact of interventions of children in our care, linked to PEP outcomes and academic progress.</p>

29.19%Of Total Revenue
Service Budgets

£2.4MForecast Revenue
Overspend

4.4%Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Education and Inclusion	2.5	3.3	0.8
Safeguarding, Youth Justice and Family He	12.6	12.9	0.3
Director Childrens Services	(0.7)	0.2	0.9
Women, Childrens and Families	0.3	0.3	0.0
AD Regulated Provision	39.8	40.2	0.4
Total Children's & Family Services	54.5	56.9	2.4

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 £2.4M is forecast at Quarter 1.

- Education** : The overspend relates to Transport costs reflects the ongoing trajectory for the demand for SEN transport, this is not only an NELC pressure, but a national issue. The overspend forecast for Education Psychology is as a result of the reliance of agency staff to fulfil statutory requirements due to the level of EHCP requests.
- Women** : The figures reported at Period 3 monitoring present an estimate of 25/26 costs, recognising high cost placements. Work to improve the accuracy of the 25/26 cost forecast is currently being undertaken , aiming to be completed for Period 4. Following on from this, discussions around the 25/26 Childrens Trust Agreement (health funding for the service) can then progress.
- Safeguarding**: Children's Disability Service is reporting an overspend of £0.2M, this service is being reviewed as part of the Short break offer. Youth Justice SeriCe has a forecast pressure of £0.1M due the cost of a remand placement. Reliance on Agency staff had reduced significantly last year and recruitment has been successful
- Regulatory**: External Placements overspend is now forecast at £0.9M, this 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 . Children's residential care is undergoing a redesign and a new model is being developed, currently an there is a pressure forecast as £0.1m.
- Dedicated Schools Grant (DSG)** - The P3 forecast cumulative deficit at 31st March 2026 is £21,798m, an increase of £9.805m on the previous year.

17.27%

Of Total Capital Programme

(£0.2M)

Forecast Capital Underspend

CAPITAL	Approved Programme £'M	Approved Programme £'M	Capital Forecast £'M	Variance £'M
Childrens & Family Services	14.1	17.3	17.1	(0.2)

Service Comments:-
Capital spend relating to Education and Inclusion and Children's Residential Transformation is forecast to be materially aligned with budget expectations for the financial year.

Safeguarding & Early Help

Achievements, Challenges & Risks

Performance RAG

Amber

Finance RAG

Amber

Achievements:

Referrals:

More children are having their needs met earlier. There has been a sharpened focus across the workforce and the partnership in identifying and appropriately responding to neglect and sexual harm (both intra familial abuse and harm outside the home). Through audit activity, referrals are more appropriate and in line with the threshold document

Children in Need:

As a result of practice being aligned with the refreshed threshold document, there has been a positive impact on partner decision making, and children's needs are being appropriately identified and intervention aligned. There is a sharpened focus on the timeliness of closures and meaningfulness of intervention in effecting change more swiftly which continues to be consistently embedded. There has been a recent increase in children in need following the increase in referrals aligned to the partnership focus on identifying risk and need appropriately

FTE:

The focus on the holistic needs of the family and strong partnership approach to prevention means that First Time Entrants to youth justice have reduced significantly

Family Help:

We have redesigned our offer of family help to ensure families receive the help they need at the times this is most required. This has enabled a strengthened targeted offer to meet need early and provide immediate help at crisis points to prevent breakdown. Our family hubs have been redesigned alongside children and families to align the offer to local need, with multi-disciplinary support and group work in place during evenings and weekends, including all children aged 0-18

Key challenges:

Delivering the national reforms:

Taking account of our transformation activity to date, we continue to build the children's system to respond to the national reforms, and to ensure we are in a strong position to help, support and protect our children, young people, families and communities. From a children's social care perspective, the initial focus is around co-designing and further developing our multi disciplinary family help offer, our family network decision making approach, and exploring our future arrangements relating to multi agency child protection teams. As well as keeping a watching brief on the national policy direction relating to children's social care, we are also cognisant of reforms across children's services and the wider system i.e. in relation to education and SEND

Risk to non-delivery:

Continued engagement by the Council and partners to build on and deliver the support to children, young people and families including in their housing, communities, schools and setting is essential to enable the ongoing delivery of the support families need

Regulated Provision

Achievements, Challenges & Risks

Performance RAG

Amber

Finance RAG

Amber

Achievements:

Children in Care:

The sharpened partnership focus on intervention to prevent children entering care and the strengthened decision-making systems have enabled more children to remain within their family and fewer children needing to enter our care. More children are being safely returned home to their families, or finding alternative permanency; and through earlier intervention, we are reducing the need for children to enter care.

Foster carers:

Through our fostering friendly campaign with schools and businesses, and raising awareness, we have significantly increased the numbers of foster carer enquiries leading to assessment, with projections to increase further over 2025/26, enabling children to live in their local families, attend their local schools and improve outcomes for children.

Stability:

To enable children to feel safe and establish meaningful relationships, there has been a focus on ensuring that children are appropriately long-term matched to their carers. The number of children matched to their foster carers has increased substantially and there is clear regular oversight of these children to ensure that all children have a clear plan where they feel stable, safe, and supported. This is overseen by regular management oversight of matching.

Care Leavers:

A comprehensive programme of work has been completed in relation to the support older young people receive in their accommodation. This includes the quality and availability of the accommodation so that each young person has a suitable place to live that meets their needs.

Following the Council adopting Protected Characteristics for Care leavers there has been an increased focus on providing employability options for care experienced people. This includes the development of the North East Lincolnshire Care Leavers Employability Strategy that was formally launched at a partnership event in April 2025.

A further employability scheme has been established targeting care leavers who are NEET with a summer programme of opportunities across the Council and partnerships. This includes a focus on engagement and support to enable young people to take part in the scheme and re-engage in education, training, and employment.

Key challenges:

There is a continuing need to build on and develop accommodation for care leavers – particularly single flats. This will be substantially enhanced by the agreed development of the project on Freeman street that will provide 5 flats and dedicated space for the care Leavers accommodation Support Team to be based alongside Housing colleagues, providing an integrated service and support to care leavers.

Risk to non-delivery:

Suitable housing for care leavers continues to be a significant challenge with the shortage of suitable single properties that meet their needs.

Education & Inclusion

Achievements, Challenges & Risks

Performance RAG

Amber

Finance RAG

Amber

Achievements:

Reducing the attainment gap: Training for designated teachers and virtual school inclusion officers linked to SMART targets, ambitious expectations for academic outcomes and clear transition plans, with a significant investment in the educational psychology team to enhance training around Emotion Coaching and MELSA

Electively Home Educated: Across the EHE cohort, the proportion is children in need and children in need of protection remains very low, and there is robust management oversight in place. The numbers of children who are EHE and who have an EHCP is roughly in line with the general population.

Developing an Inclusion and Belonging pledge: We have worked with place-based leaders, chief executives, and regional directors to explore how all partners can contribute to 'inclusion and belonging' across the borough, including key players in industry, local businesses, sports and youth organisations, and education representatives

Systems Leaders: Developed a Systems Leaders Group, consisting of MAT CEOs, Regional Directors, the DfE and DCS and Service Director for Education, with a focus on area priorities alongside the revamp of the headteachers meetings

Significant improvements in EHCP Statutory Assessment timeliness

Key challenges:

EHE transformation work continues, and whilst we are in a strong position to commence the development of a new EHE strategy to share with partners and elected members later in the autumn term. A new website to improve communication and give parents access to the team prior to making decisions is now in place; the focus on ensuring all families are visible and children are achieving continues

Upcoming National SEND Reforms in the Autumn are a relative unknown, however indicators are that there will be a significant systemic shift in responsibilities and structures across the partnership.

Risk to non-delivery:

Need to ensure continued engagement with schools and settings to reduce exclusions and continue to support improved attendance, leading to improved outcomes for children, and future employability and workforce.

Adult Services

Stronger Communities - Supporting Our Adults

We have read about our journey to care for, and nurture, our children and young people. Remember, those young people will grow, and we need to prepare them for their young adult life – ensuring that adults of all ages live independent, healthy and fulfilling lives in North East Lincolnshire.



Performance Overview

Adult Services

Council Plan Priority	Commentary
Stronger Communities – Supporting Our Adults	<p>We continue to see improvements across the performance of adult social care but recognise that improvements in particular areas need to take place.</p> <p>We continue to increase the numbers of people who are signposted to low level advice and information. This allows people to make preventative decisions based on information made available to them. This figure is higher than Q4 and the average for all of last year.</p> <p>The number of people who meet outcomes of their safeguarding intervention has also increased and now sits just shy of the target. This figure has risen considerably since Q4 but will continue to be monitored.</p> <p>The number of reviews undertaken remains low and below our target. Focus have agreed a number of measures to improve this figure, including the development of a risk matrix for urgent cases, and these measures will be monitored by council officers at monthly performance meetings.</p> <p>A drop has been recorded in the numbers of eligible people being offered a Direct Payment and this is despite a programme of improvement being undertaken between the council and Focus. This has included developing DP champions amongst the Focus workforce. Council officers will continue to work closely with Focus on this matter.</p> <p>The number of people who need no further assistance after a period of rehabilitation/reablement remains high although slightly under the target of 80%. The significant work undertaken with reablement staff over the past year has had a positive impact on this figure overall, despite this small recorded decrease.</p> <p>The proportion of people with care who have a support package at home remains stable and has only varied by 1% over the past 4 quarters.</p> <p>The number of carer prevention interventions remains high and has increased since Q4. This number can fluctuate depending on the number of carers and their need for support.</p> <p>Extra Care Commissioning is underway and the new support at home new framework will be in place by October 2025</p> <p>Reablement review (phase two – bed based reablement) is underway and expected to deliver improved outcomes and efficiencies similar to those delivered through phase one.</p> <p>A new DFG measure is being developed post EQUANS.</p>

Stronger Communities

Supporting our Adults



% of Disabled Facilities Grant referrals complete/in progress

N

High is good

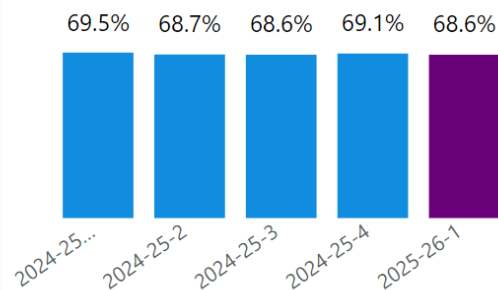


Measure under construction post Equans

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

A

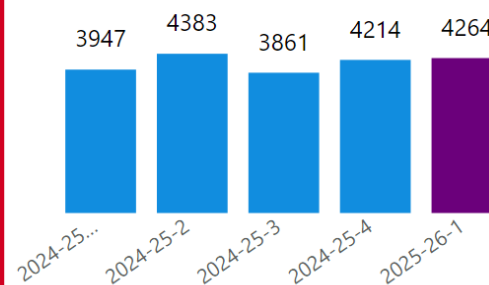
High is good



The number of carer prevention interventions per quarter

G

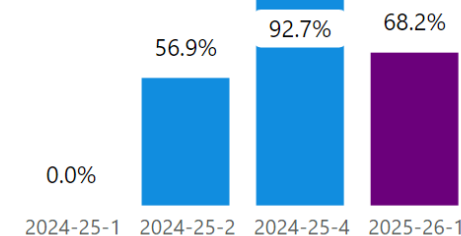
High is good



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

R

High is good



% of people who have no further support following intermediate care at home

A

High is good



New Indicator

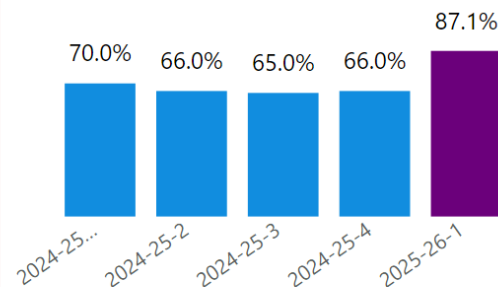
75.0%

2025-26-1

% of people whose outcomes were met following a safeguarding notification

A

High is good



number of annual reviews completed

R

High is good



New Indicator

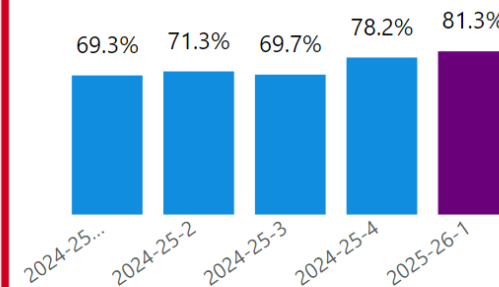
36.1%

2025-26

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

G

High is good



37.24%

Of Total Revenue
Service Budgets

(£0.0M)

Forecast Revenue
Underspend

(0.00%)

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Community (ICB)	47.6	47.5	(0.1)
Long & Short Term Residential (ICB)	25.8	25.9	0.1
ASC Operational Costs (ICB)	1.4	1.4	0.0
Better Care Fund (ICB)	(5.9)	(5.9)	0.0
Adult Services (NELC)	0.5	0.5	0.0
	69.5	69.5	(0.0)

Service Comments:-
The adult social care position is within budget. We have seen some fluctuations in demand in the first two periods which will remain a risk throughout the financial year. However, at this stage this is within forecasted predictions.

Changes to the ICB as laid out by DHSC are not agreed and therefore there is uncertainty to whether there will be any adverse impact on place budgets

Adult Services

Achievements, Challenges & Risks

Performance RAG	Amber	Finance RAG	Green
Achievements:	<p>Improvement in reablement at home outcomes</p> <p>Improvements in the adult social care front door in relation to signposting, advice and guidance</p> <p>Extra Care commissioning is underway</p> <p>Continued good performance in hospital discharge</p> <p>Implementation of the community living framework</p> <p>Maintained low waiting lists, short assessment times and waits for care packages.</p> <p>Establishment of the system social work quuality assurance board</p>		
Key challenges:	<p>Demand and complexity of people requiring care and support remains unpredictable</p> <p>Changes to the ICB are unclear and this continues to present risks in terms of NHS resources at place.</p> <p>Review performance continues to be a challenge with extra resource being given to Focus to support with improving this position</p> <p>Direct payment numbers remain lower than expected and Focus have an action plan to try to improve this position.</p>		
Risk to non-delivery:	<p>Inability to recruit to key roles in commissioning and contract monitoring.</p> <p>Changes to the ICB place based teams is likely to result in less resource at place</p> <p>CIC's not being in a position to contribute to savings delivery programme.</p>		

Public Health

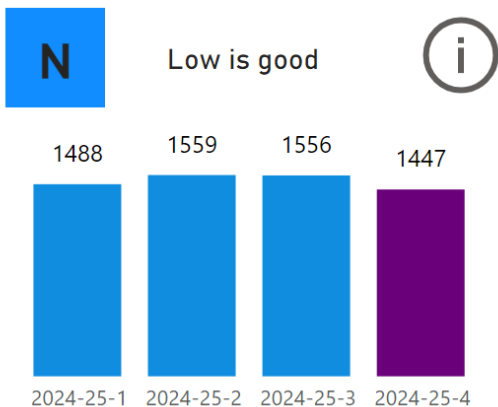
Stronger Communities - Living a Healthy Life

In North East Lincolnshire we are all working together to understand how we can have a positive impact on health and wellbeing in our community, and to make a difference to the lives and living standards of all our residents, particularly those suffering from inequality and deprivation.

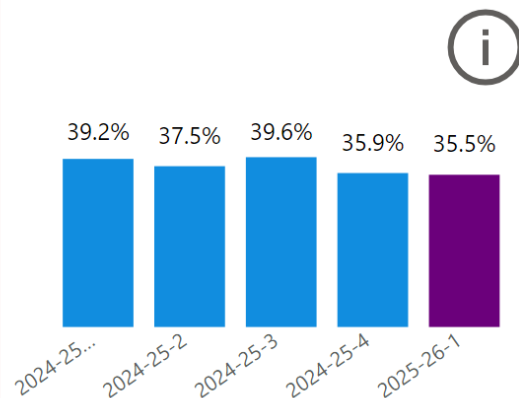




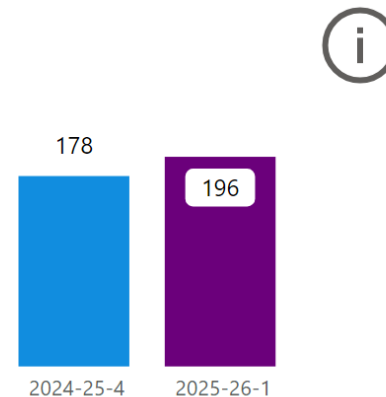
Number of Domestic abuse incidents reported to the police



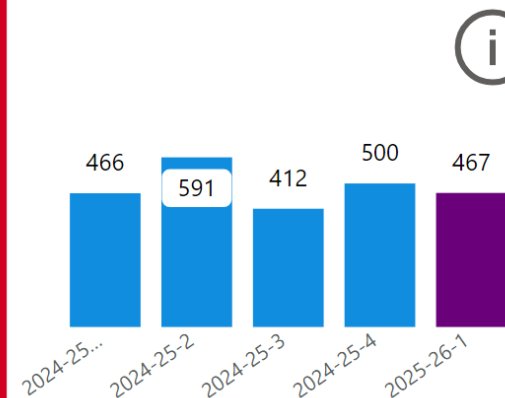
% of breast fed babies at 6-8weeks



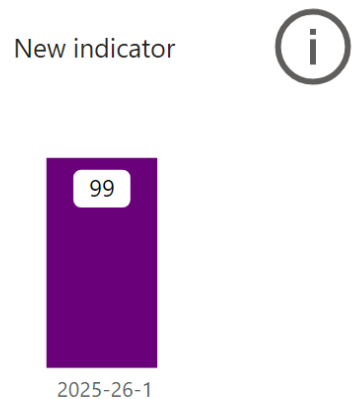
Number of children who have received sexual health support/intervention from a School Nurse



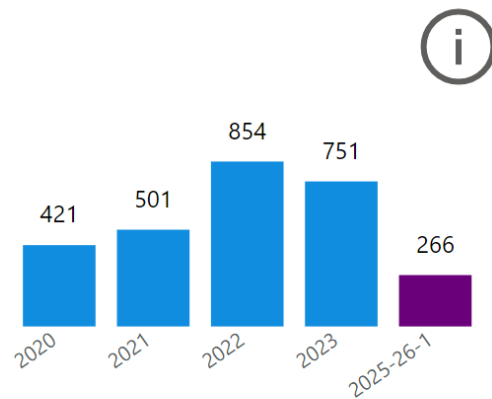
Number of clients engaged with the wellbeing service



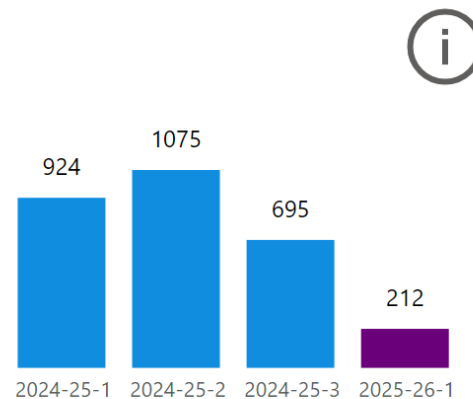
Number of mothers identified as requiring additional Perinatal mental health support



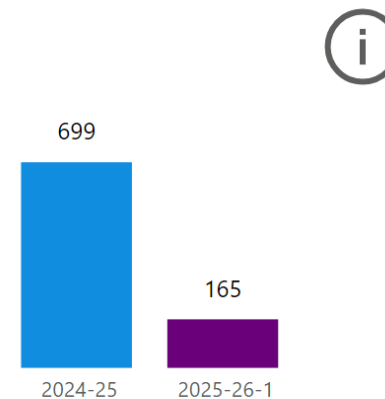
Number of new sexually transmitted infection diagnosis



Number of online STI kits and condoms ordered

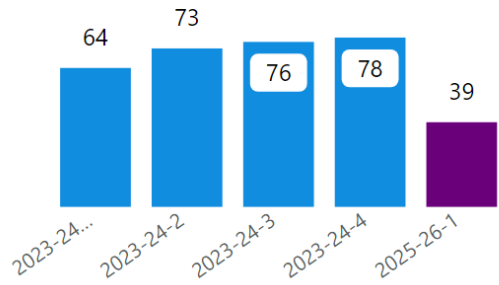


Number of referrals received into the School Nursing service

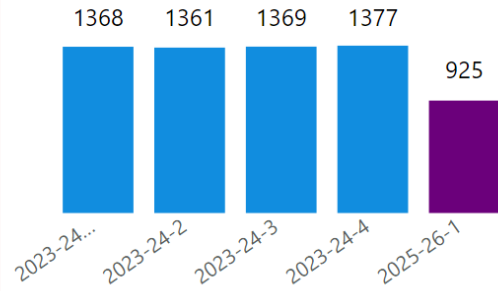




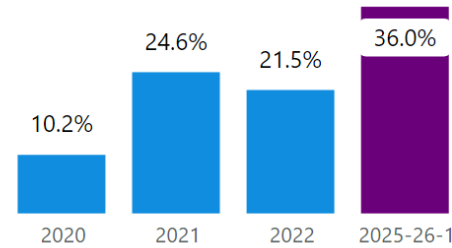
Number of young people in substance use treatment



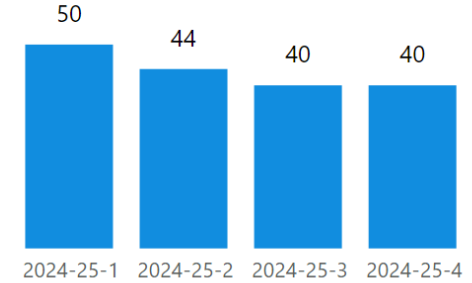
Numbers in treatment for substance misuse - Adult



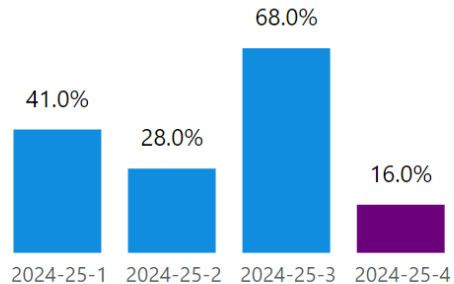
% of Long Acting Reversible Contraception (LARC) prescribed as a contraceptive method



% referrals for the wellbeing service from wards in the top 10% of disadvantaged wards



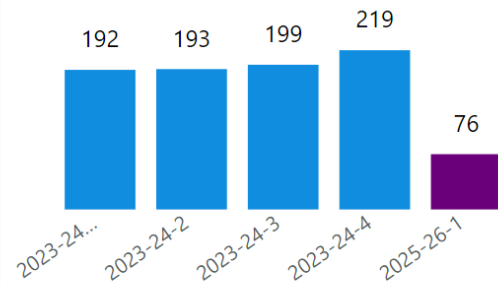
% of wellbeing service clients that have achieved a 12 week smoking quit



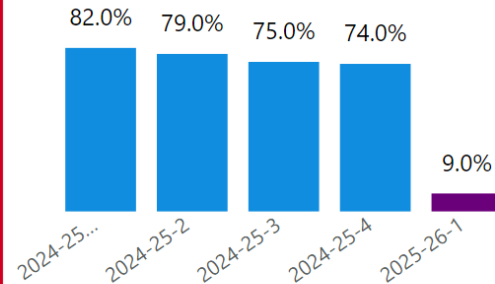
Successful Completions (substance use treatment)



High is good



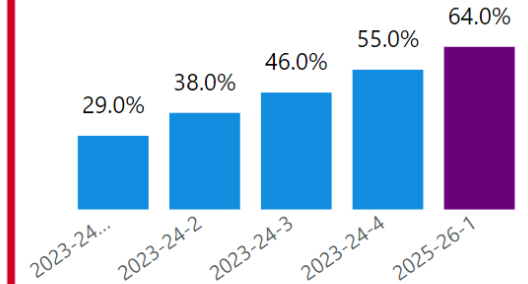
% of wellbeing service clients that have achieved their wellbeing goal



The number of eligible people engaging with a community treatment pr...



High is good



Performance Overview

Public Health (1)

Council Plan Priority	Commentary
Stronger Communities - Living a Healthy Life	<p>As part of our commitment to becoming a Marmot Place, we're strengthening collaboration across council departments and the wider system. A proposal for Marmot Place will be presented to Cabinet in July. Marmot Place is an exciting initiative that recognises that health and health inequalities are mostly shaped by the social determinants of health such as education, housing, and employment. Full Council agreed to becoming a 'public health council' in 2024 and part of this work will include a recommendation to become recognised as a Marmot Place by March 2027. The Marmot principles include giving every child the best start in life, enabling all people to maximise their capabilities and have control over their lives, creating fair employment and good work for all, creating and developing healthy and sustainable places and communities, ensuring a healthy standard of living for all and strengthening the role and impact of ill health prevention.</p> <p>We continue to work in close collaboration with our healthcare partners on their four Health Inequality priorities : The first 1,001 days of life; young people's resilience and transitions, support for adults facing health inequalities and improved care for those with frailty or nearing end of life. We also continue to deliver programmes that tackle health inequalities, supported by ICB funding. Key initiatives include Let's Go Grimsby (promoting healthy lifestyles for families), and a maternal wellbeing programme for new and expectant mothers. In addition, the East Marsh Community Plan is now being put into action, and early work has begun to develop similar, community-led plans for West Marsh, South and Sidney Sussex. Furthermore, ten local voluntary and community organisations will be receiving funding in 2025/26 to run resident-focused projects aimed at reducing various health inequalities.</p>

Performance Overview

Public Health (2)

Council Plan Priority	Commentary
Stronger Communities - Living a Healthy Life	<p>The Starting Well Programme is progressing well, delivering early childhood and family support initiatives including Parent and Infant Relationships (PaIRs), infant feeding, speech and language development, maternal wellbeing, and smoking in pregnancy. These are aligned with the Start for Life and Family Hubs programmes, ensuring efficient use of resources and a focus on school readiness.</p> <p>For 2025/26, we've secured a further £281k to boost smoking cessation efforts. This will fund a new campaign, "Yes to Quit", aimed at encouraging residents to stop smoking through updated web content, stronger social media presence, and targeted messaging. The funding is also being used to expand access to nicotine replacement therapies (NRT) via the Wellbeing Service and online support and also introduce Varenicline as an alternative pharmaceutical option. A recent review of our smoking cessation offer through the wellbeing service will inform future improvements and a stronger focus on the importance of smoking cessation in reducing health inequalities.</p> <p>We've recently completed a food poverty assessment, which is now being shared with local boards. It highlights links between food insecurity and wider issues such as debt, housing, and homelessness. In response, Centre4 will pilot a wraparound support service at West Marsh food bank to address these root causes. A major refresh of the Healthy Weight Strategy is underway and set for completion by year-end. This will shape future efforts to promote healthier lifestyles and prioritise tackling unhealthy weight across the borough.</p>

1.23%

Of Total Revenue
Service Budgets

(£0.0M)

Forecast Revenue
Underspend

(0.0%)

Variance as % Of Total
Budget Envelope

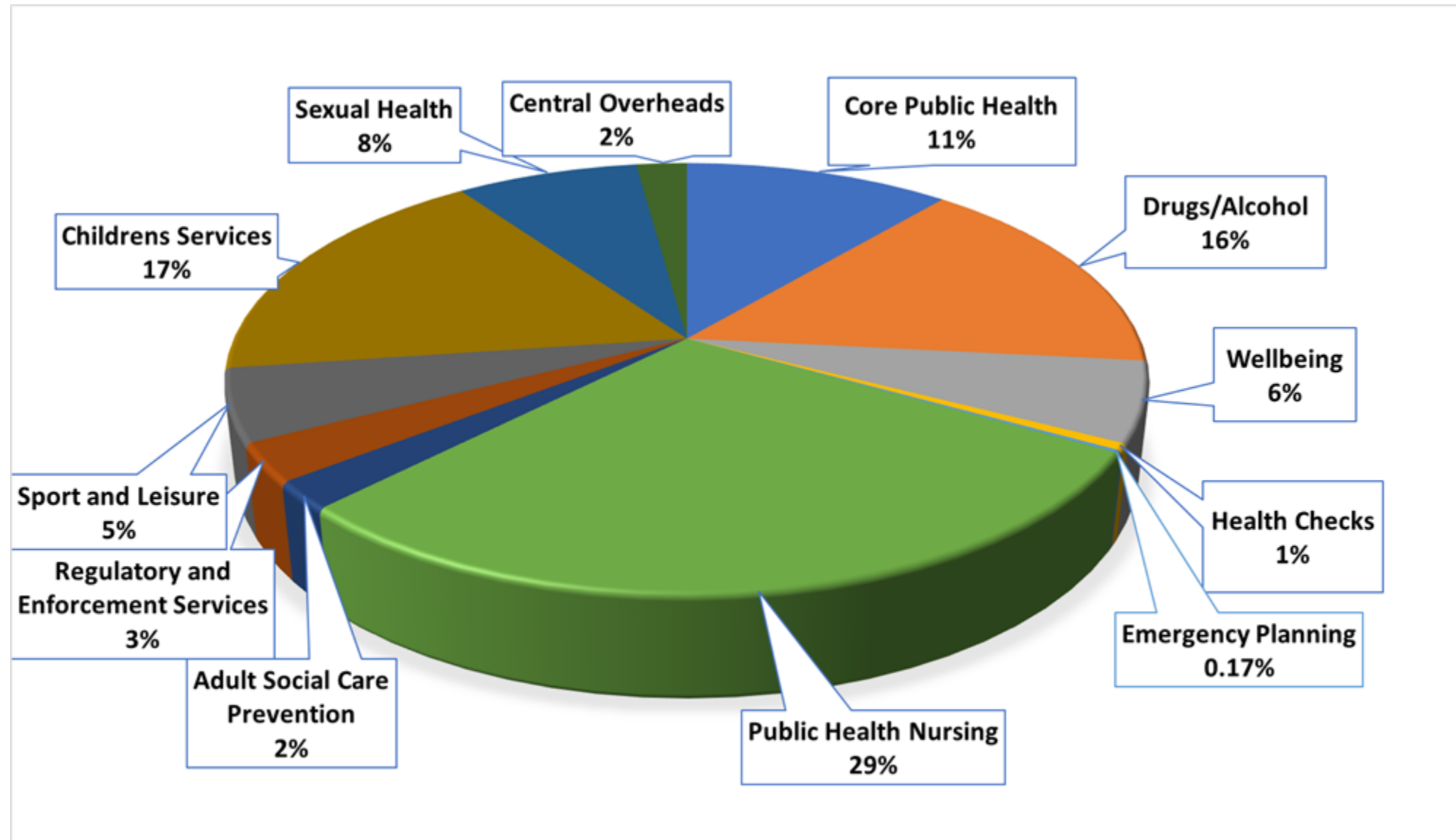
REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Public Health	2.3	2.3	0.0
	2.3	2.3	0.0

Service Comments:-

Core -Public Health is not in receipt of any council funding for its core services and meets the costs of salary inflation and any increases in mandatory and demand led services through the public health grant. NELC received an uplift in its Public Health Grant allocation for 25/26 which is being appropriately applied across the various mandated public health functions to ensure that they remain viable and within a balanced budget. The substance use contract is currently in the process of being re-commissioned. All budgets are expected to spend to budget. The Adult Wellbeing budgets receive an element of corporate funding and are expected to spend to budget this financial year. New contracts for Healthwatch and Patient Advocacy will commence from quarter 2. Despite the recent announcement about the future of Healthwatch, it has been confirmed that the requirement to commission a local Healthwatch will remain in place until future legislation is enacted (end of 2026). The Refugee Integration Service t has moved under Public Health. This service is fully grant funded and no issues are expected.

Children's ,DA & Oral Health -All budgets are expected to balance this financial year. We are still awaiting the outcome of the Agenda for Change pay award as this does impact on our public health nursing budget. There are significant capacity issues across the service and future pay awards are likely to create budget pressures in future years. The service is in the process of developing a workforce and medium-term finance plan to ensure future sustainability. These plans will inform an independent service review scheduled for this financial year. In terms of oral health, a separate public health grant allocation specifically for supervised toothbrushing has been received by the local authority and a plan for its spend is in place.

Domestic Abuse is now classed as core funded due to the main Domestic Abuse Grant (formerly DLUHC grant) now forming part of the local authority's overall settlement. Funding is also received from OPCC, ICB, Public Health & Disabled Facilities Grant. The majority of the commissioning is in now in place with no anticipated issues. The children and young people Independent Domestic Violence Advocate (IDVA) contract has yet to be commissioned, but plans are in progress. The budget is expected to be on target with no variances currently expected.



Public Health

Achievements, Challenges & Risks (1)

Performance RAG

Amber

Finance RAG

Green

Achievements:

- PaIRs has been widely praised by both professionals and the local community
- Infant Feeding support groups are fully operational across all seven Family Hubs
- Maternal Wellbeing service continues to grow offering support on issues that contribute to a healthy pregnancy, birth, and early parenting experience.
- The speech and language therapy service is now working in partnership with Chatterbug to support early intervention and referrals.
- Health Visiting continues to deliver the Healthy Child Programme, with over 90% coverage of the 5 key checks. Breastfeeding rates continue to rise and since introducing a reminder system, attendance rates have increased.
- We are developing insight to understand the experiences of teenage parents.
- The sexual health service has expanded access to the C-Card scheme, which provides free condoms to young people, following a brief consultation. Walk-in sexual health clinics have seen an increase in the number of visitors each month
- There has been an increase in the number of people accessing substance use treatment and support for individuals leaving prison continues to meet targets.
- We are making strong progress toward the micro-elimination of Hepatitis C.
- The recovery community is working towards “Recovery Town” status.
- We have closer collaboration with partners in preventative mental health services, enabling us to develop system-wide best practices. We have an agreed plan that outlines our high-level ambitions for improving public mental health.
- We have seen a reduction in the number of outbreaks in our care homes.
- Research exploring vaccine hesitancy has been completed. Findings show that families need clearer information and highlight the important role of primary care.
- The work of our refugee support service has been widely promoted with internal teams and key external partners. The Refugee Employability Service has been extended for a 3rd year.
- A review analysing road traffic incidents in NEL has been completed. This outlines current trends, highlighting high-risk areas, key risk factors, and identifies ongoing safety measures to reduce casualties.

Public Health

Achievements, Challenges & Risks (2)

Performance RAG

Amber

Finance RAG

Green

Key challenges:

The main challenges are the social and economic difficulties in some of our urban communities. Almost all health indicators are worse in more deprived communities and although considerable health improvement has occurred, this is mainly in more affluent communities which widens health inequalities. We are working with colleagues in central Government to highlight these risks.

Smoking and obesity levels in North East Lincolnshire remain higher than the national average. These continues to be key priorities.

For Public Health Nursing, recruitment challenges and high levels of safeguarding activity continues to place significant pressure on services.

For the refugee integration service, we continue to face challenges due to limited infrastructure, particularly the lack of voluntary organisations offering tailored support for asylum seekers. This remains an area of focus.

Concerns continue regarding TB prevalence amongst high-risk groups. A multi-agency approach is in place. An outbreak of CPE in our local hospitals has also necessitated a multi-agency response, led by our infection and prevention colleagues in secondary care.

Following the Government's announcement that both national and local Healthwatch services will end in 2026, we have adjusted the contract length for our local provision to 30 months.

Risk to non-delivery:

Several initiatives are funded through fixed-term grants (eg Start for Life and Health Inequalities Grant). As a result, sustainability and exit strategies are being prioritised to ensure that the benefits are maintained in the event of reduced or withdrawn funding.

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

72.2%

Local Taxation
Funding

27.8%

Government Grant
Funding

FUNDING	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Collection Fund	(149.7)	(149.7)	0.0
Funding	(57.7)	(57.7)	0.0
Total	(207.4)	(207.4)	0.0

Comments:

The funding forecast includes a drawdown of £800k from the Business Rates Reserve to cover the true up of the 2024/25 NNDR 3 which is reflected in the funding received in 2025/26

Specific Grant Funding accepted in Q1 2025/26:

- Local Transport Grant Funding - £6.1M
- Housing Support Fund (7) - £2.7M

9.91%

Of Total Revenue
Service Budgets

(£0.5M)

Forecast Revenue
Underspend

(2.70%)

Variance as % Of Total
Budget Envelope

REVENUE	Revenue Budget £'M	Revenue Forecast £'M	Variance £'M
Other Corporate Budgets	18.5	18.0	(0.5)
	18.5	18.0	(0.5)

Service Comments:-

The forecast underspend is driven by increased interest income due to rates remaining at a higher level than budgeted (£0.2M), plus a reduction in borrowing costs (£0.3M) due to reprofiling of capital spend. Uncertainty around interest rates remains for borrowing requirements in year.

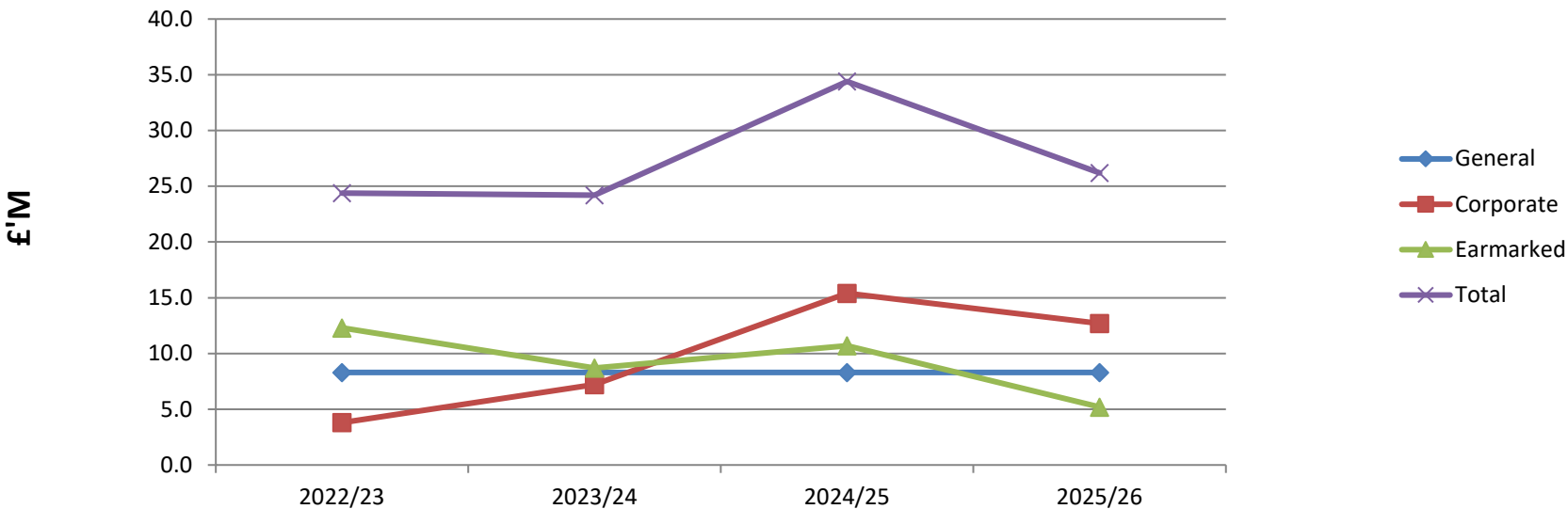
Reserves

£8.3M General Fund

4.45% General Fund as % Of Net Service Spend

£26.2M 25/26 Total Reserve Closing Balance

Council Reserves - Forecast Closing Balance



Comments

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

It is important to ensure that our reserves remain robust to be able to respond to unforeseen calls on expenditure, whilst minimising the impact on planned service delivery. The adequacy of reserves are reviewed regularly with consideration to future key risk areas.

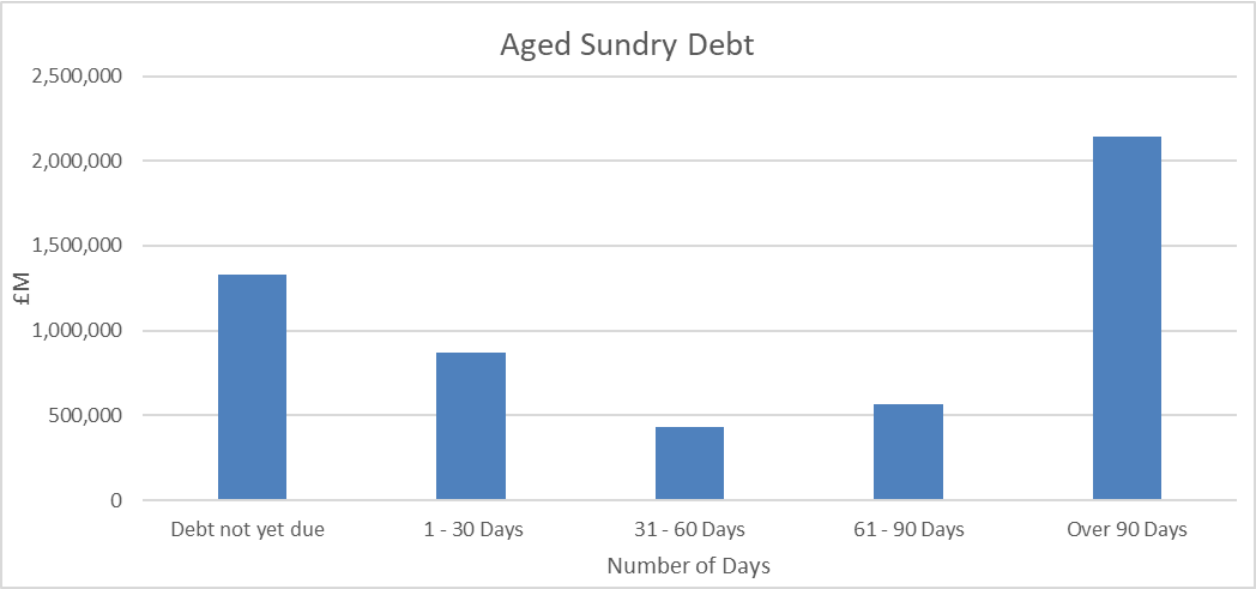
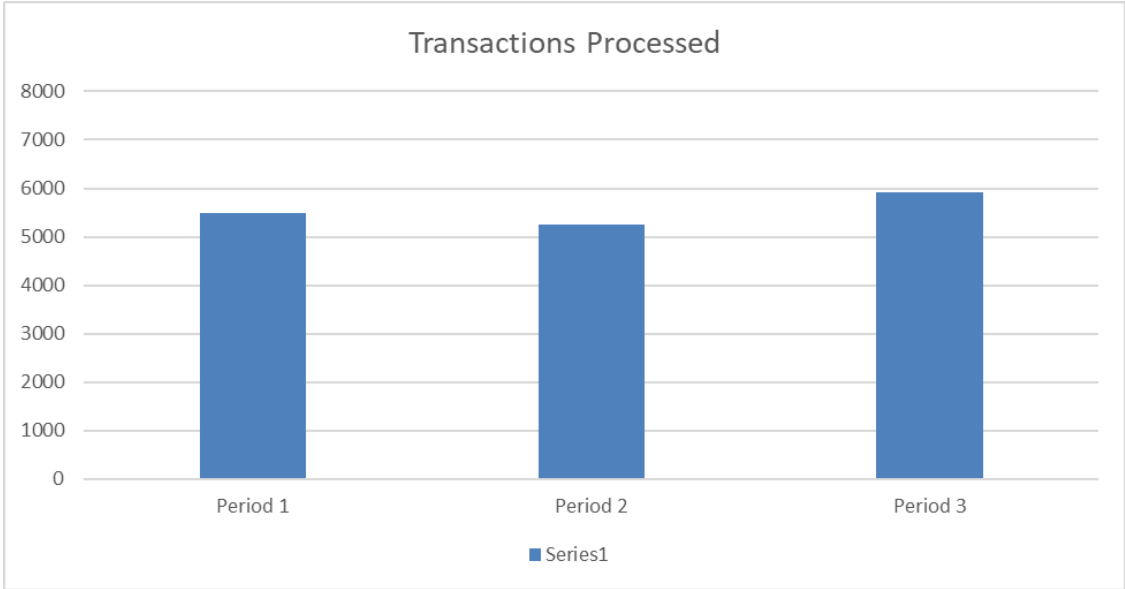
Working Capital Management

94.0%

Creditor Invoices Paid within 30 days during Qtr. 1

£2.14M

Value of debt over 90 days at Qtr. 1



The processing of creditor invoices within NELC terms remains constant. Quarter 4 2024-25 invoices paid within terms was 94%, Quarter 1 2025-26 remains at 94%. The volume of invoices processed in Quarter 1 2025-26 was c16,500, a decrease against the c17,100 processed in Quarter 4 2024-25. This is usual for Q1 as departments ensure as many invoices as possible are processed in Q4 ready for year end. Areas for improvement continue to be explored as knowledge of the financial system capabilities continue to develop.

Overall debt at the end of Q1 has reduced by £1.3m compared to Q4. The debt for 90+ 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 2025-26

£34.5M

Investments as at 30 June 25

£175.0M

Borrowing as at 30 June 25

4.22%

Average return on investments

3.83%

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 (CFR) 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.

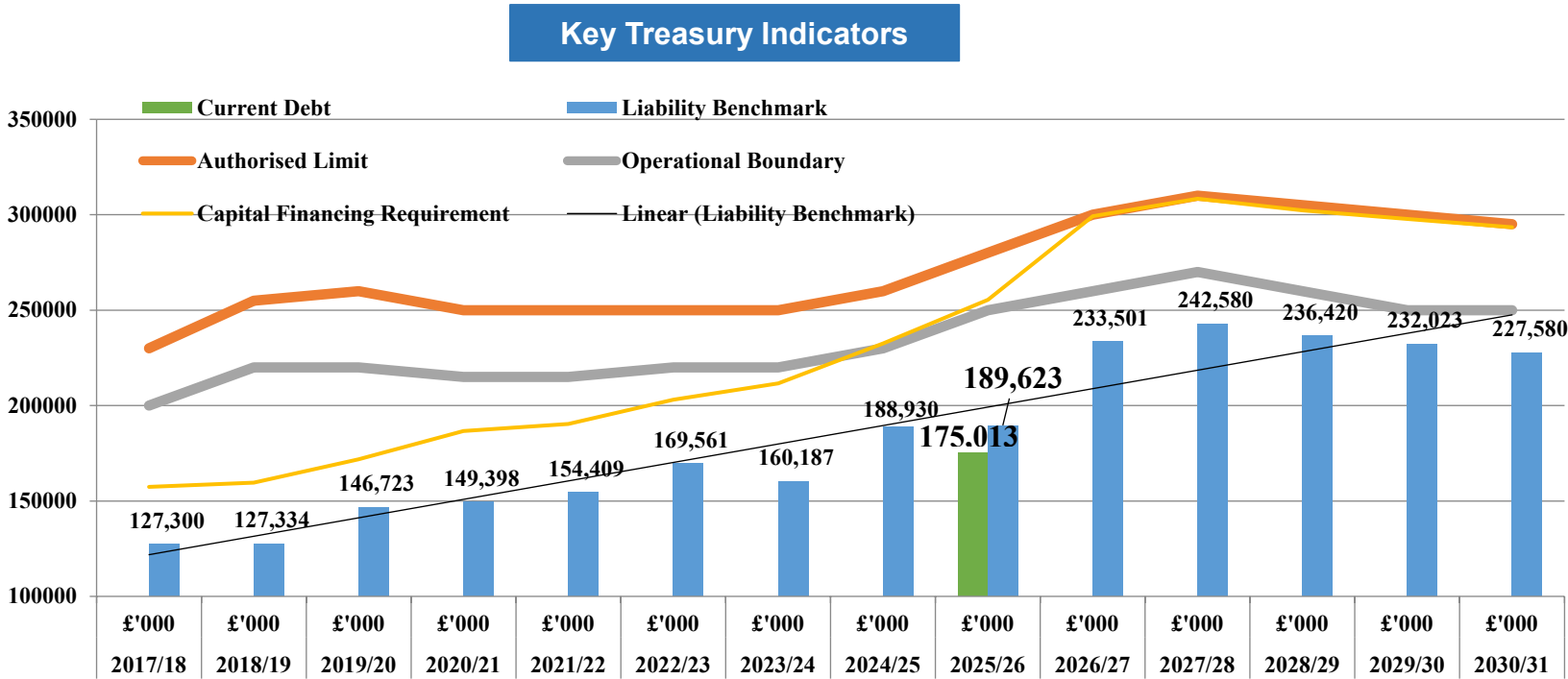
Our cash position, ranged between £34m and £73m during the period.

Higher rates since 2022 have benefited short-term income but have created significantly more interest rate risk on our future borrowing requirement. Against this background we continue to defer borrowing (as far as possible) to see us past the peak of the current cycle.

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

Market expectations of Bank Rate cuts have been tempered during the period, primarily due to concerns around fiscal pressures and 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. Future corporately funded capital expenditure lifts our CFR to just under our Authorised Borrowing Limit in future years. Actual borrowing levels run much lower through the use of internal borrowing.

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.



OFFICIAL

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 £54m over the forecast period during which we also have £71m of debt maturities. Total new borrowing required will therefore be around £125m (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 for the 2024/25 financial year required additional lease obligations of around £7m to be reflected in our prudential Indicators. 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 current and next two financial years as updated for the Treasury Strategy 2025-26

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
External Debt					
Debt at 1 April	160.2	188.9	189.6	233.5	242.6
Expected change in Debt	(28.7)	0.7	43.9	9.1	(7.8)
Other long-term liabilities (OLTL)	4.0	7.2	7.2	7.2	7.2
Expected change in OLTL	3.2	0.0	0.0	0.0	0.0
The Capital Financing Requirement	232.5	256.7	303.1	315.1	302.2
Under / (over) borrowing	43.6	67.1	69.6	72.5	67.4

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

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

Authorised Limit	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
Authorised Limit (Borrowing)	260	280	300	310
Operational Boundary (Borrowing)	230	250	260	270
Max Debt in Period	189	195.9	233(est)	243 (est)

OFFICIAL 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 £125m new loans by the end of 2027-28 – including replacement of maturing debt.

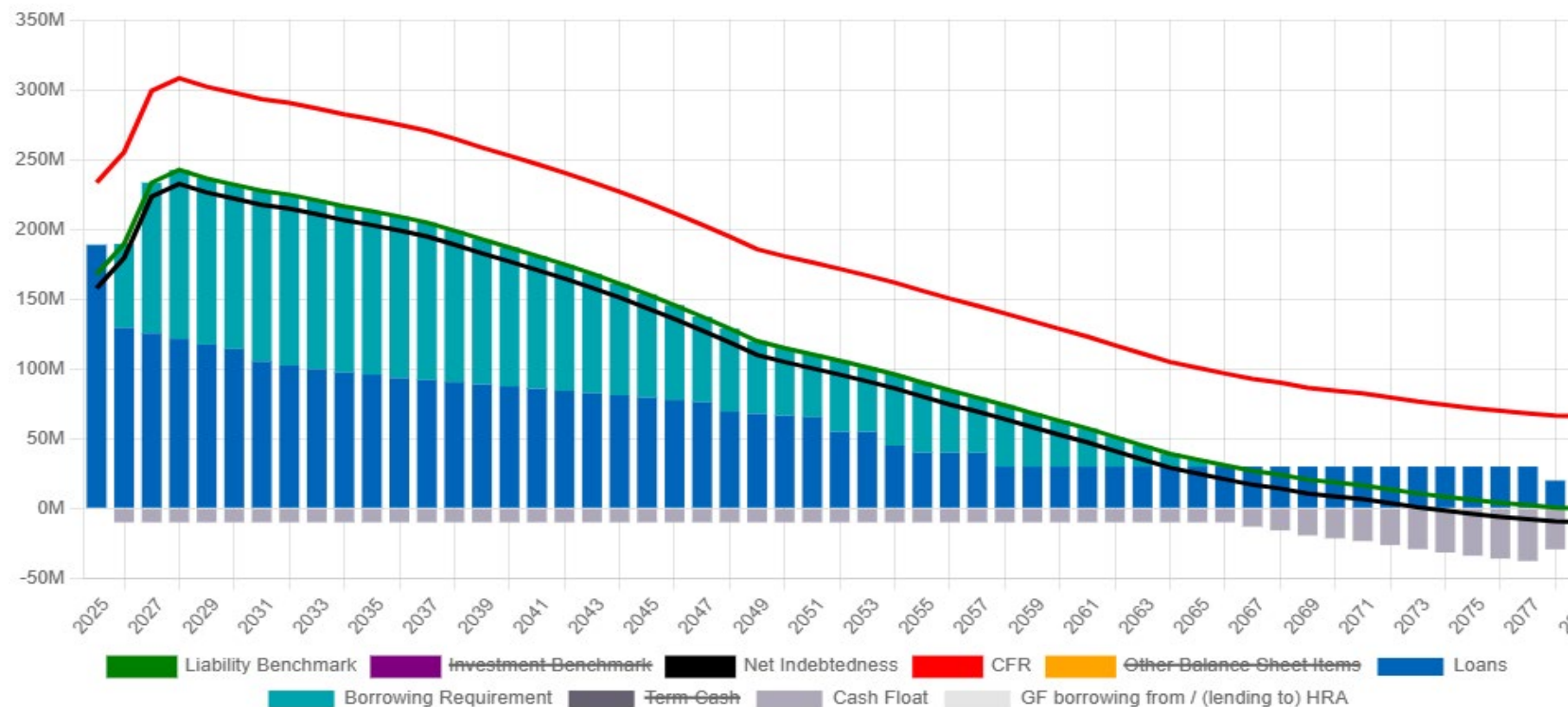
Before new long-term borrowing is entered into the Authority will have regard to the Liability Benchmark and its underlying assumptions will be assessed for their continuing prudence, with revisions made where necessary.

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

The Benchmark forecasts our need to borrow over a 50-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



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 were watching competing influences of weakening labour data and sticky inflation to inform the pace and scale of future rate cuts, meaning longer term rates remained elevated.

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	£34m

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	2025/26	2026/27	2027/28
Upper limit on variable interest rate exposure	£90m	£80m	£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 repaid during 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	2025/26	Actual	2026/27	2027/28
Upper Limit on fixed interest rate exposure	310	147	330	340

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%	32%
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%	10%
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:

	2024/25	2025/26	2026/27	2027/28
Limit on principal invested beyond year end	£21m	£11m	£11m	£11m
Current investments as at 30.06.25 in excess of 1 year	0	0	0	0



Capital Programme

Capital Programme

SCHEME	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme	2027/28 Revised Capital Programme
	£000	£000	£000
ECONOMY AND GROWTH			
Regeneration			
Clee HLF Townscape Heritage	872	-	-
SHIP Scheme	584	407	-
Playing Pitch Reprovision	165	529	-
Cleethorpes Public Art	24	-	-
Heritage Action Zone	363	250	-
Town Deal Investment	631	-	-
UK Shared Prosperity Fund	319	-	-
Freshney Place Leisure Development	11,185	27,289	-
Cleethorpes Masterplan - Market Place LUF Scheme	780	3,297	-
Towns Fund - St James House	329	-	-
Towns Fund - Activation Fund	210	100	-
Towns Fund - Riverhead Square	561	-	-
Towns Fund - Public Realm Connectivity	2,526	-	-
Cleethorpes Masterplan - Sea Road LUF Scheme	2,650	4,871	-
Cleethorpes Masterplan - Pier Gardens LUF Scheme	3,650	3,910	-
Tennis Court Refurbishment	5	-	-
Play Zone	334	-	-
Freshney Place Fit Outs	293	300	350
Cleethorpes Masterplan - LUF Wayfinding	359	-	-
Cleethorpes Masterplan - LUF Logistics	128	-	-
Freshney Place Decking	2,643	-	-

Capital Programme

SCHEME	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme	2027/28 Revised Capital Programme
	£000	£000	£000
ECONOMY AND GROWTH			
Housing, Highways and Transport			
Disabled Facilities Grants	5,130	-	-
Local Transport Plan Schemes	7,605	605	523
Housing Assistance Grants and Loans	601	-	-
Immingham Lock Flood Def Gates	3	-	-
Corporation Rd Bridge Refurb	-	-	-
Rough Sleeper Accom Grant	40	-	-
Gy and Imm Flood Innov Funding	849	-	-
A180 Structures	2,000	1,873	-
Grimsby Surface Water Flood Alleviation	48	-	-
Bus Service Improvement Plan	1,043	2,011	-
Towns Fund - Garth Lane	5,866	500	-
Toll Bar Drop Off	198	-	-
Greater Lincs Groundwater Project	-	2,000	-
Local Authority Housing Fund 3 (LAHF3)	270	90	-
Car Park Schemes	349	-	-
Transport Hub	1,050	488	-
North Prom Footwash	18	-	-
SAFER TOWNS & COMMUNITIES			
HAS & Green Spaces	417	-	-

Capital Programme

SCHEME	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme	2027/28 Revised Capital Programme
	£000	£000	£000
RESOURCES			
Deputy S151			
Capital Investment	7,184	17,767	18,307
Capital Rec't Flexibility	2,150	2,150	-
Policy, Strategy and Resources			
Backlog Maintenance	3,063	930	-
Property Rationalisation Programme	123	-	-
Cartergate Office Development	68	-	-
ICT Refresh	928	734	1,808
Heritage Assets at Risk	3,298	-	-
Business Centre Improvement	197	-	-
M365 Transformation Programme	196	258	199
Childrens Services Platform	1,641	1,000	-
Digital Platform	425	-	-
Motor Caravan Parking Scheme	17	-	-
Cleethorpes Town Hall Audio Visual	66	-	-
ENVIRONMENT			
Fleet Replacement Programme	2,277	1,003	1,693
Enhancement of Bereavement Services	12	-	-
Depot Rationalisation	2,000	-	-
Regulatory Services Management System	3	-	-
Urban Tree Challenge Fund	72	107	-
Salix - Public Sector Decarbonisation Scheme	4,835	-	-
Mayoral Renewable Fund	226	-	-

Capital Programme

SCHEME	2025/26 Revised Capital Programme	2026/27 Revised Capital Programme	2027/28 Revised Capital Programme
	£000	£000	£000
CHILDRENS SERVICES			
AD Regulated			
Childrens Residential Transformation	1,530	70	-
Education and Inclusion			
Schools - Devolved Formula Cap Grant	106	-	-
Schools - Backlog Maintenance	207	-	-
Schools - Basic Need Sufficiency of Places	10,611	5,250	-
SEND Special Prov Fund	4,790	314	-
SEMH Free School	10	10	-
Wraparound Childcare Programme	65	-	-
TOTAL CAPITAL PROGRAMME	100,198	78,113	22,880

Funding			
External Grants	63,809	23,567	523
Corporate Borrowing	34,161	52,396	22,357
Capital Receipts	2,150	2,150	-
Revenue Contributions	-	-	-
Other Private inc S106	78	-	-
TOTAL FUNDING	100,198	78,113	22,880

Denotes a Major Project

Denotes a Major Education Project