

Public Document Pack

NORTH LINCOLNSHIRE COUNCIL

CABINET

18 September 2023

Chair: Councillor R Waltham MBE **Venue:** Conference Room,
Church Square House,
Scunthorpe

Time: 12.30 pm **E-Mail Address:**
richard.mell@northlincs.gov.uk

AGENDA

1. Declarations of Disclosable Pecuniary Interests and Personal or Personal and Prejudicial interests.
2. To approve as a correct record the minutes of the meeting of the Cabinet held on 31 July 2023. (Pages 1 - 8)
3. To Present a Review of Year One of the Council Plan 2022-2025 and the 2022/2023 Year End Financial Position of the Council and Performance Against the approved Budget. (Pages 9 - 28)
Report of the Director: Governance and Communities.
4. Financial Position Update. (Pages 29 - 44)
Report of the Director: Governance and Communities.
5. Refugee Settlement United Kingdom Resettlement Scheme (UKRS) Afghan Relocation and Assistance Policy (ARAP) 'Homes for Ukraine'. (Pages 45 - 48)
Report of the Director: Governance and Communities.
6. Any other items which the Chair decides are urgent by reason of special circumstances which must be specified.

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NORTH LINCOLNSHIRE COUNCIL

CABINET

31 July 2023

PRESENT: - Councillor Waltham MBE in the Chair

Hannigan (vice-chair), J Davison, Marper, Mitchell, Poole, Reed, Rose and C Sherwood

Councillors Ahmed, Ali, Bell, L Foster, Matthews, Ogg, Patterson, Rayner, Ross, Southern and Yeadon attended the meeting.

Simon Green, Becky McIntyre, Karen Pavey, Will Bell, Paul Cowling, Lesley Potts, Rachel Smith and Richard Mell were in attendance at the meeting.

The meeting was held at the Conference Room, Church Square House, Scunthorpe.

1537 **DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND PERSONAL OR PERSONAL AND PREJUDICIAL INTERESTS -**

There were no declarations of interest made at the meeting.

1538 **MINUTES - RESOLVED**

That the minutes of the meeting of Cabinet held on 13 March 2023 having been circulated amongst the members, be taken as read and correctly recorded and be signed by the chair.

1539 **DRAFT AIR QUALITY ANNUAL STATEMENT REPORT (ASR) 2023**

The Director: Economy and Environment submitted a report seeking approval to consult on the Local Air Quality Management Annual Status Report 2023 which was attached as an appendix, and publish the final document following the required consultation.

The Director in her report explained that the council as part of its regulatory duties under Local Air Quality Management, must carry out a review of air pollution every year. Industrial, domestic and traffic sources must be compared with legal limits for major pollutants. The report was sent to DEFRA who provide technical guidance on how to write the report.

The Annual Status Report for 2023 set out all the air pollution data for the calendar year 2022 against Local Air Quality objectives as set out in the Air Quality (England) Regulations 2000. Some areas within the Scunthorpe AQMA still experienced elevated concentrations of PM10 or 'near miss' exceedance days. These were often influenced by changes in wind speed or direction which may lead to an exceedance and were associated with industrial emissions. Consequently, there was more work to do in order to try

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and bring about improvements in air quality (PM10) within the Scunthorpe AQMA. In order to achieve this aim, the council continued to work with local industry, the Environment Agency and UK Health Security Agency via the Local Industry Forum.

The Director's report stated that the Air Quality Action Plan (AQAP) for the Scunthorpe AQMA was currently being reviewed in consultation with stakeholders to ensure that the revised actions continue to bring about real improvements to local air quality. The AQAP would be submitted to DEFRA for approval in Summer 2023. During the Summer of 2022, the council invested in our air quality monitoring network, with five replacement Beta Attenuation Monitors (BAM's). Four would measure PM10 and one would measure levels of PM2.5. The new monitors would ensure continued data capture and reliability providing consistent, high quality and reliable data. To provide this assurance, the equipment aligns to the specification of the Automatic Urban Rural Network (AURN) operated by DEFRA. This investment demonstrated the council's continued commitment to the review and assessment of local air quality.

Councillor D Rose, Cabinet Member Environment and Strategy thanked the Director for her report and work carried out by their officers and highlighted, summarised and commented upon key aspects of its content.

Resolved – (a) That approval be given to consult with the organisations listed in Appendix 1 of the Director's report, and (b) that relevant feedback be incorporated into the ASR report and officers produce the final document for publication.

1540 **ANNUAL EDUCATION REPORT 2020-22**

The Director: Children and Families submitted a report requesting the cabinet to note and approve the publication of the Annual Education Report 2022/22 which was attached as an appendix.

The Director in her report explained that the Annual Education Report 2020/22 set out the achievements and key priorities for children's education from early childhood to the end of Key Stage 5, providing an overview of educational outcomes, and work across the council and wider partnerships to improve children's outcomes and improve their future opportunities.

The report stated that North Lincolnshire Council regularly published an Annual Education Report which set out the key achievements and celebrates the work taken across the council and in schools and settings to improve outcomes for children. Due to the impact of the COVID pandemic on testing arrangements there was very little academic data available in 2021 and none in 2020. Consequently, the new Education Report covered two years. The report was produced retrospectively due to the timings of publications of national and local data by the Department for Education.

The report celebrated the achievements of children and the rich range of

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opportunities in which the curriculum enhanced, and the impact of actions being taken to improve outcomes. It also identified the next steps in our local partnership approaches to improving outcomes for children in schools and settings across North Lincolnshire.

Councillor Reed, Cabinet Member Children, Families and Communities thanked the Director for her report and work carried out by her officers and highlighted, summarised and commented upon key aspects of its content.

Resolved – That the Annual Education Report 2020/22 be noted, and its publication be approved

1541 **SEND (SPECIAL EDUCATIONAL NEEDS AND DISABILITIES) ANNUAL REPORT 2021-22**

The Director: Children and Families submitted a report requesting the cabinet to note and approve the publication of the SEND Annual Report 2021/22 which was attached as an appendix.

The Director in her report explained that the SEND Annual Report 2021/22 set out the achievements and key priorities for education from early childhood to the end of Key Stage 5, for children and young people with SEND, providing an overview of educational outcomes, and work across the council and wider partnerships to improve children's outcomes and prepare them for adulthood.

The report stated that North Lincolnshire Council regularly published a SEND Annual Report which set out the key achievements and celebrated the work taken across the council and in schools and settings to improve outcomes for children and young people with special educational needs and disabilities (SEND). As well as capturing partnership work to improve outcomes, key local development and parents' voices, the report also set out the actions that have been taken following the Local Area SEND Inspection in December 2021.

The report was produced retrospectively due to the timings of publications of national and local data by the Department for Education. The report celebrated the achievements of children and young people with SEND and the impact of actions being taken to improve outcomes. It also identified the next steps in local partnership approaches to improving outcomes for children and young people with SEND across North Lincolnshire.

Councillor Reed, Cabinet Member Children, Families and Communities thanked the Director for her report and work carried out by her officers and highlighted, summarised and commented upon key aspects of its content.

Resolved - That the SEND Annual Report 2021/22 be noted, and its publication be approved.

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1542 **CELEBRATING CARERS - CARERS STRATEGY 2022-26**

The Director: Adults and Health submitted a report seeking cabinet's approval to publish an update on the delivery and key achievements of the North Lincolnshire Carers Strategy 2022-2026 in relation to its four key priorities since in launch in April 2022. It also advised members of progress made against the Carers Strategy since its launch in April 2022 and gave oversight of the delivery plan to support the further implementation of the Carers Strategy in 2023-2024.

The Director in her report explained that the 'All-Age Carers Strategy' was coproduced with carers and key stakeholders to develop a vision and four key priorities for carers in North Lincolnshire. To ensure the voice of carers was heard, engagement took place with a wide range of carers and through discussions with voice groups including the Carers Advisory Partnership, the Parent Forum and the Carers Support Service.

The 2022-2026 strategy outlined aims and sought to give clarity to actions through the delivery plan which identified key workstreams/themes and actions which would be taken forward by North Lincolnshire Council as place leader and with partners including the Integrated Care Board (ICB), North Lincolnshire and Goole Hospital Trust (NLaG) and Ongo, the Colleges and Citizen's Advice Bureau. The strategies' key priorities were:

- Early identification and carer recognition
- Support carers to stay healthy (including physical & emotional health)
- Transform and improve digital solutions
- Influence change and innovation through Carers voice and partnership working.

The report stated that in its first year, there had been significant progress in developing initiatives that supported the delivery of the four key priorities. These were summarised under the following headings –

- Development of a Practitioners Guide to Supporting Carers
- Identification and Recognition of Carers in Secondary Care
- Caring Employers
- The North Lincolnshire Carer Campaign, and
- Carers Voice

Also, there were further ambitions for the next twelve months, particularly in relation to the previous projects highlighted around embedding and widening initiatives for maximum impact. Further key projects were highlighted in the report.

Since its launch and implementation, the Carer's Strategy had delivered significant changes to support and improve the wellbeing of Carers in North Lincolnshire in delivering actions to support the four key priorities. The Carer Strategy Partnership recognised the impetus gained so far and would harness the momentum to ensure that the reach of identification, recognition,

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and support for carers was the responsibility of all partners and complements support delivered through the Council in accordance with statutory obligations.

Councillor Hannigan, Cabinet Member Adults, Health, Families and Communities thanked the Director for her report and work carried out by her officers and partners, and highlighted, summarised and commented upon key aspects of its content.

Resolved – That the report be noted, and approval be given to the update on the delivery and key achievements of the North Lincolnshire Carers Strategy 2022-2026 in relation to its four key priorities since in launch in April 2022.

1543 **HOUSING PLAN 2023-28**

The Director: Economy and Environment submitted a report seeking approval of the North Lincolnshire Housing Plan for 2023-28, which was attached as an appendix.

The Director in her report explained that the Housing Plan was a key plan to enable the success of the council's Council Plan, supporting the priority 'Enabling Economic Growth and Renewal'. The Housing Plan presented the vision for North Lincolnshire. It identified future priorities and desired outcomes which were based on evidence collated from community, developer, surveys, data research and analysis and assessment of national, regional, and local policy context. Oversight and development of the plan had taken place through internal working groups which had provided a rounded view identifying gaps and establishing core priorities around which the council needed to focus.

To determine the priorities for the new Plan an assessment had been made of the on-going relevance of the priorities and desired outcomes detailed across a number of existing plans to produce a single plan for Housing in North Lincolnshire. Outcomes:

- North Lincolnshire residents will have access to suitable high-quality housing to meet their needs.
- North Lincolnshire residents live in homes which are of a high standard.
- North Lincolnshire homes will be more energy efficient.

Achieving the vision for the North Lincolnshire economy would require successful implementation of this plan and to recognise across the three core priorities that some of the schemes and interventions would be delivered directly by North Lincolnshire Council and others through partnership working. Therefore, against each priority a series of key performance indicators had been identified which would be used to measure progress against the priorities.

The report stated that in producing the draft Housing Plan 2023 - 2028 to this point, the following steps have been taken:

- A review of the on-going relevance of the aims and objectives of the previous

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- Plans
- The collation and analysis of relevant data and intelligence
- Engagement with developers, communities, and partners
- Based on evidence, the identification of key areas of focus to be addressed by the Plan
- The identification of appropriate key indicators to benchmark against and track and report progress

Cabinet approval of the Housing Plan 2023 - 2028 would ensure that North Lincolnshire Council had a coherent and strategic approach to housing over the next five years.

Councillor Waltham MBE, Leader and Cabinet Member Place Shaping and Steel and Heavy Industry thanked the Director for her report and work carried out by her officers and highlighted, summarised and commented upon key aspects of its content. Councillor R Hannigan was also invited to provide an update on the current position and support structure for homelessness in North Lincolnshire.

Resolved - That the Housing Plan 2023 – 2028 be approved.

1544 ACTIVITY ON COUNCIL OWNED LAND

The Director: Economy and Environment submitted a report seeking approval of the prohibition of releasing balloons, sky lanterns and fireworks (as defined in appendix 1 of the report) on council owned land and the prohibition of gifting live animals as prizes at events on council owned land.

The report explained that North Lincolnshire Council was committed to providing cleaner, greener and safer places and spaces for our residents and visitors to enjoy. Prohibiting the release of sky lanterns, fireworks, balloons and the use of live animals as prizes at events had been a concern for many local authorities. This had been supported by, amongst others, the RSPCA, the National Farmers Union, the Civil Aviation Authority, the Marine Conservation Society and some Fire Services.

The council recognised that the fire hazard associated with the use of sky lanterns, fireworks and balloons, which can potentially lead to the loss of life, damage to property, risk to wildlife and farm animals and increase the pressure on the police, fire service and medical emergency services. It also recognises the potential that the giving of live animals as prizes could have on the welfare of these animals being compromised. The Animal Welfare Act introduced in England and Wales in 2006, aimed to improve animal welfare across the two countries. While this legislation remained as one of the most important pieces of legislation ever introduced for animals, it could go further in protecting the welfare of pets currently issued as prizes.

Inclusion of the proposed new condition in event hire licences should prevent the release and sale of fireworks, lanterns, balloons and the giving of live animals as prizes from those events held on council land.

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Councillor Waltham MBE, Leader and Cabinet Member Place Shaping and Steel and Heavy Industry thanked the Director for her report and work carried out by her officers and highlighted, summarised and commented upon key aspects of its content.

Resolved – (a) That the council supports residents to make personal, responsible choices around these activities; (b) that the banning of the release and sale of fireworks, balloons, and sky lanterns on council land and property be approved; (c) that the banning of the gifting of live animals as prizes at any event on council land be approved, and (d) that the introduction and implementation of a new condition into the council’s event hire licences, banning the release and sale of sky lanterns, fireworks, and balloons and the giving of live animals as prizes be delegated to the Director: Economy and Environment.

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Report of the Director:
Governance & Communities

Agenda Item: 3
Meeting: 18 September 2023

NORTH LINCOLNSHIRE COUNCIL

CABINET

TO PRESENT A REVIEW OF YEAR ONE OF THE COUNCIL PLAN 2022-25 AND THE 2022-23 YEAR-END FINANCIAL POSITION OF THE COUNCIL AND PERFORMANCE AGAINST THE APPROVED BUDGET

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To present a review of year one of the Council Plan 2022-25 including the investment for each priority and highlighting impact achieved.
- 1.2 To present the 2022-23 year-end financial position of the council and performance against the approved budget.

2. BACKGROUND INFORMATION

Council Plan

- 2.1 In May 2022, Full Council approved a new Council Plan for the period 2022-2025 and it was adopted as part of the Council's policy framework. Having been in place for one year and following recent Council elections, it is deemed appropriate to review progress and to ensure the focus of the Plan retains relevance. This report represents a high-level overview against the Council Plan. The core strategies and plans that support it produce annual reports to the Executive and Partnerships, providing finer detail on actions and impact made against the outcomes.

Financial Position

- 2.2 The Council set a revenue investment budget of £174.9m for 2022-23 for the delivery of its functions and strategic priorities. This included approval of an additional £5m use of reserves to address unprecedented inflationary pressures in year. At outturn, revenue investment totalled £175.4m, reflecting net additional spend of £0.5m.
- 2.3 Funding for capital investment in 2022-23 was originally set at £47.2m although the net effect of additional investment and rephasing to future years reduced this to £39.5m as reported to Cabinet 6th February 2023. The revised capital programme for approval in appendix 2 updates the 2023-24 capital investment budget to reflect outturn spend of £39.7m (including year-end re-phasing, confirmation of grant funding and in year funding adjustments).

3 OPTIONS FOR CONSIDERATION

3.1 To consider the information contained in the report and:

- Note the achievements and updates to be presented in the Council Plan which reflect action taken during 2022-23 (Appendix One)
- Consider whether a review of the themes under the existing priorities for year two is required
- Note the financial outturn position
- Approve the revised capital investment budget profile reflecting the final investment in 2022-23 and virement as per Appendix Two

4. ANALYSIS OF OPTIONS

Council Plan

4.1 A review and refresh of the Council Plan provides stakeholders with information to demonstrate the positive action taken to meet the priorities and achieve the outcomes contained within it. A refresh ensures that the Council Plan remains relevant and retains focus on matters of significance.

4.2 A number of areas within the Plan have been refreshed to ensure the Plan fulfils its objective as being a 'living document.' This means that matters listed below such as elected member make up, details of the relevant year's council tax and work in progress, will be updated by officers on an on-going basis. The areas that will be refreshed and updated are:

- About Your Council – to reflect the composition of the Council following recent elections
- Stronger Partnerships; Better Outcomes – to strengthen the emphasis on the outcomes to be achieved through partnership working
- How the Council is Funded – to reference the agreed budget for 2023-24
- How We Invest Your Council Tax - to provide residents/businesses with an overview of how the budget is distributed across the Council and the achievements and activity it supports
- Keeping on Track – to provide an update on achievements during the past year
- Work in Progress – to set out developments that the community of North Lincolnshire can expect to benefit from in the near future
- A Listening Council – to demonstrate that the Council actively listens and responds to feedback and suggestions for improvement from residents

4.3 The focus on achievements and activity over the last year under the heading "How We Invest Your Council Tax" details and covers a range of subject matter. This demonstrates the breadth of activity the Council

undertakes to keep people safe and well; enable resilient and flourishing communities; enable economic growth and renewal and provide value for money for local taxpayers.

4.4 As a leader of place, the Council values and embraces partnership working. The following references to the manner in which the Council approaches partnership working to achieve better outcomes, have been updated in the Council Plan. This also reflects the range of partners the Council engages with.

- We work with the local NHS and social care services to promote good health and wellbeing for our residents and reduce health inequalities across North Lincolnshire.
- We collaborate with safeguarding agencies to make sure vulnerable adults and children are protected and feel safe.
- We join forces with parents, teachers and schools to raise educational standards and champion inclusion.
- We work with Humberside Police and Probation partners to reduce crime and help people in North Lincolnshire stay safe.
- We work with businesses and housing providers to promote economic and housing growth in our area.
- We partner with local employers and training providers to ensure people have the skills they need to pursue their desired career paths.
- We work alongside the Environment Agency and water companies to manage flood risks and increase resilience to flooding.

4.5 Highlights from the 'Keeping on track section' include:

- Support for children and families was rated outstanding in all areas by Ofsted.
- Over 9 out of 10 schools in North Lincolnshire are also rated good or outstanding.
- 92 per cent of people who used adult social care services said the support made them feel safe and secure.
- 100 per cent of adult care provided by the Council is rated good or outstanding.

4.6 The new administration has announced an ambition to back every community across North Lincolnshire to thrive, being tougher on environmental enforcement and ensuring young people, families, and older people can live happy, fulfilling and safe lives. In light of this, as part of a further review of the Council Plan, Cabinet may wish to also revise the themes under the existing priorities for year two.

Financial Position

4.7 The financial position provides evidence that the council invested the available resources wisely and that the investment enabled the council to fulfil its policy objectives and priorities: keeping people safe and well; enabling resilient and flourishing communities; enabling economic growth and renewal; and providing value for money for taxpayers.

Resources have been utilised as intended and contained broadly within overall investment limits.

- 4.8 The position contained in this report represents a positive outcome with high performance delivered alongside a favourable financial outturn despite financial challenges presented by significantly higher than expected inflation and continued demand for Council Services (especially Adult Social Care and SEND transport). This will be invaluable as we progress through 2023-24 and the challenges associated with the current operating environment, such as persistent high levels of inflation, interest rates rises and ongoing financial pressures on households and businesses.
- 4.9 The capital investment programme summarised in Appendix 2 shows the final outturn for 2022-23 and the latest profile across the three-year period to 2025-26 and reflects rolling changes in external grant funding and allocation of the investment fund. Since the last reported programme the key change is an additional £1.3m in 2024-25 allocated to Epworth Community Hub and £3m in 2025-26 for the ongoing improvement in lower carbon, more efficient vehicles.
- 4.10 The financial outturn report and position provides external stakeholders with evidence of the integrity of the council's financial conduct and performance and demonstrates fiscal discipline. It also gives the Cabinet the confidence that the Council is well placed to navigate future challenges.

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)

- 5.1 The Medium-Term Financial Plan reflects the financial requirements associated with delivering actions in support of the Council Plan 2022-25.
- 5.2 The financial position at the end of 2022-23 is broadly in line with projections during the year. The economic conditions prevailing resulted in an additional use of reserves £5.4m, which was only £0.4m above the planned use agreed by Cabinet in September 2022. The revenue outturn includes the use of £7.8m from the Risk & Transformation Reserve: £2.4m original budget; £5.0m approved in year; £0.4m additional drawdown to balance outturn. The effective financial management and mitigation actions taken throughout the year by budget holders has enabled this overall position.
- 5.3 Local authorities are required by law to publish their unaudited statement of accounts for 2022-23 by 31 May 2023. North Lincolnshire met this deadline, amongst only a small minority of councils to achieve this. Appendix 2 provides an update on the status of the accounts in respect of external audit, which is still outstanding for 2021-22.

6. **OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)**

6.1 There are no issues arising from this report that adversely impact on the Council's duties under the Equalities Act 2010.

6.2 The Council Plan 2022-25 guides activity which supports the Council's commitment to be a carbon net zero organisation by 2030 and to ensure that the local natural environment is protected, enhanced and self-sustaining.

7. **OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

7.1 N/A

8. **OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

8.1 No conflicts of interest have been identified.

9. **RECOMMENDATIONS**

9.1 Members are asked to:

- Note the achievements and updates to be presented in the Council Plan which reflect the positive action taken during 2022-23 as set out in Appendix One.
- Consider whether a review of the themes under the existing priorities for year two is required.
- Note the financial position of the council for 2022-23 and approve the revised capital programme as set out in Appendix Two.

DIRECTOR OF GOVERNANCE AND COMMUNITIES

Church Square House
SCUNTHORPE
North Lincolnshire
DN15 6NR

Author: James O'Shaughnessy

Date: 24th August 2023

Background Papers:

North Lincolnshire Council Plan 2022-25

Financial Strategy and Medium-Term Financial Plan – Council report February 2022

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Annual Review of Council Plan and Year End Performance 2022-23 APPENDICES

Appendix One – Review of Council Plan



Council Plan 2022-25

The Council Plan provides a strong framework that guides activity across the Council.

Our priorities are...

- ▼ **Keeping people safe and well –**
to achieve a longer and better quality of life for our residents.
- ▼ **Enabling resilient and flourishing communities –**
to develop greater resilience and community spirit and enable people to identify and meet their ambitions.
- ▼ **Enabling economic growth and renewal –**
to ensure there are highly skilled jobs and opportunities for a highly skilled workforce and the local economy supports efforts to reduce carbon emissions.
- ▼ **Providing value for money for local taxpayers –**
to ensure high quality services are provided for residents and the Council is well-led.

Working with our partners, we aim to maximise our impact by enabling and encouraging our residents, communities and businesses to achieve their full potential.

We do this by staying true to our values...

- ▼ **Equality of opportunity** so everyone can have a good quality of life
- ▼ Striving for **excellence** and high standards
- ▼ Using our resources wisely and with **integrity**
- ▼ Promoting **self-responsibility** and people having choice and control over their own lives

Our organisational goals are to be...

- ▼ **Progressive** and **enabling** in our approach
- ▼ Financially and environmentally **sustainable**

Our priorities will enable the Council and our partners to achieve these **outcomes** for North Lincolnshire...

▼ **SAFE** ▼ **WELL** ▼ **PROSPEROUS** ▼ **CONNECTED**

Keeping People Safe and Well:

1. Safeguard and support everyone to live safely and independently within their families and communities
2. Ensure the care sector is of high quality and care leavers receive the ongoing support they need
3. Reduce health inequalities and promote wellbeing.

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Partnerships include:

- Safeguarding Adults Board
- Children's MARS Board
- Experts Together Partnership
- Corporate Parenting Board
- Health & Wellbeing Board
- Place Partnership
- Integrated Adults Partnership
- ICS driven partnerships

Impact:

- The children in care population is at its lowest level since before the end of 2015/16, which reinforces our ambition for children to be in their families, in their school and in their communities.
- We have further reduced the number of children in external foster care and residential provision, enabling them to remain connected to their local support networks and community.
- North Lincolnshire performed in the top five of Local Authorities in the country for the number of adult social care indicators in the top quartile (performing well). 24 of 26 indicators above the England average compared to 22 in 2020/21, evidencing continuous improvement in our performance.
- 100% of people provided with self-directed support and over 42% chose to manage their care and support needs with a direct payment.

Enabling Resilient and Flourishing Communities:

4. Maintain a safe, clean and green local environment
5. Support our volunteers and create thriving communities with access to a range of leisure, culture and other facilities
6. Make it easier and safer to travel sustainably

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Partnerships include:

- Voluntary, Community & Social Enterprise Partnership
- Community Safety Partnership
- Arts Council England
- Strategic Flood Risk Management Board
- Safer Roads Humber Partnership
- Enhanced Partnership (Public Transport)

Impact:

- Most of our household waste gets reused, recycled or composted, and less than 1% goes to landfill. This puts us in the top quarter of local authorities nationally and helping to maintain a clean and green environment.
- To keep communities safe, we worked with Humberside Police, the probation service and other partners to produce a new Crime and Disorder Strategy.
- We secured further Arts Council funding so we can continue to bring blockbuster exhibitions to the area for the whole family, take culture into communities and inspire more people to get involved with the arts.
- Passengers have rated North Lincolnshire in the top quarter of local authorities nationally in satisfaction with transport access.
- Council invest in a Community Grant pot to support community investment.
- Tradewatch and Fraudwatch initiatives in place.
- Tree planting – 100,000 achieved, 250,000 new target.

Enabling Economic Growth & Renewal

7. Encourage personal ambition through access to lifelong, high-quality education, guidance and training.
8. Working with communities to create opportunities to upskill and gain experience through volunteering.
9. Regenerate town centres and expand the local economy to secure more highly skilled jobs and encourage the business sector to transition to a net-zero carbon position
10. Work with home builders to develop high quality and environmentally sustainable homes

Partnerships include:

- Education Standards Board / SEND Standards Board
- Skills Transformation Board
- Scunthorpe Towns Fund Board
- Greater Lincolnshire Local Enterprise Partnership
- Humber Leadership Board

Impact:

- Approved 87% of domestic planning applications within eight weeks to support development across North Lincolnshire. This is significantly above the national target of 70% and represents continuing improvement.
- 100% of Local Land Charges were completed within statutory timescales of ten days, providing support for the local housing market.
- Oversaw a reduction in local unemployment, with figures now below both the regional and national averages.
- A rise in the number of jobs in North Lincolnshire which are classed as highly skilled. This continues the improvement from 49.1% in Sept '21 to the latest reported figure of 54.4%.
- Jobs and careers fairs.
- Town Deal and Future High Streets funding.
- Freeports.
- Exceeded our 396 house build target and surpassed our square foot of industrial land delivered target.

Providing Value for Money for Local Taxpayers

11. Get it right for our customers, first time
12. Meet our environmental responsibilities
13. Maintain our position as a well-managed and well-governed council and remain financially sustainable.

Key Partnerships:

- Greater Lincolnshire Joint Strategic Oversight Committee
- NL Engagement Partnership
- Humber Emergency Planning & Local Resilience Forum

Impact:

- Maximised the funds available to the Council to invest in communities and support priorities. All of our externally regulated services have received a rating of good or better.
- When surveyed, 90% of customers who contacted the contact centre thought the information provided by the advisor was clear and easy to understand.
- Our finances were given a clean bill of health by our external auditors, and they were also satisfied with our arrangements to secure value for money.
- We are continuing to develop a digital transformation plan that enhances our customer journey whilst also recognising that digital doesn't work for everyone.

Appendix Two – Financial Position 2022-23

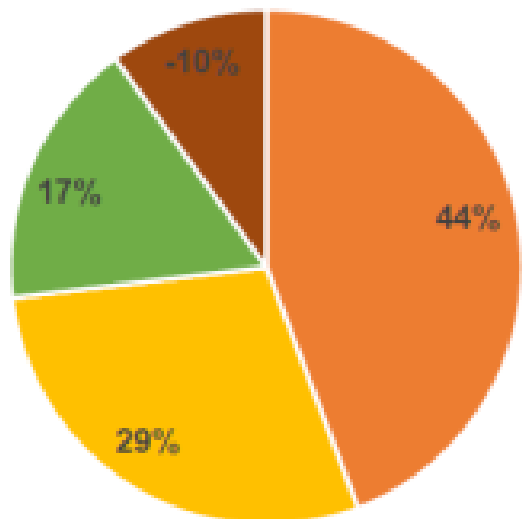
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**North
Lincolnshire
Council**

www.northlincs.gov.uk

Council Priority	Revenue Investment	Budget	Variance
	£m	£m	£m
Keeping People Safe and Well	96.9	96.6	0.3
Enabling Resilient and Flourishing Communities	63.4	62.3	1.1
Enabling Economic Growth and Renewal	37.0	33.9	3.1
Providing Value for Money for Local Taxpayers	(22.0)	(18.0)	(4.0)
Totals	175.3	174.8	0.5

Providing Value for Money for Local Taxpayers	Outturn	Full Year Budget	Variance
	£m	£m	£m
Corporate Services	15.8	18.3	(2.5)
"Council Mortgage" - (capital financing)	10.7	12.2	(1.5)
Accounting Adjustments	(48.5)	(48.5)	0.0
Totals	(22.0)	(18.0)	(4.0)



- Keeping People Safe and Well
- Enabling Resilient and Flourishing Communities
- Enabling Economic Growth and Renewal
- Providing Value for Money for Local Taxpayers

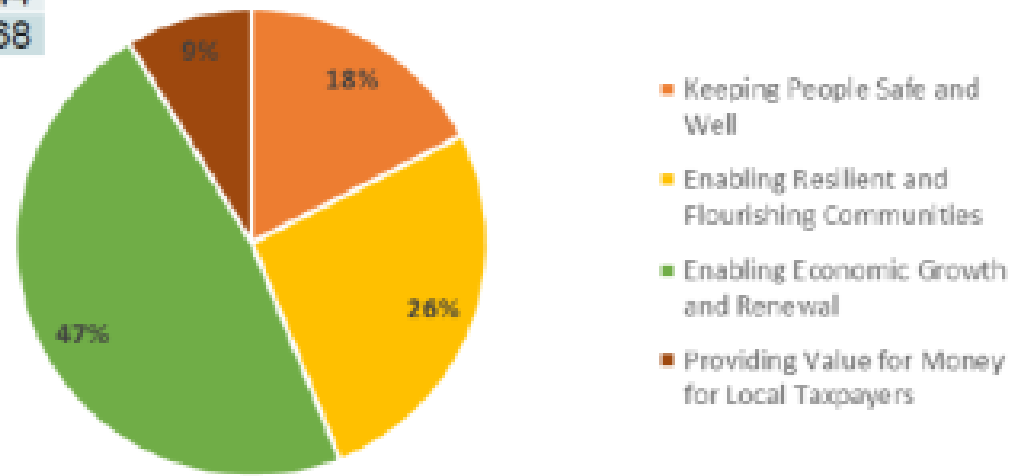
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Service Area	Approved Budget	Outturn	Variance
	£'000	£'000	£'000
Adult Social Services	23,003	24,180	1,177
Integrated Health & Care	4,654	5,100	446
Adults Early Help & Prevention	22,524	23,850	1,326
Adults & Health	50,181	53,130	2,949
Education	4,710	4,886	176
Children's Help & Protection	10,296	9,486	(810)
Children's Standards & Regulation	10,891	8,693	(2,198)
Children & Families	25,897	23,065	(2,832)
Place	30,323	32,950	2,627
Public Protection	1,711	2,297	586
Organisational Development	16,925	16,841	(84)
Economy & Environment	48,959	52,088	3,129
Governance & Partnerships	5,109	5,197	88
Resources & Performance	8,512	7,831	(681)
Community Enablement	8,286	8,628	342
Governance & Communities	21,907	21,656	(251)
Public Health	7,281	7,206	(75)
Central & Technical	20,626	18,210	(2,416)
SERVICE TOTAL	174,851	175,355	504
Funding	(174,851)	(175,355)	(504)
COUNCIL TOTAL	0	0	0

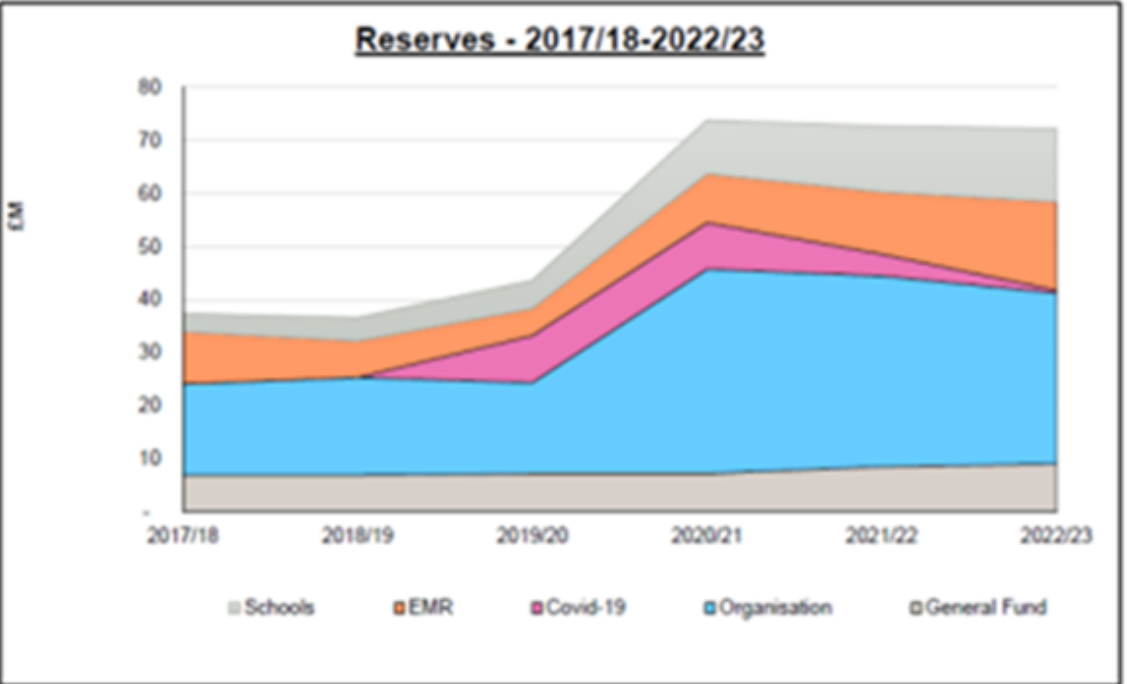
Capital Programme	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	Total £000's
Investment in Priority					
Keeping People Safe and Well	6,933	5,801	665	130	13,528
Enabling Resilient and Flourishing Communities	10,501	10,524	8,487	4,819	34,332
Enabling Economic Growth and Renewal	18,827	23,715	23,107	18,935	84,584
Providing Value for Money for Local Taxpayers	3,462	7,169	9,072	5,244	24,947
Total Investment	39,724	47,209	41,331	29,128	117,668
Capital Investment Allocation	0	1,820	5,200	3,500	10,520
Capital Investment Limit	39,724	49,029	46,531	32,628	167,912
Funding Analysis					
External & Grant Funding	28,355	28,542	28,991	21,356	107,244
Council Resources	11,369	20,487	17,540	11,272	60,668

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Capital Outturn 2022/23 - Council Priority



2021/22 £000's Actual	REVENUE RESERVES	2022/23 £000's Outturn
	Organisational Reserves	
8,493	General Fund	8,993
31,081	Risk and Transformation	26,922
2,563	NNDR Returned Levy	2,563
2,337	Public Health	2,716
44,474	Total Organisational Reserves	41,195
	Earmarked Reserves	
212	Adult Social Care	183
450	DSG - Delegated Items	470
289	Taxi Licensing	353
-	Devolution	200
1,183	Other Earmarked Reserves	1,099
2,134	Total Earmarked Reserves	2,305
	Grant Reserves	
917	Rural Mobility Grant	917
446	Syrian Resettlement Grant	264
748	Troubled Families Grant	819
3,864	Covid-19 LA Support	571
-	Ukrainian Refugee Programme	1,407
-	Better Care Fund	1,397
7,698	Other Grant Reserves	9,582
13,673	Total Grant Reserves	14,957
60,281	TOTAL COUNCIL RESERVES	58,456
	School Reserves	
6,856	Schools Balances	7,170
5,565	Dedicated Schools Grant	6,639
12,421	Total School Reserves	13,808
72,702	TOTAL RESERVES	72,265



Re-cap of 2021/22 Accounts

- Unaudited Accounts published 28 July 2022 (Deadline was 31 July 2022)
- External audit opinion delayed (deadline was 30 November 2022) due to a national technical issue relating to Infrastructure Assets, resolved by legislation changes that came into force 25 December 2022
- Technical notes updated as required (relates to the valuation of infrastructure assets)
- It is anticipated that an 'unqualified opinion' will be issued in late September/early October 2023 after the audit work is completed on the Pension Fund.

2022/23 Accounts

- Unaudited Accounts were published by 30 May 2023 – only around 30% of councils have met the statutory deadline
- Public notice issued, making available accounts for public scrutiny for 4 weeks during June 2023
- External audit opinion on the 2022/23 accounts should be published by 30 September 2023. It is unlikely that this deadline will be met due to the above. This will require the council to publish a notice of delay
- Nationally there is a focus on resolving the issues relating to the Audit of Local Government Accounts. A series of backstop dates have been set to ensure the backlog is resolved.

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NORTH LINCOLNSHIRE COUNCIL

CABINET

FINANCIAL POSITION UPDATE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1. To provide an update on the Council's in-year financial position in 2023/24
- 1.2. To note the latest revenue budget and approve the revised capital programme.
- 1.3. To set out the Council's updated medium term financial planning position.
- 1.4. To note the treasury management position against the Prudential Code Indicators.

2. BACKGROUND INFORMATION

Financial Position 2023/24

- 2.1. In February 2023, Council approved plans to invest £191.5m of revenue resource in 2023-24 and £126.0m of capital resource over a three-year period to support delivery of the Council plan, achieve its strategic objectives and legal duties for the benefit of residents and businesses. Revenue investment has subsequently increased to £191.6m following confirmation of the Public Health Grant for 2023/24 and the Capital programme to £128.3m following outturn 2022/23 and in year re-phasing.
- 2.2. In line with good financial management practices, the Council's use of resources is closely monitored and reported regularly to senior leadership and Cabinet. This report is the first formal report to Cabinet in 2023/24 providing information on the current financial position at quarter one. It also provides an update on the next stages of financial planning for 2024/25 onwards, identifying risks and opportunities to the current Medium Term Financial Plan (MTFP) as the initial stages of refreshing the MTFP are underway.
- 2.3. The current forecast indicates net operating expenditure will be within the £191.6m approved investment allocation, with a small underspend of £0.4m forecast at this early stage in the financial year (of which £210k is within core budgets and £167k Dedicated Schools Grant). Within the overall forecast there are several notable variances emerging across the Council:

- Employee costs – pending finalisation and agreement of the NJC pay agreement for 2023/24 it is currently forecast that employee costs will be below budgeted levels.
 - Demand pressures are being experienced in some Council services, particularly within school's transport.
 - Income budgets are under pressure, partly due to the current economic conditions and pressures on the cost of living (inc. commercial rents and planning income).
- 2.4. The Council's capital plans include £49.2m investment in 2023/24 (to date, £8.2m (17%) has been spent). At quarter one the forecast outturn in year is £50.2m primarily due to rephasing and additional external funding.
- 2.5. Further detail on the capital and revenue positions at quarter one is provided Appendix 1.

Financial Resilience Context

- 2.6. At quarter one it is anticipated that net expenditure will be within the approved budget for 2023/24, therefore maintaining financial resilience at levels assumed within Medium Term Financial Plan. Risks to the Council's financial resilience remain however in future years with the cost base at risk of increasing much faster than spending power. While planned use has been made of reserves in the short term (pending development of transformational service delivery and savings plans) it is not sustainable in the longer term and unplanned use carries risks. Therefore, the financial planning process seeks to ensure a robust and realistic budget is achieved.

Medium Term Financial Plan (MTFP)

- 2.7. The Council's financial planning process, which will culminate in the 2024/27 MTFP being taken to Full Council in February 2024, is currently in development. Appendix 2 sets out an initial opening position, together with the process which will guide the Council towards a balanced budget proposal.
- 2.8. Financial planning is underpinned by the strategic principles that provide a framework for the organisation and the operating model of One Council, One Family, One Place. To address the challenge Directors and Assistant Directors as commissioners are taking a whole system transformational approach to plan the scale and scope of the offer required to achieve desired outcomes and action planning to achieve the fewest best interventions alongside enabling infrastructure and administration functions.

Budget Policy Framework

- 2.9. In addition to reporting the latest revenue financial position, the local budgetary policy framework requires reports on changes to revenue and capital budgets within prescribed virement rules and monitoring of treasury management activity against the Prudential Code. Appendix 3 provides the latest information, indicating the required approval.

3. OPTIONS FOR CONSIDERATION

3.1. To receive an update on the financial position of the organisation and specifically.

- Approve the revised capital programme.

4. ANALYSIS OF OPTIONS

4.1. The analysis is outlined in the background information in section 2 and in the supporting appendices.

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)

5.1. The potential financial implications of the risks identified within this report have been considered in detail within the relevant sections. It remains the case that the Council does not have full control over its operating environment, and therefore needs to be adaptive and exert influence in the areas where it is able. The Council holds reserves to mitigate against expenditure and income shocks and other unforeseen events, to provide capacity to withstand shocks and time to plan cost base adjustments which reflect the emergent position.

6. OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)

6.1. Not applicable.

7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

7.1. Not applicable.

8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

8.1. Not applicable.

9. RECOMMENDATIONS

9.1. To note the 2023/24 financial position set out in the report.

9.2. To note the budget adjustments approved under delegated powers and the revised budget position for 2023/24.

9.3. To approve the revised capital programme 2023/26.

9.4. To note the progress against the approved Treasury Management Strategy and prudential code indicators.

DIRECTOR OF GOVERNANCE AND PARTNERSHIPS

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DN15 6NL

Author: Louise Allison/Mark Kitching

Background Papers used in the preparation of this report

Reports to Full Council:

- Financial Strategy, Budget 2023/24 and Medium-Term Financial Plan 2023/26
- Capital Investment Strategy and Capital Programme 2023/2026
- Treasury Management and Investment Strategy 2023/24

Reports to Cabinet:

- Review of year one of the Council Plan 2022-25 and the 2022-23 year-end financial position

Other background papers:

- Q1 revenue and capital budget adjustments
- Technical Review – Economic Outlook

Table 1 – Revenue Net Operating Expenditure Forecast (based on Q1 financial management reporting)*

BY ACCOUNTABILITY	Budget £m	Forecast £m	Core Variance £m	DSG Variance £m
Adult Social Services	25,125	25,012	(113)	0
Adults Early Help & Prevention	30,341	30,387	46	0
Integrated Health & Care	6,584	7,492	908	0
Education	4,807	5,050	409	(167)
Children's Help & Protection	9,989	9,087	(902)	0
Children's Standards & Regulation	12,389	12,251	(138)	0
Place	46,702	47,975	1,273	0
Public Protection	2,290	2,737	447	0
Organisational Development	1,843	1,850	7	0
Governance & Partnerships	5,687	5,784	97	0
Resources & Performance	9,958	8,849	(1,109)	0
Community Enablement	8,828	9,190	362	0
Public Health	7,393	6,857	(536)	0
Central and Technical	,672	18,710	(962)	0
Net Operating Expenditure	191,608	191,231	(210)	(167)

* figures subject to rounding

Table 2 – Spending Power Forecast (based on Q1 financial management reporting)

SPENDING POWER	Budget £m	Forecast £m	Variance £m
Council Tax & Business Rates	(142.1)	(142.1)	-
Government Grants	(41.8)	(41.8)	-
Reserves	(7.6)	(7.6)	-
Total Spending Power	(191.5)	(191.5)	-

Table 3 – Capital position 2022/23 forecast

CAPITAL – outturn forecast at Q1; budget reflects rephasing included in Appendix 3	Budget £000's	Forecast Spend £000's	Year to Date Spend £000's
EXPENDITURE			
Keeping People Safe and Well	5,801	5,522	1,734
Enabling Resilient and Flourishing Communities	10,515	9,995	959
Enabling Economic Growth and Renewal	23,881	25,754	4,815
Providing Value for Money for Local Taxpayers	8,989	8,956	675
TOTAL INVESTMENT	49,186	50,227	8,183
CAPITAL FINANCING			
External & Grant Funding	28,698	29,730	
Council Resources	20,487	20,497	
Total Resources	49,186	50,227	

Analysis of Revenue 2023/24

1. The Council's Net Operating Expenditure represents the day-to-day costs of council service delivery. The Council has a strong track record of managing financial risk, with continuous improvement and implementation of efficient delivery models that achieve the best outcomes for residents. Adapting to an ever-changing operating environment will continue to be essential and embodies the actions of a financially sustainable organisation.
2. The Council conducts an organisation wide financial management exercise that seeks to monitor progress against approved financial plans on a quarterly basis, with targeted monitoring occurring during intervening periods and focussing on high-risk and volatile areas. Quarter one provides an opportunity to implement the approved budgets and commence delivery of the plan, understanding any areas which are at risk of diverging from the assumed plan. It is important to note that early identification of financial risks provides the organisation with time and opportunity to put into place mitigation measures to contribute towards a better financial outturn. Indeed, this approach has resulted in successful outturn positions for the previous few years despite the uncertain and volatile nature of the recent operating environment.
3. The revenue forecast at quarter one indicates net operating expenditure will be within the £191.6m approved investment allocation, with a small underspend of £(0.4)m forecast at this early stage in the financial year. Within the overall forecast there are several notable variances emerging across the Council:
 - **Employee costs** – pending finalisation and agreement of the NJC pay award for 2023/24 it is currently forecast that employee costs will be below budgeted levels. There is a risk this forecast will change once details of the final pay agreement are confirmed.
 - **Demand pressures** are being experienced in some Council services, particularly within school's transport.

- **Income budgets** are under pressure, partly due to the current economic conditions and pressures on the cost of living (e.g. commercial rents and planning income). Offsetting these pressures are additional investment interest (from both increased interest rates and cash balances) and income from increased visitor/activity numbers in leisure and culture.
 - **Inflation** – following unprecedented inflationary increases during 2022/23 the MTFP 2023/26 reflected updated inflationary assumptions for the current and following two financial years. No significant issues are emerging at quarter one, however these will continue to be closely monitored during the year.
 - **Other** - cost pressures are currently forecast in a number of other areas including increasing complexity and cost of guardianships, costs associated with an aging fleet, and additional costs of borrowing to fund capital investment linked to increased interest rates.
4. While the quarter one forecast indicates net operating expenditure will be contained within planned levels in 2023/24 it does represent an increase of 15.9m (9.1%) on the equivalent 2022/23 baseline. This increase is primarily driven by additional resources allocated in the 2023/24 budget to fund inflationary costs (inc. energy, fuel, pay & contacts) and increased demand for services, specifically in adult social care and school's transport. While inflation and adult social care demand are not identified as pressures against the approved budget at quarter 1, they remain as budget risks. The ongoing impact of all these factors will continue to be closely monitored alongside emerging issues to ensure the refresh of the Medium-Term Financial Plan for 2024/27 remains robust.

Analysis of Capital 2023/24

5. The Council plans to invest over £128.3m of capital resource by 2025/26 to support delivery of the Council plan. Approval is sought for the latest capital investment plan set out in appendix 3 (table 3), with adjustments to the current approved programme contained in tables 4 and 5. The adjustments refine the programme and ensures it remains in alignment with current delivery profiles.
6. The council plans to invest £49.2m in 2023/24 (to date, £8.2m (17%) has been spent). At quarter one the forecast outturn in 2023/24 £50.2m. There are several reasons for the anticipated additional investment in year:
- **Rephasing** into future years required (£1.0m) relating to the school's investment programme reflecting updated timescales and school site access arrangements.
 - An **underspend** totalling £0.1m is anticipated mainly relating to underspends on the Replacement HR/Payroll/finance (£0.1m). These funds are to be returned to the capital investment allocation pot.
 - **Net funding adjustments** total £2.0m - This includes additional external funding secured for Towns Fund (£1.8m) and Community Equipment (£0.5m) and reduced funding requirement for Northern Forest (£0.3m).

Due to the nature of capital investment there are likely to be further adjustments needed during the remainder of the financial year to ensure investment resource remains aligned to latest delivery timescales. These will be brought to Cabinet in future updates.

1. The Council's Budget Setting meeting for 2024/25 is scheduled for 22nd February 2024. The purpose of this appendix is to consider issues emerging from quarter one monitoring alongside changes to the operating environment and map out the financial planning process which will determine a balanced budget proposal for 2024/25 and medium-term financial plan covering the financial years 2025/26 – 2026/27.
2. The Council's operating environment has been subject to significant changes since early 2020, with an unstable environment first brought about by the Covid-19 pandemic, followed by unprecedented inflationary pressures, specifically relating to the price of energy and fuel (exacerbated by the Ukraine war), and also pay pressures following sustained price increases across the economy. Cost of living pressures have had, and continue to have a significant impact on residents, on the local economy and on the Council.

National Policy/Finances

3. The Council operates within a public financing and delivery framework determined by the Government. The latest spending review in 2021 determined government departmental budgets up to 2024-25 in the context of the national economy and state of public finances outlined by the Chancellor's budget. In his 2022 Autumn Statement the Chancellor confirmed that departmental budgets would be maintained at least in-line with the spending review until 2025/26. More detail on these plans will become available over throughout the Autumn as further announcements are made by the Chancellor.

Funding Prospects for North Lincolnshire Council

4. The 2023/26 Medium Term Financial Plan assumed that spending power would increase in 2024/25 and 2025/26 to reflect an increase in council tax, business rates and grant funding (predominantly due to social care specific funding with associated spending requirements). Each factor is currently subject to a comprehensive review as part of the budget setting process and an update is due to be reported to Cabinet at its November meeting.

2024/27 Medium Term Financial Plan (MTFP)

5. The three-year MTFP 2023-26 was approved by Council in February 2023 and included an approved budget for 2023/24 as well as provisional budgets for 2024/25 and 2025/26 based on consideration of a number of key assumptions around demand, inflation, spending power, income generation and the national and local operating environments. Included in the MTFP is the requirement to realise £8.4m p.a. transformational efficiencies in 2024/25 (increasing to £11.4m in 2025/26) as detailed below:

MANAGEMENT ACCOUNTABILITY	2023/24 Approved Budget £000's	2024/25 Provisional Budget £000's	2025/26 Provisional Budget £000's
Adults & Health	62,050	65,296	66,596
Children & Families	27,185	27,185	27,185
Economy & Environment	50,835	51,844	51,844
Governance & Communities (Core)	24,473	24,173	24,173
Governance & Communities (Technical)	19,672	28,940	33,140
Public Health	7,393	7,393	7,393
SERVICE TOTAL	191,608	204,831	210,331
One Council Transformation Efficiencies	0	(8,401)	(11,401)
NET OPERATING EXPENDITURE	191,608	196,430	198,930

6. The required transformational efficiencies are based on financial planning assumptions in the early part of the year when current plans were approved. Work has been ongoing over the summer to review and refresh assumptions ahead of confirmation of key financial considerations over the autumn and towards the end of the year (including the Chancellors Financial statement and the Local Government Finance Settlement).
7. Looking ahead to the 2024/27 MTFP the opening position currently remains stable based on quarter one monitoring anticipating a broadly balanced budget with no significant issues emerging that have not been considered in the current MTFP. However, there are a number of significant assumptions underpinning financial plans that are still to be confirmed - offering both risks and opportunities that will need to be identified and impacts assessed and reported over the coming months. These include:
- 2023/24 pay offer – current forecasting assumptions are based on the existing pay offer.
 - 2024/25 and future pay offers – updated inflation assumptions may change anticipated financial impacts.
 - Assumption that national policy reforms will be cost neutral with Government.
 - Currently no additional funding is assumed above those in the current MTFP in-line with the Government’s previously announced funding principles for 2024/25.
 - Collection rates for NNDR and Council Tax – currently it is assumed these will remain stable.
 - Council tax rate increase – the MTFP currently assumes an increase of 4.99% pa (the referendum limit of combined CT/ASC limit).
 - Inflation – in the current economic environment inflationary assumptions are changeable and will impact on the costs of delivering services as well as impacting on residents, customers, and businesses. In additional key elements of government funding (inc RSG and Retained Business Rates) are dependent of September CPI.
 - Interest Rates – impact up the cost of borrowing for capital investment as well as treasury management activity.

- Demand volumes and complexity of demand for services, particularly within adult social care and children's services – the MTFP currently assumes no changes to demand.
8. In addition, there continues to be future funding uncertainty from 2025/26 onwards (including continuation of Adult Social Care grants, delayed fair funding review, reset of Retained Business Rates baseline), as the Government have only provided broad funding commitments up until 2024/25.

Assessment of Financial Resilience

9. Financial resilience, the ability to weather financial shocks, is an important consideration for council sustainability. There are several indicators of the current health of council finances, which form part of the overall consideration in determining financial plans and budgets.
10. Prior to considering how the current operating environment is impacting current and forward plans, it is important to recognise how strong financial management across the organisation has ensured a strong base. The Council has an inherent culture of cost control and demand management, which has been invaluable to date and will continue to be required going forward. It also achieved a near balanced financial outturn in 2022/23, with net operating expenditure exceeding spending limits by £0.5m/0.3% despite unprecedented inflationary pressures in year and while also enabling an increase in general fund balances to maintain prudent levels and an increase in organisational reserves to facilitate transformation and delivery of budget savings required to maintain financial resilience.
11. In summary, the Council remains in a better financial position than many other local authorities and has demonstrated its ability to react to emergent crises and meet emergent need within available resources. However, to continue doing this well the Council cannot be complacent and must continue to act where it has control or influence to offset the impact of environmental changes to which it has no control, but which have the potential to have significant impacts. The current year's approved budget and Medium-Term Financial Plan are based on the Council spending above its spending power, which is not sustainable in the medium to long term. While use has been made of reserves in the short term, the delivery of transformational efficiencies and prioritisation in the use of resource is critical over the period of the Medium-Term Financial Plan to ensure the Council remains financially resilient and in a position to be able to deliver its services.

Actions and Next Steps

12. Action planning is underpinned by the operating model of One Council, One Family, One Place. Directors and Assistant Directors as commissioners are taking a whole system approach, planning the scale and scope of the offer required to achieve desired outcomes and minimising interventions alongside enabling infrastructure and administration functions. The activity to consider opportunities for achieving a financially sustainable plan and balanced budget is currently being supported by the Transformation Programme and includes:
- Reviewing utilisation of operational buildings

- Evaluating existing contracts with scope to re-commissioning new delivery models
- Modelling the financial impact of national policy reforms
- Re-assessing funding assumptions and ensuring sources of income are being optimised

13. The timetable which will guide the financial planning process is as follows:

Action	Date
2023/24 Q1 Financial Management and Medium-Term Financial Plan Update report to Cabinet Business Partnering challenge and advice to Assistant Director and Accountable Managers in identifying cost base changes. Co-production of long list of options for balanced budget Financial Strategy finalisation	Sep 2023
Collation of workstreams into revised MTFP position with revised gap and Resource prioritisation process consideration by the Executive	Oct 2023
Autumn Budget and Spending Review 2023	(TBC) Oct 2023
Revised MTFP position	w/c 6 Nov 2023
2023/24 Q2 Financial Management and Medium-Term Financial Plan Update report to Cabinet	21 Nov 2023
Local Government Finance Settlement 2024/25	Dec 2023
Setting the Council Tax Base 2024/25 report to Full Council	1 Dec 2023
Setting the National Non-Domestic Tax Yield 2024/25	31 Jan 2024
Review by Governance scrutiny panel.	(TBC) end Jan 2024
2023/24 Q3 Financial Management and Medium-Term Financial Plan Update report taken to Cabinet for endorsement	29 Jan 2024
Full Council budget setting meeting to consider: <ul style="list-style-type: none"> • Financial strategy, revenue budget 2024/25 & Medium Term Financial Plan 2024-27 • Capital investment strategy 2024-27 • Treasury management strategy 2024/25 • Pay policy statement 2024/25 • All other relevant resolutions (e.g. council tax) 	22 Feb 2024

Table 1 – Revenue Investment (Accountability Structure) 2023/24

2023/24 REVENUE INVESTMENT: BY SERVICE	Original Approved Budget £000's	Technical Budget Transfers £000's	Q1 Revised Approved Budget £000's
Adults & Health	61,320	730	62,050
Children & Families	26,515	670	27,185
Economy & Environment	47,925	2,910	50,835
Governance & Communities	23,238	1,235	24,473
Public Health	7,317	76	7,393
SERVICE TOTAL	166,315	5,621	171,936
Central & Technical	25,171	(5,499)	19,672
NET OPERATING EXPENDITURE	191,486	122	191,608

Table 2 – Revenue Investment (Council Plan Priority)

2023/24 REVENUE INVESTMENT: BY PRIORITY	Current Budget £000's
Keeping People Safe and Well	96,577
Enabling Resilient and Flourishing Communities	40,389
Enabling Economic Growth and Renewal	7,442
Providing Value for Money for Local Taxpayers	47,200
NET OPERATING EXPENDITURE	191,608

Table 3 – Capital Investment Programme Summary 2023-26

Proposed Programme	2023/24 £000's	2024/25 £000's	2025/26 £000's	Total £000's
Investment in Priority				
Keeping People Safe and Well	5,801	665	130	6,596
Enabling Resilient and Flourishing Communities	10,515	8,487	4,819	23,821
Enabling Economic Growth and Renewal	23,881	23,107	18,935	65,293
Running the Business Well	7,169	9,072	5,244	21,485
Total Investment	47,366	42,331	29,128	117,825
Capital Investment Allocation	1,820	5,200	3,500	10,520
Capital Investment Limit	49,186	46,531	32,628	128,345
Funding Analysis				
External & Grant Funding	28,698	28,991	21,356	79,045
Council Resources	20,487	17,540	11,272	49,300
Total	49,186	46,531	32,628	128,345

Table 4 – Externally Funded Schemes rephasing and net additional investment

Capital Investment	2023/24 £000's	2024/25 £000's	2025/26 £000's	Total £000's
Previously Approved Capital Programme	28,542	28,991	21,356	78,889
UK Shared Prosperity Fund	166	-	-	166
Formula Capital Devolved to Schools	-9	-	-	-9
Total Externally Funded Investment	28,698	28,991	21,356	79,045

Table 5 – Internally Funded Schemes rephasing and net additional investment

Capital Investment	2023/24 £000's	2024/25 £000's	2025/26 £000's	Total £000's
Previously Approved Capital Programme	20,487	17,540	11,272	49,300
No Changes in Quarter One	-	-	-	-
Total Internally Funded Investment	20,487	17,540	11,272	49,300

Table 6 – Treasury Prudential Indicators 2023/24

	2023/24	
	Budget (Feb 2023)	Forecast (Q1)
	£M	£M
Estimates of capital expenditure	46.4	50.2
General Fund ratio of financing costs to the net revenue stream % (Based on Prudential Code 2013)	% 6.80	% 6.80
An estimate of the capital financing requirement	£M 258.9	£M 258.6
The authorised limit for external debt: borrowing other long-term liabilities total	£M 188.9 0 188.9	£M no change
The operational boundary for external debt: borrowing other long-term liabilities total	£M 178.9 0.0 178.9	£M no change
maturity structure of fixed interest rate borrowing 2022/23	Upper %	Upper %
under 12 months	30.0	
12 months to 2 years	30.0	
2 years to 5 years	40.0	
5 years to 10 years	45.0	no change
10 years to 20 years	50.0	
20 years to 30 years	75.0	
30 years to 40 years	60.0	
40 years to 50 years	25.0	
maturity structure of variable interest rate borrowing 2022/23	%	%
under 12 months	100.0	
12 months to 2 years	90.0	
2 years to 5 years	90.0	
5 years to 10 years	90.0	no change
10 years to 20 years	50.0	
20 years to 30 years	20.0	
30 years to 40 years	10.0	
40 years to 50 years	10.0	
Total principal sums invested for periods longer than 364 days	£M 0	£M no change

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NORTH LINCOLNSHIRE COUNCIL

CABINET

REFUGEE RESETTLEMENT UNITED KINGDOM RESETTLEMENT SCHEME (UKRS) AFGHAN RELOCATION AND ASSISTANCE POLICY (ARAP) “HOMES FOR UKRAINE” SCHEME

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To update on the renewed pledges for Refugee Resettlement in North Lincolnshire to seek approval for North Lincolnshire Council to support the extension of the local offer previously agreed in March 2022 for both the Afghan Relocation and Assistance Policy (ARAP) and the United Kingdom Resettlement Scheme (UKRS)
- 1.2 To confirm North Lincolnshire Council's support and involvement in any future Ukraine Resettlement Programme.
- 1.3 To reaffirm the Councils continued commitment to supporting vulnerable young people through the Unaccompanied Asylum-Seeking Children (UASC) Scheme and National Transfer Scheme.

2. BACKGROUND INFORMATION

- 2.1 North Lincolnshire has been involved in the resettlement of refugees since 2015 and in that period has resettled 22 families from Syria, Iraq and Afghanistan through the United Kingdom Resettlement Scheme (UKRS) the Afghan Locally Employed Staff (LES) Scheme and the Afghan Relocation and Assistance Policy (ARAP) All the commitments across these schemes have been fulfilled.
- 2.2 In addition to supporting the various family and adult Resettlement schemes, North Lincolnshire Council continues to support the resettlement of young people through the UASC scheme and have a clear commitment to the National Transfer Scheme, where young people currently in Kent are relocated to North Lincolnshire.
- 2.3 All the Adult and Family schemes commitments are based on a fair share allocation across Yorkshire and Humber based on population and capacity. A collaborative, cross government approach is being taken to

support the effective integration of all Refugees who choose to come to the UK including engagement with Local Authorities and each of the 11 Strategic Migration Partnerships across the UK.

- 2.4 Currently there are many Afghan Refugees who came to the UK under Operation Pitting who remain in temporary accommodation. To facilitate the ceasing of temporary accommodation, North Lincolnshire are required to renew its pledge on future numbers for each of the schemes. An initial pledge between September 2023 and March 2024 for accepting Afghans leaving hotels is required, as these are the priority group.
- 2.5 In addition we are requested to make a pledge on the UKRS Scheme from April 2024 to March 2025.
- 2.6 From a North Lincolnshire perspective, our newly suggested combined allocation, based on the fair share is 36 people 16 for ARAP and 20 for UKRS, this is likely to constitute 4 Afghan households and 5 UKRS households.
- 2.7 On 14th March 2022 the Government (DLUHC) announced the “Homes for Ukraine” Scheme. The scheme allowed individuals to sponsor a named Ukrainian or a named Ukrainian family to stay with them in their home or in a separate property. The Council have supported the scheme acting as a link to DLUHC and providing support to both guests and sponsors.
- 2.8 The Phase Two Resettlement Scheme for Ukrainians is supporting a process whereby guests are now moving out of sponsors accommodation through a “Find Your Own Accommodation Pathway” North Lincolnshire Council and its partners are committed to participate in the scheme and will continue to provide support to those Ukrainian families and individuals who have chosen to remain in the UK and settle in private accommodation.

3. OPTIONS FOR CONSIDERATION

- 3.1 Option 1
 - To agree to renew our Resettlement Pledge to the ARAP and UKRS Schemes based on the fair share allocation.
 - To support the new “Homes for Ukraine” Find Your Own Accommodation Pathway scheme and commit to future resettlement in phase two of this scheme.
 - To reaffirm our commitment to supporting vulnerable young people through a continued support for Unaccompanied Asylum Seeking Children and the National Transfer Scheme.
- 3.2 Option 2 – To withdraw from the Resettlement schemes and not renew our pledge at this time.

4. **ANALYSIS OF OPTIONS**

- 4.1 Local Authorities are being asked for their support and assistance as the government seeks to fulfil their moral obligation to support those who have served this country and those that have been displaced by war. The renewed pledge requires additional offers of resettlement, support, and housing and will be managed over the next two years.
- 4.2 Accommodation for the Afghans and those arriving through UKRS is provided by Ongo Homes, through a contracted arrangement. Ongo have confirmed they will provide the 9 properties required to fulfil these pledges.
- 4.3 People relocated under the scheme are supported by the respective Local Authority via a 12-month integration package which includes:
- Reception arrangements upon arrival
 - Accommodation
 - A package of advice and assistance
 - Registration with GP's and local Job Centre Plus
 - Assistance in securing school places for school aged children
 - Cash support
- 4.4 If the Local Authority decide not to commit to a pledge on Afghan Resettlement at this time, it is likely that the Home Office and DLUHC will allocate a number of families to the local Authority to house under statutory homelessness legislation.
- 4.5 The Local Authority has been committed to providing support and accommodation for vulnerable young people, both of whom arrive spontaneously and through the National Transfer Scheme, in addition to making pledges on UKRS and ARAP this support for vulnerable young people will also continue.

5. **FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)**

- 5.1 The Local Authority is provided with funding to support families through a grant funding arrangement. The Local Authority would claim an initial payment on arrival and a further payment throughout the 12-month period.

6. **OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)**

- 6.1 Extending our offer and increasing our numbers demonstrates our ongoing commitment to the ambition and priorities articulated in the Council Plan.

6.2 The overall numbers involved in the resettlement process are low and no specific risks or capacity issues are identified.

6.3 The provision of support and assistance to those who have served with British Forces also demonstrates our commitment to the *Armed Forces Covenant* and our ongoing support to Veterans and those who have served our country.

7. **OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

7.1 A Stage One Integrated Impact Assessment has been undertaken and there are no material potential negative impacts identified in relation to the proposal.

8. **OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

8.1 Discussions have taken place with local Partner organisations who support of the extension of the scheme.

9. **RECOMMENDATIONS**

9.1 That Cabinet Members confirm their approval for North Lincolnshire Council to renew our pledge for 2023- 25 and receive the number of Refugees as set out in the report.

9.2 The Cabinet Members further approve the ongoing commitment to the “Homes for Ukraine” Scheme and commit to the future provision of Resettlement for Ukraine as guided by National Policy.

9.3 That Cabinet reaffirm their commitment to supporting Vulnerable Young people who arrive as UASC and a further commitment to continue to support the National Transfer Scheme as required.

DIRECTOR OF GOVERNANCE AND COMMUNITIES

Church Square House
SCUNTHORPE
North Lincolnshire
Author: Stuart Minto
Date: 29/08/2023

Background Papers used in the preparation of this report:

Letter from Home Office, Ministry of Defence and MHCLG and Factsheet for Local Authorities

“Homes for Ukraine “Guidance document January 2023 Department for Levelling Up Housing and Communities