

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.

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Background Papers:

North Lincolnshire Council Plan 2022-25

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