

## EXECUTIVE

**Monday, 29 October 2018**

**6.00 pm**

**Committee Room 1, City Hall**

Membership: Councillors Ric Metcalfe (Chair), Donald Nannestad (Vice-Chair), Jackie Kirk, Rosanne Kirk, Neil Murray and Fay Smith

Officers attending: Angela Andrews, Democratic Services, Kate Ellis, Jaclyn Gibson, Daren Turner, Simon Walters and Carolyn Wheeler

## AGENDA

<b>SECTION A</b>	<b>Page(s)</b>
<b>MINUTES AND EXTRACTS</b>	
1. Confirmation of Minutes - 24 September 2018	<b>3 - 16</b>
2. Declarations of Interest	
Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
<b>OUR PEOPLE AND RESOURCES</b>	
3. Setting the 2019/20 Budget and MTFS 2019/20 - 2023/24	<b>17 - 46</b>
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<b>QUALITY HOUSING</b>	
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7. Proposed Commemorative Plaques Scheme for Lincoln	<b>101 - 120</b>

8. Exclusion of the Press and Public

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You are asked to resolve that the press and public be excluded from the meeting during the consideration of the following items because it is likely that if members of the press or public were present, there would be disclosure to them of 'exempt information'.

In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, notice is hereby given of items which will be considered in private, for which either 28 days' notice has been given or approval has been granted by the appropriate person specified in the Regulations. For further details please visit our website at <http://www.lincoln.gov.uk> or contact Democratic Services at City Hall, Beaumont Fee, Lincoln.

This item is being considered in private as it is likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations have been received in relation to the proposal to consider this item in private.

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**SECTION B**

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**OUR PEOPLE AND RESOURCES**

9. Land West of Tritton Road

**[Exempt Para(s) 3]**

123 - 128

**Present:** Councillor Ric Metcalfe (*in the Chair*),  
Councillor Donald Nannestad, Councillor Jackie Kirk,  
Councillor Neil Murray and Councillor Fay Smith

**Apologies for Absence:** Councillor Rosanne Kirk

**44. Confirmation of Minutes - 29 August 2018**

RESOLVED that the minutes of the meeting held on 29 August 2018 be confirmed.

**45. Declarations of Interest**

No declarations of interest were received.

**46. Western Growth Corridor - Taking the Development Forward**

Purpose of Report

To update the Executive on the progress of the Western Growth Corridor development from the perspective of its landownership and developer role and to seek a decision to proceed with taking the development forward.

**Decision**

That the Executive:

- (1) Approves to continue to develop the Western Growth Corridor sustainable urban extension planning application in line with the updated vision and objectives.
- (2) Authorises officers to negotiate a Delivery Agreement with the adjacent landowner (Lindum) on the terms outlined in the report.
- (3) Agrees the principle of accepting the Homes England funding offer under the Local Authority Accelerated Construction Programme.
- (4) Delegates to the Section 151 Officer and the Major Development Director authority to agree the detail of the grant from Homes England and in consultation with the Leader enter into the Funding Agreement for the first phase of infrastructure opening up costs.
- (5) Agrees that officers progress the work required to deliver the associated outputs and conditions of the Homes England Funding Agreement including the appropriation of the necessary land from Housing Revenue Account to General Fund that would result in a further report back to the Executive.
- (6) Agrees the targeted timetable of actions set out in the report, including the public consultation.

- (7) Agrees that officers continue to develop a delivery model for the Council's landholding for consideration at a future meeting of the Executive.

#### Alternation Options Considered and Rejected

Other options explored were set out in paragraph 13.1 of the report.

Key risks associated with the proposal were set out at paragraph 13.2 of the report, which included reference to a risk register which had been in place and had evolved throughout the development of the scheme.

#### Reason for Decision

Work on progressing delivery of the Western Growth Corridor development had been held up for over a year whilst resolution was sought on the following issues:

- the Scarborough family landownership was structured to enable them to enter into the necessary agreements to bring forward the wider development and to then deliver development on their landholding;
- undertaking of further detailed transport work to reflect the new county highways model with further analysis to identify the optimum highways access strategy for the development that also gave the best benefits to the existing residents and businesses in the adjacent communities and the wider city area;
- the outcome of the Accelerated Construction funding bid.

Updates on these aspects of the scheme were set out in paragraphs 2.2 to 2.9 of the report, together with a revised project plan set out in paragraph 2.10 which included key milestones and a targeted timeline, with completion of the phase one infrastructure targeted for Winter 2020/21.

Consideration was also being given as to how the Council brought forward development on its landholding should consent be granted. Options included the setting up of a wholly owned development company, entering into a joint venture with a development partner and the Council itself undertaking a mix of development options. The latter involved the Council developing a model whereby it would retain control of the land and implement a mix of options including developing some itself for Council housing and investment purposes as well as selling parcels of land for a range of housing and employment development. This model would also include preparing a range of detailed development briefs and proposals for areas such as the Leisure Village and the open and recreational space linking in with Hartsholme Country Park.

Officers had reviewed the Council's vision and objectives for the Western Growth Corridor to identify any changes needed to reflect the updated Local Plan policy position and to verify their continued appropriateness. The report outlined the vision and objectives originally adopted by the Council in December 2013 which then formed the basis, where appropriate, for the development of the Central Lincolnshire Local Plan policy in relation to the Western Growth Corridor. This included a range of very detailed work on housing need, economic considerations, strategic transport modelling and a whole raft of place shaping policy considerations over the lifetime of the plan 2012 to 2036. As part of the Local Plan preparation process the Council approved a specific Western Growth Corridor topic paper which, alongside the other evidence, formed the basis for the extensive consultation and a public examination by the Planning Inspectorate.

This process led to the adoption in April 2017 of specific policies on Western Growth Corridor, as set out in paragraphs 5.5 and 5.6 of the report.

The Local Plan set out a very clear vision for Western Growth Corridor alongside policy requirements that reflected the Council's own vision and objectives for the site, with one main exception being the vehicular link between the site and the A46 as set out in the vision. It was therefore recommended that the Council used policies LP28 and LP30 and the previously adopted objectives from December 2013 to shape the landowner development of the site and the principles within the Delivery Agreement.

In terms of the Delivery Agreement, it was recommended that the key principles broadly remained the same as those previously adopted by the Council and would therefore contain the following sections:

- parties;
- purpose;
- development;
- planning;
- infrastructure;
- infrastructure costs;
- infrastructure works;
- grant monies;
- security;
- assignment;
- development;
- transport;
- fetter of discretion;
- general terms in relation to aspects such as matters of confidentiality, dispute resolution, service of notices, means of communication via representatives.

Significant work had been done since 2013 and particularly in the last two years to bring forward a planning application for the Western Growth Corridor. This included the public consultation which ran from 28 June to 15 November 2017. Both the public and statutory consultation identified a key concern around highways and the access strategy for the site, further to which two further pieces of transport modelling work had been undertaken incorporating a re-run of the access options through the updated Lincolnshire County Council highways model that became available for use in November 2017 and further detailed junction modelling and movement analysis in 2018. It was noted that the majority of this work was complete.

Extensive work on the planning application was completed last year and a review of this work had informed the updating of some of the survey work and the completion of other elements, all of which was carried out over the summer. Once the final conclusions of the access and transport work had been confirmed a further round of public consultation could be held, which would include workshop events on flood issues and transport and movement that was targeted for November 2018. The outline planning application was targeted for submission, subject to an agreement in principle on the access strategy for the site with the Highways Authority, at the end of January 2019.

The report provided information relating to the Homes England Local Authority Accelerated Construction Programme at paragraphs 8.1 to 8.6 and it was noted that an offer had been received by Homes England for the first phase of funding. This was would be used for infrastructure, particularly a roundabout to replace the current signalised junction at Skellingthorpe Road and Birchwood Avenue to open up the first phase of development consisting of approximately 155 new homes. Officers had been reviewing the offer letter received by Homes England and the conditions contained within it and had met with them on a couple of occasions to ensure clarity over a couple of points. The key deliverables they would be expecting in allocating this funding were noted as follows:

- accelerated housing;
- use modern methods of construction;
- encourage use of local small and medium businesses in the development to support the local economy.

Councillor Ric Metcalfe was pleased to see a re-statement of the Council's objectives in respect of the Western Growth Corridor scheme, with a commitment to creating jobs, housing and infrastructure. He emphasised that this development would be an important contribution to achievement of the Central Lincolnshire Local Plan and represented the largest urban extension included in the Local Plan. Councillor Metcalfe welcomed the fact that there was essentially a new development partner associated with the scheme, that there would now be some assistance with infrastructure costs with the potential for subsequent infrastructure funding and that progress had been made in respect of flood mitigation. He acknowledged, however, that there were still some challenges to face, highlighting that it was vitally important to get the traffic impact right for example. Councillor Metcalfe was pleased with the amount of progress that had been made which he said would set the Council up well with submission of a planning application in the New Year.

Councillor Nannestad asked whether officers were confident of the timescales as set out in paragraph 10 of the report being met in relation to phase one, in view of the fact that the money had to be spent by March 2021.

The Strategic Director of Major Developments, reported that work had been undertaken on the outline planning application for the overall development, however, this had encompassed detailed work on aspects of the first phase which included the Skellingthorpe junction and Tritton Road railway bridge. This meant that the procurement process for this phase of the development could commence as early as January 2019 with the works taking in the region of five months to complete. She was therefore confident that this would be delivered on time if the timescales set out in the report were adhered to.

Councillor Murray was very pleased to see this report, adding that the update on the scheme's objectives would be welcome news regarding additional jobs and housing for the people of Lincoln.

#### **47. Expansion of Residents' Parking Schemes**

##### Purpose of Report

To report to the Executive the options relating to the expansion of Residents' Parking Schemes in Lincoln.

## Decision

That the Executive:

- (1) Supports the proposal to commence formal consultations to introduce extensions to the Residents' Parking Scheme for the streets identified in Appendices A and B.
- (2) Supports the proposal to commence formal consultations to introduce extensions to the Residents' Parking Scheme for the Bailgate between Newport Arch and Westgate.
- (3) Supports the proposal to commence formal consultations to introduce extensions to the Residents' Parking Scheme for the streets identified in Appendices C and D.
- (4) That officers review parking demands in the parts of St Catherine's and Newark Road marked blue on Appendix C and also the sections of Monks Road beyond the existing Residents' Parking Scheme area, upon consultation of the proposals above.
- (5) That, in consultation with the Portfolio Holder for Economic Growth, additional streets identified for inclusion as part of proposed Residents' Parking Schemes since the publication of the report be included as part of the above formal consultations as appropriate.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

The development and implementation of Residents' Parking Schemes in Lincoln had been well established over many years and was now in place in 19 zones covering a significant part of the city. It was generally acknowledged that in order to defend residents' ability to find a place to park near their homes, then an authorisation scheme needed to be operated.

Paragraph 3.2 of the report outlined the process and responsibilities for extending or introducing new Residents' Parking Schemes. The City Council was responsible for all costs associated with the initial survey work, public consultations, drafting and advertising the Traffic Regulation Order and the corresponding signs and road markings. If supported and agreed, the City Council would administer the permits for residents and retain the permit income in mitigation of costs incurred, which should be no more than the cost of introducing the scheme in accordance with the Road Traffic Act 1984. Once installed, enforcement of on-street contraventions within the Residents' Parking Scheme was the responsibility of Lincolnshire County Council, with the County Council retaining all income from any Penalty Charge Notices issued to offset the costs of enforcement.

Residents' Parking Schemes were known to have a number of benefits, not just in helping those residents who lived in a given area. Studies had shown that up to 30% of circulating traffic which was looking for a free parking space was removed

from an area after the introduction of parking controls. Further key benefits were set out in paragraph 3.3 of the report.

The expansion of Residents' Parking Schemes was currently an identified priority within the joint City Council and County Council Parking Strategy for Lincoln, taking into account the expected increase in housing growth within the Lincoln catchment area which would significantly impact car transport seeking to reach Lincoln's city centre.

Over the last few years public comment had led officers to the view that there was now significant opinion in support of an expansion of Residents' Parking Schemes in some areas of Lincoln. In working up proposals, based upon consideration by the Policy Scrutiny Committee on 16 August 2016 and further feedback from ward members, a phased approach was proposed as identified in paragraphs 6 to 8 of the report, with those specific streets potentially impacted identified in the appendices to the report. Further phases had been identified in paragraph 5.2 of the report.

It was noted that, since the publication of the report, other streets had been identified by members of the public for consideration as Residents' Parking Schemes. An assurance was given that these would be included as part of the proposed formal consultation process. At least 50% of respondents to the formal consultation process for any proposed Residents' Parking Scheme must be in favour of the scheme for it to be able to progress.

Implementation was forecast based on 1 January 2019 for phase one, 1 July 2019 for phase two and 1 November 2019 for phase three.

Councillor Donald Nannestad indicated that residents of West Bight and Chapel Lane would wish to be included as part of any proposals for the expansion or introduction of Residents' Parking Schemes in that area. The Strategic Director of Communities and Environment confirmed that these streets would be considered alongside other streets that had been identified since the publication of the report.

Councillor Fay Smith recalled the previous consultation undertaken in the Sincil Bank area of the city and confusion that occurred regarding the requirement of at least 50% of respondents in order for a scheme to progress. She reiterated that it was 50% of those people who responded to the consultation that needed to vote in favour of the scheme for it to progress rather than 50% of the people consulted upon. She said that lots of people in the area who did not own cars did not respond to the consultation last time as they did not think it was relevant to them. Her view was that the introduction of a Residents' Parking Scheme to that part of the city would significantly reduce the number of cars parking there and make it appear much less crowded.

Councillor Neil Murray reflected on the Sincil Bank area of the city, which he said had become a free car park for commuters and shoppers with most cars parking on those streets not belonging to the people who lived there. The introduction of a Residents' Parking Scheme in this area of the city would assist the significant regeneration work taking place there.

Councillor Jackie Kirk was of the view that the introduction or expansion of Residents' Parking Schemes in Lincoln would make a vast improvement to certain areas of the city. Councillor Kirk made reference to the number of businesses on Lincoln high street in the south of the city and that people did not

solely work in the centre of the city. She asked what provision businesses would be provided with by way of car parking should a scheme be introduced and whether they would be consulted upon as part of the formal consultation process. The Strategic Director confirmed that businesses would be part of the formal consultation process and that a business would receive two Residents' Parking passes should such a scheme be introduced in their locality. He added that the introduction of Residents' Parking Schemes provided opportunities for the Council and the Lincoln Business Improvement Group to work together regarding commuter travel plans in the city centre.

It was noted that the phased approach and timescales set out in the report were subject to resources, both from the City Council's perspective but also that of Lincolnshire County Council.

#### **48. City of Lincoln Council Annual Report**

##### Purpose of Report

To provide the Executive with an opportunity to consider the City of Lincoln Council Annual Report 2017/18.

##### **Decision**

That the Executive supports adoption and publication of the City of Lincoln Council Annual Report 2017/18 and refers it to Council for approval.

##### Alternation Options Considered and Rejected

None.

##### Reason for Decision

The Annual Report 2017/18 was a backward looking document which highlighted the City Council's key activities and outcomes over the past year. It also considered what preparations had taken place for new projects and what the authority had done to put it on a strong footing for the future.

The Chief Executive reported that the last year had been a very significant one for the City of Lincoln Council as it saw delivery of phase one of Vision 2020, emphasising the following highlights from the year:

- completion of the £30 million Lincoln Transport Hub;
- completion of the £4 million project to restore Boultham Park;
- completion of the £1.5 million project to renovate Birchwood Leisure Centre;
- installation of a network of CCTV cameras;
- implementation of the rogue landlords project;
- implementation of the Trusted Landlords Scheme;
- implementation of the Empty Homes Strategy;
- development of new council houses in the city.

The report also included a summary of the annual accounts and a summary of the annual governance statement.

The Chief Executive said that the report demonstrated an incredible year for the Council, with the above successes having been completed alongside ongoing delivery of the Council's services which she was very proud of.

The Performance Scrutiny Committee had considered the content of the Annual Report at its meeting on 23 August 2018, a copy of which was appended to the report. A number of formatting and typographical errors would be amended prior to final publication of the document.

Councillor Metcalfe agreed that the Council's achievements during 2017/18 had been remarkable and had been delivered with very constrained resources.

#### **49. Review of Mandatory Houses in Multiple Occupancy Licensing Scheme**

##### Purpose of Report

To review the Council's scheme for the Mandatory Licensing of Houses in Multiple Occupancy.

##### **Decision**

That the proposed City of Lincoln scheme for mandatory licensing of Houses in Multiple Occupancy be approved.

##### Alternative Options Considered and Rejected

None.

##### Reason for Decision

New legislation would come into force on 1 October 2018 extending the criteria for the types of Houses in Multiple Occupancy that needed a licence and imposed minimum room sizes and new mandatory conditions to be applied to all licences. The adoption of amenity and space standards for the city clarified the Council's expectations for the standard of shared housing in Lincoln, helping landlords to know what they need to provide and supporting officers to respond to the challenge.

It was estimated that the number of Houses in Multiple Occupation requiring a licence as a result of the new requirements would increase from 300 to 900 properties.

The revised Mandatory Licensing of Houses in Multiple Occupation scheme was set out in Appendix A of the report and incorporated the following key changes:

- a number of definitions within the licence had changed, which were clarified in appendices attached to the scheme;
- a new Houses in Multiple Occupation online portal was in the process of being configured which would enable applications for licences to be submitted electronically. The scheme had therefore been amended to reflect this;
- the licence fee had been updated to reflect changes to the Trusted Landlord Scheme;

- in terms of renewals, legislation prescribed and restricted what documents the Council could require applicants to submit for an application to be valid. The revised scheme specified these requirements;
- the revised scheme defined 'appropriate people' to hold a licence, in that they needed to prove that they had the necessary financial resources and had authority to act in respect of any property associated with the application;
- a number of amendments to Appendix 10 in relation to satisfactory management arrangements. This outlined what the Council expected of landlords, with high-profile prosecutions having already being executed regarding landlords, ensuring that the Council continued to be robust through its processes and ensuring that they were complied with. Evidence could also be collated electronically as part of the online portal to assist with this;
- adopted standards had been incorporated into the scheme to reflect new minimum requirements, but this also included guidance from a discretionary perspective in addition to those that were mandatory. Lincoln had a large number of Houses in Multiple Occupancy so it was important to push standards, with these revisions set out in Appendices 11 and 12 relevant to all Houses in Multiple Occupancy in the city, which were consistent with neighbouring areas;
- further clarity was provided in relation to fire safety and fire doors in particular;
- further clarity was provided in respect of conditions associated with smoke alarms and carbon monoxide alarms;
- further clarity was provided regarding the requirement of landlords to ensure compliance with the Council's waste disposal scheme, particularly in relation to bins being left on streets after they had been emptied which was consistently the subject of a number of complaints;
- in terms of inspections, the same procedure under the Trusted Landlord Scheme would be followed. Where a landlord had already been accredited they would be passported without the need for an initial inspection, although they would still be inspected during the length of the licence. The system used to process applications had a risk assessment element associated with it which would indicate where inspections were required dependent on what was included as part of an application. Taking into account the estimated 900 properties that needed to be inspected upon being granted licences, this would assist in prioritising those initial inspections;
- the inclusion of provision in Appendix 16 of the scheme to limit the length of a licence between one and three years for those landlords where problems had been experienced previously.

The proposed new scheme not only implemented the legislative changes but also made best use of the Council's discretionary powers to set good standards of amenities and room sizes and use licence conditions to uphold good property management practices. This reflected the Council's Vision 2020 priorities to improve the standard of private sector housing in the city and tackle rogue landlords.

This report had been considered by the Council's Policy Scrutiny Committee where a question was raised as to the PAT testing of portable electronic appliances, which was not included as part of this proposal. Officers had investigated this matter and the PAT testing would only be undertaken on devices that the landlord themselves provided for tenants, whereas in reality the majority

of portable appliances used would be those that the tenant provided for themselves. Therefore, regular testing of the mains fixed wiring and the RCD device in each property was more important. In view of this it was agreed that PAT testing of portable electrical appliances would not be a necessary condition as part of granting a licence.

The original proposal presented to the Policy Scrutiny Committee included reference to variation fees, but it was agreed that this element of the licensing scheme had been removed so that no variation fees applied.

Councillor Neil Murray welcomed the improvement of standards in respect of Houses of Multiple Occupation, particularly in view of the large number of people in the city who lived in them.

It was agreed that typographical errors in some of the appendices would be amended prior to publication of the final licensing scheme.

## **50. Modern Slavery Statement and Charter**

### Purpose of Report

To inform the Executive of the Council's roles and responsibilities relating to modern slavery.

### **Decision**

That the Modern Slavery Statement and Charter Against Modern Slavery be adopted.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

Modern slavery was a broad term which could include any of the following:

- forced labour;
- debt bondage or bonded labour;
- human trafficking;
- descent-based slavery;
- child slavery;
- forced and early marriages.

The City Council had a role in stopping modern slavery by:

- ensuring staff had a clear understanding of modern day slavery and knew how to recognise and report signs;
- communicating and promoting materials highlighting modern day slavery as an issue within Lincolnshire;
- ensuring the Council's procurement procedures were in line with the Modern Day Slavery Charter.

The Council's proposed Modern Slavery Statement was as set out in Appendix A of the report, with the Charter Against Modern Slavery attached at Appendix B of the report which included ten commitments for local authorities to attain. It was reported that the City of Lincoln Council was already very close to complying with all ten commitments.

It was noted that the Corporate Plan reference in the Modern Slavery Statement would be amended to reflect the most up to date version.

**51. Introduction of 'The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018'.**

Purpose of Report

To inform the Executive of legislative changes to the licensing of animal activities and to seek approval for the implementation of the new Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018.

**Decision**

That the proposal contained within the report be supported and referred to the Council for approval.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 would come into force on 1 October 2018 and act as the primary legislation for the licensing of the following animal activities:

- animal boarding (catteries and kennels);
- home boarding of dogs;
- dog day care;
- dog breeding;
- riding establishments;
- sales of animals (formerly pet shops);
- performing animals (formerly a registration administered by Lincolnshire County Council).

All animal activities would be subject to the same regime which would bring them all into alignment with conditions nationally set for each defined activity, as contained within the Regulations.

A star rating system allowed customers to see how businesses performed against the Regulation standards which, as a condition of the licence, would have to be on display alongside the licence at the premises. A scoring matrix would be in force to ensure consistency for the star rating system and there would be provision of an internal appeal process.

Inspections of premises would be carried out by the City Council's Animals Warden and a vet check would also be conditional to the granting of a licence.

Fees and charges would be locally set based upon full cost recovery as set out in the Regulations. Proposed fees and charges for the City of Lincoln were set out in paragraph 4.4 of the report, subject to the performing animals licence being set at £220 rather than £250 due to their being no risk assessment necessary as part of the granting of that particular licence.

It was noted that the Council could opt to offer a reduction in fees for registered charities in respect of catteries, kennels and performing animals. This issue had been considered by the Council's Licensing Committee which had recommended a 10% reduction in fees for such charities.

Details relating to the proposed delegation of authority to the Assistant Director for Communities and Environment, the Public Protection and Anti-Social Behaviour and Licensing Service Manager, Licensing Officers, the Animal Warden and the Licensing Committee were outlined in paragraphs 5.1 to 5.3 of the report.

## **52. Exclusion of the Press and Public**

RESOLVED that the press and public be excluded from the meeting during consideration of the following items of business because it was likely that if members of the public were present there would be a disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

This item was considered in private as it was likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations had been received in relation to the proposal to consider this item in private.

## **53. Management Restructure**

### Purpose of Report

To request approval for a proposed management restructure.

### **Decision**

That the recommendation contained within the report be approved.

### Alternation Options Considered and Rejected

Alternative options considered were contained within the report.

### Reason for Decision

To ensure that the Council's structure was fit for purpose and that the authority built resilience against changing demands.

The proposal involved changes to services with some directorate transfers and involved adding four additional posts to the establishment.

There were no redundancies as part of this restructure.

The City of Lincoln Council Employee Joint Consultation Committee had considered and supported this proposal at its meeting on 4 September 2018.

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**SUBJECT:           SETTING THE 2019/20 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2019/20 – 2023/24**

**REPORT BY:       CHIEF EXECUTIVE AND TOWN CLERK**

**LEAD OFFICER:     JACLYN GIBSON, CHIEF FINANCE OFFICER**

## **1.       Purpose of Report**

- 1.1     To update the Executive of the likely challenges ahead in preparing for the 2019/20 and future years budget, to set out the parameters within which the Council will prepare these budgets, and to confirm the Council's approach to development of the budget and Medium Term Financial Strategy (MTFS).
- 1.2     Included in the report is an update on the current economic position and developments in national policy, which gives rise to specific impacts on local government funding. This, along with in year budget monitoring information and emerging issues, will inform the development of the MTFS.
- 1.3     To detail the arrangements for the integration of the parallel processes of financial, strategic and service planning.

## **2.       Executive Summary**

- 2.1     The financial landscape for local government over the medium term period poses significant challenge to the Council due to the volatility, complexity and uncertainty about future funding. Significant national decisions are still to be made by the government about future departmental spending through the Spending Review, the allocation of this funding to local government through the Fair Funding Review, and the implementation of the 75% Business Rates scheme, all of which will impact on the Council's MTFS. In addition the Council continues to face further budget pressures due to changes in use and demand for services as well as escalating costs.
- 2.2     Although there is a significant level of uncertainty about future funding, based on what is currently known, or can be reasonably assumed, it is likely that further substantial reductions in expenditure/increases in income will be required.
- 2.3     The Council's financial position needs to be viewed in the wider context of continued public sector austerity and the impact this is having upon the financial resilience and sustainability of local authorities. The warning signs are becoming increasingly clear as a number of authorities are taking measures to restrict expenditure to core, statutory services.

- 2.4 Although the potential increase in savings required will be substantial it is not unprecedented and the Council should have some confidence that it has a track record of delivering strong financial discipline and that it can rise to the challenge once again.
- 2.5 This successful financial planning to date has enabled the protection of core services for the people of Lincoln, whilst at the same time allowing for significant investment in the City, and its economy, and delivery of the Council's Vision 2020. The Council will continue to adopt this approach, carefully balancing the allocation of resources to its strategic priorities whilst ensuring it maintains a sustainable financial position.

### **3. Background**

#### **Current Economic Climate**

- 3.1 The UK economy held up well in the six months after the EU referendum, but growth slowed from early 2017, with annual growth of 1.7% in 2017, the weakest year of growth since 2012. This slowdown continued into early 2018 with sluggish growth of 0.2% in the first quarter, however economists believe that this weakness mostly reflected the freezing weather temperatures rather than a structural slowdown in the economy. Certainly monthly figures for quarter two suggest that the economy has regained momentum with growth for the quarter of 0.4%, with overall growth for the year currently forecast to be 1.3%.
- 3.2 Beyond 2018 forecast UK growth is set to improve further to 1.6% in 2019 and 1.4% in 2018. There are still considerable downside risks to these growth projections given the uncertainties associated with Brexit and the possibilities of trade wars, but there are also upside possibilities if these can be contained and global growth continues to pick up.
- 3.3 CPI forecasts are that it is likely to fall back gradually during 2018, dipping below the Government's target rate of 2% in 2019 and then settling back around the target rate from 2020.
- 3.4 For only the second time in a decade the Bank Of England voted to raise the interest rate on 2<sup>nd</sup> August. The rate has risen by a quarter of a percentage point, from 0.5% to 0.75%, the highest level since March 2009. At the time of announcing the rise the Bank also stated that there would be further 'gradual' and 'limited' rate rises.

#### **Public Sector and Local Government**

- 3.5 The Autumn Statement 2017 set out the government's strategy to continue to return the public finances to balance as soon as possible in the next Parliament. In the interim, the government aims to reduce the structural deficit to less than 2% of GDP and get debt falling as a percentage of GDP by 2020-21.
- 3.6 The government remains on course to meet its fiscal rules and return public finances to balance by the mid 2020's. However, the levels of borrowing in the medium term are higher than previously forecasted due to the impact of a

weaker economic outlook and measures announced in the Budget. The OBR still forecasts though that borrowing will fall to 1.1% of GDP by 2022/23, its lowest since 2001/02, and achieving its aim 2 years ahead of target in 2018/19. Debt as a share of GDP peaked in 2017/18 at 86.5% and is now forecast to fall next year and in every year of the forecast to 79.1% by 2022/23, again achieving its aim 2 years ahead of target. To achieve this, and to ensure the UK lives within its means, it is vital that the government continues to control public spending.

3.7 The last government Spending Review in 2015 set out the departmental resource and capital totals which have been subsequently adjusted to reflect later announcements. For the years beyond the Spending Review the government has set out a path for overall expenditure with departmental spending growing in 2020/21 through to 2022/23, in line with inflation.

3.8 For local government the Spending review 2015 was followed by a four year settlement between 2016/17 to 2019/20, which subject to the production of an Efficiency Plan, provided a degree of certainty over core funding. However as the final year of the settlement period is approaching the level of uncertainty significantly increases as local government is set to experience further fundamental funding reforms. Three specific reviews/changes will impact on the level of funding every local authority receives from 2020, those being:

- The Spending Review
- The Fair Funding Review
- 75% Business Rates Retention

3.9 The following paragraphs provide an update on these three specific events as well as other relevant government announcements and consultations which have occurred since approval of the MTFs in March 2018.

#### 3.10 The Spending Review

In the Spring Statement 2018 the Chancellor announced that the government would use the Budget 2018 to set out the total public spending envelope for the years beyond 2020. Then a full departmental spending review in 2019 will set out the departmental allocations across government including setting the quantum of funding for local government. The time period to be covered by the review is unknown but is expected to be up to 4 years.

3.11 Although the Autumn Statement 2017 indicating that departmental expenditure limits would increase in future years this should not be inferred that the funding for local government will automatically increase as a result. Since the onset of austerity measures local government have borne a disproportionate share of government funding reductions than other parts of the public sector. By 2020 core funding from government will have fallen by nearly £16bn over preceding decade, a reduction of 63% in real terms. That means that local authorities will have lost 60p for every £1 the government had provided to spend on local services, whilst overall public spending will have marginally increased over the same period.

### 3.12 The Fair Funding Review

Whilst the Spending Review 2019 will set the overall quantum for local government funding it will be the Fair Funding Review that creates a new formula for the distribution of this across the local authorities by establishing new baselines at the start of the 75% Business Rates Retention scheme. The review itself focuses on three key elements;

- Determining Need – assessing the relative needs of local authorities determined by a combination of specific cost drivers
- Determining Resources (deducted from need) – assessing each authority's ability to raise resources locally
- Transition (to the new baselines – providing protection for those authorities facing severe funding reductions as a result of changes in their baseline needs.

The importance of each of these three elements will be different for individual local authorities depending on their own local position.

3.13 Although an initial consultation on the Review was undertaken at the beginning of 2018, there has been further little information provided by the government, other than through its Steering Group and sub group papers, but with no clear approach having yet been identified. From little information that is available it is expected that there will be a significant shift of resources away from district councils towards funding statutory social services at county and unitary level. This lack of information, inability to model exemplifications and uncertainty makes financial planning extremely difficult. Further consultations and technical papers are planned for 2019 and officers will continue to assess these for implications as they are released.

### 3.14 75% Business Rates Retention

Before the 2017 election, the Local Government Finance Bill 2016 was prepared with the aim of introducing primary legislation to enact the move from the 50% business rates retention (BRR) scheme to 100% BRR. However the Bill was not included in the Queen's speech following the general election, as such, any move to 100% BRR scheme could not happen without primary legislation changes. Subsequently as part of the Local Government Finance Settlement 2018/19 government announced that local business rate retention would move forward from 50% to 75% in 2020/21 rather than 100% as previously announced. The government has stated though that it is still committed to a long term aspiration of 100% retention of business rates.

3.15 As part of the move to a new 75% retention scheme there a number of fundamental issues that need to be addressed in terms of the specific design of the scheme. Key to this are issues around; the treatment of appeals and whether these should be funded centrally, the level and funding of any safety net, the split of retained funding in two tier areas and the treatment of excessive growth. Critically though is the premise that the system will itself be reset ahead of start of the new scheme. This will see business rate baselines

adjusted to better reflect how much local authorities are actually collecting in business rates. It is still uncertain how these baselines will be determined and whether there will be a full or partial reset, but potentially this could see all growth built up since the launch of the current system in 2013/14 stripped away from the Council at the start of 2020/21.

### 3.16 Business Rates Retention Pilots

In 2018/19 the council along with the other Lincolnshire Districts, Lincolnshire County Council and North Lincolnshire Council successfully bid to become one of ten successful 100% Business Rates Retention Pilots. This means that for 2018/19 the Council will receive 60% of business rates growth, above the baseline positions, with 40% allocated to the County Council (under 50% retention the funding were 50% Central Government, 40% City of Lincoln Council and 10% Lincolnshire County Council). Crucially the pilot scheme includes a 'no detriment' clause meaning that no authority shall receive less than if it was operating under the current 50% retention scheme.

3.17 Based on an assessment of the amount of Business Rates that are expected to be collected during 2018/19 the additional resources currently estimated to be retained through the pilot is £18.6m of which £1.4m is attributable to the Council.

3.18 Although the pilot bids were only awarded for a one year period the 2018/19 Local Government Finance Settlement promised a further round of new pilots in 2019/20.

3.19 Prior to the summer recess the Government took the opportunity to announce its plans for the 2019/20 Business Rates Retention Pilots. The main points were as follows:

- All authorities that have not already been awarded pilot status for 2019/20 can apply, including the 2018/19 pilots;
- The 2019/20 pilots will be at 75% Business Rates Retention (i.e. lower than the 100% pilots of 2018/19);
- The 'no detriment' clause applied to 2017/18 and 2018/19 Pilots, will not apply to Pilots set up for 2019/20;
- There will be a Safety Net set at 95%, to reflect the additional risk locally that 75% retention introduces, and this will apply pilot wide and not to individual authorities; and no levy will be paid;
- The Pilot programme in 2019/20 is likely to be smaller than the programme in 2018/19 (i.e. ten pilot areas, plus London plus the original five 2017/18 pilots);
- Successful pilots would last for one year up to the end of March 2020 (i.e. in April 2020 it is intended that 75% is rolled out nationally); and
- Bids are to be submitted by 25<sup>th</sup> September 2018.

It is worth noting that Devolution Pilot areas and the London Borough Pilot have been automatically allowed to continue on a 100% basis in 2019/20 and with their 'no detriment' clause in place.

- 3.20 The existing 2018/19 Lincolnshire pilot members have assessed the benefits and any risks associated with a 75% pilot and commissioned LG Futures to review the latest publicly available Business Rate projections in order to ascertain whether they were likely to reflect further growth in the business rate base or were predicting a decline in business rate collection (potential to the safety net) which could be a risk to any pilot area. Initial projections of a 75% pilot based on the current pilot member authorities indicates that a further £9.9mm of business rates could be retained in the County during 2019/20. If the pilot bid is approved and these additional funds materialise they will be available to be distributed across Lincolnshire/Greater Lincolnshire on an agreed basis. Without the pilot bid these funds would continue to go back to Central Government as currently.
- 3.21 Following consideration by the Chief Executives and S151 Officers a bid for 2019/20 pilot status, based on the existing pilot authorities was submitted in September.
- 3.22 As part of the bid submission, a request will be made to form a Lincolnshire business rate pool should the 100% BR bid not be approved. The report to the Chief Executives meeting will determine which authorities will be included in this pool.

3.23 Local Government Financial Resilience

The National Audit Office have recently completed a major study on financial sustainability in local authorities, published following the crisis at Northamptonshire County Council. The report indicates that there is a heightened risk of more councils over the next four years falling into special financial measures as a result of unrelenting pressure on budgets.

- 3.24 It is likely then that the extreme situation at Northamptonshire, the first issuing of a Section 114 report by a local authority in 20 years, will be an isolated case. Certainly in the last few weeks Birmingham Council have been issued with a Section 24 notice by their External Auditor, acting as a warning shot to get its finances in order, and seen by many as a precursor to a Section 114 notice. In addition a number of other authorities, primarily upper tier at this stage, have announced that they are stripping back services to statutory services only in response to increasing service demands and funding reductions. The NAO report echoed this future direction in service provision by stating:

*“The current trajectory for local government is towards a narrow core offer increasingly centred on social care. This is the default outcome of sustained increased in demand for social care and of tightening resources”*

- 3.25 As part of its response to the challenges facing the sector, CIPFA is currently consulting on a local authority financial resilience index. The aim of the index is to provide an authoritative measure of council's financial resilience, an assessment of the relative financial health of every council, drawing on publicly available information, intended to provide an early warning system where it is

needed so that action can be taken at a local level in a timely manner. The index will though effectively rank every local authority as either red, green or amber on the basis of six indicators (four for district councils). Consultation on the index closed at the end of August with the intention that the first index will be published during Autumn 2018.

### 3.26 Social Housing Green Paper and Right to Buy Consultation

The Government's Social Housing Green Paper was launched in August 2018 and sets out a 'new deal' for social housing residents around five core principles, those being

- Ensuring homes are safe and decent
- Effective resolution of complaints
- Empowering residents and strengthening the Regulator
- Tackling stigma and celebrating thriving communities
- Expanding supply and supporting home ownership

From a financial implications perspective the most pertinent principles will be the first and final ones above.

3.27 In relation to ensuring that homes are safe and decent. the paper calls for a review of the Decent Homes Standard, dating from 2006, and points out that some safety measures, such as electrical safety and energy performance, apply to private landlords do not extend to social landlords.

3.28 In terms of expanding supply and supporting home ownership the paper acknowledges the continued need for new social housing and reaffirms its target of 300,000 new homes by the mid-2020's. The paper proposed to ease borrowing for local authorities to fund social housing building but at the time did not propose any further grant beyond the £2bn already announced. However at the recent Conservative Party Conference the Prime Minister announced the abolishment of the HRA borrowing cap with, awarding local authorities the ability to now build good quality affordable new homes and infrastructure that is needed by their communities. Since this announcement no further information has yet been released.

3.29 Alongside this the Government also published a consultation on options for reforming the restrictions on the use of Right to Buy sales to make it easier for councils to replace properties sold. The proposals include:

- Extending the timeframe for spending RTB receipts from three to five years for existing receipts but keeping the three years for future receipts.
- Allowing flexibility around the 30% cap on the share of the costs of a replacement unit.
- Allowing local authorities to top up insufficient RTB receipts with funding from the Affordable Homes Programme up to 30% of build cost.
- Specific proposals to allow the transfer of land from the General Fund to the HRA at zero cost.
- Temporary suspensions of interest payments
- Proposal to allow authorities to use RTB receipts for shared ownership units

- Restricting use of RTB receipt on the acquisition of property and options to implement through a price cap.

#### 4. The Council's current year financial monitoring

##### General Fund

- 4.1 The financial monitoring report for the first quarter of 2018/19 forecasts a significant overspend for the General Fund at the year-end of £717,343. The key variance is the shortfall of car parking income against its budget target of £1,141,000.
- 4.2 This shortfall in car parking income is the continuation of a trend that began to emerge towards the end of 2017/18 and reflects a reduction in demand for shopper car parking spaces. This is in line with a reduction in footfall in the City Centre and the general decline in high street shopping and the fragility of the retail sector. Longer term though there is forecasted to be an increase in demand for City Centre parking through developments such as the Cornhill Quarter, direct trains to London and further expansion of the University. These future changes and growth over the next few years are set to increase utilisation of the Council's car parks, reducing the shortfall against income targets.
- 4.3 However, in the short to medium term there will continue to be a shortfall in car parking income against its budget targets. In response to this the car parking income generation strategy has been accelerated in order to boost demand for the Council's car parks. Even with these interventions there is still forecasted to be a budget pressure over the period of the MTFS. Based on assumptions around growth in demand and the impact of the interventions the shortfall against car parking income targets is currently estimated to be as follows:

	<b>2019/20</b> <b>£'000</b>	<b>2020/21</b> <b>£'000</b>	<b>2021/22</b> <b>£'000</b>	<b>2022/23</b> <b>£'000</b>
Current MTFS 2018-23	6,512	6,876	7,256	7,473
Revised forecast	5,373	5,996	6,566	7,047
Decrease in resources	1,138	879	690	426

- 4.4 In addition to the shortfall in car parking income there are a number of other key variances, including increased costs and a loss of income for the control centre, a loss of income on the apprenticeship scheme, increasing costs in the provision of the Christmas Market and a reduction in income from Housing Benefit overpayments.
- 4.5 Beyond the current financial year there are also emerging pressures around the central markets lettings income levels and the level of crematorium income should the development of a new facility in a neighbouring district go ahead.
- 4.6 Whilst mitigating actions and recovery plans are being developed in response to these existing and emerging financial pressures, which when implemented should reduce some of the forecast risk, it is at this stage not clear by how much these risks will be reduced. The position will need to be kept under review during the development of the MTFS as mitigating actions and recovery

plans continue to be implemented.

#### Housing Revenue Account

- 4.7 The financial monitoring report for the first quarter of 2018/19 forecasts an overspend for the HRA at the year-end of £37,243. The key variances are in relation to an overachievement of rental income, offset by increased expenditure in respect of repairs and maintenance costs for void properties. Both of these variances are as a result of the number of new build properties that are due to be released during the year, and are one off variances. In addition there are a number of vacancies within the service and within the housing repairs services, from which the surplus is repatriated to the HRA. Again this are anticipated to be in year variances, although they will be reviewed as part of the development of the MTFS.

#### Capital Programme

- 4.8 The General Investment Programme (GIP) is currently forecasting to have a surplus of capital receipts of £2.845m, subject to completion of a number of schemes. In addition, subject to the completion of the final account there is an anticipated underspend on the contingency budget from the Transport Hub project of approximately £700k. There are however a number of competing demands for the allocation of capital resources including demands to maintain existing assets, particularly income generating assets and claims/disputes from 3<sup>rd</sup> parties that may require additional resource. In addition there are a number of strategic capital schemes, in line with Vision 2020, that do not yet have the capital resources allocated as well as consideration of invest to save schemes.
- 4.9 The two key elements of the Housing Investment Programme (HIP), Decent Homes and the New Build Programme continue to progress in line with the current budget expectations with a significant level of expenditure to be incurred during the 3<sup>rd</sup> quarter of 2018/19 as the purchase of the new build properties are completed. There still remains a significant budget allocation as part of the new build scheme, c£4.1m along with the land acquisition budget of £1.2m which are yet to be allocated to specific schemes in year.
- 4.10 To date the Council's strategy for new build has been to enter into agreements with Housing Associations and accessing HCA grant funding which has brought additional resource into the HRA. However the implications of accessing this HCA funding does mean that the Council cannot also use any retained Right to Buy (RTB) receipts as these cannot be used to fund such developments. Prudently the Council has not budgeted for one-for-one receipts and treats these as windfall when they arise. The current level of retained receipts, which are required to be spent by 31<sup>st</sup> March 2019, is £0.778m. If these receipts are not spent by the 31<sup>st</sup> March then they will need to be returned to MHCLG. This is not a budget pressure but does represent an opportunity forgone. This issue has been previously highlighted in each new build report and given that the level of HCA grant that has been received through the agreements is in excess of the £0.778m it was agreed that it offered better value for money for the HRA, but it is still nevertheless a loss of resource to the HIP. Officers are however continuing to identify opportunities to utilise the receipts available and avoid having to return them, and are also taking into consideration the current consultation on use of RTB sales receipts.

- 4.11 Both Investment Programmes include a significant amount of capital investment in 2018/19, in addition to the significant sums expended during 2017/18. A large proportion of this, particularly for the GIP has been financed through prudential borrowing and is significant in comparison to the level of General Fund debt prior to 2017/18. It is therefore essential that the type of debt finance, e.g. loan type, maturity profiles, etc., the timing for the issuing of the debt finance and management of the Council's cashflows is carefully managed to ensure that the revenue implications are maximised.
- 4.12 Paragraphs 4.1 – 4.11 set out budget pressures that have emerged during the financial monitoring of the 2018/19 budgets. In addition there are range of underlying budget assumptions which may give rise to further budget pressures as set out in paragraph 5.6 below.

## **5. Development of the Budget and MTFS**

- 5.1 In developing the MTFS the Council has to ensure that the correct balance is struck between ensuring that it directs resources towards its strategic priorities in line with the Council's Vision 2020 and ensuring that it maintains a sustainable financial position in the medium to longer term. This balance continues to be difficult with the level of uncertainty surrounding the Council's future funding resources as set out above.
- 5.2 The Council's Vision 2020 is supported by a three year programme, split into two phases, containing a range of projects that will meet each of the new strategic priorities. In the context of the financial position at the time of launching the new Vision 2020 resources to fund the first phase were made available through the redirection of resources to the priority areas as well as seeking external financial support in the form of grants and contributions. The second phase of the programme contains a number of schemes which are primarily larger scale capital schemes with a significant cost. There are still a small number of revenue schemes which have either been funded from within existing budgets or will be financed using the part of the additional resources generated from the 100% Business Rates Pilot in 2018/19.
- 5.3 In respect of the General Fund revenue budget, as the resourcing of the Vision 2020 projects is provided for within the current MTFS and in light of the financial pressures that the Council is currently facing and further risks beyond 2020, the focus of the development of the MTFS 2019-24 will be to respond to and mitigate these pressures, limiting the increase required in the savings targets. This will include the prioritisation of earmarked revenue reserves and unallocated capital resources for any invest to save/pump priming projects that will maintain existing income streams or generate new ones.
- 5.4 In addition to seeking to mitigate the budget pressures and continuing to examine the impact of financial challenges post 2020, the development of the budget and MTFS will include the preparation by the directorates and Financial Services of indicative base budgets. These budgets will be prepared on an incremental basis and will only be updated in accordance with the assumptions highlighted below in para 5.6 and detailed in Appendix A. Officers will also review existing savings and pressures in the indicative base budgets and identify any further new/emerging pressures for consideration. The initial

intention will be that any new service pressures identified which have not already been taken account of in the revised assumptions or emerging pressures above will necessitate corresponding additional savings proposals to balance.

- 5.5 The preparation of the budget and MTFS are based on assumptions for a number of key variables, i.e. business rates, government grants, council tax levels, inflation rates, interest rates, etc. These assumptions are revised on a continual basis in light of the most recent intelligence available and Members should be aware that they will be subject to change as the development of the budget progresses.
- 5.6 The changes to some of these assumptions create both unavoidable budget pressures as well as the opportunity to realise savings. The main changes to the assumptions for the General Fund, at this point in time, which will have a financial impact are set out below, with further details provided in Appendix A:

<b>Figures in ( ) equate to a surplus</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>
Inflation	0	(14)	(18)	(21)
Council Tax	(59)	(60)	(62)	(64)
New Homes Bonus	134	274	414	553
Car Parking Shortfall	1,138	879	690	426
<b>Total changes in assumptions</b>	<b>1,213</b>	<b>1,079</b>	<b>1,024</b>	<b>894</b>

- 5.7 Whilst the indicative projections above identify a reduction in financial resources of c£1m p.a., it is important to note that these projections do not include the financial pressures that have emerged during 2018/19, other than car parking income, as set out in paragraph 4.4. Whilst mitigating action is being taken in respect of these pressures in order to reduce the forecast risk there may be some impact on the underlying budgets, particularly in 2019/20. Additionally they do not include any impact of any of the changes in local government finance set to take effect from 2020/21 other than a partial re-set of the Business Rates Retention scheme.
- 5.8 The Council has a successful track record in delivering savings and over the 10 year period since the onset of austerity measures has delivered savings in excess of £7.5m, a significant reduction in comparison to the overall net expenditure. The Council's approach has centred on planning ahead, securing savings in advance, re-investing in more efficient ways of working and adopting a more commercial approach whilst making careful use of reserves to meet funding gaps, it's an approach that has served the Council well. Although inevitably there has had to be some withdrawal of services the Council has tried to keep this to a minimum and has sought to protect its core services that matter most.
- 5.9 Despite this success the Council now faces the need to reduce its levels of expenditure further or identify additional resources if it is to remain financially sustainable. The forecast deficit in 2018/19 is being mitigated in part by the use of reserves (both general and earmarked), which by their nature are one off and cannot be used on an ongoing basis to resolve the deficit. Use of the reserves also leaves the Council vulnerable to future fluctuations in income and

expenditure levels. The strategy to be adopted to redress the deficit also needs to ensure that reserves are sufficiently replenished over the period of the MTFS.

5.10 The current MTFS is predicated on a savings target for 2018/19 of £3.85m, this increases to £4.15m in 2019/20 and to £4.25m in 2020/21. Progress has been made towards the target for 2018/19 although there is a small shortfall of £13k. For 2019/20, the current programme is set to deliver the required gap of £59k. These targets do not yet provide for the increase that will be required in order to maintain a balanced budget.

5.11 The TFS programme is and continues to be the vital element in ensuring that the Council maintains a sustainable financial position and delivers the required reductions in the net budget. The programme consists of three agreed strands to achieve savings. These are:

- Commercialisation – optimisation of usage and commercial returns of the City's property and land portfolio
- Asset Rationalisation – generation of new income streams, and commercial trading opportunities
- Shared Services/ savings – ensure the provision of professional, high performing services.

Alongside this programme the Council also seeks ways to maximise its tax based through economic development measures.

5.12 Progress, as at September 2018, in delivering the target savings from the Towards Financial Sustainability Programme is set out in the table below:

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
<b>MTFS savings target</b>	<b>3,850</b>	<b>4,150</b>	<b>4,250</b>	<b>4,250</b>	<b>4,250</b>
Secured	3,837	4,091	4,131	4,156	4,167
<b>Savings still required in MTFS</b>	<b>13</b>	<b>59</b>	<b>119</b>	<b>94</b>	<b>83</b>
Still subject to approval or review/Business Case	31	121	180	181	178
<b>Forecast overachievement</b>	<b>(18)</b>	<b>(62)</b>	<b>(61)</b>	<b>(87)</b>	<b>(95)</b>

The delivery of the current strategy and programme will leave the Council in the position of overachieving the current savings targets.

5.13 However, in light of the financial pressures identified above it is apparent that the savings targets will need to increase in order to ensure that the Council maintains its sound financial position. The actual budget gap will only become clearer over the forthcoming months as subsequent government

announcements are made, mitigating action is taken, and as further key data and information is available. Revised financial modelling and scenario planning will continue in order to determine the exact impact of the changes as soon as possible and will be used to inform the development of the MTFS.

- 5.14 In anticipation of a required increase in the TFS targets, officers have already commenced the process of developing the next phase of TFS reviews and initiatives. Part of this process involves a review of the key strands of the TFS programme to ensure they remain the key areas on which activities should be focussed as well as developing the individual proposals that sit beneath them. The development of this next phase of reviews will run concurrently with the development of the MTFS.

#### Housing Revenue Account

- 5.15 A key element of the HRA self-financing regime is the Council's 30 year Business Plan. The Council's latest Housing Revenue Account Business Plan 2016-2046, was approved in February 2016 following a fundamental review of resources, investment requirements and priorities. The Business Plan reflects the impact of government policy changes, the results of stock condition surveys and financial assumptions at the time. The Business plan sets out:

- the long term plans for the Council's housing stock
- the finances to deliver plans
- how the Council will manage the income from its stock, demand for housing and stock condition
- identifies resources for building new council dwellings.

The current Business Plan is scheduled for review during 2019, post completion of the current new build programme. Pending this refresh the MTFS will continue to be based on the approved Business Plan, updated for revised financial assumptions (as outlined in Appendix A), any relevant government policy changes, updated development and investment profiles and other emerging service factors. Although consideration will be given to the possibilities created by the lifting of the borrowing cap in the new MTFS the bigger impact of this flexibility will be reflected in the new Business Plan.

- 5.16 The changes to some of these assumptions create both unavoidable budget pressures as well as the opportunity to realise savings. The main changes to the assumptions for HRA, at this point in time, which will have a financial impact are set out below, with further details provided in Appendix A:

<b>Figures in ( ) equate to a surplus</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>
Rental income – collection rates	285	294	302	311
<b>Total changes in assumptions</b>	<b>285</b>	<b>294</b>	<b>302</b>	<b>311</b>

#### Capital Strategy

- 5.17 The development of the GIP for 2019-24 will predominately focus on prioritising the unallocated capital receipts and unspent contingency as set out in paragraph 4.8. The budget process will identify how these resources are to be

applied to schemes focussing on those that are included in Vision 2020, those that generate new revenue streams and/or maintain existing streams and those schemes that are responding to contractual issues. Given the scale of a number of the schemes, e.g. Western Growth Corridor the level of resources available for allocation will not be sufficient to fully fund these. Other sources of funding such as grant allocations, partner contributions will continue to be sought as well as assessing the use of prudential borrowing, specifically for schemes that generate a revenue return sufficient to cover the cost of borrowing. The development of the GIP will therefore predominately focus on the Council's key strategic schemes and the treasury management activity required to support the financing.

- 5.18 The development of the HIP for 2019-24 will be in line with the current HRA Business Plan as per paragraph 5.15 above.
- 5.19 The culmination of the above processes will result in a set of budget proposals, including a revised savings targets that will deliver a balanced budget in line with the Council's strategic priority areas. This will then be subject to public consultation and Member engagement.

#### Consultation and Engagement

- 5.20 The Council is under a duty to annually consult externally as part of its council tax setting process. Therefore consultation will be undertaken in January 2019 but will be primarily based on an online survey, the key purpose of which will be to;
  - 1. Highlight the proposed budget and Council Tax for 2019/20, seeking views on the proposed increase.
  - 2. Outline the likely scale of longer term financial challenges facing the Council beyond the 2019/20 financial year.
- 5.21 In addition to the public consultation the Council will also consult directly with the business community through engagement with, the Lincolnshire Chamber of Commerce, Breakfast Clubs and Healthy High Streets.
- 5.22 Following the success in recent years of the all Member workshops and Budget Scrutiny process a similar process will be followed in early 2019 to ensure that all Members have the opportunity to consider and fully understand the proposed budget, MTFS and council tax recommendations and that a robust scrutiny of the proposals is undertaken.
- 5.23 A financial planning timetable to deliver a balanced and affordable five year revenue budget strategy and capital programme, in line with the Vision 2020, is attached at Appendix B.

## **6. Significant Policy Impacts**

- 6.1 The Medium Term Strategy seeks to deliver the key priorities of the Council within the available level of resource, both revenue and capital.

- 6.2 The consultation proposals for the draft budget and Council Tax proposals are as set out in paragraph 5.19-5.21.
- 6.3 This report provides a summary of the financial planning activities across the Council. As a consequence of the development of the MTFS and budget for 2019/20 there may be an impact on certain council services which will be subject to review through the Towards Financial Sustainability Programme. Where individual projects or reviews are being developed specific equalities implications will be assessed and relevant impact assessments and/or statutory consultation with service users will be carried out accordingly. As the overarching strategic document a separate equality impact assessment will not been undertaken for the MTFS 2019-2024.

## **7. Organisational Impacts**

- 7.1 The financial implications are as set out in the report.
- 7.2 The Council is required under statute to fix the level of Council Tax for 2019/20 by 11th March 2019 and in order to do so will have to agree a balanced budget by the same date.
- 7.3 There are staffing implications associated with the report, especially in relation to the Financial Services Team, where staff will be significantly involved in the preparation of the budgets and MTFS. This resource has been provided for within the Service Plan of the team.
- 7.4 Specific staffing implications may arise where certain Council services are subject to review through the Towards Financial Sustainability Programme. In such cases the Council's Management of Change Policy will be adhered to.

## **8. Risk Implications**

- 8.1 There are considerable risks to the Council's medium/longer term budget strategy as a result of the volatility of business rates, the current economic climate, legislative change, demands for new spend, existing budget pressures and the further significant changes to local government finance post April 2020. The budget process includes the recognition of these risks in determining the 2019/20 budget and MTFS, but it is imperative that the Council continues to build upon its record of delivering significant savings and maintains the strong focus on its Towards Financial Sustainability Programme.

## **9. Recommendation**

- 9.1 Executive are asked to;
- a) note the significant financial challenges that the Council faces,
  - b) note the projected budget parameters for 2019/20 and future years and note the planning assumptions, as set out in Appendix A,
  - c) note the budget, strategic and service planning preparation programme, set out in Appendix B.

<b>Key Decision</b>	No
<b>Key Decision Reference No.</b>	N/A
<b>Do the Exempt Information Categories Apply</b>	No
<b>Call In and Urgency:</b> Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
<b>Does the report contain Appendices?</b>	Yes
<b>If Yes, how many Appendices?</b>	Two
<b>List of Background Papers:</b>	Medium Term Financial Strategy 2018-23
<b>Lead Officer:</b>	Jaclyn Gibson Chief Finance Officer Telephone 873258

## KEY BUDGET ASSUMPTIONS MTFS 2019 – 2024

1. The base budget estimates will be prepared on the basis of a number of key assumptions as follows:-
2. **Business Rate Tax Base**
  - 2.1 The current Business Rates Retention (BRR) scheme was introduced by the government in April 2013 and replaced an element of grant funding. The calculation of income to be received through the BRR scheme is critical in determining the amount of resources that the Council will have available to fund local services.
  - 2.2 Although the Council had forecasted and declared a surplus on its share of business rates in 2017/18 of £511,830, on the basis of the in-year monitoring position, by the time of closing the 2017/18 accounts the situation had deteriorated slightly with a reduction in the surplus of £135,414 to £376,416. In relation to the business rate base for 2018/19 this was estimated to be £43.387m. Movements in this base are monitored on a monthly basis so that the Council has an early indication of any significant changes. Although it is still early in the financial year, monitoring to date shows that there has been an increase in the number of hereditaments claiming Empty Premises Relief, which is impacting on the overall level of business rates to be retained. Without taking into account the latest position on appeals the current level of business rates to be retained by the Council is £245,450 below that anticipated in the budget.
  - 2.2 Given the volatility in the retained business rates income and increased financial risk inherent in the scheme, the Council has set aside an earmarked reserve to cushion the impact of fluctuations in retained income and collection fund deficits. The current balance on the reserve is £538,799 which provides financial capacity to resource the deficit of £135,414 from 2017/18 with a balance of £403,385 to resource a deficit in 2018/19 if this be declared as part of the budget setting process. It will though be essential that the Council seeks to replenish this reserve to provide for future fluctuations.
  - 2.3 The Council also continues to face pressures due to the impact of appeals. Although the cut-off date for appeals against the 2010 list was 31st March 2015 there still remains a significant proportion of appeals to be settled by the Valuation Office, which the Council is required to set provisions aside for. The current provision for appeals against the 2010 list is £5.6m. From 2017 a new 'Check, Challenge and Appeal' system came into effect for the 2017 list. The impact of this new process is as yet unknown although it is anticipated to discourage the number of appeals within the system that are unlikely to ever result in a reduced rateable value. This new process also means the Council is not made aware of any lodged appeals until it gets to the appeal stage – any at 'Check or Challenge' stage are unknown and therefore cannot be accounted for. To date the Council has not yet received any appeals against the list, however a prudent provision of £2.041m has been set aside, bringing

the total provision for appeals to £7.641m, of which the Council's share is £3.057m. The settlement of appeals has a two-fold impact on the Council: the pay back of retrospective 'overpayments' and the ongoing effect of a lower receipt in future years – a permanent depreciation of the business rates base.

- 2.4 It is hoped that once the 2010 appeals are finally cleared the Council will see the benefits from the increase in the underlying base, but it remains to be seen whether this will outweigh the permanent ongoing cost of successful appeals and whether the 2017 revaluation will simply start this process over again.
- 2.5 The current MTFS assumes growth (above RPI/CPI from 2020/21) in the annual level of local Business Rates collected will be 1% pa in 2019/20 increasing to 2% pa from 2020/21 onwards. This increase in growth levels towards the end of the MTFS planning period was to reflect some of the major developments scheduled to be undertaken in the City which should result in business rate growth in the medium term.
- 2.6 As set out in the main body of this report, the Council is currently part of a 100% Business Rates Pilot for 2018/19 and has submitted a bid to be a 75% pilot for 2019/20. If the pilot bid for 2019/20 is unsuccessful then the 2<sup>nd</sup> option is to reform a business rate pool along with the County Council and six other Lincolnshire District Councils. Although a pool would on the basis of the current 50% retention scheme, the benefit of pooling is that the authorities in the pool can be better off collectively through a reduction in the amount of levy paid to the Government. In previous years when a pool has been in operation this retained levy has been allocated 40% to the County Council and 60% allocated to the District Council that has generated the business rates growth. At this stage in the preparation of the MTFS as it is speculative as to whether a 75% pilot will be approved then it will be assumed that a Lincolnshire pool will instead be created. 2019/20 will be the final year that pools will exist and the MTFS already assumes that there will be no further pooling gains from 2020/21 onwards.
- 2.7 Again, as set out in the main body of this report as part of the move to a 75% retention scheme in 2020/21 business rate baselines will be adjusted to better reflect how much local authorities are actually collecting in business rates. This could potentially see all growth built up since the launch of the current system in 2013/14 stripped away from the Council at the start of 2020/21. The current MTFS was prepared on the basis of a partial reset with the Council retaining 25% of the growth it has achieved since 2013/14. As there has been no further guidance issued in respect of the reset the revised MTFS will continue to be prepared on this basis.

### **3. Revenue Support Grant**

- 3.1 The Council still continues to receive an element of Revenue Support Grant (RSG) to top up business rate income, but this has been significantly reducing over the current 4 year funding settlement period, to 2019/20, at which point

the introduction of 75% BRR is due to come into effect.

- 3.2 The RSG element of the settlement shows a dramatic reduction in the level of grant received, with the allocation falling from £2.585m in 2015/16 to just £0.022m in 2019/20, a reduction of 99.1%. The speed and severity of this reduction was not only as a result of the anticipated reductions in local government funding but also due to unexpected changes in the methodology used to calculate the distribution of the grant. This revised approach to distribution takes into account the tax raising ability of the authority and also the type of services it delivers, these factors appear to have favoured upper tier authorities, facing social care pressures, at the detriment of district councils.
- 3.3 The MTFS will assume that the level of RSG for 2019/20 will be as per the 4 year settlement, i.e £0.022m. Beyond this it be will assumed that there will be no further RSG payable by the Government.

#### **4. Council Tax**

- 4.1 This increased importance of Council Tax, alongside Business Rates, as the principle means of raising revenue makes decisions taken in respect of in relation to the levels of Council Tax critical to the delivery of a sustainable MTFS.
- 4.2 Council Tax collection rates have remained buoyant with an in year collection rate for 2017/18 of 97.17%, an increase of 0.08% from 2016/17. Furthermore, the reported collection rate does not include the collection of previous year's arrears, typically about 35%-40% of the arrears are collected each year.
- 4.3 The current collection rates assumed in the MTFS were set at 98.75% p.a. Based on the performance of the collection rates during 2017/18 and year to date in 2018/19, and the current position of the Collection Fund, it is considered reasonable at this point to continue with assumed collection rates to 98.75% p.a. These will however be kept under review.
- 4.4 In calculating the Council Tax base the overall yield is reduced by the estimated numbers of claimants entitled to support under the Council's Local Council Tax Support (LCTS) scheme and the eligibility criteria of the scheme. The more Council Tax support that is awarded the more the taxbase is reduced, limiting the ability to raise Council Tax.
- 4.5 Since the introduction of the scheme in 2013/14 the number of claimants has decreased by 20% over the period, with a reduction of 4% from 2017 to 2018. This overall reduction has been a reflection of a national picture for rollout of Universal Credit and drops in unemployment levels, with unemployment currently running at 4.2%, a 33 year low. The OBR had previously forecasted that claimant numbers were likely to plateau out and would not reduce as significantly the 4 year settlement period, although no national forecasts have been made since the Spring Budget 2017. The MTFS currently assumes that

from 2019/20 the number of claimants will remain stable. However on the basis that the full service roll-out for UC will continue to gain momentum in Lincoln, during 2018 and 2019, the MTFS will be prepared on the basis of a reduction in the working age claimant caseload of 1% in 2019/20 with a constant caseload being maintained thereafter.

- 4.6 At this stage in the development of the MTFS current entitlements under the LCTS Scheme are being reviewed with public consultation taking place from 1<sup>st</sup> November for 6 weeks. Any adjustments to the scheme or indeed to the Council Tax discretions that are applied will be reflected in the final MTFS following consultation and subsequent Executive approval.
- 4.7 The current MTFS assumes an annual increase in the council tax base of 1.25% as a result of new property development. The revised MTFS will continue to be based on these assumptions.
- 4.8 In announcing the local Government Finance Settlement: Technical Consultation, MHCLG also set out the Government's Council Tax principles for 2019/20. These appear to be in line with those announced for the 2018/19 settlement, that being a 3% or £5 limit (whichever is higher) for district councils.
- 4.9 In light of the financial position of the Council and mindful of the consultation on the referendum thresholds for 2019/20, it is assumed that for planning purposes a Council Tax increase of 2.95% will be applied for 2019/20 reducing to 1.90% pa thereafter. This is in line with the assumptions in the current MTFS.
- 4.10 Based on the assumptions as set out above and using the latest Council Tax base position, estimated Council Tax yields are as follows:

	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>
Current MTFS 2018-23	6,679	6,907	7,141	7,383
Revised forecast	6,738	6,967	7,203	7,447
Increase in resources	59	60	62	64

## **5. Other Government Grants**

- 5.1 In addition to RSG the Council also received a number of specific grants including the New Homes Bonus (NHB) and Housing Benefit/Council Tax Support Administration Grant.

### **5.2 New Homes Bonus**

The NHB was introduced in 2011/12 with the intention of encouraging the development of new homes. As at 2018/19 the Council were in receipt of £1.006m, a significant proportion of the Council's overall income sources. This position is not dissimilar for many other shire districts, who as a type of authority are the biggest net beneficiaries of the scheme to date.

- 5.3 In December 2016, the Government announced it was changing how NHB amounts would be determined and how long they would be paid for. This saw a phased reduction in the number of years payments were made with payments now made for four years rather than six originally. It also saw the introduction of a deadweight growth, where only growth above the deadweight is rewarded with a bonus. This was introduced to ensure that the total amount due to local authorities stayed within the lower overall funding envelope for the scheme. For 2017/18 and 2018/19 the deadweight was set at 0.4%, meaning that only local authorities with growth above 0.4% received an in-year allocation and only for growth above the deadweight.
- 5.4 The Local Government Finance Settlement: Technical Consultation suggests that the deadweight will need to increase for 2019/20 to ensure that the scheme does not overspend. It does not state by how much this is forecast with the amounts to be announced at the provisional settlement stage. The consultation also suggests that for 2020/21 the Government intends to explore how to incentivise housing growth most effectively, referencing the Housing Delivery Test results. The Government intends to consult widely on any changes prior to implementation.
- 5.5 Without any further information it is difficult to assess the implications for the MTFS. Whilst a different form of reward may have similar allocations the reference to changing the means of assessment suggest that NHB in its current form will not survive post 2019/20. It also raises a question as to whether the legacy payments will continue through until their end.
- 5.6 Using the latest data available, as at September 2018 and assuming a deadweight of 0.4%, the Council could receive an allocation of approximately £63k for 2019/20. This estimate is lower than in previous year and reflects that there has been growth in properties however this has been offset by an increase in long term empty properties. It should be noted that the final NHB allocation will be based on the number of properties on the Valuation Office schedule as at 10<sup>th</sup> September and that the majority of the new build properties the Council is delivering will not be released until after this date. In terms of long term empty properties the current September figures show an increase from 2017 of 60 properties.
- 5.7 With a lack of further clarity on the future of the NHB estimating future grant levels is extremely difficult. If the MTFS were to prudently assume that the current NHB scheme ceases beyond 2019/20, but that the legacy payments continue for a 4 year period the estimated level of grants would be as follows:

	<b>2019/20</b> <b>£'000</b>	<b>2020/21</b> <b>£'000</b>	<b>2021/22</b> <b>£'000</b>	<b>2022/22</b> <b>£'000</b>
Current MTFS 2018-23	867	789	538	617
Revised forecast	734	515	124	63
Decrease in resources	134	274	414	553

This still assumes that a national deadweight of 0.4% remains and is not increased in the final year, 2019/20. The MTFS will currently be prepared on this basis, with any further Government consultations/announcements modelled as they occur,

### Housing Benefit/Council Tax Support Admin Grant

- 5.8 It continues to be difficult to forecast the likely level of future funding in respect of Housing Benefit Admin Grant due to the continual delay in the roll out of Universal Credit (UC). The Council has begun roll out of the full service for UC in March 2018. Full Service is available to all new UC claims previously eligible for the six separate benefits. All new UC claimants will have their housing cost element included in their monthly UC payment which will be administered by the DWP, and as a result, they will not make a Housing Benefit claim but can still make a claim for Local Council Tax Support. After this, the migration of all remaining existing claimants to full UC is set to begin in July 2019, completing in March 2023 (this was recently pushed back from 2022). There is still much debate and decisions to be made by the Government as to what role local authorities will play in the longer term delivery of UC but there is a commitment from the DWP to work with authorities until all working age claimants are transferred, 2023 at the earliest.
- 5.9 Although this commitment has been made the DWP have yet to announce a permanent funding model going forward. For both 2017/18 and 2018/19 Grant Funding Agreements with individual local authorities have been in place via a Grant offer for Universal Support which for the Council in 2018/19 had a value of £15,700 with an additional £11,800 for UC implementation support. For 2018/19 the Council's main Administration Grant reduced by 10% in respect of the roll out of UC and in line with the reductions in the DWP's baseline funding. In addition the Council continues to receive New Burdens funding which is allocated on an annual basis. Furthermore, the Council also receives a grant from the MHCLG in respect of the Council Tax Support element of administration funding, this reduced by 6% in 2018/19 and was allocated on the basis of caseload data.
- 5.10 Beyond the current years funding there is no clearer position on what future grant levels are likely to be and the Council faces an annual wait for funding announcements to be made. At this stage the MTFS will be prepared on the basis of the current level of grant funding, which may ultimately be received through a combination of Administration Grant, Partnership Agreement and any New Burdens funding. Once the grant allocations are announced due regard will need to be taken of this in terms of the service planning for the revenues and benefits service.
6. **Inflation**
- 6.1 CPI forecasts are that it is likely to continue to fall during 2018 from 2.4% in August 2018 to 1.8% in 2019, before settling to 2% from 2020 onwards, back in line with the Government's target rate of 2%. In respect of the general

inflationary increase applied within the MTFS this is normally maintained in line with CPI projections. The current MTFS assumes a 2% p.a., in light of these latest forecasts it is not proposed that this assumption be changed at this time. This excludes inflation on general running expenses which historically have had no allowance for inflation; there is no change in this assumption.

- 6.2 Annual price increases in a number of the Council's contracts are linked to RPI or RPIX at a defined date in the year, primarily December and March. The latest forecasts are that RPI will fall back down from 3.5% in August 2018, to 3% in 2019, with a longer term forecasts remaining at around 2.9% - 3% thereafter. The current MTFS had been based on the assumption of a 3.2% RPI increase for 2019/20 – 2022/23. This will now to be decreased to a 3% increase in 2020/21 and thereafter. The impact of the change in the assumed rate of RPI over the period of the current MTFS equates to reduction in total expenditure of only c£20k p.a. for the General Fund, with a negligible saving for the HRA.

## **7. Pay**

- 7.1 The current budget estimate for 2019/20 assumes a 2% pay award, this is in line with the agreed average pay award of 2% p.a. for the two year period from April 2018, but with a higher increase of more than 15% for the lowest paid staff. Changes to the national pay spine in 2019/20 were also announced as part of the recent Local Government pay settlement to accommodate the Government's National Living Wage increases going forward. Whilst not expected to be significant in terms of increased costs the impact on the MTFS is being modelled by Finance and HR officers.
- 7.2 The revised MTFS will continue be prepared on the basis of further pay awards of 2% p.a. for the period 2020/21 – 2023/24, in line with the current assumptions.
- 7.3 In addition to this the Council remains committed to paying its lowest paid workers at the level of the Living Wage, as recommended by the Living Wage Foundation as opposed to the Government's National Living Wage. An assumption of annual increases of 3%, in line with RPI projections, are currently built into the MTFS to reflect this commitment to maintain the Living Wage. It is not proposed to change this assumption at this stage, however there remains a risk that if inflation increases significantly there may be pressure on the increases to be awarded to maintain the Living Wage.

## **8. Local Government Pension Scheme**

- 8.1 The last triennial review of the Council's Pension Fund took place as at 31 March 2016 and the results identified that there had been a slight increase in the funding position since the last actuarial review from a 67% funding level to 70%.
- 8.2 Having assessed the events that have affected the fund since the previous

valuation as at 31 March 2013 the actuary formulated an approach to the 2016 valuation that incorporated this information into its long term assumptions for the fund. Although the overall funding position had improved slightly the employer contribution rates were increased to improve the funding position further. For employers such as local authorities, the actuary, because of the guaranteed nature of the funding, was able to recommend a stabilisation approach whereby the employer contribution is capped at an affordable level. This has allowed the contribution rate to be capped at 1% p.a. for the three years covering the valuation period 2017/18 – 2019/20.

- 8.3 A further actuarial review will take place in April 2019, which will inform the employer contribution rates from 2020/21. Beyond 2019/20 the current MTFS does not assume any further increases in employer contributions and at this stage the revised MTFS will continue to be prepared on this basis.

## **9. Fees and Charges**

- 9.1 The MTFS will, at this stage, be prepared based on the existing income budgets, allowing for an overall increase of 3% per annum in the total yield from fees and charges. This does not preclude individual fees and charges being increased by more or less than 3%. This increase of 3% per annum is in line with the projections for RPI used for the Council's contractual commitments. The MTFS will therefore be prepared on the current assumption of a 3% increase in overall yield per year.

## **10. Investment Interest**

- 10.1 The Council continues to experience significantly low level investment rates due to the low Bank Base Rate, although the increases of 0.25% in November 2017 and August 2018 have led to a slight improvement in returns. The Base Rate is now at its highest level for almost a decade and the market is now predicting that the Bank of England will raise interest rates up to two more times before the end of 2019. By 2021 the Base Rate is predicated to have risen to 1.25%. These forecasts, (and the Bank of England decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year, and in particular how the Brexit negotiations conclude.
- 10.2 Whilst the Bank of England Base Rate has increased recently to 0.75% this does not affect investments already made and the overall level of increase is not reflected in the rates available for new investments. Further decreases in the average cash balances available for investment are anticipated as the council balances the cost of borrowing against low levels of investment income, using internal borrowing where possible. The impact of the change in these assumptions has been negative in future years with an overall reductions in resources currently being forecasted. The latest forecasts in comparison to those assumed in the current MTFS, are as follows:

## APPENDIX A

	2018/19	2019/20	2020/21	2021/22
Revised Average Investment Rate	0.71%	0.79%	0.85%	1.00%
Current MTFS	0.52%	0.61%	0.76%	0.90%
Revised estimated Average Investment Balances	£17m	£15m	£15m	£15m
Current MTFS estimated Average Investment Balance	£15m	£21m	£19m	£22m
Revised interest earned	£103k	£100k	£108k	£124k
Current MTFS	£60k	£115k	£132k	£183k
Increase/(Decrease) in resources	£43k	(£15k)	(£24k)	(£59k)

Although there is a forecast reduction in the level of investment income, as this is primarily due to the use of cash balances in replacement of external borrowing, there is a consequent reduction in the borrowing interest costs. At this stage in the development of the MTFS there is still work to be undertaken to revise the borrowing strategy and subsequent borrowing costs so it is not yet possible to estimate the revenue implications. The above reduction in resources is expected to be mitigated through a reduction in borrowing costs and as such does not present a current budget pressure for the MTFS.

### 11. Housing Rents

- 11.1 The current MTFS and revised HRA Business Plan 2016-2046 have been prepared on the basis of a 1% p.a. rent reduction between 2017/18 and 2019/20 and assumes that from 2020/21 social rents will increase by CPI+1% p.a. This increase from 2020/21 is in line with the Government's announcement in October 2017 followed by a consultation paper in September 2018, that from April 2020 social rents will increase by CPI+1% for 5 years. The approach beyond 2025 remains uncertain but there is an expectation that social rent increases will remain. Budgeted increases for supported accommodation continue to be assumed on the same basis.
- 11.2 During 2018 the Council, in partnership with a number of Housing Associations, is set to acquire 172 new build properties. These properties have been partly financed from HCA grants a condition of which is that they are to be let on the basis of an affordable rent rather than on social rents. Affordable rents are not subject to Government Rent Restructuring Policies and are let at 80% of market rent levels in the local area. The current MTFS

assumes rental increases in line with social rents for its affordable rents, and will continue to be developed on this basis.

- 11.3 At the end of 2017/18 rent collection levels were at 99.68%. Collection rates for 18/19 have reduced as a result of the roll out of Universal Credit (UC), with performance for the first quarter of 97.56%. Although this has reduced it is still above the target for the year of 96.50%. Officers are working hard to minimise the effect delays in tenants receiving their first UC payment may have and ongoing campaigns and early intervention to address rent arrears continue to have positive effects. The current MTFS assumes a collection rate of 99% p.a., however in light of the impacts of UC it would be prudent to reduce this assumption as part of the revised MTFS. A 1% reduction in the assumed collection rate to 98% would result in an approximate loss of income of £285k p.a.
12. **Level of Revenue Reserves** – The management of our reserves and balances remains crucial over the MTFS. The prudent minimum level of reserves for the General Fund has been increased in recent years in light of the increased level of volatility in funding and the level of the increased risk to which the Council is now exposed. At this stage it is assumed that the optimum level of reserve holdings needed to meet the requirements of a working balance and contingency will remain at these increased levels, between £1.5m - £2m for the General Fund, and at £1m for the HRA.

**BUDGET AND FINANCIAL PLANNING TIMETABLE 2019/20**

No.	Target Date	Completed	Group	Deliverable	Responsible Officer
<b>1.</b>	<b>Member Briefing Sessions</b>				
1.1	29 <sup>th</sup> Jan 18		All Members	All member workshop presenting the draft budget proposal for 2018/19 and Medium Term Financial Strategy 2019-2024.	CFO
<b>2.</b>	<b>Base Budget Preparation</b>				
2.1	17 <sup>th</sup> Sept 18		AD's/ Service Managers	Budget guidance and working papers circulated to Assistant Directors and Service Managers for preparation of base budgets, including notification of Directorate Cash Limits.	Finance Team
2.2	5 <sup>th</sup> Oct 18		AD's/ Service Managers	Completion of service cash limit budgets by budget managers.	Finance Team
2.3	2 <sup>nd</sup> Nov 18		DMT's	Review of summary cash limit budgets and appropriate revisions made with AD's and DMT's.	Finance Team
2.4	26 <sup>th</sup> Nov 18		CMT	Review of summary cash limit budgets and consideration of unfunded budget items.  Review of funding assumptions of existing capital programme and consideration of allocation of resources to strategic schemes/contingencies.	FSM
2.5	4 <sup>th</sup> Dec 18		CMT	Review of Fees & Charges Schedules for 2019/20	FSM
2.5	14 <sup>th</sup> Dec 18		Financial Services	Completion of consolidated base budgets and capital programmes.	Finance Team
2.6	8 <sup>th</sup> Jan 18		CMT	Review of draft budget proposal for 2019/20 and Medium Term Financial Strategy 2019-2024.	CFO
<b>3.</b>	<b>Service Planning Preparation</b>				
3.1	17 <sup>th</sup> Oct 18		CLT	Service planning for 2018/19 launched with a focus on delivering progress against the strategic priorities in Vision 2020	Policy Team

## APPENDIX B

No.	Target Date	Completed	Group	Deliverable	Responsible Officer
3.2	25 <sup>th</sup> Oct 18		SM Forum	Service planning for 2018/19 launched with a focus on delivering progress against the strategic priorities in Vision 2020	Policy Team
3.3	Oct – end of Dec 18		DMT's	Agree top 10 priorities for the year ahead, arising from their service areas and from the Vision 2020 year 1 (incomplete) and year 2 projects, reconciling any conflicts and addressing any resulting budgetary issues (emphasis remains on achieving savings)	Directors/ AD's  (Incl. Planning)
3.4	Mid-Jan 19		Portfolio Holder meeting	Discussion on the priorities emerging out of service planning and the strategic priority themes above, with Portfolio holders	Directors
3.5	5 <sup>th</sup> Feb 19		CMT	Agree the likely priority projects across each directorate.	AD-SD/Policy Unit
3.6	28 <sup>th</sup> Feb 19		EDMT's	Draft their service plan for the year ahead reflecting the projects from the strategic priority themes - negotiating directly where there is a resource impact on other directorates	AD's
3.7	4 <sup>th</sup> Mar 19		DMT's	Draft service plans completed and agreed with Director.	AD's
3.8	13 <sup>th</sup> Mar 19		CLT	Key corporate activity extracted from service plans to provide AD group and CMT with overview. Also check that service plans adequately reflect the project commitments contained within each of the strategic priority themes	AD-SD/Policy Unit
3.9	28 <sup>th</sup> Mar 19		SM Forum	Update on progress with Service Plans for information	Policy Unit
3.10	31 <sup>st</sup> Mar 19		Authority-wide	Service plans published.	Policy Unit
3.11	Jul 19		CLT	Development of new Strategic Plan starts. Schedule to be developed	CLT/ Strategic Project Mgr

## APPENDIX B

No.	Target Date	Completed	Group	Deliverable	Responsible Officer
3.12	Oct 19		AD's/ Service Managers	Service planning for 2020/21 launched with a focus on delivering progress against the new strategic priorities	Policy Unit
<b>4.</b>	<b>Consultation and Scrutiny</b>				
4.1	Jan/Feb 19– <i>dates to be confirmed</i>		General Public  Stakeholders	Online budget consultation  Specific stakeholder events	CFO  CMT
4.2	6 <sup>th</sup> Feb 19		Budget Scrutiny Review Group	Consider and review the draft budget proposal for 2019/20 and Medium Term Financial Strategy 2019-2024, making any recommendations to the Executive.	CFO
4.3	12 <sup>th</sup> Feb 19		Audit Committee	Consider and review: <ul style="list-style-type: none"> <li>Prudential Indicators 2019/20-2022/23</li> <li>Treasury Management Strategy 2019/20</li> </ul> with responses to the Executive	FSM
4.4	21 <sup>st</sup> Feb 18		Performance Scrutiny Committee	Performance Scrutiny Committee – Consider response from Budget Review Group and refer to the Executive.	CFO
<b>5.</b>	<b>Committee Approval Process</b>				
5.1	24 <sup>th</sup> Sept 18		Executive	Consideration of the budget strategy to be adopted for the 2019/20 process, including; <ul style="list-style-type: none"> <li>Assessment of 2018/19 budget monitoring</li> <li>Update on economy and financial environment,</li> <li>A revision of MTFS assumptions</li> <li>Consultation proposals (both public and with Members)</li> </ul>	CFO
5.2	17 <sup>th</sup> Dec 18		Portfolio Holders	Assessment of Fees & Charges Schedules for 2019/20	FSM
5.3	7 <sup>th</sup> Jan 19		Executive	Approval of Council Tax Base for 2019/20, Council Tax Support Scheme 2019/20 and Estimated Collection Fund Balance for 2019/20 for Council Tax.	FSM/HSRB

## APPENDIX B

No.	Target Date	Completed	Group	Deliverable	Responsible Officer
5.4	14th Jan 19		Portfolio Holders	Assessment of overall capital and revenue budgets	CFO
5.5	21 <sup>st</sup> Jan 19		Executive	Approval of a draft budget proposal for 2019/20 and Medium Term Financial Strategy 2019-2024 for formal consultation.	CFO
5.6	21 <sup>st</sup> Jan 19		Executive	Approval of Business Rate Base for 2019/20 and Estimated Collection Fund Balance for 2019/20 for Business Rates.	FSM/HSRB
5.7	21 <sup>st</sup> Jan 19		Executive	Consideration and recommendation to Council for approval of the Housing Rent Levels for 2019/20.	AD-H
5.8	22 <sup>nd</sup> Jan 19		Council	Approval of Council Tax Base for 2019/20 and Council Tax Support Scheme 2019/20.	FSM/HSRB
5.9	25 <sup>th</sup> Feb 19		Executive	Approval for referral to Council of: <ul style="list-style-type: none"> <li>• Final budget proposals for 2019/20</li> <li>• Medium Term Financial Strategy 2019-2024</li> <li>• Treasury Management Strategy 2019/20 &amp; Prudential Indicators</li> <li>• Council Tax levels for 2019/20</li> <li>• Fees and Charges levels for 2019/20</li> </ul>	CFO
5.10	26 <sup>th</sup> Feb 19		Council	Approval of the Housing Rent Levels for 2019/20.	AD-H
5.11	26 <sup>th</sup> Feb 19		Council	Approval of; <ul style="list-style-type: none"> <li>• Final budget proposals for 2019/20</li> <li>• Medium Term Financial Strategy 2019-2024</li> <li>• Treasury Management Strategy 2019/20 &amp; Prudential Indicators</li> <li>• Council Tax levels for 2019/20</li> <li>• Fees and Charges levels for 2019/20</li> </ul>	CFO

**SUBJECT: LOCALISED COUNCIL TAX SUPPORT SCHEME 2019/20**

**DIRECTORATE: CHIEF EXECUTIVE**

**REPORT AUTHOR: CLAIRE MOSES, REVENUES AND BENEFITS MANAGER**

## **1. Purpose of Report**

- 1.1 To provide Executive with an update to the current Council Tax Support Scheme (CTS) for 2018/19 and to offer options for the 2019/20 Council Tax Support scheme that full Council will need to approve by 31 January 2019.
- 1.2 The report will provide an update on the situation regarding Council Tax Support and whether consultation should take place for a possible change to the scheme for the financial year 2019/20.
- 1.3 Consultation is required to take place, therefore, Executive will need to consider the options that should be put to public consultation and the method of consultation.

## **2. Executive Summary**

- 2.1 The Government abolished Council Tax Benefit (CTB) from 1<sup>st</sup> April 2013 which was a 100% funded scheme and replaced it with a local Council Tax Support (CTS) discount scheme with a cash-limited fixed grant.
- 2.2 City of Lincoln must approve a local Council Tax Support scheme for 2019-20 by 31 January 2019. Council Tax Support schemes cannot be changed mid-financial year. The Council carries the risk if caseloads and expenditure increases more than expected.
- 2.3 The consultation process for the draft CTS Scheme in respect of 2019/20 will begin on 1 November 2018 with major preceptors, stakeholders and public consultation. The consultation will end on 14 December 2018.
- 2.4 There are nine options which have been recommended to be included within the consultation. The options include changes to the Council Tax Support Scheme, to technical changes within the Council Tax billing process. These options are included in paragraph 5.3 of the report.
- 2.5 It is also recommended that the Council's CTS Hardship Fund is maintained at a cost of £20,000 to respond to the demand for further support with Council Tax costs.

### 3. Background

- 3.1 The Council Tax Benefit system was abolished on 31<sup>st</sup> March 2013 and replaced by the Council Tax Support Scheme. This scheme can be determined locally by the Billing Authority having had due consultation with precepting authorities, key stakeholders and residents. There are currently 8,744 residents claiming Council Tax Support in the Lincoln District. 3,066 are pensioners who are protected under the legislation and receive Council Tax Support as prescribed by the Government (broadly similar to the level of Council Tax Benefit). It is the 5,678 working age claimants where a local scheme can be determined which can change the level of support provided.

### 4. Reviewing the Council Tax Support scheme

- 4.1 Every Billing Authority must consider whether it will revise its Council Tax Support scheme by 31<sup>st</sup> January every year and allow for a period of consultation with its major preceptors and other stakeholders before it is approved by full Council as required by the Local Government Finance Act 2012. A CTS scheme cannot be changed mid-financial year.
- 4.2 The proposed CTS scheme must go through certain steps to comply with the provisions stated in the Local Government Finance Act 2012 before it can be adopted by this Council as a Billing Authority:-

*Before making a scheme, the authority must (in the following order):-*

- (a) consult any major precepting authority which has power to issue a precept to it,*
- (b) publish a draft scheme in such manner as it thinks fit, and*
- (c) consult such other persons as it considers are likely to have an interest in the operation of the scheme*

- 4.3 Throughout 2018/19, claimant caseload has continued to reduce. It was expected to reduce due to national work incentives being rolled out through the Jobcentre Plus, implementation of Full Service Universal Credit in March 2018, as levels of employment remain at record highs and as a result of our previous policy changes.

Caseload has decreased from 8,853 in April 2018 to 8,744 at 31 July 2018 and as such the current cost of the scheme for 2018/19 is lower than the predicted cost outlined in the Taxbase calculation which was undertaken in December 2017.

In terms of future caseload we are forecasting the caseload to reduce further as a result of national work incentives being rolled out through the Jobcentre Plus, continued implementation of Universal Credit and the recovery of the economy and impact on income levels. In addition there a number of initiatives and reviews being undertaken across the whole caseload which is reducing/removing entitlement (this includes Verification of Earnings and Pensions, National real time data from HMRC, earnings, and self-employed reviews) which contribute to a reduction in caseload. However, it should be noted that as the Brexit negotiations continue to progress there is a potential negative impact on the economy. This has the potential to impact on the claimant caseload although it is unlikely to do so in the initial years. Officers have stated the use of Universal Credit income for

some customers, will also result in a reduced CTS award, and potentially a nil award.

Officers have modelled a 1% caseload decrease, which is shown in **Appendix 1**.

4.4 The table below show the caseload changes from 1 April 2013

**Table 1:**

	Total Caseload	Pension Caseload	Working Age caseload
Apr-13	11018	4077	6941
Jul-13	10947	4036	6911
Oct-13	10829	3996	6833
Jan-14	10765	3935	6830
Apr-14	10603	3889	6714
Jul-14	10378	3827	6551
Oct-14	10171	3781	6390
Jan-15	10124	3724	6400
Apr-15	10108	3679	6429
Jul-15	10048	3644	6404
Apr-16	9581	3463	6118
Jul-16	9500	3417	6083
Apr-17	9194	3275	5919
Jun-17	9160	3243	5917
Apr-18	8853	3115	5738
Jul-18	8744	3066	5678

## 5. Council Tax Support Scheme options for 2019-20

5.1 Based on the current core elements of the existing scheme, a caseload reduction of 1% has been modelled, along with an increase in Council Tax. These are summarised in **Appendix 1**, giving an indication of the potential cost and savings to City of Lincoln, and major preceptors. Along with the potential value for non-collection (based on projected collection in the taxbase of 98.75%).

5.2 However, as a billing authority the Council can decide whether or not to amend core elements of its scheme each year. Officers have therefore considered a number of potential options that will have a direct budgetary impact on the amount of Council Tax Support paid. Options 1 to 5 have been modelled and are as follows and shown in **Appendix 1**. In developing the modelling for each of the Council Tax Support Scheme options a number of assumptions have been made, as follows:

- Uprating Freeze for Social Security benefits, including Housing Benefit for 4 years
- As the Council and major preceptors are likely to set differing levels of Council Tax increases it creates a variety of modelling scenarios. An

overall increase on all elements of 4% has therefore been assumed. The final cost of the scheme will though be increased by the level of Council Tax increases applied.

- 1% reduction in caseload for 2019/20.
- Collection Rate of 98.75%. The current Council Tax base is calculated on this collection rate which takes into account in year collection and collection of arrears. For 2019/20 it is proposed that the collection rate, based on current collection, is maintained at 98.75%. Although the proposed changes will require some taxpayers who have not previously paid Council Tax to now be liable for an element of their Council Tax, the number of customers affected and the value of those impacts are not considered to have a significant impact on the overall collection rate. Modelling therefore assumes a collection rate of 98.75%.

### 5.3 The options considered are as follows:

- **Option 1: No change to the current scheme:** With 4% Council Tax increase and 1% caseload decrease;
- **Option 2: Reducing maximum savings limit:** The current maximum savings limit (the savings limit over which one is no longer eligible for Support) is £10,000. **Officers have modelled a reduction in savings limit of £9,000, £8,000, £7,000 and £6,000. These are shown in Appendix 1.**
- **Option 3: Increasing minimum entitlement:** The current minimum entitlement amount is £2. This means, any customer with a Council Tax Support award of less than £2 will not be entitled. **Officers have modelled an increase in minimum entitlement limit of £2.50, £3.00, £3.50 and £4.00. These are shown in Appendix 1.**
- **Option 4: Removal of family premium:** The family premium is an additional amount which can be added to a households applicable amount – essentially increasing the amount of Council Tax Support which can be awarded. From 1 May 2016, the Government made a number of changes to benefits and tax credits for people with children, and this was one of those changes. For Council Tax Support, it was for the Local Authority to decide whether the premium would be removed. **Officers have modelled the removal of this premium. This is shown in Appendix 1.**
- **Option 5: Universal Credit Changes:** Universal Credit (UC) awards are reviewed on a monthly basis, in line with changes to the customer's circumstances during each month – such as changes to wages. The DWP issue billing authorities with details of the new UC award and billing authorities are then required to re-assess the Council Tax Support. Since 1 April 2018, there have been 10,789 documents from the DWP – all of which have required an assessment decision. In turn, the monthly re-assessment of Council Tax Support results in a revised Council Tax bill being issued to the customer. As a result, the council tax instalment is amended, and potentially, the date the payment is due could be moved back, to allow 14

days' notice of payment for the instalment. This could result in direct debits failing, with customers needing to re-set these. UC CTS customers could potentially receive 12 adjusted council tax bills each year. This will also increase the cost of administration by the assessment and billing team, along with printing and postage costs.

To mitigate this impact, Officers are currently considering ways in which the UC income can be used within a CTS calculation. One of the options is to introduce a UC CTS banded scheme.

The income-banded scheme will assess the maximum level of Council Tax Support based on the net income of the applicant and their partner if they have one, as well as any children, if they have them.

Under this scheme, as part of our ongoing commitment to support vulnerable people, we will continue to disregard certain benefits for the income used in the assessment.

Working-age households will receive a discount, depending on the level of their income. This means we will look at the net income after disregarding certain benefits and decide what band the income falls into. The customer will then be awarded a percentage level of Council Tax Support in line with the table below.

Officers are currently modelling the scheme within the parameters of the Revenues and Benefits software. However, the principle of the banded scheme could be included as part of the consultation process and would be as follows:-

<b>UC CTS Level</b>	<b>Passport</b>	<b>Single Income Band £</b>	<b>Couples Income Band £</b>	<b>Family with 1 child Band £</b>	<b>Family with 2 or more children Band £</b>
A – 90%	Relevant Benefit	£0.00 to £110.00	£0.00 to £160.00	£0.00 to £210.00	£0.00 to £260.00
B – 85%	N/A	£110.01 to £150.00	£160.01 to £200.00	£210.01 to £250.00	£260.01 to £300.00
C – 50%	N/A	£150.01 to £230.00	£200.01 to £270.00	£250.01 to £330.00	£300.01 to £370.00
D – 25%	N/A	£230.01 to £300.00	£270.01 to £350.00	£330.01 to £400.00	£370.01 To £450.00
E – 0%	N/A	£300.01 and above	£350.01 and above	£400.01 and above	£450.01 and above

None of these options are mutually exclusive and it is possible to select a number of proposals in order to develop the final scheme.

#### 5.4 Council Tax Technical Changes – options 2019/20

In addition to the changes to the core elements of the scheme that the Council can choose to make, it can also consider a number of technical changes in respect of Council Tax charges. Three further options have been considered in this respect, option 7 will have a direct impact on the level of Council Tax charged, option 7 will have a cost impact to City of Lincoln Council's budget and option 8 will result in an administrative efficiency for the Council Tax Billing team. Options 6 and 7 have been modelled and are as follows and shown in **Appendix 1**:

- 5.5
- **Option 6: Council Tax empty homes premium:** From 1 April 2013, billing authorities have been able to charge a premium on a class of property that has been unoccupied and unfurnished for 2 years or more. Currently the premium can be up to 50% of the Council Tax on the property. From 1 April 2019, councils will have the powers to charge even greater premiums on homes left empty following an amendment to a government Bill.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill had its Third Reading by the House of Lords on 18 July 2018. The amendments to the Bill, if passed, will be in legislation from 1 April 2019, and will allow billing authorities to charge higher premiums on homes left empty.

The legislation will provide the following: –

- April 2019 – any property empty over two years to receive a premium of 200%;
- April 2020 – any property empty over five years to receive a premium of 300%; and
- April 2021 – any property empty over ten years to receive a premium of 400%

The impact of increasing the premium to 200% from 1 April 2019 can be seen in **Appendix 1**.

Decisions on whether to charge a premium, and the exact rates to be charged will remain a matter for councils, taking local circumstances into account.

The vast majority of Councils have already introduced the 50% premiums, and, where councils have applied the premium consistently every year, there has been a 9% fall in the number of homes being charged the premium. However, in City of Lincoln, this figure has fluctuated since April 2014 as follows: -

Year	Total Properties
2014/15	133
2015/16	58
2016/17	107
2017/18	93
2018/19	118
2019/20	135

To ensure the proposed new powers are not used to unfairly punish those facing difficult circumstances, the government announced on 18 July 2018 that it will publish revised guidance for councils on the use of premiums. This will take into account issues relating to low-demand areas and ensure it does not hinder complex regeneration schemes.

The government is clear that the premium must not be applied where homeowners can demonstrate that their properties are genuinely on the market for sale or rent, or in cases of hardship.

- **Option 7: Care leavers Council Tax Exemption:** In July 2016, HM Government, Edward Timpson, Minister of State for Children and Families produced a report titled [‘Keep On Caring - Supporting Young People from Care to Independence’](#). The report encourages all local authorities to consider how they can support their care leavers, using flexibilities at their disposal. One of these flexibilities is through the award of a Council Tax exemption.

**Appendix 1** provides details of the cost of the proposed exemption. If we were to assume support as indicated above for those 42 cases, the total cost would be £43,470. For City of Lincoln, this would be a cost of £6,955. This would be broken down as follows: -

- 100% support for those aged 18-21 (21<sup>st</sup> birthday) = 34 cases. Full support at average Band A (£1,144) would be £38,895. For City of Lincoln, this would be a cost of £6,223; and
  - 50% support for those in transition up to their 22<sup>nd</sup> birthday = 8 cases. Support at average Band A (£1,144) would be £4,576. For City of Lincoln, this would be a cost of £732.
- **Option 8: Unoccupied and unfurnished properties:** These are currently allowed a 50% exemption for the first two months that they are unoccupied and thereafter a no reduction until the property becomes a long term empty. This reduction has applied since April 2017. Prior to April 2017 the amount of the reduction in the first two months was 100%.  
The change in the percentage amount over the last year has had some operational consequences, some of which were anticipated and others were not. The consequences have been:
    - (i) All periods when a property is unoccupied have become subject to a charge meaning that even if the property is only unoccupied for a day or two there is a small charge, which is too small to be enforceable, meaning that a sizeable portion of

the perceived extra income has not been realised.

The billing process has been complicated by the charge, as we issue in the first instance a bill with a 50% discount for the rest of the year with instalments starting the following month. Then, often before the instalment has become due, the Council issue another

- (i) bill with the 50% discount being awarded for 2 months and no discount thereafter, with further adjusted instalments becoming due from the end of the two month period. The confusion arises because there is a chargeable from the first day of un-occupancy and then a change in the charge after two months.
- (ii) Tenants moving between rented properties often have tenancies that overlap by a few days or even weeks. Under the discount scheme prior to April 2017, this was of no concern as they attracted a 100% at whichever property they had either vacated or not yet occupied. Under the new scheme they attract a 50% charge at the unoccupied property in addition to the charge at the occupied property. For tenants in receipt of benefits, there is no access to CTR for a property that is unoccupied.

These issues have occurred specifically because the initial discount level is no longer set at 100%. Returning the value to 100% but reducing the length of its award to say 1 month, would resolve these matters, potentially improve the amount collected and meet the Council's priorities with regard to reducing poverty.

In addition, the fact that there is no discount for unoccupied properties after the initial period has expired, means that the taxpayers of unoccupied property have no legal responsibility to notify the Council if the properties become occupied (as their legal duty only extends to notifying the Council about changes affecting discounts).

The Council could consider:

- (i) Reverting the discount level for properties that become unoccupied to 100%
- (ii) Amending the length of time the initial discounted amount, perhaps to 1 month
- (iii) Consider applying a small discount after the initial period, as this would place a legal responsibility on landlords to notify the Council when tenants occupy properties and allow the imposition of penalties on those landlords who avoid their responsibility.

**5.6 Continuation of the Exceptional Hardship Scheme:** Exceptional Hardship Payments (EHP) assist persons who have applied for Council Tax Support and who are facing 'exceptional hardship' – it is similar to the Discretionary Housing

Payment for Housing Benefit shortfalls. EHP provides a further financial contribution where an applicant is in receipt of Council Tax Support but the level of support being paid by the Council does not meet their full Council Tax liability.

The council is required to provide financial assistance to the most vulnerable residents, who have been disproportionately affected by the changes made in 2019 to the Council Tax Support Scheme. Since April 2013, the Council agreed to introduce an Exceptional Hardship scheme each year, in order to provide a safety net for customers, in receipt of Council Tax Support who were experiencing difficulty paying their council tax.

The current EHP budget is £20,000 and the cost of EHP awards is being borne solely by City of Lincoln.

- 5.7 There will be some technical changes that will still need to be applied to ensure that the Council's scheme complied with the Prescribed Scheme Regulations (covering Universal Credit, premiums and discounts). These details are still awaiting from the Ministry of Housing, Communities and Local Government (MHCLG).
- 5.8 Technical amendments to the scheme in relation to uprating income, applicable amounts, disregards and allowances are to be collated once statutory details have been released by the Secretary of State; it is intended that these will be circulated to Members for consideration at the Executive meeting on 7 January 2019. There will be no change to the adopted policy in the way CTS is calculated for these areas. Officers have considered if there is any need for any transitional arrangements to the revised scheme and concluded transitional arrangements are not needed for the 2019/20 scheme.

## **6. National Council Tax Support Schemes**

- 6.1 Of the 326 Councils that administer Council Tax Support in England, the following information gives an overview of the schemes in operation: -
- 264 Councils have introduced a 'minimum payment' which requires everyone to pay at least some council tax regardless of income. A minimum payment can be administered in a range of ways. Most local authorities with a minimum payment require all residents to pay a proportion of their council tax, and they are only entitled to Council Tax Support for the remaining share. Lincolnshire Districts currently have a range of maximum entitlement from 75% to 90%. Officers have not modelled changes to this **City of Lincoln have not included this in the 19/20 scheme consultation.**
  - 100 Councils have introduced a band cap which involves limiting the amount of support granted in higher banded properties. The most common band cap applied is D. **City of Lincoln have included a cap at Band B in their scheme since 1 April 2017.**
  - 98 Councils have lowered the maximum savings limit (the savings limit over which one is no longer eligible for Support). Most of these have reduced the threshold from £16,000 to £6,000. **City of Lincoln have a maximum savings limit of £10,000 in their scheme from 1 April 2017. City of**

**Lincoln have modelled changes to this limit in their 2019/20 scheme – as shown in Appendix 1, Option 2.**

- 58 Councils have introduced a minimum CTS entitlement. This would result in claimants entitled to less than the 'minimum CTS entitlement' would receive no support. **City of Lincoln have a minimum entitlement of £2 per week in their scheme from 1 April 2017. City of Lincoln have modelled changes to this limit in their 2019/20 scheme – as shown in Appendix 1, Option 3.**
- 25 Councils have not made any changes to the scheme.
- Some Councils have introduced more than one of the above measures.
- Councils have also been able to bring Council Tax Support schemes in line with Housing Benefit and Universal Credit legislation. One of the ways in which this has been achieved is to remove the family premium. City of Lincoln did not include this within their scheme for 2018/19. **City of Lincoln have modelled this in their 2019/20 scheme – as shown in Appendix 1, Option 4.**

Further information can be found on the 326 schemes at <http://www.counciltaxsupport.org/schemes/>

## **7. Timetable**

7.1 The timetable to approve any change to the new scheme takes into account the existing calendar of meetings. The full council as Billing Authority needs to approve the scheme after consultation as outlined in paragraph 4.1.

7.2 The timetable is as follows: -

- Executive – 29 October 2018
- Consultation starts (6 weeks) – 1 November 2018 - the Council is required to review their current Council Tax Support scheme. The proposals and recommendations seeks to ensure the Council has a robust review of its current scheme and understand the implications of adopting a new scheme.
- Policy Scrutiny Committee – 27 November 2018 as part of consultation process
- Consultation Ends – 14 December 2018
- SRG – 17 December 2018 – verbal update for outcome of consultation
- Executive – 7 January 2019
- Council – 22 January 2019 - the Local Government Finance Act 2012 requires a full review of the scheme with the Billing Authority needing to approve a new scheme after consultation by 31 January 2019.

## 8. Strategic Priorities

### 8.1 Let's drive economic growth

Council Tax Support has a key role in Reducing Poverty and disadvantage by ensuring residents in those households who cannot afford to pay their Council Tax receive financial support. The changes to Council Tax Support form part of the national welfare reform agenda, with the risks of changes to numbers of claimants due to economic change and funding gap costs being passed from central government to local authorities. Central government now has a fixed cost funding arrangement whereas local government must set a scheme in advance of the financial year it applies to but cannot change it should circumstances change unexpectedly or if the assumptions used to decide the scheme are not realised. Central government states that this places responsibility for the local economy such as creating businesses and jobs on local government as part of the localism agenda

### 8.2 Let's reduce inequality

The Authority will be obliged to comply with its general equality duty under the Equality Act 2010. The scheme is being amended in line with statutory requirements and uprating the financial allowances. Early modelling shows the number of customers affected and pay how much (total and average per week). Once a decision has been made regarding the options of modelling, an equality impact assessment will be undertaken.

Council Tax Support awards are notified on Council Tax bills. If the scheme were likely to change, consultation with precepting authorities, stakeholders (such as Citizens Advice and Financial Inclusion Partnership) and residents would be required. Once a decision has been made, notification within Council Tax bills and annual CTS uprating letters would be issued advising claimants of the decision once their award for the new financial year is known.

## 9. **Organisational Impacts [FINANCE, LEGAL AND EQUALITY & DIVERSITY SECTIONS BELOW ARE MANDATORY AND MUST NOT BE DELETED]**

### 9.1 Finance (including whole life costs where applicable)

The actual cost of the discount scheme in 2019/20 will not be known for certain until the end of the financial year and will be dependent on the actual caseload in year as well as the levels of Council Tax set by the City Council and the major precepting authorities.

An indicative range of costs based on various scenarios for 2019/20 is set out in **Appendix 1**.

The estimated cost of the scheme, based on current caseload, is taken into consideration when calculating the Council's tax base for the financial year and will impact on the estimated Council Tax yield for the year. Any difference in the actual cost of the discount scheme to that estimated in the tax base calculation will be accounted for within the Collection Fund and will be taken into account when future years surpluses or deficits are declared.

The exceptional hardship fund of £20,000, made available during 2018/19, will continue to be available into 2019/20.

## 9.2 Legal Implications including Procurement Rules

The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, laid before Parliament on 22<sup>nd</sup> November 2012, set out the regulations for a default scheme and this was adopted by the Council subject to local policy needs in January 2013. The Secretary of State has issued amendment regulations setting out some changes that must be adopted by the Council for pensioners and the Council has also decided in 2013 to keep the schemes allowances and premiums in line with those for Housing Benefit for working age claimants. These are incorporated into amendments to the local scheme for approval by the Council.

The regulations for the City of Lincoln Council scheme proposed to be adopted are to be collated and made available for Council in January 2019.

## 9.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

The Authority will be obliged to comply with its general equality duty under the Equality Act 2010 and is shown in **Appendix 2**. The scheme is being amended in line with statutory requirements and uprating the financial allowances.

## 10. Risk Implications

- 10.1 The Council bears the risk of the cost of the Council Tax Support scheme should caseload increase causing the cost to increase more than predicted;
- 10.2 The final cost of the scheme could be increased to that modelled if the level of Council Tax increases above 4% (level applied in modelling);
- 10.3 Any revisions to the scheme must be approved by 31<sup>st</sup> January 2019 before the financial year begins;
- 10.4 The scheme cannot be changed mid-year and therefore it is vital the correct scheme is in place.

## 11. Recommendation

- 11.1 Executive is asked to resolve the following: -

- 1) Consider the proposed City of Lincoln Council's Localised Council Tax Support scheme for 2019/20 for public consultation and scrutiny with all options to be put forward for consultation;
- 2) Approve the continuation of the £20,000 a year Exceptional Hardship fund for 2019/20 to top up Council Tax Support awards in appropriate cases – to be funded through the collection fund.

**Is this a key decision?** Yes

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** 2  
Appendix 1 – Council Tax Modelling 2019/20  
Appendix 2 – Equality Impact Assessment

**List of Background Papers:** None

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### Council Tax Support Scheme Options for change as at 31<sup>st</sup> July 2018

The following options have been put forward for consideration.

<b>Option 1: No change to current scheme</b>		<b>Estimated Total Spend</b>	<b>Difference to MTFS (£7,815,572) – increase / (decrease)</b>	<b>City of Lincoln Saving – 16%</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>
i	Current scheme only – 4% council tax increase, 2% income increase and 1% reduction in caseload	£7,740,246	(£75,326)	(£12,052)	(£11,901)

The following options have been put forward for consideration with a council tax increase of 4%, income increase of 2% and reduction in caseload of 1%

<b>Option 2: Reducing maximum savings limit</b>		<b>Estimated Total Spend</b>	<b>Difference to MTFS (£7,815,572) – increase / (decrease)</b>	<b>City of Lincoln Saving – 16%</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>	<b>No. Customers Affected</b>	<b>Impact per customer per year (£)</b>
i	Current scheme only – £9,000	£7,738,654	(£76,918)	(£12,307)	(£12,153)	4	£7.65
ii	Current scheme only – £8,000	£7,736,494	(£79,078)	(£12,653)	(£12,494)	11	£6.56
iii	Current scheme only – £7,000	£7,733,204	(£82,368)	(£13,179)	(£13,014)	18	£7.52

<b>Option 2: Reducing maximum savings limit</b>		<b>Estimated Total Spend</b>	<b>Difference to MTFS (£7,815,572) – increase / (decrease)</b>	<b>City of Lincoln Saving – 16%</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>	<b>No. Customers Affected</b>	<b>Impact per customer per year (£)</b>
iv	Current scheme only – £6,000	£7,730,428	(£85,144)	(£13,623)	(£13,453)	27	£6.99

<b>Option 3: Increasing minimum entitlement</b>		<b>Estimated Total Spend</b>	<b>Difference to MTFS (£7,815,572) – increase / (decrease)</b>	<b>City of Lincoln Saving – 16%</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>	<b>No. Customers Affected</b>	<b>Impact per customer per year (£)</b>
i	Current scheme only – £2.50	£7,738,503	(£77,069)	(£12,331)	(£12,177)	99	£0.34
ii	Current scheme only – £3.00	£7,733,431	(£82,141)	(£13,143)	(£12,978)	134	£0.98
iii	Current scheme only – £3.50	£7,727,695	(£87,876)	(£14,060)	(£13,884)	178	£1.36
iv	Current scheme only – £4.00	£7,720,152	(£95,420)	(£15,267)	(£15,076)	207	£1.87

<b>Option 4: Removal of family premium</b>		<b>Estimated Total Spend</b>	<b>Difference to MTFS (£7,815,572) – increase / (decrease)</b>	<b>City of Lincoln Saving – 16%</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>	<b>No. Customers Affected</b>	<b>Impact per customer per year (£)</b>
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Appendix 1 – Executive 29 October 2018 – Council Tax Support Scheme 2019/20

<b>Option 4: Removal of family premium</b>		<b>Estimated Total Spend</b>	<b>Difference to MTFS (£7,815,572) – increase / (decrease)</b>	<b>City of Lincoln Saving – 16%</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>	<b>No. Customers Affected</b>	<b>Impact per customer per year (£)</b>
1	Current scheme only – removal of family premium	£7,657,150	(£158,422)	(£25,348)	(£25,031)	1,638	£0.98

**Council Tax Technical Options for change as at 31<sup>st</sup> July 2018**

<b>Option 6: Council Tax Empty Homes Premium</b>	<b>Council Tax Band</b>	<b>Total properties per band</b>	<b>Additional revenue per band @ 200%</b>	<b>Total additional revenue</b>	<b>City of Lincoln Additional revenue – 16%</b>	<b>Amount expected to be collected using collection figure of 98.75%</b>
Introduce 200% premium charge for properties empty over 2 years	A	97	£572	£55,484	£8,877	£8,766
	B	16	£667	£10,672	£1,708	£1,686
	C	7	£762	£5,334	£853	£843
	D	10	£858	£8,580	£1,373	£1,356
	E	1	£1,048	£1,048	£168	£166
	F	1	£1,239	£1,239	£198	£196
	G	3	£1,429	£4,287	£686	£677
	H	0	£1,715	£0	£0	£0
<b>Total</b>		<b>135</b>		<b>£86,844</b>	<b>£13,863</b>	<b>£13,690</b>

<b>Option 7: Care leavers council tax exemption</b>	<b>Age</b>	<b>Total</b>	<b>Average Band A charge</b>	<b>Cost of exemption @ 100%</b>	<b>Cost to City of Lincoln @ 16%</b>	<b>Cost of exemption @ 50%</b>	<b>Cost to City of Lincoln @ 16%</b>
	16	1	£1143.96	£1,144	£183	N/A	N/A
	17	4	£1143.96	£4,576	£732	N/A	N/A
	18	11	£1143.96	£12,584	£2,013	N/A	N/A
	19	10	£1143.96	£11,440	£1,830	N/A	N/A
	20	13	£1143.96	£14,871	£2,379	N/A	N/A
	21	8	£1143.96	£9,152	£1,464	£4,576	£732
	22	0	£1143.96	£0	£0	N/A	N/A
	23	0	£1143.96	£0	£0	N/A	N/A

Appendix 1 – Executive 29 October 2018 – Council Tax Support Scheme 2019/20

	24	1	£1143.96	£1,144	£183	N/A	N/A
	25	3	£1143.96	£3,432	£549	N/A	N/A
Total	N/A	42	N/A	£38,895	£6,223	£4,576	£732

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## Equality with Human Rights Analysis Toolkit



### SECTION A

Name of policy / project / service	Council Tax Support Scheme 2019/20
Background and aims of policy / project / service at outset	<p>In January 2018, the meeting of Full Council approved City of Lincoln Councils Council Tax Support Scheme (CTS) for 2018/19. There were no local changes made to the scheme.</p> <p>The Council must review and reapprove its Council Tax Support scheme each year as part of its budget setting process, and make any necessary changes for 1 April 2019</p> <p>It is recognised that the combined effects of the wider welfare reform package on the residents of the District requires a robust and detailed Equality Impact Assessment.</p> <p>The current document contains data derived from the current Council Tax Support caseload.</p> <p>Following publication of the draft scheme, formal consultation will commence on 1 October 2018 and will end on 9 November 2018, utilising a combination of the council's consultation web-portal, press releases and social media directing the public to the on-line consultation documents. Letters will also be issued to all customers in receipt of Council Tax Support. Emails will be issued to relevant stakeholders, including Citizens Advice and the Financial Inclusion Partnership.</p> <p>The level of changes to the current scheme have been modelled and individuals / groups impacted by the selection of changes is shown below: -</p> <ul style="list-style-type: none"> <li>• Retain current scheme with 4% Council Tax increase and 1% caseload reduction – 8,579 CTS customers affected</li> <li>• Council Tax Empty Homes Premium to be increased from 150% to 200% - 135 council tax payers affected</li> <li>• Care leavers council tax exemption – 42 care leavers positively affected</li> <li>• Introduction of a minimum payment threshold of 95% - 2,961 CTS customers affected</li> </ul>

	<ul style="list-style-type: none"> <li>• Introduction of a minimum payment threshold of 90% - 2,961 CTS customers affected</li> <li>• Introduction of a minimum payment threshold of 85% - 2,961 CTS customers affected</li> <li>• Introduction of a minimum payment threshold of 80% - 2,961 CTS customers affected</li> <li>• Reducing maximum savings limit to £9,000 – 4 customers affected</li> <li>• Reducing maximum savings limit to £8,000 – 11 customers affected</li> <li>• Reducing maximum savings limit to £7,000 – 18 customers affected</li> <li>• Reducing maximum savings limit to £6,000 – 27 customers affected</li> <li>• Increasing minimum entitlement to £2.50 – 99 customers affected</li> <li>• Increasing minimum entitlement to £3.00 – 134 customers affected</li> <li>• Increasing minimum entitlement to £3.50 – 178 customers affected</li> <li>• Increasing minimum entitlement to £4.00 – 207 customers affected</li> <li>• Removal of family premium – 1,638 customers affected</li> </ul> <p>Each of these will be considered in relation to how the changes might differently and / or adversely affect people with protected characteristics.</p> <p>The Equality Assessment provided support in approach to the consultation on the proposed scheme. Details of the responses to the consultation will be presented in the Localised Council Tax Support 2018/19 report pack which will be presented to Strategic Review Group on 17 December 2018.</p>
<p>Person(s) responsible for policy or decision, or advising on decision, and also responsible for equality analysis</p>	<p>Claire Moses – Revenues and Benefits Manager (Shared Service)</p>
<p>Key people involved <i>i.e. decision-makers, staff implementing it</i></p>	<p>Decision Makers – City of Lincoln Members, and Executive Staff implementing any changes</p>

## SECTION B

This is to be completed and reviewed as policy / project / service development progresses

69	Is the likely effect positive or negative? (please tick all that apply)			Please describe the effect and evidence that supports this?*	Is action possible to mitigate adverse impacts?	Details of action planned including dates, or why action is not possible
	Positive	Negative	None			
Age	Y	Y		<p>Pensioners are a protected group for the purposes of council tax support scheme so will not be financially affected, therefore the reduction in benefit will be borne by the remainder of those in receipt of Council Tax Support (those of working age who are not carers, war widows/ war disablement pensioners and the sick and disabled).</p> <p>There could be a risk people of working age who will bear all the financial impact of the changes, may resent the fact that pensioners are exempt.</p> <p>Due to the current economic climate, it is more difficult for younger people to access</p>	Yes	<p>Action dependant on outcome of consultation.</p> <p>With effect from 1 April 2019</p>

70				<p>employment providing further financial difficulties. Council Tax Support will only be available to those young people who are liable to pay Council Tax and this only applies to householders over 18 years of age. If the young person is living in their parent or other householder's home they will not be liable to pay Council Tax so will not be affected by this Support scheme unless they are a non-dependent in the householder's home because the non-dependant deductions are being increased across all age groups and based on the level of income they receive. The personal allowances for under-25's is lower than for those over the age of 25 years. This means that they could get less.</p>		
Disability including carers (see Glossary)	Y			<p>The proposal to protected vulnerable groups will include those with a disability.</p> <p>The Department for Work and Pensions state that disabled people remain far less likely to be in employment, therefore the proposals do not impact on this group to the extent that they are regarded as a vulnerable group. The scheme protects disabled persons from the proposed changes except for the general uprating of all allowances and premiums.</p> <p>To qualify as 'disabled' the person must</p> <ul style="list-style-type: none"> <li>• Qualify for a disability, enhanced disability or severe disability premium for the claimant or partner, or</li> <li>• Qualify for disability or enhanced</li> </ul>	NA	With effect from 1 April 2019

Appendix 2 – Executive 29 October 2018 – Council Tax Support Scheme 2019/20 Equality Impact Assessment

				disability premium for a dependent, or <ul style="list-style-type: none"> <li>• Qualify for a disability earnings disregard, or</li> <li>• Receive a disability related council tax reduction.</li> <li>• Be in receipt of Employment and Support Allowance (Work Related or Support Group component)</li> </ul>		
Gender re-assignment			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2019
Pregnancy and maternity			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2019
Race 71			Y	Persons from abroad are excluded from provision by statute but race or ethnicity itself does not have any effect on the application of the scheme.  Scheme rules do not take into account race or ethnicity.  Council Tax Support is proposed to be reduced for all working age customers.	NA	With effect from 1 April 2019
Religion or belief			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2019
Sex			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2019
Sexual orientation			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2019

Marriage/civil partnership			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2019
Human Rights (see page 8)			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2019

- Evidence could include information from consultations; voluntary group feedback; satisfaction and usage data (i.e. complaints, surveys, and service data); and reviews of previous strategies

Did any information gaps exist?	Y/N/NA	If so what were they and what will you do to fill these?

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## SECTION C


### Decision Point - Outcome of Assessment so far:

Based on the information in section B, what is the decision of the responsible officer (please select one option below):

- |   |                  |
|---|------------------|
|   | <b>Tick here</b> |
| ✓ <b>No equality or human right Impact</b> (your analysis shows there is no impact) - sign assessment below                         | [ ]              |
| ✓ <b>No major change required</b> (your analysis shows no potential for unlawful discrimination, harassment)- sign assessment below | [ ]              |
| ✓ <b>Adverse Impact but continue</b> (record objective justification for continuing despite the impact)-complete sections below     | [ x ]            |
| ✓ <b>Adjust the policy</b> (Change the proposal to mitigate potential effect) -progress below only AFTER changes made               | [ ]              |
| ✓ <b>Put Policy on hold</b> (seek advice from the Policy Unit as adverse effects can't be justified or mitigated) -STOP progress    | [ ]              |

Conclusion of Equality Analysis (describe objective justification for continuing)	<p>Council Tax has to be paid by all those liable to pay it but some people will have limited means to do this because of their low income or they have higher living costs due to illnesses, disabilities or family or personal circumstances.</p> <p>Council Tax is required to raise month to fund Council Services but a certain amount of money is directed to those who cannot afford to pay the Council Tax to reduce the financial burden on those households because they need it or because society considers that financial support is beneficial to help certain categories of people in certain situations.</p>
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## Appendix 2 – Executive 29 October 2018 – Council Tax Support Scheme 2019/20 Equality Impact Assessment

	The aim of the proposed changes is to save some scheme expenditure in light of further reductions to local government finance.		
When and how will you review and measure the impact after implementation?*	<p>The policy and CTS is the responsibility of City of Lincoln Council. It is approved by the Executive Board and then full Council. It will be administered by the Council's Shared Revenues and Benefits Service.</p> <p>The Council will analyse its current caseload and produce figures showing the main groups of working age claimants getting Council Tax Support now and likely to be affected by changes to the current scheme. Extracts of the data will allow monitoring of the main types of people affected by the policy can take place as required</p>		
73 Checked and approved by responsible officer(s) (Sign and Print Name)	 Claire Moses	Date	9/8/2018
Checked and approved by Assistant Director (Sign and Print Name)	Martin Walmsley	Date	9/8/2018

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**SUBJECT: THE INTRODUCTION OF A NEW TELEMATICS SYSTEM**

**DIRECTORATE: HOUSING AND REGENERATION**

**REPORT AUTHOR: MATT HILLMAN – MAINTAINENCE MANAGER**

**1. Purpose of Report**

- 1.1 To highlight the requirement for the City of Lincoln Council to introduce a telematics system to all its fleet and all sub-contractors using telemetric.

**2. Executive Summary**

- 2.1 The City of Lincoln Council are considering the introduction of a telematics system throughout its new fleet as part of its process of modernising its operations. The report identifies the advantages and disadvantages of introducing such a system.

**3. Background**

- 3.1 The introduction of a telematics system has been discussed for a number of years, however our new vehicle supplier has highlighted the opportunity for cost savings.
- 3.2 The telematics hardware comes preinstalled in most of the vehicles we are now leasing in our 78 vehicle fleet i.e. at no extra cost. The main cost for the Council in introducing telematics would be the back office software

**4. Main Body of Report**

- 4.1 Telematics is the technology of sending, receiving and storing information relating to remote objects, such as vehicles, via telecommunication devices.
- 4.2 Telematics systems are broken into two elements, the hardware and the software. The hardware is the actual tracking system within the vehicle and the software is the application the data is sent to.
- 4.3 By combining a GPS system with on-board diagnostics it's possible to record – and map – exactly where a vehicle is and how fast it is travelling, and cross reference that with how a vehicle is behaving mechanically.

4.4 The information that can be recorded and presented will be utilised by COLC as follows

- Average fuel consumption.
- Driving standards such as average speed, actual speed, excessive breaking etc. in the event of accident investigation (as per below).
- Vehicle location, in the event of theft or major cause for concern.
- Vehicle driving periods.
- Accurate mileage figures.

## **5. Advantages and Disadvantages**

5.1 Some of the advantages are as follows:

- 5.2
- Accurate vehicle locations – In the event of an emergency repair, to the vehicle, provides the ability for management to review the location of a vehicle which will only be used in an emergency situation.
  - Accurate vehicle location – where drivers are wrongly accused of poor driving the actual location, speed, etc. can be verified using telematics. This will only be accessed when a formal written complaint has been registered.
  - Accurate vehicle navigation via the GPS facility.
  - In the event of a PDA error or the system running the PDA's, communications can be sent direct to the vehicle using a messaging system. An example of communication that could be sent direct to the vehicle could be violence to employee information.
  - Back-up maintenance alerts – Vehicles that receive regular maintenance run more efficiently and use less fuel than neglected vehicles. The system would be a 'failsafe' back up to ensure that vehicles receive proper maintenance.
  - The Council will be seeking to reduce fuel consumption and will produce an information sheet on conservative driving.

## **6. Potential Disadvantages:**

- 6.1
- Operatives may perceive a lack of trust of the workforce when this is not the case. To this end trackers will only be utilised when there is a complaint of a safety incident, a formal complaint or an accident. Furthermore, to further reduce this perception of a lack of trust, the following procedure will be utilised to give employees genuine learning opportunity
- 6.2
- Unless there is a 'serious and critical' safety incident that generates a 'substantial' risk to health and safety then the following actions will be pursued by management:

- a) Manager will speak informally to the employee and remind them of their responsibilities. Such an 'informal' conversation may be kept as a file note, for no more than 1 year.
- b) If, following a verbal conversation (as prescribed under 1), due consideration will be given for any relevant training and informal steps which could help improved perceived poor performance
- c) Only once, 1 and 2 have been duly accounted for, would management consider opening a formal investigation, for what may be perceived
- d) 'repeated failure' to adhere to prescribed guidelines.

6.3 N.B. Further to the above, COLC will make every effort to appropriately log the contact details on anyone wishing to raise a complaint to ensure that there is fair credibility in the allegations. This will include sending the person(s) an appropriate form, or having our call centre fill out the form with them.

The use of anonymous statements/complaints is not something the Council desire leading to distrust. Anonymity does not constitute invisibility; therefore where an employee receives a complaint the identity of the complainant in extreme and evidenced circumstances will not be disclosed to the employee.

However this information will be provided to the employees' representative. Where the Council cannot identify a complainant an investigation will not be initiated.

If the system is not managed appropriately it is possible too much information can be produced which becomes counter-productive to business aims.

## **7. What will the system will be used for?**

### **7.1 Safety management and improvement:**

- Act as part of a City of Lincoln lone working system and be an additional means of locating an individual in the event that they have not activated their reliance device, only to be used in emergencies.
- Accident investigation in terms of giving definitive detail in terms of location and speed.

### **7.2 Business efficiency:**

- Potential for reduced fuel consumption and CO2 emissions (better driver performance)
- Aid the recovery of stolen vehicles.
- Reporting to statutory authorities when required to do so by law, for example the police or HSE.

- Corroboration or rebuttal of other evidence.
- Saving of management time in investigating serious vehicle incidents.
- Enhance understanding of vehicle utilisation for procurement decisions.
- Ensure that the Council's fleet is managed in accordance with modern practices reflecting collective aspirations to modernise the DLO operation

## **8. What it won't be used for**

- 8.1 Individuals will not be personally or routinely monitored and data will only be used in the event of an incident or cause for concern. Therefore the system will not be used under any circumstances for 'time and motion' processes or the like.
- 8.2 There will be no routine operational monitoring utilised and the system will only be accessed on the grounds a formal written complaint or a serious vehicle incident as listed at the end of this document. The Council does not have the staff resource or any rationale for routine monitoring.
- 8.3 All records relating to individual members of staff will be subject to data protection regulations and such data will be destroyed, unless needed for investigation of logged incidents, no more than four weeks after its creation.

## **9. Driver Benefits**

- 9.1
- The City of Lincoln Council track the vehicle, not the person and in the event of a first incident will be used for training purposes only.
  - Help with proving the liability of incidents.
  - Speed camera alerts via the GPS system
  - Back up evidence in the event of being wrongfully accused of poor driving practices.
  - Proof of attendance (customer complaint of non-attendance, late arrival at location etc.) can now be discounted by evidence of report showing location and arrival / departure times, accessing the system will only be used where a written customer complaint is received.
  - In the event of a damage / insurance claim, speeding tickets etc. drivers can prove categorically any mistaken ID's, locations etc.

## **10. Public Sector Use of Telematics**

- 10.1 Please see below following research on use in other organisations.
- 10.2 There are a number of other organisations and authorities that already use telematics systems to assist with the management of their fleet, some of these include:

- Kier Services (all vehicles)
- Aaron Services (all vehicles)
- Meddo
- Lincolnshire County Council (all County vehicles plus contractors, Kiers)
- Nottingham City Homes (all 370 vehicles)
- Broxtowe Borough Council (all vehicles)
- Exeter City Council
- Renfrewshire Council
- East Ayrshire Council
- Luton Borough Council
- Blackburn with Darwin Borough Council
- South Gloucestershire Council
- East Riding of Yorkshire Council
- Kettering Borough Council
- Down District Council
- London Borough
- Wakefield MDC
- Caerphilly County Borough Council
- Belfast City Council
- Fife Council

## **11. Data Protection**

- 11.1 All records relating to individual members of staff will be subject to data protection regulations and such data will be destroyed, unless needed for investigation of logged incidents, no more than four weeks after its creation. If retained for use in investigation of incidents the information will be destroyed once the investigation process has been completed.
- 11.2 Information will only be shared with third parties where it is being used as part of an investigation into an incident/accident.
- 11.3 The only members of staff to be authorised to use the Telematics software, and therefore to be trained to operate the software, will be Matthew Hillman, Maintenance Manager and his nominated deputy during leave periods if necessary, John Zubic, Business Services Manager. When the system is accessed in line with the policy, the senior UNITE representative will be informed.

## **12. National Facts and Statistics**

- 12.1 Speed causes the deaths of about 1,100 people each year, causes serious injury to 12,700 each year and slight injury to an unbelievable 900,000 each year.
- 12.2 Two thirds of all crashes happen on roads with a speed limit of 30mph and the driver has exceeded this. 66% of unmonitored drivers exceed 30mph limits.
- 12.3 Even when wearing a seat belt a driver travelling at 40mph is five times more likely to suffer a serious injury.

### **13. Strategic Priorities**

13.1 Not applicable.

### **14. Organisational Impacts**

14.1 Costings

14.2 No initial outlay for units as unit price is built into monthly lease fee.

14.3 Software costs:

Per vehicle per month £14.85

Total across fleet per month £1158.30

Total across fleet per annum £13,899.60

Total across remaining fleet lease period £41,698.80

The lease cost of the Telematics System can be met from the HRS Surplus fund which currently has a balance of £88,000.

14.4 Potential returns on investment include:

- Management of fuel consumption – potential reduction.
- Reduction in Co2 emissions - reduced mileage covered by operatives would result in lower emissions produced
- Understanding the real cause of any formally reported incident and saving management investigation time

14.5 The DLO has an annual turnover of £6.7m and the fleet asset value (new) is over £1.25m. The telematics system will protect those assets. The software cost represents a cost of 0.21% of the annual turnover (based on the initial cost, this will decrease as the lease period diminishes and an accurate figure can be given once an implementation date is agreed upon).

### **15. Human Resources**

15.1 All unions have been consulted on regarding the telematics system for the HRS Fleet and are in agreement with the introduction of the telematics system.

15.2 One key area that UNITE felt strongly about and the authority supported in the negotiation process, is the implementation of the telematics device within the entire fleet that the Housing Repairs service operates.

### **16. Risk Implications**

16.1 (i) Options Explored

(ii) Key risks associated with the preferred approach

**17. Recommendation**

- 17.1 That the Executive approves the installation of telematics in the City of Lincoln Council's Housing Repairs Service vehicle fleet.

**Is this a key decision?**

No

**Do the exempt information categories apply?**

No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?**

No

**How many appendices does the report contain?**

One

**List of Background Papers:**

None.

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## 11. Introduction of a Telematics System

Matt Hillman, Maintenance Manager:

- a) Presented a report to introduce a telematics system to all the Council's fleet and all sub-contractors using telemetric.
- b) Informed that telematics was the technology of sending, receiving and storing information related to remote objects such as vehicles via telecommunication devices.
- c) Explained that telematics was broken down into two elements, the hardware and the software. The hardware was the actual tracking system within the vehicle and the software was the application that the data was sent to.
- d) Highlighted that the City of Lincoln Council were considering the introduction of a telematics system throughout its new fleet as part of its process of modernising its operations.
- e) Stated that the telematics system had been discussed for a number of years prior to implementation.
- f) Advised that the telematics hardware came preinstalled in most of the vehicles and the Council were now leasing their 78 vehicle fleet at no extra cost. The main cost for the Council in introducing telematics would be the back office software
- g) Invited members questions and comments.

Unions showed concerns around the telematics system being used for disciplinary reasons. It was highlighted that the old system stated that it wasn't going to be used for that purpose.

Officers advised that there would be a process prior to a disciplinary and that they didn't want it to be used solely for that purpose. It would be used to train and educate staff in the first instance. A disciplinary but that would be a last resort.

Members queried how complaints were logged and asked what method of correspondence would be defined as 'in writing'?

Officers advised that they didn't accept anonymous complaints which had previously been agreed by officers and unions. A complaint that had been made online, by email or in writing would be accepted however it would initially be signposted and the individual would be advised to go through the formal complaints procedure.

Unions showed concerns about the current complaints process and explained that there would be an equality issue e.g. if somebody had a disability and was unable to read or write. Following that, it was suggested that in future, the official complaints procedure should be adhered to at all times. If separate procedures were put in place it could set a precedent for other areas.

In conclusion, Members requested that the telematics system should be referred to JCC (Health and Safety) every 6 months' for review and feedback following the end of a fleet period. It was agreed that all Union representatives would also be informed.

RESOLVED that:

- 1) the report be approved and referred to Executive for further consideration.
- 2) The telematics system be referred to JCC (Health and Safety) every 6 months' for review and feedback.

<b>SUBJECT:</b>	<b>PUBLIC SPACE PROTECTION ORDER – ST PETER'S PASSAGE</b>
<b>DIRECTORATE:</b>	<b>COMMUNITIES AND ENVIRONMENT</b>
<b>REPORT AUTHOR:</b>	<b>FRANCESCA BELL, PPASB AND LICENSING SERVICE MANAGER</b>

## 1. Purpose of Report

- 1.1 To inform the committee of the proposal to implement a Public Space Protection Order (PSPO) to allow the gating of St Peters Passage, Lincoln.
- 1.2 To inform the committee of the public consultation responses received and to seek the views of the committee on the proposal.

## 2. Executive Summary

- 2.1 In October 2014 the Secretary of State enacted new powers from the Anti-Social Behaviour, Crime and Policing Act, relevant to tackling Anti-Social Behaviour. These new powers also make changes to some of the relevant existing legislation and the Council is required, within the period of three years, to reconsider its Designated Public Place Orders (DPPOs) and either withdraw or replace them with new Public Space Protection Orders (PSPOs).
- 2.2 The PSPO's are more flexible and can be applied to a much broader range of issues, with local authorities having the ability to design and implement their own prohibitions or requirements where certain conditions are met. These conditions centre on the impact to the quality of life in the locality, persistence, and whether the impact makes the behaviour unreasonable.
- 2.3 The purpose of the PSPO is to enable St Peters Passage, Lincoln, to be gated. St Peters Passage is a public right of way and is shown in **APPENDIX A**. The introduction of a PSPO would prevent public access to the passage.
- 2.4 The proposed PSPO would be put in place for a maximum period of three years after which a full review would take place. Through the consultation we have sought the views of the partner agencies and the public on the following points:
  1. Does your agency have any information in support of or against the proposal of the PSPO?
  2. Does your agency require access to St Peters Passage? If yes then for what reason?
  3. Does your agency have any concerns or objections to the proposed PSPO?

- 2.5 The City of Lincoln, much like other towns and cities nationally, has seen an increase in on street ASB particularly associated with substance misuse. These issues have manifested in the city centre particularly with St Peters passage being used for crime and ASB including the passage being used as a toilet. The council and its partners are working collaboratively to address the complex issues of individuals, however the gating of St Peters Passage would break the cycle of ASB and enable partners to better tackle the issues as well as protecting the public from harm by preventing public access to the passage which in its current state presents a public health risk.
- 2.6 On 9<sup>th</sup> October 2018 Policy Scrutiny Committee approved the proposal to implement the PSPO with two recommendations: Firstly to review the PSPO in 12 months' time, the report is amended to incorporate this. Secondly to consider the use of CCTV on the basis of public safety at the Glory Hole and Much Lane. The Glory hole has good coverage from the high street. Much Lane is not covered however the cost to implement, with the support of local businesses allowing the camera to be sighted on their building, is estimated at between £2000 - £3000.

### **3. Background**

- 3.1 For a number of years City of Lincoln Council has received intermittent complaints relating to the condition of St Peters Passage. Over the last 12 months complaints have increased significantly. The main concerns relate to drug use and paraphernalia such as needles being left behind, additionally the passage is being used as a toilet, smelling particularly strong of urine but also containing faeces.
- 3.2 The passage is currently unsanitary and poses a health and safety risk to both the Public, Street Cleaning Employees and Partner Agencies that access the Passage. Additionally the passage does not portray Lincoln as a vibrant and welcoming city.

### **4. Public Space Protection Orders**

- 4.1 The Anti-Social Behaviour, Crime and Policing Act came into force on 20<sup>th</sup> October 2014. This Act contains the provisions for the Public Space Protection Order, which was enacted by order of the Secretary of State on the 20<sup>th</sup> October 2014
- 4.2 Local authorities have the power to make Public Spaces Protection Orders if satisfied on reasonable grounds that two conditions are met.

The first condition is that:

- a) activities carried on in a public place within the Authority's area have had a detrimental effect on the quality of life of those in the locality, or
- b) it is likely that activities will be carried on in a public place within that area and that they will have such an effect.

- 4.3 The second condition is that the effect, or likely effect, of the activities:

- a) is, or is likely to be, of a persistent or continuing nature,
- b) is, or is likely to be, such as to make the activities unreasonable, and
- c) justifies the restrictions imposed by the notice.

Activities can include things that a person or a group does, has done or should do (in order to reduce the detrimental effect).

- 4.4 A Public Space Protection Order is an order that identifies the space to which it applies (“the restricted area” within which the impact has or is likely to occur[ed]) and can make requirements, or prohibitions, or both within the area. This means that the local authority can, by virtue of the order, require people to do specific things in a particular area or not to do specific things in a particular area. The local authority can grant the prohibitions/requirements where it believes that they are reasonable in order to prevent or reduce the detrimental impact. The order can be made so as to apply to specific people within an area, or to everybody within that area. It can also apply at all times, or within specified times and equally to all circumstances, or specific circumstances. The order can apply for a maximum of three years upon which the process of reviews and consultation must be repeated to ensure the issues are still occurring and the order is having the required effect. Thereafter it can be extended for a further three years and, upon the reviews and consultation taking place, can be extended more than once for further periods of three years.
- 4.5 The Anti-Social Behaviour Crime and Policing Act rescinded powers known as gating orders. This Power has now been replaced by Public Space Protection Orders.

## **5. The consultation**

- 5.1 On Wednesday 1<sup>st</sup> August 2018 a public consultation was launched. The consultation lasted 28 days and closed at 5pm on Wednesday 29<sup>th</sup> August 2018. As part of the consultation partners were approached directly seeking their views and any evidence they may hold in relation the proposed PSPO.
1. Does your agency have any information in support of or against the proposal of the PSPO?
  2. Does your agency require access to St Peters Passage? If yes then for what reason?
  3. Does your agency have any concerns or objections to the proposed PSPO?
- 5.2 We have directly approached all members of the Safer Lincolnshire Partnership (formerly Lincolnshire Community Safety Partnership) as well as approaching the following partners;
- Lincolnshire Police,
  - Lincoln BIG,
  - P3,
  - Framework,
  - Addaction.

In addition to this we have also advised all ward councillors of the consultation and City of Lincoln Communications team have put out information of the public consultation.

5.3 In response to the consultation we have received a total of 25 responses. Of the 25 responses 15 were in favour, seven were against and three were indifferent of gating St Peters Passage. A copy of the comments received is provided in **APPENDIX B**.

5.4 Of the responses received they fell into four specific areas.

- a. In favour of gating the passage – 14 responses
- b. In favour but with concerns about displacement of the problems – Three responses
- c. Against due to displacement of problems – Four responses
- d. Against as they do not agree there is a problem in St Peters Passage or due to the passage being a historic right of way – One response.

Three responses did not express a view – Total 25 responses.

5.5 To address points B – D above:

With regard to points B and C, The problems that are arising in St Peters Passage may be displaced as a result of gating the passage. With the projects that are currently launching across Lincoln City all agencies will be in a better position to jointly tackle anti-social behaviour and to offer comprehensive support to individuals where there is a willingness to engage positively with agencies. By implementing a PSPO the aim would be to disrupt the cycle of ASB in this particular location.

With regard to point C a short video of St Peters Passage will be shown to the committee.

## **6. The Evidence**

6.1 Police incidents relating to associated ASB and criminal behaviour in the passage are low. This could be due to the passage being out of public view and not being regularly used by pedestrians. A number of reports have been made by Lincoln Business Improvement Group who have witnessed used needles, drug paraphernalia and faeces in the passage on a daily basis. In addition to this each time street cleaning employees or PPASB employees have visited the passage way needles and faeces have been present.

6.2 Over the last two years the Council has recorded 24 separate incidents of needles and/or faeces in the passageway. It is recognised within the PPASB Team that this number of complaints is low by comparison to the number of actual incidents.

6.3 23 businesses within the city centre have signed a petition in support of gating the passage.

## **7. The Proposal**

7.1 To introduce a PSPO to permit the gating of St Peters Passage, Lincoln. The PSPO will remain in place for a maximum of three years before review, however it is proposed that a full review be undertaken and brought before Policy Scrutiny after the initial 12 months.

7.2 Members would need to be satisfied that the legal conditions, laid out above in sections 4.2 and 4.2, have been met. Officers' view is that these requirements have been met based upon:

- Evidence gathered by the Council itself, and from other associated agencies including the Police, recording crime and ASB statistics for the area.
- Feedback from the consultation attached as **APPENDIX B**. Full responses are available on request from Democratic Services.

## **8. Strategic Priorities**

### **8.1 Let's drive economic growth**

Projects within the city centre to tackle anti-social behaviour enhance our city making it a more attractive city for investment.

### **8.2 Let's reduce inequality**

The service seeks to reduce inequality through its work with individuals and communities.

### **8.3 Let's enhance our remarkable place**

Projects within the city centre to tackle anti-social behaviour serve to improve and enhance the city.

## **9. Organisational Impacts**

### **9.1 Finance (including whole life costs where applicable)**

The cost of gating and ongoing maintenance will be met by Lincoln Business Improvement Group. There are no other financial implications

### **9.2 Legal Implications including Procurement Rules**

Under the Anti- Social Behaviour Act 2014, the City Council has the power to make such orders restricting rights over the highway. The installation of the gates will require planning permission and so subject to the agreement of Executive, Lincoln BIG will then submit a formal planning application detailing the design and installation of the gates themselves.

### **9.3 Land, property and accommodation**

The introduction of the PSPO would remove a public right of way, consultation has been done with Lincolnshire County Council Highways, who are satisfied in principal with the proposal.

All land owners within the area are required to be consulted, which has been satisfied through the consultation conducted.

#### 9.4 Human Resources

There are no human resources implications

#### 9.5 Equality, Diversity & Human Rights

The proposal does not have any direct Human Rights implications.

#### 9.6 Corporate Health and Safety implications

The introduction of the PSPO would alleviate the Public Health Concerns associated with the use of the passage.

### 10. Risk Implications

#### 10.1 (i) Options Explored

- a. To take no further action – this would allow the ASB to continue in St Peters Passage and would not address the risks to public health that the passage way presents.
- b. To put CCTV and lighting into the passage way – this would incur a cost. It may provide agencies with the means to identify perpetrators. In the meantime the risk to public health would remain.
- c. To introduce a PSPO permitting the gating of the passage way – this would ensure that the immediate public health risk is removed. It may displace ASB however partners have a range of interventions in place that should allow them to tackle continued ASB.

#### 10.2 (ii) Key risks associated with the preferred approach

There is a possibility that by gating the passage to restrict access that this will increase the prevalence and visibility of drug taking and possibly defecation on the high street. By gating the passage way only the symptom of a deeper rooted social issue is being dealt with however with the other interventions being introduced across the city there will support available for vulnerable individuals that wish to engage.

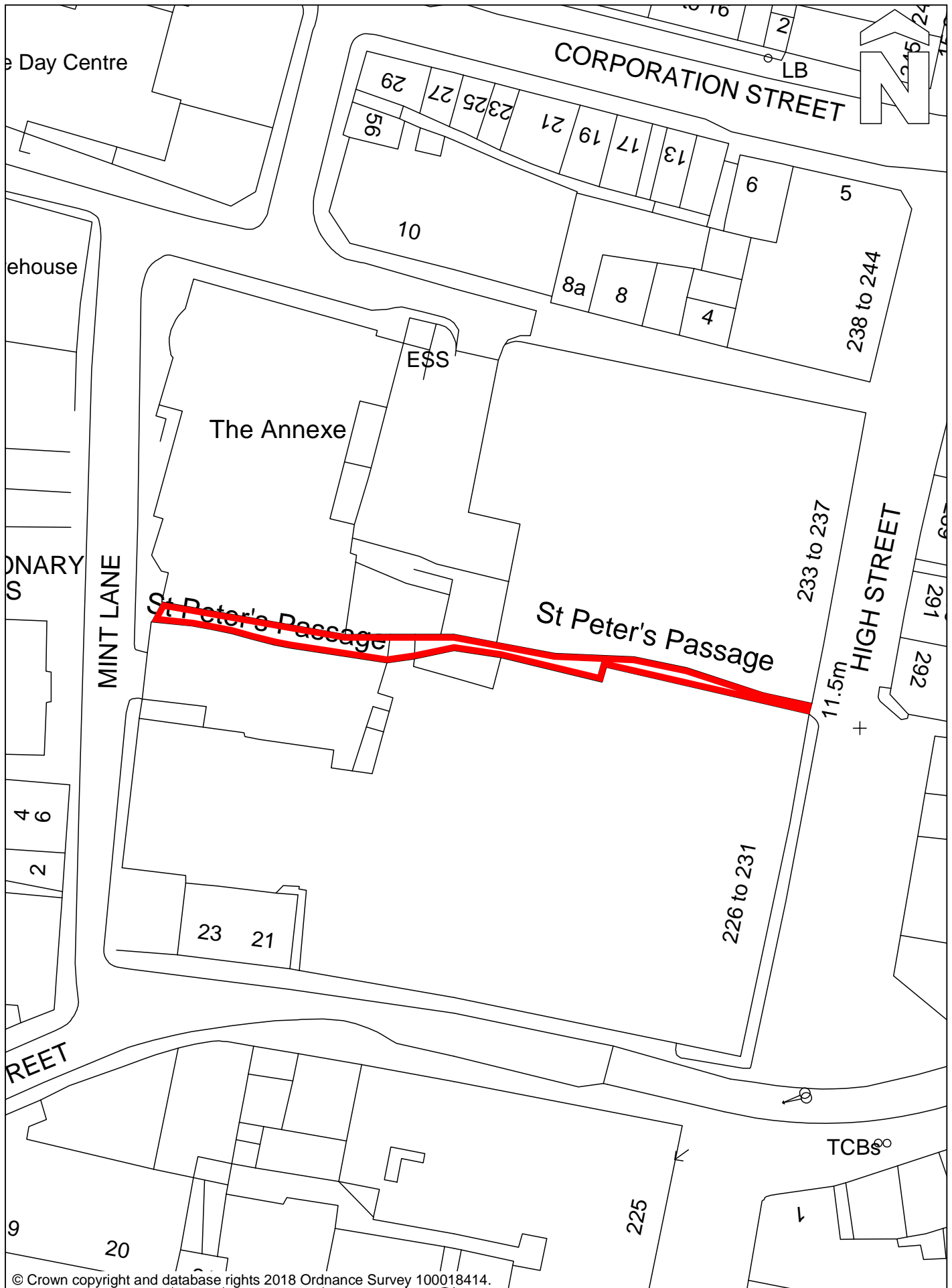
### 11. Recommendation

- 11.1 That a Public Space Protection Order permitting the gating of St Peter's Passage be approved.

<b>Is this a key decision?</b>	No
<b>Do the exempt information categories apply?</b>	No
<b>Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?</b>	No
<b>How many appendices does the report contain?</b>	2
	Appendix A – Map of St Peters Passage Appendix B – Consultation Comments
<b>List of Background Papers:</b>	None
<b>Lead Officer:</b>	Francesca Bell – Public Protection, Anti-Social Behaviour and Licensing Service Manager Telephone (01522) 873204

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# APPENDIX A



## St Peter's Passage PSPO

Scale: 1:600 at A4

Version 1: 24-Jul-2018

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1. Please close the passage. It's a health hazard.
2. Yes but it is not vital to the city and causes more problems than benefits.
3. No.

- 2 I use St Peters Passage regularly and I am concerned that this move will set a poor precedent for closing more public rights of way such as this in the future.

It is common knowledge that there is a drug problem in the City Centre but I am not convinced that closing St Peters Passage will ameliorate the the issue, nor help to improve the image of the City. St Peters Passage is not a prominent feature of the High Street (I was nor aware of its existence until after a number of years living in the City). It is not often used by tourists and yet there are many other just as public spaces in which drug taking can be carried out away from prying eyes and closing the passage will not make the people who use paraphernalia such as needles any more likely to dispose of them sensibly, they will simply be left wherever they are used, just as dangerous and just as accessible to the wandering child.

I might also add that although the smell of urine is indeed a common experience, this is no different to any other alleyway in the City Centre and I have certainly never seen any faeces (I would be interested to know how often this has been reported).

- 3 I am pleased that the Council is taking our public health seriously, however, it would be unfortunate if it were to close a useful and historic public right of way in the name of public health only to find that it has made no difference at all to instances of the sort of anti-social behaviour described by the consultation paper. My concern is that this would shift the focus to other public rights of way where this sort of activity is alleged to occur, and on the basis of the precedent set by the closure of St Peters Passage, these would also be closed, to no obvious benefit for the City.

I hope that you will take this view into consideration and ultimately opt not to close the passageway, while I cannot offer any suggestions as to the prevention of the use of this passage (or indeed others) as a toilet - beyond opening a public lavatory which is open 24/7 on the High Street - I hope that the Council will consider the Advisory Council on the Misuse of Drugs's report "Reducing Opioid-related Deaths in the UK"\* which recommends the creation of legal Drug Consumption Clinics in order to treat addicts (point 5.5.12 onward) and which would likely reduce public consumption leading to the problem of needles pointed to in your consultation document. Perhaps that is outside the scope of this consultation - but I nevertheless hope that it is something you will consider.

- 4 Passage way should not be close off, because of anti social behaviour. Prioritised removing anti social behaviour.

Before we know it ! We will all be living in gated community. No!! More patrolling and maybe a few more public toilets...

Sent from my iPhone

- 5 I am emailing to express concern at the revived proposal to close the public thoroughfare St Peter's Passage as a trial measure.

On a previous occasion I researched (and published locally) the history of this path and identified past references to what would now be described as anti social behaviour occurring on it. The path was not blocked or closed on those occasions, but other steps were taken to deter or detect unwanted activity.

Modern technology provides numerous methods for deterring such activity on a public path, including CCTV and lighting solutions. It is depressing that Lincoln City Council - and the adjacent property owners/occupiers - cannot devise a scheme to improve the situation without blocking the thoroughfare. I hope that the proposal is not being suggested as a means to raise adjacent property values but removing an inconvenient path.

I have used the path two or three times, and I accept that it is not in frequent use. Usage as a thoroughfare might increase with the completion of the residential accommodation on the junction of Park Street. If the path is closed, I would expect much of the associated anti social behaviour to move elsewhere - which could create a cycle of rights of way closures if the same approach is proposed.

I would urge officers and councillors to try other approaches to improve this situation. Many existing rights of way represent historically used routes and they are a part of the City together with historic buildings. There is often an ebb and flow to the popular use and appreciation of these features.

- 6 I dont think this is something that I should be commenting on

- 7 I have no evidence for or against this
- 8 I have known of the passage in the past years. In all the people who pass this passage 99.9% have no idea it exists. Close the passage and fit gates so that no one can domicile in front of them.
- 9 I am emailing you to support the closure of St Peter's Passage.
- I do not use the passage itself as I do not find it a pleasant or safe environment but I walk past the entrance near Primark everyday on my way to and from work.
- During the hot weather earlier this month the smell of urine coming from the Passage was overwhelming. Anyone walking up the High St from Primark up to the Stonebow would have been affected. As well as the health risks it gave a bad impression to visitors of Lincoln. I overheard several comments from people about the smell as I walked past.
- The only way to stop this would be to close it to public use.
- 10 I work in the High street for a national retailer, and the constant level of thieves and shoplifters that we get in every 10 to 15 minutes every day that come in, grab something, because we have an open door policy, and run out down the passage, and go into the hostel on mint lane or vanish into the crowd is ridiculous, nobody who has decent morales uses the passage because of the known drug taking, drug dealing and the usage of the passage as a public toilet by the lowlifes that reside on the High street ruining this city. Please for the good of the city close this rat run and try to keep our city that little bit nicer.
- In support of the proposal to close St Peter's Passage, last Friday (27<sup>th</sup> July) my husband and I sitting in Café Nero at about 9:45am witnessed what can only be described as a queue of half a dozen or so people going into this lane and out again in quick succession. I was clear to us that these people had been using the lane to take drugs of whatever kind – it was clear from their demeanour and appearance this was the case (we are qualified to draw this conclusion). The proposal would be in the public interest, people who live and work in the centre of town probably know not to use this lane but unsuspecting people could have a very unpleasant and potentially dangerous experience if they use this lane unawares in the spirit of exploration – I certainly wouldn't use this lane nor the passageway further down the high street towards Primark. Has it been considered this may become the place of choice if St Peters passage closes?
- Clearly the presence of urine and faecal material is a public health hazard.
- There doesn't seem any rational reason to keep the passageway open in view of the current issues in the town centre with the numbers of apparent substance misusers around at any one time, from my own observations there appears to be clusters around the William Foster pub (people openly dealing from their outside seating), on the area next to the Angel café (no implications on them whatsoever but who would want to sit in their outside area when people are openly taking drugs less than 20 feet away!) and the area by McDonalds in the Cornmarket.
- 11 It feels intimidating when I'm on my own sometimes to be walking through the whole high street area in Lincoln from the Railway station to Orchard Street at 7:30am when lots of the same people are begging and congregating, its the same crowd we saw in St Peter's Passage who are there all day and they are very recognisable.
- 12 I have no concerns in closing St. Peter's Passage in Lincoln. I would like to raise the same concerns that you are considering with the public right of way with the one located between Elliott's picture framing shop and wildwood restaurant on Lincoln high Street, the same issues are faced down there. I walk through it frequently in order to reach the rear of my property and for example this morning there are 2 needles and strong smells or urine. I feel it should also be considered for closure.
- 13 My thoughts on this would be why don't you put a cctv camera or 2 (one each end). If this is closed the "users" I would guess will just find another passage to use for the same purposes and then what will happen? Another passage will be closed? I'm not sure closing it is the answer
- 14 I agree entirely that St Peters Passage should be gates at both ends. It is a focal point for drug use and is used by both the street community and drunks during the evening economy as a toilet. The proposal is only for 3 years after which it can be reviewed so it doesn't have to be permanent. I greatly hope that in gating the passage the congregations of drug users will move away from that particular area of the high street.
- I would like to put forward my experience as a Lincoln resident in support of the closure of St Peter's Passage. I often find myself holding my breath as I walk passed the entrance of the passage. The smell is an offence to that whole section of the High Street.

I have two young children and I hesitate to bring them into town because it no longer feels hygienic or safe. There are many contributing factors and other hotspots for this kind of activity in the city centre, which I trust you are also planning to tackle, however the area of St Peter's Passage is undoubtedly one of the worst.

15

No respectable person would use St Peter's Passage as a right of way in its current state. I have no difficulty navigating the city centre via other routes. It would not be a loss to the general public to gate it off.

16

I agree the passage has to be cleaned up. Perhaps if Lincoln had the resources to provide outreach services to the homeless and the people with mental health and addictions this would also keep the passage clean and safe. After all these people do exist so if the passage is closed off they will find another place to go, they won't just disappear.

I am in agreement that this is a good idea and would temporarily solve part of a larger issue within the city. As a student of the city I avoid this passage at all costs, whether day or night, due to the unsavoury characters that hang around this area. I have seen many a used needle in Lincoln, so St Peters Passage is not the only place drug taking is occurring. However, walking past the passage on the far side of the high street and being able to smell faeces and urine very strongly is not pleasant and not something that locals or visitors such be exposed to in such a beautiful city.

17

However, I also feel that simply closing the passage with dispel the problem to another area of the city as it is not the passage itself rather the dwellers of said. This could move to other more heavily trafficked passages, such as the Glory Hole, which would be a further detriment to the city with this being a main thoroughfare to and from the University. The people using St Peters Passage as a toilet and drug taking spot are the main issue and I hope that in consideration of closing the passage and within the review after 3 years should the passage be closed, this is strongly taken into consideration so that this issue does not reoccur elsewhere.

I do not use this passage for simple fact that more often than not it smells of urine just walking past it.

There's also the fact that it isn't any quicker to walk this way than either going towards Mint Street or Park Street.

18

My only concern would be what it would look like and not creating some sort of eyesore.

19

In your consultation process I do not see any mention of your new Team that is supposed to prevent this kind of behaviour! I know this might be a bit of a radical idea but why not get "Look North" to do a report on the problem, then the police will suddenly find that they don't need to search for historic crime and might patrol the area.

20

To prevent further increases of ASB and criminal activity, PCC Marc Jones would fully support the introduction of a gate to stop access to St Peters passage.

1. Does your agency have any information in support of or against the proposal of the PSPO.

It is unfortunate but the passage way is being used for activities as shared and yes to gate if off will stop the issues however the NCP carpark stairwell on Broadgate already has the same activity. My concern at the moment is that as a proactive response to the city centre issues , the problem is being moved to Monks Road area.

2. Does your agency require access to St Peters Passage? If yes then for what reason?

No

3. Does your agency have any concerns or objections to the proposed PSPO?

21

I Support the Proposed but do think it will only move the problem to Usher Art , NCP , and local neighbouring areas .

1. Do you have any information in support of the proposed PSPO?

Only that whenever I walk past it looks dark, dingy and smells. I have never seen anyone go into it or when I look down it I have never seen anybody in there.

2. Do you use St Peters Passage?

I wouldn't dare walk down there and actually don't think I ever have. The smell alone puts me off and the fact that it seems very unsafe. I have a mantra that you never use a shortcut but stick to light areas.

3. Do you have any concerns or objections to the proposed PSPO?

22

I have no concerns and totally agree with the proposal to close off St Peters Passage for the safety of the unfortunate people that have to go in there to take drugs and sleep and also for the shoppers passing by who may stumble upon equipment used for drug taking. I also worry that someone might use it as a shortcut and be attacked (not by people using drugs) but by opportune offenders who see someone go in and decide to follow them. Also the drug users are hidden out of view and could be in trouble or unconscious and we would not be able to help them.

23

Sad, but I believe the right decision.

1. Does your agency have any information in support of or against the proposal of the PSPO

a. No

2. Does your agency require access to St Peters Passage? If yes then for what reason?

a. No

3. Does your agency have any concerns or objections to the proposed PSPO?

a. Yes – There is no doubt that St Peters passage has been used for drug taking, I have witnessed some injecting paraphernalia along the passage recently, it is also obviously used as a toilet by the night time economy. However if you close St Peters Passage are you also planning to close Much Lane and any other passage, ally way or quiet corner of the city. Closing St Peters passage will only move the issue and will not solve it. The area is already in the street alcohol PSPO zone and drugs are illegal, powers already exist to deal with this situation.

b. Blocking the passage off will achieve little other than depleting the character of the city, the problem needs to be solving not diverted.

c. City of Lincoln council have recently announced the commencement of a PSPO based team to look at the anti-social behaviour in the city centre, this should be on that list not blocked off by a gate

24

d. Perhaps some of the resources currently going in to cleaning Orchard street every day of the week could be redirected to ensure the passages within the city stay clean and tidy as Orchard Street does not really need sweeping/cleaning at least 5 days a week.

Given the difficulties experienced, I can see no reason why the passage should not be gated, in these circumstances.

25

I therefore support the proposal to gate St Peter's Passage, on behalf of the Trust.

I use St. Peter's Passage as part of my commute and occasionally during social outings in the evening/weekends.

I rarely see the aforementioned Drug use and Paraphernalia/urine & faeces. (Statistically I would say less than 1/10 uses).

I feel shutting the Passage would only push the few that abuse the area to other more visible and valued parts of Lincoln city centre.

Overall, I feel, shutting the Passage would have a negative effect.

Proposals to Introduce a Public Space Protection Order to Allow St Peters Passage Lincoln to be Gated

Francesca Bell, Public Protection, Antisocial Behaviour and Licensing Service Manager

- a. presented the proposal to implement a Public Space Protection Order (PSPO) to allow the gating of St Peters Passage, Lincoln.
- b. explained the legal conditions of the PSPO as detailed in paragraph 4 of the report.
- c. showed a video highlighting the issues in the passage including drug use and paraphernalia, also the passage was being used as a toilet, smelling particularly strong of urine and also containing faeces.
- d. advised that for a number of years the City of Lincoln Council had received intermittent complaints about the condition of the passage and the number of complaints had increased significantly over the last 12 months.
- e. advised that the passage was unsanitary and posed a health and safety risk to both the Public, Street Cleaning Employees and Partner Agencies that accessed the passage. Additionally the passage did not portray Lincoln as a vibrant and welcoming city.
- f. advised that the proposed PSPO would be put in place for a maximum period of 3 years after which a full review would take place.
- g. referred to paragraph 5 of the report and detailed the consultation that had taken place with both the public and partner agencies and gave an overview of the 27 responses received.
- h. suggested that a review be undertaken with the Service Manager, Assistant Director and Portfolio Holder after 12 months and matters arising would be fed back to Policy Scrutiny Committee.

**Question:** Expressed concerns over displacement of the issues and asked what were the benefits of gating the passage?

**Response:** The issues were specific to this passage due to the layout. The gating of the passage would break the cycle of ASB and the task force would be in a better position to tackle the issues.

**Question:** Would gating this passage set a precedence for gating other passages if the issues were moved?

**Response:** Most of the other passages in the City would not be able to be gated.

**Question:** Expressed concerns over the displacement of issues and suggested that CCTV be placed in other passages such as the Glory Hole.

**Response:** This could be looked into.

RESOLVED that

1. the proposed PSPO permitting the gating of the St Peters Passage be supported and referred to Executive for approval.
2. that a review of the PSPO be brought to Policy Scrutiny Committee in 15 months' time.
3. That Executive consider implementing CCTV at other passages in the City.

**SUBJECT:                    PROPOSED COMMEMORATIVE PLAQUES SCHEME FOR LINCOLN**

**DIRECTORATE:        CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHOR:    PAT JUKES, BUSINESS MANAGER, CORPORATE POLICY**

## **1.      Purpose of Report**

- 1.1      To submit proposals for a Commemorative Plaques Scheme for Lincoln.

## **2.      Executive Summary**

- 2.1      Expression of interest in erecting a plaque in Park Ward led to a request to consider the introduction of a city wide commemorative plaques scheme. This report provides details of how a scheme might operate and resource implications.
- 2.2      Outside of the blue plaque scheme in London there are few schemes currently in operation across the country, a few being operated by district councils (see Appendix A for details).
- 2.3      There are a small number of commemorative plaques already in place at various locations across the city, erected under previous schemes operated by CoLC and Lincoln Civic Trust (see Appendix B). These schemes have now lapsed and no guidance or criteria exist.
- 2.4      Appendix C provides draft guidelines and criteria for a new Lincoln scheme, based on schemes operated by other councils.
- 2.5      The scheme would be operated by Development Management within existing staff resources. However, it should be noted that it is proposed the new scheme should be partly funded by City of Lincoln Council (producing and installing the plaque) for which a reserve budget of £2k initially will be identified through Finances.
- 2.6      Appendix D provides details of information to be requested of proposers through an online form.
- 2.7      If approved consideration will need to be given to the date of the first annual consideration of plaques as well as detailed plaque design.

## **3.      Background**

- 3.1      Expression of interest in erecting a plaque in Park Ward led to a request to consider the introduction of a city wide commemorative plaques scheme. This report provides details of how a scheme might operate and resource implications.

- 3.2 Outside of the blue plaque scheme in London there are few schemes currently in operation and the majority of live schemes are operated by heritage organisations (e.g. heritage forums and civic trusts). However, a few are operated by local authorities and all follow similar lines. Appendix A provides a summary of a range of local authority running schemes, together with some feedback received from Salford Council and Hinckley and Bosworth Borough Council.
- 3.3 Existing plaques  
There are a small number of commemorative plaques already in place at various locations across the city, erected under previous schemes operated by CoLC and Lincoln Civic Trust (see Appendix B). These schemes have now lapsed and no guidance or criteria exist.
- 4. Proposed detail for the scheme**
- 4.1 Draft guidelines  
Appendix C provides draft guidelines and criteria for a new Lincoln scheme, based on schemes operated by other councils and the London Blue Plaques Scheme. This guidance assumes City of Lincoln Council will fund production and installation of the plaque, with the plaque proposer bearing any other costs.
- 4.2 The other costs could include researching and obtaining evidence, consents as set out in the guidance and any other expenditure not associated with the physical production and installation of the plaque. Ongoing maintenance of plaques will be the responsibility of City of Lincoln Council, although this is expected to be negligible.
- 4.3 Time elapsed after death or an event varies from scheme to scheme, and timescales proposed are the most commonly seen in other schemes. If different timescales are preferred this would have no significant impact on costs, but may mean significant people or events could be commemorated at an earlier date.
- 4.4 Approval process for plaques  
It is proposed that applications are first considered by the Historic Environment Advisory Panel (HEAP) to gain comment on the significance of the nominated individual or event. The Development Manager and Conservation Officer would then make a recommendation to Executive on whether or not the plaque should be approved in principle, taking into account the impact on the building as well as comments provided by HEAP and the overall appropriateness.
- 4.5 Nominations would be invited for annual consideration, with no more than three plaques being approved in any one financial year. The launch date will be agreed once the scheme has gone through the approval process, with first plaques anticipated to be approved in early 2019. This would ensure the scheme could be operated within existing staff resources, and that costs are within the budget allocated for provision and installation of the plaques.
- 4.6 Permissions  
Listed Building Consent may be required, and in a very small number of cases there may be other planning restrictions which prevent an individual erecting a plaque on their own building. Proposers should have an initial discussion with the Conservation Officer to ensure they are aware of likely requirements, but will not

be required to submit applications for permission until such time as the principle of a plaque has been agreed.

- 4.7 Proposers will be responsible for gaining the written consent of the owner of the building on which the plaque is requested to be installed, and any other parties with a relevant legal interest in the site.

4.8 Application process

Nominees will need to complete an online application form. It should be noted that sufficient time will need to be allowed from the opening of the scheme to deadline for receipt of applications to enable applicants to undertake the necessary research and evidence gathering. A hard copy version of the proposed form content is attached at Appendix D.

4.9 Costs

There is no existing budget for commemorative plaques and therefore a new budget would be required. Discussions have taken place with the Development Manager and the scheme as outlined in this report could be operated without any additional staff resource, but there is no existing budget to fund plaque purchase and installation. Plaques would cost between £300 and £500 each with a possible additional one off charge for artwork dependent on plaque design, as well as installation costs. An operational reserve budget of £2k would therefore be required to start the policy off, this would be reviewed annually by Finance.

4.10 Other

Should the scheme be agreed and implemented, consideration should be given to linking appropriate accepted plaques to the relevant Lincoln Heritage Trail. There are currently six trails in operation – the Jewish Trail; the Aviation Trail; the Roman Trail; the 1217 Battle of Lincoln Trail, the Brayford Architecture Trail and the Boole Trail.

In addition local visitor information should be updated – e.g, through Visit Lincoln, updating the The Arches/Arcade site.

## **5. Strategic Priorities**

5.1 Let's enhance our remarkable place

This initiative contributes to enhancing our remarkable place through commemorating people or buildings which have made a positive contribution to the city.

## **6. Organisational Impacts**

6.1 Finance (including whole life costs where applicable)

A budget of £2k has been identified to support the scheme from planning income as a one off reserve initially which will then be reviewed annually.

6.2 Legal Implications including Procurement Rules

A legal agreement will be required between the council and building owners to ensure owners have given their permission for a plaque to be affixed to their property and for the council to undertake any maintenance or repair should it be required in the future. This will need to include provision on the sale of the

property for this to continue.

**6.3 Land, property and accommodation**

It is possible that a request could be made to affix a plaque on a City of Lincoln Council owned property and if so this will require consultation with and the approval of the Strategic Property Manager.

**6.4 Human Resources**

There are no HR implications as it is agreed the scheme as outlined would not require any additional staff resource.

**6.5 Equality, Diversity & Human Rights (including the outcome of the EA attached, if required)**

Plaques will be approved for the historical significance and public profile of the person or building regardless of any protected characteristic.

**7. Risk Implications**

7.1 (i) Other options explored have included an unfunded scheme and fully funded scheme. An unfunded scheme would reduce the incentive to take part in a co-ordinated scheme as individuals could simply put up their own plaque. A fully funded scheme, whereby we undertake all of the background research and evidence gathering could require significant additional staff resource.

7.2 (ii) Risks associated with the proposed option are that there could be an over subscription to the scheme, meaning worthy plaques are not able to be put up for some time. Also in restricting number of plaques will reduce the impact of the scheme. Alternatively there could be no applications to the scheme.

(iii) Consideration has been given to requiring maintenance and insurance to be the responsibility of the building owner. However, it may be difficult to enforce any agreement of this nature, and would be much simpler and straightforward for the council to retain responsibility in respect of maintenance and insurance. Enquiries of other schemes has shown the risk for any action beyond initial installation is extremely low.

**8. Recommendation**

8.1 Executive is asked to approve the scheme as set out in the attached appendices – and considering the additional suggestions made by Policy Scrutiny, prior to submitting to HEAP for information.

**Is this a key decision?** No

**Do the exempt information categories apply?** No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?** No

**How many appendices does the report contain?** Four

**List of Background Papers:**

None

**Lead Officer:**

Pat Jukes, Business Manager Policy Unit  
Telephone (01522) 873657

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## Local authority commemorative plaque schemes

## APPENDIX A

Name of erecting body	What is commemorated	Where plaques can be erected	Time since death/event	Criteria	Funding	Comments
Borough of Poole (Museums & Arts Manager) with Poole Heritage Forum	People Events	Original building where the person lived or event took place	20 years	Born/lived/worked in Poole for at least 5 years Instantly recognisable to passer by Visible to passers by Requires unambiguous documentary evidence	Proposer	Promoted by Poole Heritage Forum Guidance suggests sources of funding and suggest plaque could cost between £500 and £5000
Dudley MBC (Director of Urban Environment)	People Events	Original where person lived or worked	15 years	Must have written consent from owner of property and confirmation of future ownership	Proposers (council responsible for assessing costs and carrying out installation work but not costs themselves)	
South Tyneside Council	People Building	Existing original building where born, lived or worked or discovery made	Not stated		Council?	
Hinckley & Bosworth DC (Conservation Officer)	People Events		20 years or born > 100 years ago	Accessible and visible to public Two independent sources of evidence Person must be famous or want to raise profile	Publicly funded with no sponsorship	
Manchester City Council (Manchester Art Gallery)	People Events		10 years (people) 25 years (event)	Person commemorated should have been eminent and sufficiently famous for his or her name to be familiar to a succeeding generation	Proposer	Not normally installed on hotels or public venues (e.g. concert hall)
Salford City Council	People Events	Building which is directly and significantly related to the proposed person or event	10 years (people) 25 years (event)	Sufficiently famous to be familiar to succeeding generation or regarded as sufficiently significant within their field	Proposer (but costed & installed by Urban Vision (public/ private partnership)	Not normally installed on hotels or public venues (e.g. concert hall) Once installed, ownership rests with owner of the building, who will also be responsible for maintenance

## **Feedback received from individual councils**

### **Salford Council**

*1. Who funds your scheme and how much does the average plaque cost including installation?*

Nominee (the scheme is only available to those wishing to fund it)

*2. What do you commemorate, and how many of each have you received nominations for and commemorated over the past year?*

People and events (buildings are only really commemorated in connection to a person) Consent for erection of plaques on buildings must be obtained by the nominee. There have been six applications with three approved since April 2016.

*3. Have you had any problems with the number of years you require to have elapsed before a commemorative plaque is erected?*

None to date

*4. Who assesses nominations?*

Specially established panel of officers and external representatives (We have representatives from the Council, Salford Community Leisure and external societies, such as the Salford local history society)

*5. Do you require nominees to submit evidence, and if so what do you require and in what format?*

Evidence of the person living in property/event taking place and evidence that person/event was significant. This is then checked by the panel before a decision is made.

### **Hinckley & Bosworth Borough Council**

*1. Who funds your scheme and how much does the average plaque cost including installation?*

Scheme wholly funded by the Borough Council through an annual Environmental Improvement Programme (EIP) budget of £35,000, to be used on conservation and heritage work. The plaques are cast aluminium and cost around £250 including installation.

*2. What do you commemorate, and how many of each have you received nominations for and commemorated over the past year?*

People: an academic or famous person recognised by their profession for outstanding achievement, a famous person who is known by the man on the street, a famous inventor/manufacturer, a less well known person but plaque awarded to raise their public profile. Although some flexibility is allowed, the nominee should have been born over 100 years ago or have died over 20 years ago. The proposed location of the plaque should be accessible or visible to the public. The connection of the location with the person must be substantiated by two independent sources.

There is some mild deviation from this criteria at times but it does form the basis of deciding if the nomination is appropriate or not. Our plaques so far have mostly related to people rather than events and buildings. The process is that a call for projects under the Environmental Improvement Programme is made once a year with any nominations for blue plaques verified and confirmed as the Programme for the upcoming financial year is reported to the relevant Council meetings/boards. Four plaques were installed last year, three of which were instigated through research from the Hinckley Museum. This is not the norm however, as there was a period of a few years ago where none were nominated. The frequency of nominations tend to relate to research or work undertaken by local civic societies etc.

*3. Have you had any problems with the number of years you require to have elapsed before a commemorative plaque is erected?*

The person commemorated should have been born over 100 years ago or have died over 20 years ago, although we have applied some flexibility, particularly if it has been the only nomination received that year. One nomination from a gentleman who starred in "Heartbeat" and who lives locally wanted a blue plaque on his house but he was advised he would not be eligible as he wasn't yet dead!

*4. Who assesses nominations?*

Initial assessment of nominations is made by two officers (conservation) and once included on the programme for the upcoming year confirmed by Councillors as part of the relevant Council meetings/boards. If there was a particularly controversial nomination it would be presented to these Councillors to make the final decision.

*5. Do you require nominees to submit evidence, and if so what do you require and in what format?*

Nominees are required to submit documentary evidence to confirm the appropriateness of nominations, normally as they are made by local civic societies or organisations with well documented records they can meet the criteria, but occasionally we have had to dismiss suggestions on lack of evidence or essentially rumour/hearsay/folklore.

*6. Additional information*

Also incorporate an unveiling of a plaque with an event to celebrate the person and provide a greater understanding of their achievements, so there has been added value in the scheme.

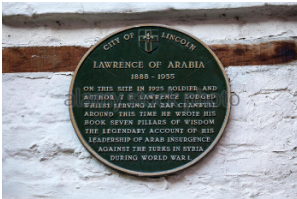
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Chad Varah House, off Steep Hill



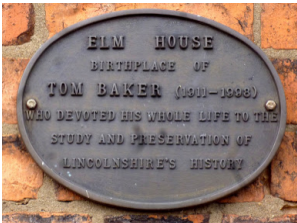
George Boole, mathematician - Pottergate



Lawrence of Arabia, author – 33 Steep Hill



Market trader's dog, Cornhill - removed Nov 2017



Tom Baker, historian – Elm House, Long Leys



William Logsdail, Artist – Minster Yard



William Byrd, organist – Minster Yard



Railway Wheelhouse – High Street

## Some other notable people without plaques

- [Penelope Fitzgerald](#), novelist and biographer, was born Penelope Mary Knox in the city in 1916.
- [Sir Francis Hill](#), local historian, mayor of Lincoln and Chancellor of the University of Nottingham, was born in Lincoln in 1899.
- [Benjamin Lany](#), academic, royal chaplain and religious writer, was Bishop of Lincoln in 1663–67.
- [William Pool](#), maritime inventor, worked in Lincoln in the 1820s and 1830s.
- [Steve Race](#), broadcaster, host of Radio 4's *My Music* 1967–93, was born in Lincoln and attended Lincoln School in 1932–39.
- [James Ward Usher](#), jeweller and philanthropist (1845–1921), spent his life in the city.
- [Caroline Eliza Derecourt Martyn](#) (1867 – 1896), English Christian socialist and early organiser of trade unions in the UK, was born in Lincoln and educated at Beaumont House School in the city

## COMMEMORATIVE PLAQUES SCHEME FOR LINCOLN

### Guidelines and criteria

#### Introduction

Commemorative plaques, sometimes referred to as blue plaques, can be added to buildings as a means of commemorating people and events in history.

In Lincoln there are a number of plaques around the city, erected under previous schemes. This scheme provides for individuals or groups to nominate an individual or event for commemoration through erection of a plaque.

#### Eligibility

To commemorate a person:

- at least 20 years should have passed since their death
- they should be sufficiently famous to be familiar to the succeeding generation or regarded as significant in their field
- their achievements must have made a lasting and significant contribution
- the building on which the plaque will be fixed must be directly and significantly related to the person (this would normally exclude hotels or public venues, e.g. concert halls, where connections were transitory)
- a person cannot be commemorated on more than one plaque within the city

To commemorate an event:

- at least 20 years should have elapsed since it took place
- should be instantly recognisable to many of the general public
- be of special historical interest or significance in the history of Lincoln or the country as a whole

Additional considerations:

- Proposed locations for plaques should be visible to passers-by from a public road or street without the need to enter private property
- Plaques will only be considered for location within the administrative boundaries of City of Lincoln Council
- Exceptional cases will be considered on their merits, subject to submission of a fully researched and justified case
- It will be necessary for nominees to get the written agreement of the building owner for a plaque to be installed on their building
- No more than two plaques to be erected on any one building

#### Approval process

Applications, together with supporting evidence, should be submitted via the online application form. These will then be assessed annually, initially being submitted to the Historic Environment Advisory Panel for comment and then to the Development Manager and Conservation Officer a recommendation to Executive, who will take the final decision. A maximum of three plaques per year will be approved.

### Funding

The cost of the plaque and installation will be funded by City of Lincoln Council. All other costs relating to obtaining evidence to support the application, including any costs relating to consents (see below) will be the responsibility of the proposer.

### Consents

It is the responsibility of the proposer to ensure compliance with all relevant planning requirements. Formal consent from the planning authority will be required if any plaque is to be erected on a listed building, and there may be constraints where the building is in a conservation area or is a commercial property.

A plaque can only be erected with the formal consent of the building owner. The consent of all parties who have a relevant legal interest in the site of the proposed plaque will be required. All applications must be accompanied by signed consent to confirm that the owner of the building on which the plaque is requested to be installed, and any other parties with a relevant legal interest in the site, have given their consent.

### Ownership of and responsibility for plaques

Once installed, plaques become part of the property of the owner of the building, regardless of the status of the group or individual responsible for nominating the plaque unless formal agreement is signed by the building owner stating otherwise. The owner of the building should be encouraged to give careful consideration to the proposal before making a decision which will affect themselves as well as subsequent owners, occupants and tenants.

Maintenance, repair, renewal and insurance of commemorative plaques installed under the scheme will be the responsibility of City of Lincoln Council.

### Plaque design

All plaques erected under this scheme will be to the approved design with wording agreed by officers.

### When an application is not approved

The decision of the council is final with no right to appeal. Dependent on the reason for refusal proposers may be invited to re-apply at a later date. Proposers may also make a complaint through the council's complaints procedure where they feel the application has not been dealt with in accordance with the agreed process.

**APPLICATION FORM FOR COMMEMORATIVE PLAQUE IN LINCOLN****Propose an individual or event**

The Lincoln Commemorative Plaque Scheme commemorates people and events which have contributed to the social, political and cultural heritage of the city.

To be commemorated a person should have lived or worked in City of Lincoln for at least five years, and at least 20 years should have elapsed since their death. An event should have passed its 20<sup>th</sup> anniversary and have been of historical significance to the city. No more than one plaque will be approved for each individual or event.

This is a City of Lincoln scheme and therefore only proposals for plaques within the administrative boundaries of City of Lincoln Council can be considered.

Please read the additional guidance and assessment criteria before completing the nomination form. Please complete section 1, either section 2 or 3 and section 4 in order that the application can be considered for approval in principle. This will involve comment by the Historic Environment Advisory Panel to inform a decision by the Development Manager and Conservation Officer.

Once an application is approved in principle the proposer will be asked to apply for relevant planning consents and officers will work with proposers to advise on the best location on the building and appropriate wording for the plaque.

**SECTION 1. Details about yourself (proposer)**

Fields marked with \* are mandatory.

Title:\*

First name:\*

Surname:\*

Email address:\*

Telephone:

Address, with post code:\*

Organisation, if representing one:

Position in that organisation:

Relationship with or interest in the subject being proposed:

**SECTION 2. Nomination for an individual figure**

Fields marked with \* are mandatory.

If you are nominating a plaque to commemorate more than one person, please complete this section fully for each individual, using separate forms for each. If you are nominating a building with wider historical associations please skip to Section 3.

Nominee's first name\*

Nominee's surname\*

Nominee's formal title

Profession or occupation

Date of birth

Date of death\* *(The proposed person MUST have died at least twenty years ago to be eligible for consideration)*

Please give a brief account of the life and achievements of the person you are proposing (200-300 words) \*

Please explain why you believe this person deserves a plaque, and how they meet the following selection criteria (**200-350** words) \*

Please copies of documentary evidence and sources (references or links) of other information that you think will help us in decision-making.

Please provide the address at which it is proposed the plaque will be displayed and nature of the association of the nominee with the named address.\* (If there is more than one possible site for the plaque please list all here)

Please confirm that, as far as you are aware, the proposed site for the plaque is the original building, being largely unaltered from the time when the nominee would have been associated with it.\* *(Please provide a photograph of the building as it is today and, if possible, photograph as it was at the time of the nominee's association)*

**SECTION 3. Nomination for a building with wider historical associations.**

Fields marked with \* are mandatory.

Proposed address, including post code.\*

Please explain why you believe this building deserves a plaque, and how it meets the selection criteria \* (**200-350** words).

Date which the event or association took place \*

Briefly, please provide any information you have about the building, such as date, architect and builder.

Please confirm that, as far as you are aware, the proposed site for the plaque is the original building, being largely unaltered from the time when the event or association with the building took place with it.\* *(Please provide a photograph of the building as it is today and, if possible, photograph as it was at the time of the event/association)*

### SECTION 4. Consents

Is the building Listed? \* *(If the answer to this is 'yes' you will need to apply for consent once the application has been approved in principle)*

Is the building in a Conservation Area or a non-domestic building? \* *(If the answer to this is 'yes' you should take advice on whether consent will be required once the application has been approved in principle)*

Who owns the building? Please provide contact details.\*

Please provide a document signed by the owner to say they agree to erection of the proposed plaque on their building, they will not remove it without the written consent of the council, and that this requirement will pass to subsequent owners of the building, as well as confirmation that the owner will enter into a legal agreement with the council to do this.\*

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## POLICY SCRUTINY COMMITTEE

9 OCTOBER 2018

17. Proposed Commemorative Plaque Scheme for Lincoln

Pat Jukes, Business Manager, Corporate Policy

- a. presented the proposals for a Commemorative Plaque Scheme for Lincoln.
- b. referred to paragraphs 2.2 and 2.3 of the report and detailed the background of the report.
- c. advised that there were a small number of commemorative plaques already in place at various locations across the city, erected under previous schemes operated by CoLC and Lincoln Civic Trust, the schemes had now lapsed and no guidance or criteria existed.
- d. highlighted the draft guidelines and criteria for the new Lincoln Scheme at appendix C of the report and advised that it was based on schemes operated by other councils.
- e. advised that the number of plaques would be limited to 3 per year.
- f. advised that the scheme would be operated by Development Management within existing staff resources, it was proposed that the new scheme should be partly funded by City of Lincoln Council (producing and installing the plaque) for which a reserve budget of £2k initially would be identified through Finances.
- g. advised that each application would be considered by the Historic Environment Advisory Panel (HEAP) and recommended to Executive for a decision.
- h. invited members questions and comments

**Question:** Would all applications be considered by HEAP?

**Response:** The applications that did not fit the set criteria would be filtered out before they were considered by HEAP.

**Question:** Some of the eligibility criteria was very subjective, could all of the applications be considered by HEAP?

**Response:** We would take as many of the applications to HEAP as possible.

**Comment:** The unveiling of the plaques should be celebrated and suggested that they be a civic event.

**Question:** Were there any plans for updating the current plaques so that they were all of the same style?

**Response:** Not at the moment due to the cost, however, it could be considered if 3 applications were not received by the end of the year.

**Comment:** It was important that women were also recognised for their achievements as part of the scheme.

**Response:** Suggested that the balance of applications represented by men and women be monitored.

RESOLVED that

1. the proposal to adopt a commemorative plaque scheme be supported.
2. the following suggestions be considered by Executive:
  - a. that the unveiling of the plaques be celebrated by holding a civic event.
  - b. that the balance between the number of men and women that were being recognised for a plaque be monitored.
  - c. that the current plaques be updated to the new style.

<b>SUBJECT:</b>	<b>EXCLUSION OF THE PRESS &amp; PUBLIC</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>CAROLYN WHEATER, MONITORING OFFICER</b>

**1. Purpose of Report**

- 1.1 To advise members that any agenda items following this report are considered to contain exempt or confidential information for the reasons specified on the front page of the agenda for this meeting.

**2. Recommendation**

- 2.1 It is recommended that the press and public be excluded from the meeting at this point as it is likely that if members of the press or public were present there would be disclosure to them of exempt or confidential information.

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