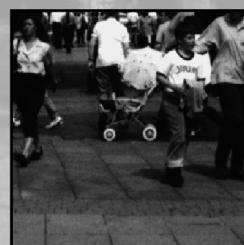
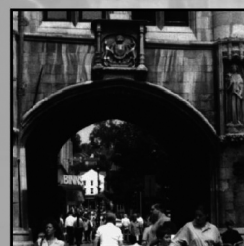




CITY OF
Lincoln
COUNCIL

Council Summons



For the meeting to be held on
Tuesday, 21 January 2020

council summons

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CITY OF LINCOLN COUNCIL

Sir/Madam,

You are hereby summoned to attend the meeting of the COUNCIL of the City of Lincoln to be held at Committee Rooms 1 and 2, City Hall, Beaumont Fee, Lincoln on Tuesday, 21 January 2020 at 6.30 pm.



Chief Executive and Town Clerk

Angela Andrews

AGENDA

SECTION A	Page(s)
1. Confirmation of Minutes - 24 September 2019	5 - 10
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.	
3. Receive Any Questions under Council Procedure Rule 11 from Members of the Public and Provide Answers thereon	
4. Receive Any Questions under Council Procedure Rule 12 from Members and Provide Answers thereon	
5. Receive Reports under Council Procedure Rule 2 (vi) from Members	
(a) Report by Councillor Ric Metcalfe - Leader of the Council and Portfolio Holder for Our People and Resources	11 - 30
(b) Report by Councillor Neil Murray - Portfolio Holder for Economic Growth	31 - 36
(c) Report by Councillor Geoff Ellis - Chair of the Audit Committee	37 - 46
(d) Report by Councillor Gary Hewson - Chair of the Performance Scrutiny Committee	47 - 52
(e) Report by Councillor Bill Bilton - Chair of the Policy Scrutiny Committee	53 - 54

6.	Motion under Council Procedure Rule 14 - International Holocaust Remembrance Alliance Definition of Antisemitism	55 - 58
7.	Motion under Council Procedure Rule 14 - Standing up for Responsible Tax Conduct	59 - 60
8.	Motion under Procedure Rule 14 - Use of Fireworks	61 - 62
9.	To Consider the Following Recommendations of the Executive and Committees of the Council	
(a)	Council Tax Base <i>This item is scheduled to be considered by the Executive on 20 January 2020. A copy of the Executive report is therefore attached.</i>	63 - 68
(b)	Localised Council Tax Support Scheme 2020/21 <i>This item is scheduled to be considered by the Executive on 20 January 2020. A copy of the Executive report is therefore attached.</i>	69 - 98
(c)	Council House and Garage Rents 2020/21 <i>This item is scheduled to be considered by the Executive on 20 January 2020. A copy of the Executive report is therefore attached.</i>	99 - 104
(d)	Private Sector Housing Enforcement <i>This item is scheduled to be considered by the Executive on 20 January 2020. A copy of the Executive report will follow.</i>	To Follow
(e)	Hartsholme Country Park - Fees and Charges	105 - 112
(f)	Internal Audit Charter	113 - 124
(g)	Code of Conduct and Constitutional Changes	125 - 142

- Present:** Councillor Sue Burke (*in the Chair*), Councillor Bill Bilton, Councillor Alan Briggs, Councillor Kathleen Brothwell, Councillor Chris Burke, Councillor Bob Bushell, Councillor Liz Bushell, Councillor Geoff Ellis, Councillor Gary Hewson, Councillor Ronald Hills, Councillor Andy Kerry, Councillor Jackie Kirk, Councillor Jane Loffhagen, Councillor Rebecca Longbottom, Councillor Helena Mair, Councillor Adrianna McNulty, Councillor Laura McWilliams, Councillor Ric Metcalfe, Councillor Neil Murray, Councillor Donald Nannestad, Councillor Lucinda Preston, Councillor Christopher Reid, Councillor Edmund Strengiel, Councillor Ralph Toofany, Councillor Naomi Twedde, Councillor Pat Vaughan and Councillor Loraine Woolley
- Apologies for Absence:** Councillor Biff Bean, Councillor Yvonne Bodger, Councillor Thomas Dyer, Councillor Rosanne Kirk, Councillor Hilton Spratt and Councillor Keith Weaver

14. Mayoral Announcements

The Mayor reported with sadness that Andrew Taylor, former Chief Executive of the City of Lincoln Council for sixteen years, had recently passed away. Council observed a moment of silence in his memory.

The Mayor, followed by Councillors Ric Metcalfe, Eddie Strengiel, Ronald Hills and Chris Burke, each paid tribute to Andrew Taylor's charisma, humour, determination and the significant difference he had made in his role as Chief Executive, as well as his love for the city of Lincoln.

The Mayor reported that she had undertaken a range of engagements since the previous meeting, highlighting in particular the launch of the centre for peace and reconciliation and the ground breaking ceremony for the University of Lincoln's new Medical School which she would be attending on 25 September 2019.

15. Confirmation of Minutes - 23 July 2019

RESOLVED that the minutes of the meeting held on 23 July 2019 be confirmed.

16. Declarations of Interest

No declarations of interest were received.

17. Receive Any Questions under Council Procedure Rule 11 from Members of the Public and Provide Answers thereon

No questions were received.

18. Receive Any Questions under Council Procedure Rule 12 from Members and Provide Answers thereon

No questions were received.

19. Motion under Council Procedure Rule 14 - for the City of Lincoln Council to be a single use, plastic free Council

Councillor Lucinda Preston proposed the following motion:

That this Council notes:

- Most plastic does not decompose; a plastic bottle can last for 450 years in the marine environment. Plastic slowly fragments into smaller pieces but never truly go away – these are known as micro-plastics.
- Everyday approximately 8 million pieces of plastic are entering the oceans. Estimates suggest that by 2050 there could be more plastic in our ocean than fish.
- Approximately 5,000 items of marine plastic pollution have been found per mile of beach in the UK. Plastic bottles and packaging make up a third of plastic pollution entering the sea. Tyre dust, maritime waste, nurdles and synthetic microfibers make up another 47% of the problem.
- The plastics crisis requires action by national and local governments to reduce plastic pollution by increasing recycling rates and eliminate unnecessary single use plastic.

That this Council believes:

We need to move away from a linear plastic economy, where we take, make and dispose of plastic to a circular system where we capture the value of plastic materials - keeping plastic in the economy and out of the ocean.

That this Council therefore commits to:

- (1) Support Plastic-Free Lincoln as a campaign and promote plastic-free events and workshops. To liaise with community leaders to facilitate and promote the campaign locally. To encourage schools, businesses, community groups and individuals to get involved.
- (2) To become a full signatory of the 'Plastic-Free Pledge' by eliminating wherever possible all single-use plastics within the Council's managed buildings and facilities by 2020 and seek to encourage the elimination of single use plastics within the supply chain by 2022.
- (3) Encourage contractors, suppliers, third parties and local businesses to reduce use of single-use plastics and consider this during the granting or renewing of contracts. The council are aiming for single-use plastics, where a viable alternative is available, to be eliminated from the Christmas Market from 2020 onwards.
- (4) Work with the Lincolnshire Waste Partnership to minimise waste, encourage reuse and clearly communicate to residents what can be recycled.
- (5) Install a free drinking water fountain in the Lincoln Central Market and encourage retailers, public sector premises and venues in the City to provide water bottle refill facilities.

- (6) Elect a representative to join Plastic-Free Lincoln's Steering Group. This group will meet 2-3 times per year to apply for plastic-free community status and continue to drive the campaign forward.
- (7) To create a plastic-free information section on the Council's website providing local information on plastic free-shopping, water refill schemes and local businesses that support the Plastic Free Lincoln campaign.

Councillor Preston, in presenting the motion, said that this complimented the motion passed at the last meeting of Council where a climate emergency was declared and was a clear demonstration that the City Council was committed to taking action. An ambitious programme, accompanied by an action plan, had therefore been developed which aimed to help individuals, families and businesses to make changes, as well as the authority itself take a lead role in making improvements in support of this important issue. Councillor Preston highlighted that an audit of the use of single-use plastics at the Council's main managed buildings and facilities had been undertaken, with the action plan identifying where their use could be eliminated and replaced with greener, biodegradable replacements where possible. The Council would also be seeking to reduce initially and subsequently completely remove single-use plastics from its events, starting with the Lincoln Christmas Market 2019 and other events such as the Lincoln 10K event going forward. Councillor Preston took this opportunity to thank officers for their work on the audit and the development of the programme and action plan, together with Plastic-Free Lincoln group for their work in highlighting and promoting the problem of single-use plastics.

Councillor Bob Bushell, Portfolio Holder for Remarkable Place, seconded the motion and made reference to a programme on Radio 4 that he had listened to regarding marine life and the impact plastics were having on the world's oceans, highlighting single-use plastics and micro-plastics in particular. He said it was clear that as a society it was necessary to use plastics more responsibly. Councillor Bushell was of the view that this motion outlined a clear strategy both within the Council and through encouraging others to do what they could to reduce the usage of single-use plastics. The programme and action plan would also call on the Government to use legislation similar to that introduced regarding micro-plastics and use of plastic bags to significantly reduce the production of single-use plastics.

Councillor Edmund Strengiel confirmed that, as an opposition, all of his group were in favour of the motion. Councillor Strengiel highlighted, however, that an amendment to the motion considered at the previous meeting regarding the use of single-use plastics had been proposed and seconded, but had been voted down. He was pleased to see that the content of that particular amendment had been taken into account as part of this motion.

Councillor Chris Burke, Portfolio Holder for Customer Experience and Review, welcomed and supported this motion and recalled the moment he witnessed with horror the famous Blue Planet programme hosted by David Attenborough which introduced everyone to what was happening across the world's oceans with regard to plastic. He agreed that this motion perfectly complimented the climate emergency declaration as approved at the previous meeting of the Council and demonstrated that this Council was taking a lead role.

Councillor Ric Metcalfe, Leader of the Council, was delighted to see this motion before Council and said that everyone had a much better understanding than they had ever had of the damaging effect of plastics across the globe, particularly micro-plastics. The motion represented a very longstanding commitment that this Council had to address environmental issues and try to do something about them, especially the problems associated with single-use plastics and the wider issue of the climate emergency as declared at the previous meeting. Councillor Metcalfe paid tribute to campaigners such as representatives of Plastic-Free Lincoln who had gone out of their way to highlight to people the significant environmental issues currently facing humanity. He hoped that they felt the City Council, as the significant community leader in Lincoln, was taking this matter very seriously and gave an assurance that action would be taken.

Councillor Ronald Hills said that this motion provided the Council with a real opportunity to make a difference locally and was fully supportive.

Councillor Preston highlighted that a huge amount of work had been undertaken by officers behind the scenes, including the very detailed audit of the Council's managed buildings and facilities and development of the action plan. She explained that the reason the amendment did not go through at the previous meeting of the Council regarding single-use plastics was because it was considered to be such a significant issue that it was necessary for the subject of single-use plastics to stand alone as a motion in its own right.

RESOLVED that the motion be carried.

20. To Consider the Following Recommendations of the Executive and Committees of the Council

(a) Statement of Accounts 2018/19

Councillor Ric Metcalfe, Leader of the Council, proposed that the Statement of Accounts 2018/19 be approved. Councillor Geoff Ellis, Chair of the Audit Committee, seconded the proposal.

Councillor Ronald Hills made reference to page 9 of the Statement of Accounts document under the heading 'operational expenditure' and requested further clarity regarding the repairs and maintenance section. He suggested that there should be a separate heading for repairs and a separate heading for maintenance.

Councillor Metcalfe highlighted that this was in relation to the Housing Revenue Account and committed, via officers, to provide Councillor Hills with a response in due course.

It was RESOLVED that the Statement of Accounts 2018/19 be approved.

21. Extension of Six Month Attendance Rule

Councillor Ric Metcalfe, Leader of the Council, proposed that a dispensation be approved for Councillor Keith Weaver from attending meetings of the Council in order to avoid him potentially ceasing to be a member of the authority under Section 85 of the Local Government Act 1972. Councillor Metcalfe conveyed the Council's best wishes to Councillor Weaver who had been unable to attend meetings since his illness in April 2019.

Councillor Edmund Strengiel seconded the proposal.

It was RESOLVED that a dispensation for Councillor Keith Weaver from attending meetings of the Council in order to avoid him potentially ceasing to be a member of the authority under Section 85 of the Local Government Act 1972 be approved.

22. Membership Changes

It was proposed, seconded and RESOLVED that Councillor Gary Hewson replaces Councillor Geoff Ellis on the Housing Appeals Panel and Councillors Lucinda Preston and Helena Mair be named as substitutes on the Panel.

23. Licensing Act 2003 Statement of Licensing Policy

It was proposed, seconded and RESOLVED that the Statement of Licensing Policy be approved.

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COUNCIL

21 JANUARY 2020

Report by Councillor R Metcalfe, Portfolio Holder for ‘Our People and Resources’

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1. INTRODUCTION – a changing political landscape

This report outlines the Council's continuing progress in the delivery of its strategic priorities and continuous improvement as a high performing council.

There are many achievements to be proud of.

However, the political and economic context remains uncertain and the council needs to be agile and well prepared to successfully meet future challenge and change.

The City continues to thrive, but we need to redouble our efforts to ensure that growth is inclusive and sustainable, the twin challenges of inequality and climate change will preoccupy us for the foreseeable future.

The journey towards financial sustainability remains challenging, with a further £1.2 million savings to be achieved within the lifetime of the current MTFS.

2. THE COUNCIL'S PRIORITIES

In early 2017 we launched Vision 2020 - a new 3-year strategic plan, covering the period 2017 to March 2020. This vision identified four key strategic priorities:

- Let's drive economic growth
- Let's reduce inequality
- Let's deliver quality housing
- Let's enhance our remarkable place

These four priorities are underpinned by a final key element of Vision 2020 - professional high performing service delivery. We will ensure that the council is well run, builds a consensus with the communities we serve and with our partners around our vision and strategic priorities, and can demonstrate that we are capable of delivering these.

What follows is an update on how we are progressing with each of these priorities.

The council has worked to ensure members, staff and partners are informed of progress and are engaged in the delivery of Vision 2020. This has included putting on staff and member roadshows to keep people informed of delivery; member briefing sessions on specific projects and partnership events such as the Lincoln Growth Conference.

Key achievements for ‘Let’s Drive Economic Growth’

- The £30m Transport Hub is now fully operational and over the last year has won many awards for its design and construction including:
 - East Midlands Engineering project of the year 2018
 - Safer bus station awards 2018
 - Park Mark for the MSCP 2018
 - Greater Lincolnshire Construction and Property Awards 2019
 - British Parking Awards 2019 – best new car park
- Western Growth Corridor has progressed significantly over the last year. Actions include:
 - New transport modelling work completed for the new Transport Assessment
 - Offer for £1.88M received from Homes England towards opening up costs
 - Further public consultation completed in early 2019
 - The planning application was submitted in April 2019

Key achievements for ‘Let’s Reduce Inequality’

- As part of the drive to help reduce suicides across the city, a training plan has been rolled out across front line services. To date we have delivered:
 - SafeTALK half day workshops between May and December 2018 (400 places)
 - ASSIST two day course – held in September 2018, with 16 attendees
- The Lincoln Social Responsibility Charter now has 60 organisations in the city signed up to go the extra mile for their employees and communities in the city
- The Lincoln Community Lottery launched in 2018, has been an outstanding success, generating c£42k to support local community good causes in and around the city
- The Sincil Bank Revitalisation Programme has received £235k to fund a range of new projects from a bid to the Controlling Migration fund
- We continue to work with partners to deliver multi-agency support for rough sleepers. Supporting 120 individuals, this project is delivered through £1.3m of Social Impact Bond funding from central government
- Our Revenues and Benefits Shared Service secured a prestigious national award for ‘Excellence in Partnership Working’ through the IRRV Performance Awards.
- We led a project in partnership with Lincoln College, Lincolnshire County Council and DWP to help low income households receive funded educational courses, resulting in 133 learners progress to employment and 18 learners progress to higher education
- Our Universal Credit Support Team, supported 1,743 Lincoln residents with digital support, and 822 customers with budgeting support, during the fiscal year 2018/19.
- Delivery of a Business Rates Growth Relief Policy, to assist qualifying businesses through a discount in their Business Rates for up to three years.
- We continue to support and fund The Network project to help the NEET group obtain advice and support, including advice around training and careers.
- A range of financial products to help our customers has been promoted through our Lincoln Against Poverty website.

Key achievements for ‘Let’s Deliver Quality Housing’

- Following the successful bid to Homes England for £3.2m grant funding, work has now started on the £12m, 70 unit, De Wint Court Extra Care project. Residents and staff were consulted, outline costs approved and we are now tendering for contracts.
- Progress has been made with the energy efficiency project to tackle fuel poverty:
 - The Private housing central heating scheme is complete
 - The 18/19 Council housing investment programme is complete.
 - The 19/20 housing investment programme is now underway. We are due to install 450 – 500 new boilers, targeting properties with low SAP ratings
- Partnerships with Waterloo Housing Group and Westleigh Developments have provided 184 new build homes which were allocated by December 2018. These were at Blankney Crescent (12 units); Allenby Close (45 units); Lytton Street (7 units); Ingleby Crescent (74 units) and Westwick Drive (46 units)
- We also enabled the delivery of an additional 71 units for shared ownership through Registered Housing Providers on the above sites
- The council is now fully compliant with the new Homelessness Reduction Act 2018, Successful preventions against the total number of applications received since April 2018 stands at 58.7% with a May 2019 figure of 63.7%
- As part of the Health and Housing Assistance Policy adopted in March 2018 – we have delivered 68 Disabled Facilities Grants; 1 Moving on assistance grant; 2 hospital discharge grants and 1 gas central heating scheme

Key achievements for ‘Let’s Enhance Our Remarkable Place’

- Birchwood Leisure centre has been officially re-opened following the improvements and is performing extremely well with increasing visitor numbers and high satisfaction levels
- The £4m Renovation of Boutham Park is completed and officially opened spring 2018, followed by a Royal visit from Princess Anne
- Work is well progressed in the planning of the renovation of the Boutham Park Lake, with a submission for funding to the HLF scheduled for Autumn 2019
- Regulations are now in place such that ‘To Let’ boards need advertisement consent in designated residential parts of the City close to the city centre
- Adoption of a character appraisal for conservation areas in the crucial commercial zone which will guide sensitive development of the city centre in future
- The free city centre Wi-Fi system went live - 11,000 users have used it in first 3 months (Nov 2018)
- £1m Major allotment improvements completed with just a new site at Melbourne Road left to complete the project
- Work has started on designing possible new traffic flows within Sincil Bank, supported by resident consultation over summer 2019 re the potential implementation of residents parking. This was approved by the residents and implementation will help remove commuter traffic, give the streets back to the community and further improve air quality
- £1.7m Creation of new all-weather pitches at our two leisure centres was completed and launched in the summer. The athletics track at Yarborough LC is also being refurbished
- Planning applications have been submitted for significant enhancements of the Lincoln Crematorium to include new public gathering spaces, new memorial gardens, new internal equipment and a complete facelift of the building exterior

- Agreement has been reached with Lincoln BIG for the transfer of the Visitor Information Centre back in house from April 1st 2020
- There is a new 10 year vision in place for Lincoln Christmas market
- We launched the innovative Lincoln Intervention team to help address Anti-social Behaviour linked to homelessness and street living problems in November 2018
- The Sincil Bank Regeneration Scheme has progressed well with:
 - The introduction of CCTV
 - All old cast iron street name plates in the area totally renovated,
 - Enforcement work led by the community against wheelie bins,
 - Art trail - the painting of various the virgin media street boxes by local artists
 - Old street railings and barriers removed

Key achievements for 'High Performing Service Delivery'

- Savings of £3.824m were achieved against the Towards Financial Sustainability target of £3.850 (99.3%). This included significant contributions from the commercial assets purchased over the last two years. This year we have added the purchase of the Stargas contract and that of the Deacon Road site to the commercial portfolio
- A staff travel plan survey was conducted in January 2019 as a precursor to developing a strategy for more 'green' activity
- Work has commenced on developing a transformational approach to the way the council does business. This started with the appointment of an Organisational Change Lead for a two year period
- Health and wellbeing initiatives developed in Human Resources have resulted in a significant drop in the levels of sickness across the council, to the lowest in six years
- A new bespoke Corporate Performance and Information Management System (PIMS) has been developed in house to take over from the old TEN system IMPS. From Q1 2019/20 we are reporting through this system including a range of new measures which were reviewed at the time of development.

3. KEY ACHIEVEMENTS IN 2018/19 – Our people & Resources

3.1 Financial Sustainability

In common with the rest of local government the Council has continued to face a number of challenges during 2018/19 which continue to threaten its financial sustainability. These challenges have arisen from a legacy of:

- severe central government funding reductions, the distribution of which has not been uniform across the different types of authority with some being significantly more affected than others, this Council being one of those suffering a greater proportionate loss.
- radical reform of the methodology for funding local government, where councils are self-sufficient, funded from local taxes with limited reliance on Central Government. This new methodology for funding local government is inextricably linked to the performance of the local economy via Business Rates, New Homes Bonus, Council Tax and Local Council Tax Reduction schemes and Housing Revenue Account Self-Financing.
- the continued national and local impacts of the government's deficit reduction programme and austerity measures affecting jobs, housing and business growth, which

has in turn created pressure on the generation of local income streams; financial markets and the subsequent low returns on investments; and creating a rising demand, and increased cost pressures, for council services from customers who rely on the safety net provided by local government.

In response to this the Council has embraced a forward thinking, ambitious and commercial approach in maintaining a sound financial position. This means planning ahead, securing savings in advance, re-investing in more efficient ways of working, adopting a more commercial approach, prioritising resources for economic development measures, whilst making careful use of reserves to meet funding gaps and mitigate risks.

The Council's successful financial management to date has enabled the protection of core services, whilst at the same time ensured that resources are directed towards the priority areas in the Council's Vision 2020.

That is not to say though that the Council will not continue to have to navigate a difficult financial path in the forthcoming years in order to maintain a sustainable financial position. Looking ahead, the financial landscape for local government continues to pose 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 2020 and the timing of this, the allocation of this funding to local government through the Fair Funding Review, and reform of the Business Rates Retention system, all of which will impact on the Council's MTFs. In addition the impact of Brexit and the consequent impact on the economic and political landscapes poses significant uncertainty for central and local government.

Ahead of this, the Council's General Fund continues to face a significant financial challenge to maintain a sustainable financial position and achieve the savings target set out in the MTFs. Over the last 10 year period the Council has delivered savings in excess of £8.4m, a significant reduction in comparison to the overall net expenditure budget. However further savings of £0.8m are still to be delivered in order to achieve the current target by 2020/21, with the potential for further increases as a result of the emerging budget pressures the Council is facing.

The Towards Financial Sustainability (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 itself has been refocused, reflecting the Council's innovative, forward thinking and commercial approach alongside its ambitions to maintain high performing services and a performance culture. As part of this refocus there are now four agreed strands to achieve savings. These are:

- "One Council" – cross organisational lean reviews to deliver a "one organisational" approach more efficiently and effectively
- Commercialisation – generation of new income streams, and commercial trading opportunities
- Investment Opportunities – to invest in commercial properties as well as regeneration and redevelopment schemes that support the local economy
- Service Reduction/Withdrawal – withdraw from some services or reduce the level of service provided for those non priority services

Alongside this programme the Council will continue to seek ways to maximise its tax bases through economic development measures through its Vision 2020, which enhance the economic prosperity of the City.

As part of the maximisation of tax bases the council, along with the other Lincolnshire District Councils, Lincolnshire County Council and North Lincolnshire Council applied to be a pilot for 100% Business Rates Retention in 2018/19 and was confirmed as one of the ten successful applications.

This meant that for 2018/19 the council received 60% of business rates, with 40% going to Lincolnshire County Council (under 50% retention the funding splits were 50% Central Government, 40% Lincoln City Council and 10% Lincolnshire County Council).

This resulted in additional resources achieved from the pilot of £2.1m which was in excess of the £1.5m original estimate. An element of this additional resource has been set aside to fund the forecast reduction in business rates when the system is due to be reset in April 2021 and to replenish the business rates volatility reserve, with the balance going towards Vision 2020 priorities.

This approach by the council on both its TFS programme and maximisation of tax bases focuses its efforts on sustainability for the future.

3.2 Revenues Shared Service

Our Revenues and Benefits shared service with North Kesteven District Council continues to perform successfully, building on the national accolades achieved in 2018/19 through a prestigious national Performance Awards process.

The service proactively and positively responds to regular changes in policy and legislation, as well as increasing customer demands and expectations. The service has been at the heart of increasing 'customer experience' through a suite of innovative, automated e-forms being delivered.

Collecting monies due to the Councils continues to be increasingly challenging, which includes recovery of monies such as; Council Tax, Business Rates, Former Tenant Arrears and Sundry Debtors – as well as collecting the levy for the Lincoln Business Improvement District. The team not only aims to collect and recover monies, but also helps to provide advice and signpost customers to vital budget and debt management services wherever appropriate.

In terms of performance:

- As at the end of Quarter 2 2019/20, in-year Council Tax collection is 0.07% higher than at the same point in 2018/19 – this is even more positive when considering the net collectable debit has increased by almost £3m in the current financial year;
- As at the end of Quarter 2 2019/20, in-year Business Rates collection is lower than as at the same point in 2018/19, by 0.99%. However, the team has over £60,000 additional rates to collect this financial year, and it is anticipated that another positive performance outturn will be achieved for 2019/20 (in 2018/19, we achieved the 5th highest in-year collection in England);
- Level of outstanding customer changes in the Revenues team stands at 1,177 at the end of Quarter 2 2019/20 – this is an increase since Quarter 1, and also from the same point in 2018/19. However, it should be noted that the team is now in a strong position to

move forward. Work has, and still is, taking place earlier in the financial year – for example, registration of students for Council Tax with appropriate discounts and exemptions. This is largely due to one of the e-forms developed which collects data sooner and in a more efficient manner, meaning this large influx of work can be dealt with earlier in the financial year. Also, there has been a reduction in staffing resources – however, these positions have now been filled so will have a positive impact over the second half of the financial year.

Our Team continues to deliver initiatives aimed at reducing fraud in the system – through new and existing cross-departmental and national data-match exercises, and initiatives through the Lincolnshire Counter Fraud Partnership. Regular reviews of Council Tax Single Person Discounts, Housing Benefit and Council Tax Support incomes, and Business Rates potential ‘avoidance’ continue to be key activities for our shared service.

The service continues to deliver savings in excess of £0.5m per annum between City of Lincoln and North Kesteven.

3.3 Procurement

As in previous years the current financial situation has meant that procurement continues to be one of the areas where there is potential to generate savings. However this is with the acknowledgement that this is subject to market forces and therefore is something which we cannot control.

Significant procurement support has been provided within the last year to a number of the key strategic priorities including the Regeneration of De Wint Court Extra Care facility, the Western Growth Corridor scheme, the Crematorium Refurbishment project, the insourcing of the Visitor Information Centre as well as a number of the priorities of Vision 2020.

The Procurement Manager as part of her duties continually reviews whether there are any potential spend areas and/or contracts which could be renegotiated or procured in order to generate savings. At present there are no significant areas to report but when they do arise, these will be reviewed in more detail with the Operational lead.

3.4 Asset Optimisation

The Council has continued to progress with its commercial property investment strategy and has over the last 12 months completed on its purchase of the Travelodge and three retail units at Deacon Road. This brings the total investment in commercial property to £28m, generating annual revenue returns of £1.5m, resulting in additional revenue income of £412k p.a. after the cost of financing.

Each of these investments have been made in Lincoln demonstrating that the Council is focussed on influencing the regeneration and economic development of the City, whilst also seeking financial returns. This is an approach that has seen the Council being shortlisted for the Entrepreneurial Council of the Year award at the LGC Awards and for the Innovation in Finance award at the MJ Awards.

3.5 Emergency Planning

The Emergency Plan provides a framework for the control and co-ordination of a response to an emergency affecting the council and is refreshed annually. Over the past year we have continued to work with the County Council's Emergency Planning unit with the following completed:

- All Strategic Commanders have had further training and new procedure folders
- A national counter terrorism exercise has been conducted in Lincoln and the City council contributed to this
- City of Lincoln Council has been involved with the European Union exit planning

We have a full out of hours rota for emergency planning strategic (gold) commanders which includes a combination of Chief Executive, Directors, Assistant Directors. The strategic commander level was previously CMT level only but has been expanded to Assistant Director level to increase resilience. A review has been conducted of the staff that make up our tactical (silver) commander group, with a number of Service Managers joining the group to expand the numbers and thus further increase the rota resilience. Training is currently being arranged for all new members of both gold and silver commands

Staff have continued to be trained on ACT – Action Counters Terrorism as required over the last year, including colleagues from the DWP. ACT is the new name and format for what was previously known as Project Griffin which is a national police initiative to protect our cities and communities from the threat of terrorism by familiarising staff of organisations such as ours on security, counter-terrorism and crime prevention issues. A review of all safeguarding training is underway which will ensure auto-reminders are sent to staff at appropriate intervals, when refresher training is due.

3.6 Business Continuity

Business Continuity Management (BCM) is a framework that assists in the management of risks which might impact the smooth running of our organisation or the delivery of key services. These risks could be from the external environment (e.g. power outages, severe weather etc.) or from within an organisation (e.g. systems failure, loss of key staff etc.) Well organised Business Continuity plans will facilitate the recovery of key business systems within agreed timescales whilst maintaining the council's critical activities and the delivery of vital services to the public.

Business Continuity Management complements and interrelates with other corporate activities, notably risk management and emergency planning.

The council's overarching business continuity plan is reviewed each year. We have 21 critical service area plans all of which undertake an annual review, led by the service area and supported by the council's Emergency Planning Officer who is from the Joint Emergency Management Service at Lincolnshire County Council.

Although investment in a secondary ICT location at Hamilton House was made in 2015/16, this equipment is now aging and the response levels are no longer sufficient and require further investment. This required investment along with linkages between the IT Disaster Recovery

Plan and critical service area plans have resulted in this area being raised as an area of significant concern in the Annual Governance Statement, an action plan is however in place to address this with an upgrade to the IT infrastructure already underway.

The councils Business Continuity Co-ordinator is the Chief Finance Officer and regularly meets with the council's Emergency Planning Officer, who sits on relevant internal meetings such as Safety Advisory Group and the Christmas Market Safety Advisory Group to provide necessary support and guidance.

3.7 Risk Management

The Council continues to develop and monitor key risks, those which could affect the Council's ability to achieve its priorities during the year. Elements of Risk Management are outsourced to Lincolnshire County Council's (LCC) Assurance Lincolnshire service in order to provide the level of expertise that we require. The development and monitoring of the Council's strategic, operational and project risk registers however remains a role that is undertaken by the Council through the Corporate Management Team and Directorate Management Teams.

The Strategic Risk Register for 2019/20 was initially formulated by the Corporate Leadership Team in July 2019 and as part of the reporting protocol within the current Risk Management Strategy both the Executive Committee and Performance Scrutiny Committee receive reports on the Strategic Risk Register to consider the status and movement of all strategic risks at that particular point in time. At this present time the Strategic Risk Register contains 10 strategic risks.

Each Directorate identifies key risks within their service areas creating a Directorate Risk Register. These registers contain risks that are mainly of an operational nature.

An Internal Audit was undertaken during 2018/19, of the Council's risk management arrangements. The purpose of this review was to focus on the Strategic and Directorate risk registers to ensure that they were up to date, regularly reviewed and risks were actively managed. It was concluded that there was substantial assurance - that the Council had effective risk management arrangements in place.

The Council is part of the Greater Lincolnshire Risk Management Group (GLRMG) who, during 2018/19, conducted their own annual benchmarking exercise between the districts within Lincolnshire. This is a much simpler way of benchmarking and enables us to share best practice. The results of that exercise, across a range of areas with an assessment based on a maturity level on a scale of 1-5, where level 5 is the highest level of maturity, shows Lincoln as follows:

- Leadership and Management – level 4
- Strategy and Policy – level 4
- People – level 4
- Partnership ,Shared Risk and Resources – level 3
- Processes – level 4
- Risk Handling and Assurance – level 3
- Outcomes and Delivery – level 4

Overall this is a good result and a suitable work plan for 2019/20 is in place to support these scores.

3.8 Brexit

The Council has actively been preparing for the potential impacts of the UK's exit from Europe, primarily based on a worse case scenario of a no-deal exit. Internally the Council has an established working group in operation which consists of the City Solicitor, Chief Finance Officer, Procurement Manager, HR & WBL Manager, Communications Manager, Business Manager – Corporate Policy and Internal Audit Manager. This group has focussed on assessing the key impacts of Brexit and identifying and actioning the specific mitigations, along with ongoing monitoring of these, these key areas cover:

- Legal and Regulatory considerations
- Workforce implications
- Finance and Funding
- Procurement/Supply Chains
- Elections
- Civil Contingencies/Business Continuity
- Community Leadership

Additionally the Council, along with all other Council's has a nominated Brexit Lead Officer, which is the Chief Finance Officer, whose role is to ensure the Council is taking all reasonable steps to prepare for the exit from the EU. Including clear communication to local residents and businesses to support their own preparation for Brexit.

3.9 Corporate Health & Safety

A comprehensive two year rolling Health & Safety Development Plan is in place and is prioritised according to risk. It is fully resourced and is approved and monitored by Health & Safety Champions Group. The main focus last year continued to ensure that occupational health measures were suitable and sufficient to protect our employees and improvements were implemented in the management of hand held electrical equipment to reduce exposure to hand/arm vibration. In addition, last year a new online Incident Reporting System was launched which provided the platform to identify trends or hotspots to target improvement, this has been very successful and as an example it identified a high level of anti-social and unacceptable behaviours within our City multi storey car parks and a number of measures to reduce and manage this have been introduced.

The Health, Safety & Welfare Policy has been reviewed during this in consultation with Trade Unions and has consolidated other policies such as, the management of asbestos and the unacceptable behaviour into one policy this is scheduled to be issued in early July 2019.

A robust and positive working relationship with our trade union Safety Representatives continues to flourish which is integral in maintaining and improving our organisations health and safety culture.

3.10 Human Resources

During 2018 the People Strategy and action plan continued to be embedded across the Council. The purpose of the three year strategy is an enabling framework which supports the delivery of the Vision 2020.

A key achievement over the last year is in relation to sickness absence where this has reduced to 10.35 days per FTE which has been the lowest reported figure for a number of years.

Following the introduction of the Health and Wellbeing Strategy and action plan there has been a significant focus on the promotion of health and wellbeing initiatives:-

- Global Corporate Challenge (196 employees participated in the challenge of completing 10,000 steps per day)
- Our Health Matters booklet
- Delivery of Financial Wellbeing Courses
- Introduction of Employee Assistance Programme with 24 hour counselling provision
- Relaxation Classes
- Health and Wellbeing events including body MOTs
- Promotion of national health awareness days

The HR team continue to review the HR policies to ensure clarity, harmonisation and compliance with legislation. The reviews are incorporated within a timetable to ensure that all policies are checked at least every three years. The Trade Unions have been actively involved in these reviews. As part of each review, training continues to be provided for all staff who have supervisory duties.

The positive relationship with the Unions continues, largely as a result of the monthly joint HR and Union meeting, where Unions are updated on staffing issues and are given the opportunity to give their opinions and input.

The HR team continue to review and monitor all workforce data in accordance with the equality and diversity action plan.

3.11 Work Based Learning (WBL) - Apprenticeships

The apprenticeship levy was introduced in April 2017. The Council is a levy paying employer with a 2.3% target of the workforce expected to be apprentices. From May 2017 a digital account became accessible to the Council to support the training of apprenticeships.

The Council exceeded the government target at 6.6% of employees for apprenticeship starts in 2017/18. This was the first reported figure (for the period 1st April 17 to 31st March 18) and the council was noted as exemplar on this – data for 2018/19 is not yet available.

The Council continues to deliver apprenticeships as a supporting provider in partnership with our main providers. The partnership with First College continues and the Council has entered into sub-contracting arrangements with LAGAT College to support the delivery of qualifications to SME's.

Despite a decline in numbers on programme for the past academic year 100% of apprentices have achieved on time and 100% have moved into education, employment or training.

The team continue to focus on quality and excellence and a number of apprentices were nominated, shortlisted and winners at the Lincolnshire Public Service Apprentice of the Year awards presented by Karen Lee, MP. The team have also celebrated all apprentices' achievements at the internal awards ceremony.

Over the coming year the WBL team will continue to support apprenticeships, provide career advice and interview support across the Council.

3.12 Craft apprenticeship scheme

We currently have five apprenticeships in position at Hamilton House (two painters, a joiner, and two electricians) and have recruited two apprentices for the forthcoming academic year- a joiner and a plumber to start in September this year.

We continue to ensure every effort is made so that the vacancies are seen as widely as possible, with information available on our website, Lincoln College website, on social media and in HOME, the tenant's magazine. As a result we have seen an increase in the level of applications.

A commitment has been made to recruit at least two apprentices annually, the trade to be determined in consultation with the Housing Repairs Services workforce who provide the day to day supervision.

Housing Repairs continue to work closely with our partners and contractors to provide as much technical and workplace experience as possible. The apprentices are also going to be getting experience of new build on the new housing schemes.

As well as the long term apprenticeships we also provide opportunities for short- placements - we have contacts with Lincoln College who provide college students who require work experience.

3.13 Corporate Communications and media relations

Our communications team continues working hard to ensure our good reputation is maintained and enhanced where possible. Staff are communicated with effectively and often, and the team continues to ensure that Vision 2020 and its priorities are embedded across the organisation and within the local community.

Some of the major successes this year include:

- The ImpsParade19, with more than 20,000 people lining the streets and showing their appreciation for Lincoln City's fantastic achievements in the 18/19 season. The comms team ensured that our Proud To Be Lincoln branding was front and centre on the bus and in the crowds, ensuring fantastic coverage on many local and national media.
- The team supported our HR colleagues in the Global Challenge 2018 and have continued this with the relaunch in May, where even more participants are signed-up. In 2018, staff and members walked in excess of 156,000 km over the 100 day duration of the challenge. This year, more than a third of our workforce is taking part.
- Following the early closure of Lincoln Christmas Market in 2017, the team worked hard to ensure the 2018 edition was well promoted and engaged with more visitors than ever before on social media, launching a new Instagram account and answering more than 240 enquiries on social media in the week before, and during, the event.

- The team has continued to develop new skills in different areas of media. They have modernised the way council communicates with its residents and stakeholders and have continued to produce films for use in many areas.
- With the launch of NETConsent we have been able to communicate with staff quicker and more effectively. In addition, the new staff magazine, Lincoln Lines, has allowed us to produce ever more engaging content for our employees.
- The team were successful in being shortlisted for the 2019 MJ Local Government Excellence Awards in the category of 'Innovation in Communications' for the work they have done on launching and promoting Vision 2020.
- Our social media followers have continued to grow significantly on all accounts. We now have over 14,950 followers to our corporate twitter account – an increase of more than 850 this year. This continues to see us in the top ten of UK councils with the most number of twitter followers per head of population.
- On Facebook, our presence has continued to increase significantly with more than 5,500 people following the council's page. This is a 35 per cent increase year-on-year. Meanwhile, the Lincoln Christmas Market page has recently hit the 35,000 followers mark.

3.14 Annual report

The 2017/18 report went to Performance Scrutiny Committee in August 2018, followed by Executive and Council in September 2018. The 2018/19 report is due to go to Performance Scrutiny Committee in November 2019, followed by Executive and Council.

The Annual Report, aligned to Vision 2020, covers the second year of the three year strategy and reports on the key achievements and projects delivered for each strategic priority (and high performing services strand of work) during the year.

3.15 Civic and International Partnerships

Guildhall:

The City owns some of the oldest Charters in the country and the University of Lincoln has agreed to work with the council to restore and re-condition Lincoln's historic Charters. They will then be on display in the Guildhall, as opposed to being kept at the archives, therefore attracting more visitors. Conservation Department at the University are continuing to work closely with the Guildhall.

The Guildhall received the 'Best Told Story' Award 2018 by Visit England and has been awarded the Trip Advisor Certificate of Excellence for the past four years. It is also, currently, the only place under 'Things to Do in Lincoln' that has a full five-star rating.

Mayoralty:

The Mayor and Civic party successfully attended over 300 events throughout their Mayoral Year. Councillor Keith Weaver chose the 'Lincoln Sea Cadets' as his chosen charity during his Year of Office. Fundraising events organised by Civic Office raised just under £3,000.

Civic Events:

The Lincoln Christmas Lights Switch-on event, as big as ever, attracting over 6,000 people.

The Civic Office also organised a 'Tri-Service' Parade; to commemorate Armistice, which was the first time an event of this kind had been held in the City.

A successful joint RAF Freedom Parade (RAF Waddington and Scampton) also took place in April.

International Partnerships:

The Mayor of Lincoln welcomed a delegation from Neustadt an der Weinstrasse, Germany, which included the new Oberbürgermeister, visiting Lincoln for the first time.

We also welcomed a delegation from our twin town, Nanchang, China, who were particularly interested in the new Sincil Street/Cornhill development.

Plans are now in hand to celebrate the 50th anniversary of the twinning with Neustadt an der Weinstrasse, one of the oldest twinning relationships in the country.

3.16 Legal Services

The support provided to officers by the team has led to excellent outcomes such as the Rogue Landlord project's prosecution of a landlord resulting initially in a fine of £400,000, albeit reduced on appeal, as well as the recent case brought against a landlord for assaulting a CLC officer, on behalf of the CPS.

The team are heavily involved in the conveyancing work for the New Homes Board and have been instrumental in utilising the right to buy receipts to purchase properties. Also supporting the Western Growth Corridor project, enforcement work across the council, as well as on behalf of partners and defending against claims and taking legal action on behalf of the council, to include proceedings to protect the council's staff.

We continue to be innovative in our approach to finding solutions for officers, for example, we recently served documents on an individual of no fixed abode by text. The statutory responsibilities of the data protection framework continue to be carried out where required. We also contribute to the strategic direction of the council through various working groups and policy development, including contributing to the empty properties project and 'Protecting Vulnerable People'/safeguarding work.

4. KEY PERFORMANCE SUMMARY

Sickness has improved greatly throughout the 2018/19 year – to put this in context, the figures over the last six years show that we have reduced back down to under the 2013/14 outturn. This has been achieved through a mixture of improvements in staff welfare management as I have already mentioned, but also through better sickness management by managers.

Cumulative sickness trends - CoLC (Excl. apprentices figures)

Year	Q1	Q2	Q3	Q4
2013/14	2.68	5.18	7.69	10.78
2014/15	2.99	6.68	9.93	13.43
2015/16	3.01	5.7	8.6	11.63
2016/17	2.43	5.10	8.27	11.52
2017/18	3.11	6.34	9.84	13.62
2018/19	2.9	4.83	7.28	10.35

I should note that the latest figures for Q2 this year shows a cumulative figure of 5.07 average days per FTE, this is slightly over that for last year at the same time but still one of the lowest in the last 7 years.

The tables below are taken from the Performance Information Management System (PIMS) and show performance up to the end of Q2 2019/20 for my Portfolio.

The very positive achievements seen in the final outturn for 2018/19 have been continued through to 2019/20, although there are some areas to mention in Revenues administration.

REV2 – The rate of NNDR collection is showing a little behind target at this half way point through the year, at 0.19% below its lower target. However the net (pounds) collection is actually higher than the last year equivalent. The team continue to chase outstanding amounts.

In addition REV3 the number of outstanding customer changes has increased. There has been an increase in customer contact and an additional 563 properties on the tax base. The team has recently recruited to three vacancies and will be able to reduce this backlog once training is complete.

Our People and resources – quarterly measures

Service Area	Measure ID	Measure	High Or Low	Low Target	High Target	Previous Data Period	Previous Value	Current Quarter	Current Value	Unit	Status
Communications	COM 1	Percentage of media enquiries responded to within four working hours	High is good	70.00	85.00	Q4 - 18/19	0.00	Q2 - 19/20	72.00	%	A
Communications	COM 2	Number of proactive communications issued that help maintain or enhance our reputation	High is good	25	40	Q4 - 18/19		Q2 - 19/20	38	Number	A
Work Based Learning	WBL 1	Percentage of apprentices completing their qualification on time	High is good	92.00	95.00	Q1 - 19/20	100.00	Q2 - 19/20	100.00	%	G
Work Based Learning	WBL 2	Number of new starters on the apprenticeship scheme	High is good	8	10	Q1 - 19/20	5	Q2 - 19/20	8	Number	A
Work Based Learning	WBL 3	Percentage of apprentices moving into Education, Employment or Training	High is good	92.00	95.00	Q2 - 19/20	100.00	Q2 - 19/20	100.00	%	G
Accountancy	ACC 1	Average return on investment portfolio	High is good	0.75	0.85	Q1 - 19/20	0.85	Q2 - 19/20	0.86	%	G
Accountancy	ACC 2	Average interest rate on external borrowing	Low is good	4.75	3.75	Q1 - 19/20	2.84	Q2 - 19/20	3.38	%	G
Revenues Administration	REV 1	Council Tax - in year collection rate for Lincoln	High is good	52.39	52.80	Q1 - 19/20	26.71	Q2 - 19/20	52.87	%	G
Revenues Administration	REV 2	Business Rates - in year collection rate for Lincoln	High is good	59.77	60.57	Q1 - 19/20	34.49	Q2 - 19/20	59.58	%	R
Revenues Administration	REV 3	Number of outstanding customer changes in the Revenues team	Low is good	600	400	Q1 - 19/20	616	Q2 - 19/20	1,177	Number	R

Our people and resources – annual measures

Service Area	Measure ID	Measure	High Or Low	Low Target	High Target	Previous Data Period	Previous Value	Current Year	Current Value	Unit	Status
CX Debtors & Creditors	DCT 1	Percentage of invoices paid within 30 days	High is good	95.00	97.00	2017/18	95.17	2018/19	97.79	%	G

Debtors & Creditors	DCT 2	Percentage of invoices that have a Purchase Order completed	High is good	40.00	50.00	2017/18	41.60	2018/19	46.00	%	A
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For all measures the key is: Green = At or above target; Blue = Acceptable performance – results are within target boundaries; Red = Below target

5. FUTURE CHALLENGES

Following the imminent completion of Phase One of Vision 2020, attention is now focusing on planning the second phase of projects.

Key projects are:

- Continuing to lead on the Western Growth Corridor site to unlock 3,200 homes and 20ha of commercial employment land.
- Working with partners such as Visit Lincoln to launch the 'Invest Lincoln' scheme.
- Developing a local strategic response to the UK Industrial Strategy
- Implementing a Market Strategy and action plan to transform City Square
- Delivering the Empty Homes Strategy to bring increasing numbers of empty homes back into use.
- Completing the site works to De Wint Court which will see it transformed into an Extra Care Facility.
- Delivery of the Spa Road development site for up to 312 new homes.
- Building on the successes of the first phase of the Sincil Bank Regeneration Scheme, to achieve long-term, physical transformation in this part of the city
- Undertaking an outdoor play facilities project, and develop a longer-term view of leisure facilities in the city through the creation of a new strategy.

I would like to express my appreciation to the really excellent range of officers who support me with the work of the Portfolio and to specifically say thank you to the following officers for their assistance in the preparation of this report:

Sara Boothright, Claire Burroughs, Heather Carmichael, Simon Colburn, Kate Fenn, Jaclyn Gibson, Frances Jelly, Pat Jukes, Martin Walmsley, Steve Welsby

**Councillor Ric Metcalfe (Leader of the Council)
Portfolio Holder for People and Resources**

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COUNCIL

21 JANUARY 2020

REPORT UNDER RULE 2(VI) OF THE COUNCIL PROCEDURE RULES

Report by Councillor Neil Murray, Portfolio Holder for Inclusive Economic Growth

Our local economy continues to be relatively buoyant despite crippling austerity policies and the uncertainties regarding the potential effects of Brexit. The expansion of Lincoln University and Bishop Grosseteste University promise a bright future for our city as a centre for Higher education. The refurbishment and regeneration of Sincil Street by the Co-op is a great vote of confidence in Lincoln city centre as an increasingly important retail centre.

We are playing an important role in the local economy facilitating development and directly influencing the economy by building hundreds of new homes in Lincoln in our role as a social landlord.

But we can always do more. Too many Lincoln people are in insecure, part time employment. Too many people in the city are in “self employed” jobs where in reality they work for one business. We need to do whatever we can to build decent homes for people especially in the most deprived areas of the city and we need to encourage investment in Lincoln.

The Inclusive Economic Growth portfolio is very broad and this is my political overview of some of our activity over the last year or so with a particular emphasis on Sincil Bank regeneration and Heritage.

SINCIL BANK AREA REGENERATION

Our officers have carried out some excellent work in the Sincil Bank part of Park ward based at the community hub on Portland Street. They have worked with residents to stimulate social inclusion and have worked hard to integrate new residents from different countries into the community through a place shaping strategy. It is vital that people new to our city and country are made to feel welcome and are encouraged to play a part in civic life.

Hermit Street.

We are at an advanced stage with plans to regenerate the Hermit Street area to turn it into a more balanced community with fewer single people and more couples and families very close to the city centre. We want to transform the area and make it a popular place to live. The area has a poor reputation but with imagination and commitment we can remodel the accommodation and the street scene in a profound way in consultation with residents.

Residents Parking/Environmental improvements.

I was very pleased to see that residents in the Sincil Bank area voted positively for the introduction of the Residents Parking Scheme (RPS) in the consultation exercise last year. This will be very helpful by removing parked cars which at the moment clog up the streets around Sincil Bank and will improve the quality of life for residents. I hope Lincolnshire County Council as Highway Authority will address the problem of “rat runs” through the area given that the East-West link road is now well established. At the moment Park ward residents’ air quality and road safety is spoilt by the numerous vehicles taking short cuts down residential streets in the area.

The new RPS zones will come into effect soon and I hope we will carry out further consultations into the rest of the Sincil Bank area up to the football stadium so that the whole area is covered by the RPS scheme rather being one big car park for commuters and shoppers. Residents in the part of Boutham ward adjacent to the Sincil Bank area also voted in favour of RPS in the consultation vote. This will have a positive effect for those residents also.

The RPS scheme is not a panacea for parking issues, it is imperfect. But, it can be helpful because it puts residents first and we can clearly see where we have implemented the scheme in the central area of Lincoln it is positive for residents.

To Let Signs.

Another positive development was the introduction of a ban on “to let” signs. In April 2019 the council introduced the ban and it had an immediate beneficial effect on the street scene. Overnight, streets blighted by these signs were cleared. Perhaps a small improvement in the bigger scheme of things but a tangible improvement for residents nonetheless.

HERITAGE AND TOURISM

Lincoln’s Christmas Market.

Our unique historic environment is what makes the Lincoln Christmas Market so special. The castle at one side and the cathedral at the other offers a brilliant spectacle especially for visitors and especially in the evening. The continued success of the event is down to a huge amount of effort by council officers working in partnership with the emergency services to ensure that such a massive event goes off safely. This year we had nearly 250,000 people over the four days. 6,888 park and ride customers, 195 coaches and 495 trains carried thousands of people into the city.

When I visited the control centre on the Saturday I was impressed by the professionalism and thoroughness of the city council staff and emergency services staff who work diligently to keep our visitors safe.

An event of this size needs a huge number of people to make it work and it is a truly corporate effort. Officers from all over the different parts of the council are heavily involved particularly in the hectic four days of the event. Preparation for the 2020

market has started already. I would like to thank all the staff involved for making the 2019 event such a success.

Our Historic Environment.

The Guildhall is now part of the Lincoln tourism trail and the Mayor's staff have done us proud in opening up the building to the public. We tend to take the building and the stonebow for granted and neglect their value and importance as an historic centre of democratic representation.

We are very fortunate with our rich historic environment and we are working with partners to preserve and conserve the different elements of our built heritage. We are well into the process of bringing the Greyfriars building back into use and making it accessible to the public again. The building has been closed since the Collection was opened.

We are negotiating with potential partners to refurbish and bring the Harlequin building back into public use. It is an important building at a popular resting point on the walk up Steep Hill and given its age and physical structure it needs a great deal of care. We are working with the East of England Building Preservation Trust on the Harlequin building and 40-42 Michaelgate.

It is sad that our view of the Usher Gallery is so different to that of the County Council. The Usher is a jewel and should be protected and cherished. I hope that there is sufficient goodwill available to retain the building and to invest in the cultural offer to make it a viable venue for visitors and Lincoln people into the future.

Heritage Action Zone.

We are running a Heritage Action Zone scheme from this year through which we hope to see improvements in the built environment in some of the most historic parts of the city some of which are run down and in need of investment. Council officers are working with partners on the scheme and I look forward to seeing it develop and positive results on the High Street.

The scheme is worth up to £1.75 million and could go towards reinstatement of traditional shopfronts, the refurbishment of St Mary le Wigford churchyard, restoration of the Barbican/Albion hotel building on St Mary Street and condition and a feasibility study for St Mary's Guildhall on High Street.

Archaeology

The archaeological work at the cathedral has provided more evidence regarding the defences of the Roman city and has given more clues regarding the buildings which existed before the Romans came to Lincoln. Further evidence of Roman burials has been discovered on Newland towards Brayford Pool and a major dig at Western Growth corridor has begun to unearth a nationally significant site for pottery production in the Roman period.

I would like to thank members of the Society for Lincolnshire History and Archaeology for their help in identifying unlisted buildings of historical significance in the city with a view to listing. They have working with our officers and will bring recommendations for the listing of buildings with a particular historic value.

PARKING AND TRANSPORT

Our parking service has been significantly improved with the increasingly popular central car park with wider spaces and pay as you leave facility. In our other car parks we have responded to anti social behaviour (ASB) by investing in security equipment to keep people safe. We have installed CCTV and sensor equipment to deter ASB with an immediate positive effect. Our staff provide a good service despite some difficult situations.

WESTERN GROWTH CORRIDOR

Our long held ambition to see good quality homes and new leisure facilities on the Swanpool site linking into the city centre remains despite delays outside our control. The Swanpool development gives us the opportunity to build good quality, environmentally sound houses close enough to the city centre to allow for walking, cycling and public transport accessibility. It also offers us the opportunity to have more leisure facilities in the city close to the city centre.

CITY CENTRE (TOWNS FUND)

We are taking part in the Town Funds scheme designed to contribute to the regeneration of High Streets around the country. We will be working with a range of partners to deliver improvements in the city centre to support private investment.

This approach suits us as a council because we have been keen to work with partners over many years in order to stimulate the local economy. There is potentially £25 million available which should help us to improve the city centre and fill in some the gaps we have.

Sincil Street.

Our planning and Heritage officers have worked closely with the Co-op in relation to the redevelopment of the Sincil Street area. The results are excellent and are being viewed as an exemplar by an increasing number of planning, heritage and regeneration professionals. Most importantly it is great to see what was a run down area of the city centre being transformed to a very high standard.

We look forward to contributing to the further improvement of the area by refurbishing the Central Market and the Cornhill area.

PLANNING POLICY

The Central Lincolnshire Local Plan is not that old but it is being reviewed currently and a great deal of time is going into ensuring that we address the pressing issue of climate change.

Officers are looking into ways we can address developments in the central residential area where on street parking is at a premium. It is difficult for the planning committee when considering new development in those areas and we may develop supplementary planning policy.

The future look of the upper High Street could be very different if the House of Fraser application for a hotel development on that site is approved. No doubt planning committee members will consider the application very carefully.

**COUNCILLOR NEIL MURRAY.
EXECUTIVE MEMBER FOR INCLUSIVE ECONOMIC GROWTH.**

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COUNCIL

21 JANUARY 2020

REPORT UNDER RULE 2(VI) OF THE COUNCIL PROCEDURE RULES

Report by Councillor Geoff Ellis, Chair of Audit Committee

Mr Mayor, Members of the Council

Introduction

This report summarises the work of the Audit Committee to date in the year ending April 2020 and is to confirm that the Committee's function is consistent with best practice as well as demonstrating the positive impact of its work.

There are 6 meetings of the Committee during the period up to April 2020.

Purpose of the Audit Committee

The Audit Committee, as a key part of the Council's corporate governance arrangements, oversees and assesses the Council's risk management, control and governance arrangements and advises the Council on their adequacy and effectiveness.

It also has responsibility for reviewing the statutory financial reporting process through approval of the Statement of Accounts and receiving key reports from the External Auditor.

Specifically it provides:

- Oversight and challenge to the Statement of Accounts
- Oversight and review of the Annual Governance Statement
- A review of the Internal Audit Strategy and Audit Plan
- A review of Internal Audit progress reports and recommendations including appropriate follow up actions for outstanding Audit recommendations
- An examination of the External Audit Plan
- Consideration of External Audit reports, including the "report to those charged with governance", the "Annual Audit letter" and "certification of grant claims and returns report"
- Review of Counter Fraud arrangements and associated monitoring reports
- Annual review of the Council's Treasury Management Policy/Strategy
- Annual review of risk management arrangements
- Oversight of Information Governance including data protection

Membership and Independence

The Audit Committee comprises seven Councillors and (since 2013) one Independent Member. The current Independent member, Jane Nellist is from the University sector and has good knowledge of public sector finance and business accountancy and was appointed from April 2016. Having one or more Independent Members is seen as best

practice, as their experience and expertise assists the Audit Committee to more effectively discharge its role. The Audit Committee and the Officers have found the Independent member's contribution to be particularly useful and I would like to offer my thanks for the Independent Members continued support.

As Chairman of the Committee, I confirm I am free from Executive functions, and have not had my independence impaired during my time to date as Chair.

Membership during 2019-20

The membership for 2019/20 has remained fairly constant and is similar to 2018/19. I took over as Chair from May 2018 and Councillor Laura McWilliams is Vice-Chair.

The full list of Councillors are:

Councillor Geoff Ellis (Chair)
Councillor Laura McWilliams Vice-Chair
Councillor Thomas Dyer
Councillor Jackie Kirk
Councillor Gary Hewson
Councillor Ronald Hills
Councillor Rebecca Longbottom
Jane Nellist (Independent Member)

Relationships

I am happy to report that there continues to be a sound working relationship between officers and Members of the Committee.

Internal Audit functional responsibility rests with Jaclyn Gibson (Chief Finance Officer) on behalf of the Chief Executive whilst the Audit Manager has a direct reporting line to all levels of the Authority both at officer and member level.

I am satisfied through discussions with External Audit representatives and Internal Audit that relationships between Internal and External audit have been satisfactory and are effective.

Mazars are the External Auditors with effect from September 2018.

The external auditor takes consideration of and uses the work of our internal auditors in connection with their integrated audit of the Council's financial statements and other work. External and internal auditors collaborate to minimise duplication of effort and work in tandem to help management and the Audit Committee ensure that the Council's financial reports and other information are accurate and that its system of internal control is effective. Internal audit have also audited elements of the housing benefit subsidy claim on behalf of the external auditor, which also provides a saving on the audit fee.

During 2020 there were issues both nationally and locally with statement of account audits, many of which were delayed. The 31st July target date is not a statutory

deadline for completion of the audit, however both audited bodies and auditors strive to meet it wherever possible. Nationally, Public Sector Audit Appointments (PSAA) identified three areas for improvement - technical issues not resolved; (External) Audit resources shortfall and issues with accounts and working papers. Locally there were a number of specific issues arising with the External Auditor and within the Council. These are being addressed by both parties with specific action plans in place and a smoother final accounts process should take place in 2020.

Audit Committee - Terms of Reference

CIPFA (Chartered Institute of Public Finance and Accountancy) guidance on Audit Committees, which sets out various requirements, has been incorporated into the terms of reference of the Audit Committee. The Audit Committee terms of reference were updated in July 2018

Two of the main changes were:

a) To support the review of External Audit the Audit Committee will consider any issues raised by PSAA (Public Sector Audit Appointments) in its annual report. This summarises results from quality reviews and was received by the Audit Committee in December 2018 which showed the Council's new External Auditors (Mazars) had received the highest assurance rating.

- *The PSAA's first Annual Quality Report under the Appointing Person Arrangements will be published in 2020*

b) To review the governance and assurance arrangements for significant partnerships or collaborations. It was agreed that an annual report on partnership governance arrangements would be provided to the Audit Committee.

- *An annual assurance report is scheduled to be received by the Audit Committee in March 2020.*

Internal Audit Terms of Reference

These were updated in December 2019, to reflect changes to national standards although only relatively minor changes were made. The changes were reviewed by the Audit Committee.

Audit Committee Training

Committee Members receive relevant training during the year, including:

- Training linked to understanding the Council's financial statements
- Treasury management
- Corporate governance Counter fraud arrangements (through specific counter fraud training material)
- Risk management
- Internal audit and Audit Committee arrangements/effectiveness

Audit Committee highlighted the fact that for any new members the committee very quickly get into detail on complex reports such as the statement of accounts so any training needs to be delivered in a timely manner.

Officers are reviewing training options available both internally and externally.

Information Governance and Data Protection

A considerable volume of work has now taken place across the Council, to meet the requirements of the General Data Protection Regulations (in force from April 2018) and the new Data Protection Act 2018 (DPA).

In July 2018 the Audit Committee reviewed a range of Information Governance policies before Council approval. The Council needs to have policies to enable the Council to be compliant with the new legal framework and the information governance team needed to roll out the policies in order to increase awareness of the GDPR to officers' and councillors.

Therefore members of the public can be confident that the organisation are aware of their responsibilities of the new legal framework.

The Committee receives a regular report on Information Governance from the DPO. There has been good progress and a recent internal audit provided substantial assurance in this area. However there is still work to be done around training, data protection impact assessments, contract clauses, asset register and data retention.

The Audit Committee recognises this is a significant area and presents a number of risks which are being adequately addressed.

Internal Audit and the Audit Committee

Independence

To comply with best practice, I can confirm that the Audit Committee is suitably independent and that the Committee's terms of reference are consistent with (CIPFA) best practice guidance. Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the City Council's operations.

Operationally it sits under the Chief Executive and has freedom to report to any level within the organisation.

Audit Plan, Progress Reports and the Annual Internal Audit Report

The Audit Committee approves the Annual Internal Audit Plan and the Internal Audit Strategy.

The work of internal audit is reviewed at each meeting. This review includes a summary of audit reports as well as performance against the plan and other measures. It is pleasing to note that the majority of audits achieve a high level of assurance, reflecting that in most areas risks are being effectively managed and the control environment is sound. Those audits which require a greater degree of improvement are classed as having limited or no assurance. There was one area which received a

Limited Assurance during 2019/20 which was project management. A review of arrangements is currently underway and guidance is being updated.

An annual report by the Audit Manager is presented to the Audit Committee following the end of the financial year, which also helps to support the Annual Governance Statement.

The 2018-19 annual internal audit report to the June 2019 meeting gave a substantial (green) assurance across areas of governance, risk and control.

Counter Fraud

The Committee also reviews counter-fraud arrangements, receiving a 6 monthly update report, and it has in the past received a presentation on the Lincolnshire Fraud Partnership – this is a partnership of Lincolnshire Councils who successfully bid for and received government funding to tackle fraud locally. The partnership continues until at least March 2020 under current arrangements.

The Committee considers relevant corporate counter fraud policies and any updates, as well as information on fraud risk and fraud training. It has recently reviewed the anti-bribery policy and updated counter fraud risk register.

Recent work on Council Tax single person discount identified several hundred incorrect discounts which were recently removed therefore increasing Council Tax revenue. Tenancy fraud (such as unauthorised sub-letting) is also a current project as this is also a high risk area nationally

The Council continues to be involved with the National Fraud Initiative (fraud and error) which involves national data matching using a range of Council data sources. Matches are received and reviewed by officers. The most recent review has so far found 50 errors with a value of £63,352 (claimant error)

The cyber fraud threat is an ongoing risk to the Council and the Committee has received reports on anti-malware and IT Disaster recovery in the past. Following a change of software anti-malware is again being reviewed by Internal Audit. The Audit Committee is also monitoring IT Disaster recovery arrangements as this is currently a significant issue on the Annual Governance Statement.

Further counter fraud training for officers and members will be offered in 2020.

The Council's main fraud strategies and policies can be found on the Councils' website.

The City of Lincoln Council is now a "friends against scams" organisation (www.friendsagainstscams.org.uk) to help protect the city's residents, staff and members from becoming victims of scams. The partnership with a National Trading Standards body, involves encouraging staff and others to take part in scam awareness and advice training. The Council works with partners to publicise and warn against scams operating nationally and locally.

Audit Recommendations and Agreed Action

Another important part of the Committee's role is helping to ensure that audit recommendations are implemented. The Committee ensures that officers are acting on recommendations from both internal and external audit with updates being received at each meeting.

The Audit Committee have asked for more information on older outstanding recommendations and managers have attended to provide more detailed information. This approach will continue and appears to have had a positive effect.

Audit recommendations are integrated into the Council's performance management system and are regularly reviewed by Managers, Directorate Management teams and CMT as well as Portfolio holders. The number of high priority recommendations outstanding is low.

The Audit committee are also encouraging portfolio holders to take a greater interest in outstanding actions within their areas of responsibility.

Assurance Lincolnshire Partnership

The Council's Internal Audit Team is part of the wider Assurance Lincolnshire Partnership which includes the City of Lincoln Council, Lincolnshire County Council, and more recently Nottinghamshire County Council. Assurance Lincolnshire provides internal audit services to several Councils in Lincolnshire and Nottinghamshire.

The partnership is making good progress and yielding positive benefits for the internal audit service in Lincoln. As part of the partnership arrangements the Council contracts directly with Boston Borough Council providing its internal audit service. The current contract runs until 31st March 2020 and is expected to be extended.

Audit Standards

The City of Lincoln Council and the wider Assurance Lincolnshire Partnership comply with internal audit standards and passed their external quality assessment review (EQA) in September 2016, which must be undertaken within a 5 year period.

Audit Committee Work Programme

The Committee receives reports mainly from the Audit Manager, the Chief Finance Officer and the External Auditor covering a wide range of topics.

A selection of what we have covered/reviewed this year includes:

- Annual Governance Statement (review of AGS and update reports on significant issues)
- Information Governance updates and policies
- Statement of Accounts (review)
- Treasury Management Policy and Strategy (consultation prior to approval by Council)

- Annual Internal Audit Report
- Internal Audit Strategy and Plan
- Internal audit progress reports
- Counter Fraud Reports
- Risk Management Annual Report
- Report to those Charged with Governance
- Annual Audit Letter (External Audit)

The resourcing for the audit plan remains at a satisfactory level enabling appropriate coverage across key financial and corporate systems, with sufficient resources to respond to emerging risks.

The Audit Committee received its fourth “Combined Assurance” report in April 2019. Working with management, Internal Audit records first, second and third line assurances for all the key areas of Council business. The aim is to give Senior Management and the Audit Committee an insight on assurances across all critical activities, key risks and projects. Assurances are drawn from the “three lines of defence” including management, corporate business assurance functions such as performance management and internal audit plus other third parties. The report also feeds into the Audit Manager’s annual internal audit opinion, internal audit plan and annual governance statement. The next report will be presented to the Audit Committee in April 2020.

External Audit Arrangements, Reports and Conclusions

The external auditor’s primary role is to express an opinion on whether management has given a true and fair view of the information in its financial statements. The auditor expresses this assurance in an auditor’s report.

External auditors also examine and express an opinion on grant claims and returns made by the Council, to ensure that accurate figures are reported to Central Government, and that claims for grant funding are made in accordance with relevant rules.

Currently, External Audit assess whether the Council has appropriate arrangements to deliver value for money and this is also reported annually.

The Council’s external audit was provided for 2018-19 by a private sector accountancy firm, Mazars procured through Public Sector Audit Appointments

The Audit Committee has a role to comment on the scope and depth of external audit work, through considering plans and reports to ensure the work gives value for money.

The Committee considers the reports of External Audit and inspection agencies, including the External Auditor’s “Annual Audit Letter”, relevant reports, and the report to “Those Charged with Governance”.

The Committee has considered the 2018/19 Annual Governance Report and Annual Audit letter from the External Auditor and on behalf of the Committee, I am pleased to report that the 2018/19 final accounts were presented by the Council for audit by the required statutory date and were free from material error, and the External Auditor

issued an unqualified opinion on the Council's 2018/19 financial statements in October 2019. For 2019/20 the Council will revise some of its closedown procedures, actuarial instructions and property valuations and improve the quality of its working papers.

The Auditor also confirmed that the Council had put in place adequate arrangements for securing economy, efficiency and effectiveness in its use of resources and gave an unqualified value for money conclusion. As part of this conclusion the external auditor also reviewed two specific value for money audit risks - Financial resilience – as a result of reductions in central government funding, and other pressures and - Major projects as the Authority continues to have a number of major projects in progress which are relatively high risk.

Regulatory Framework

Risk Management

The Committee has a role (through its terms of reference) in overseeing risk management strategies and also receives an annual report. I am pleased to report that risk management arrangements are working well and risk management is used effectively to help manage our most significant strategic, operational and project risks.

Financial Statements

The Committee reviews the authority's financial and assurance statements, including the Statement of Accounts and the Annual Governance Statement, ensuring the latter properly reflects the risk environment and any actions required to improve it and then to recommend its adoption.

Annual Governance Statement and Code of Corporate Governance

The Annual Governance Statement is a statutory statement and provides an overview of key governance arrangements within the Authority, including any significant control issues arising during the year. This is signed by the Leader of the Council and Chief Executive and is presented to Council alongside the Statement of Accounts. The Audit Committee monitors all "significant issues" arising from the Statement approximately each quarter. There is currently one "significant issue" in relation to IT disaster recovery, which is has an Amber rating. Good progress is being made with new IT infrastructure which will help mitigate the risks identified.

City of Lincoln Council must ensure that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, and used economically, efficiently and effectively. It also has a duty under the Local Government Act 1999 to secure continuous improvement in the way our functions are exercised, having regard to economy, efficiency and effectiveness. In discharging this overall responsibility, the council must put in place proper governance arrangements for our affairs.

The Council's Code of corporate Governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

The Code of Corporate Governance sets out the documentation, systems and processes by which the authority transparently controls its activities. It enables us to monitor the achievement of our strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money. The Audit Committee has previously reviewed and approved the Code of Corporate Governance and updates.

The code is based on a set of seven core principles:

- Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Core Principle B: Ensuring openness and comprehensive stakeholder engagement
- Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits
- Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes
- Core Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Core Principle F: Managing risks and performance through robust internal control and strong public financial management
- Core Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Committee considers whether there are any concerns arising from the financial statements or from the audit (including the external audit report to those charged with governance on issues arising from the audit of the accounts) that need to be brought to the attention of the Council. There are no such issues arising to date during 2019/20.

Treasury Management

It is also worth noting the Committee's role in relation to Treasury Management. Guidance has meant that the Audit Committee has an increased role in assessing the robustness of Treasury Management policy. Training is provided to the Committee by the Council's Treasury Management consultants.

The Committee reviews the Strategy and considers the adoption of Treasury Management indicators prior to Council approval.

The Council's Constitution

The Committee has a role in reviewing certain aspects of the Council's Constitution, in particular contract procedure rules and financial procedure rules when changes occur.

The Audit Committee reviewed an update for the Financial Procedure rules update in March 2018

Effective Challenge

The Committee provides effective challenge across the full range of Council services and provides independent assurance on the risk management and governance framework and associated internal control environment to the Council and the public.

The Committee has received a variety of reports from both Internal and External Audit during the year. It has scrutinised and challenged the findings of audit reports on risk and control issues, sought clarification and in some cases required detailed explanations and action plans to address significant issues.

Impact of the Audit Committee's Work

By completing the work programme and providing challenge where required, the Audit Committee has:

- increased public confidence in the Council's governance arrangements;
- reinforced the importance and independence of internal and external audit and other review processes that reported to the Audit Committee;
- assisted in the co-ordination of assurance with internal audit and, in so doing, made management more accountable;
- provided additional assurance through a process of independent and objective review; and raised awareness of the need for internal control and
- helped ensure the timely implementation of audit recommendations.

Conclusions

This annual report has summarised the work of the Audit Committee over the last twelve months and has demonstrated the breadth and impact of the Committee's work.

I confirm therefore that the City Council's Audit Committee and Audit function is consistent with best practice

In conclusion I would like to express my appreciation and thanks to Laura McWilliams Vice-Chair, Jane Nellist, the Independent member and to all those elected members who have served on the Committee, and to Jaclyn Gibson, John Scott and the Internal Audit team, Becky Scott, Sally Brooks and all those officers that have provided reports, training and guidance to the Committee.

Councillor Geoff Ellis
Chair of Audit Committee

REPORT UNDER RULE 2(vi) OF THE COUNCIL PROCEDURE RULES

Report by Councillor Gary Hewson, Chair of Performance Scrutiny Committee

Mr Mayor – Members of the Council:

It gives me great pleasure to present to you this evening a flavour of the business that has passed through the Performance Scrutiny Committee over the last year. This will follow in the Performance Scrutiny workload section over the next pages.

Committee Activity

As part of the Performance Scrutiny Committee's remit, it held regular 'portfolio under scrutiny' sessions, where portfolio holders were invited to report on service achievements under their portfolio. Members were then able to ask questions about the performance of these service areas. The consideration of portfolio reports included the provision of a template for reports which placed a focus upon providing performance information relating to the member's portfolio. By doing so, the Committee was able to focus on the performance of a portfolio with fewer diversions into detailed analysis of policy issues.

During 2018/19, a regular report was provided in the form of a Portfolio Performance overview presented by the Policy Unit to the relevant Performance Scrutiny Committee meeting with the purpose of bringing out key contextual benchmarking indicators about issues in the city overall in relation to the portfolio under scrutiny. This process helped promote effective scrutiny of the portfolio holder's report.

In addition to the regular scrutiny of portfolio holders, the Scrutiny Committee received reports in the following areas:

- Quarterly financial monitoring to provide members with a summary of actual income and expenditure compared to the revised budget and appropriate allocation of any surpluses to reserves.
- Quarterly performance update reports to ensure regular monitoring of the Council's operational performance as a key component of the Local Performance Management Framework.
- A quarterly review of the Strategic Risk Register - what improvements or issues have been identified.
- A report on Treasury Management and Actual Prudential Indicators as a requirement of the Council's reporting procedures under regulations issued under the Local Government Act 2003.
- An annual report detailing progress made by the Central Lincolnshire Joint Strategic Planning Committee.
- An update report on Section 106 contributions.
- Income and arrears monitoring reports providing updates to members on the position with regard to amounts of monies owed to the City Council as at 1st April.
- Revenues and Benefits performance updates providing members with an update on performance in the Revenues and Benefits Shared Service.
- A report on the financial and performance position of the Housing Repairs Service at the end of the 2017/18 financial year was received by members of Performance

Scrutiny Committee on 24 January 2019. It was highlighted that performance continued to increase among the Housing Repairs Service with tenant satisfaction exceeding the performance target.

Vision 2020

In addition to the above reports, committee also received an annual report for each of the four priorities in Vision 2020 as well as for the underpinning High Performing Services theme. Under each priority is a programme of projects and activities that will be delivered between 2017 and 2020 to work towards delivering Lincoln's ambitious future. Members have been updated on progress of these and any new projects included through the year.

Executive went through a change of responsibilities after the May 2018 elections aligning their Portfolios more closely to the Vision 2020 priorities – this has allowed our Committee to focus on project performance in a more structured way. It meant that the key priorities were able to be reported alongside the Portfolio Holders annual report – providing a much more themed approach. So over the last year we have seen:

- Let's drive economic growth – with Cllr Murray's report in October 2018
- Let's reduce inequality – With Cllr R Kirk's report in November 2018 *
- Let's deliver quality housing – With Cllr Nannestad report in January 2019
- Let's enhance our remarkable place – With Cllr Bushell's report in February 2019
- High Performing Services (including TFS) is reported annually in March 2019
- Let's drive economic growth – with Cllr Murray's report in October 2019

*Note that due to the December elections the Reducing Inequality report due in November had to be delayed and is now planned for the January 2020 Performance Scrutiny Committee

This format allowed the committee to delve deeply into the progress on each priority.

Budget Review

Members took part in the budget review process for the scrutiny of the proposed budget and Council Tax for the 2019/20 financial year and the Medium Term Financial Strategy 2019-2024, undertaken in two separate stages; firstly all members were invited to a briefing session to afford all members the opportunity to gain a greater understanding and awareness of the Council's financial position, thus aiding further scrutiny of the budget and in the case of the opposition party if desired the preparation of an alternative budget. This was followed by a more traditional scrutiny process undertaken to review in more detail the MTFS and the robustness of the proposed budget options and Council Tax for the 2019/20 financial year. This was undertaken in a committee format as the Budget Review Group with the appropriate governance arrangements in place.

The Committee held scrutiny reviews during the 2018/19 year in respect of:

Christmas Market Outturn Report 2017

Performance Scrutiny Committee had played a large part in monitoring the operational/performance costs of the Christmas Market for several years. Members were provided with a detailed report for the 2017 market at its meeting held on 12 July 2018.

Electoral Registration

Members received an update on electoral registration within the City of Lincoln at its meeting held on 24 January 2019, outlining the canvass process and stating the total amount of residents registered as at 1 December 2018.

Christmas Market 2018

Members received a Christmas Market Stalls/Budget Brief Pre Event Report at its meeting held on 4 October 2018.

On 24 January 2019 a verbal update on the Christmas Market 2018 Outturn was also received by members, giving updated details on operational and budget matters.

On 22 August 2019 the Christmas Market 2018 Outturn Report was presented to members, providing the Performance Scrutiny Committee with key financial performance in relation to the 2018 Lincoln Christmas Market.

Members have now agreed that they have a full understanding of the workings of the Christmas Market and its opportunities and risk's and have agreed that from now onwards they need just a verbal update just before the event and a single formal report post the event.

Thematic Review - Homelessness

A report was given by Alison Timmins, Housing Solutions and Support Manager, with information relating to the provision of homelessness services following the enactment of the Homelessness Reduction Act 2017 on 3 April 2018

The Homelessness Reduction Act 2017 placed new duties on Councils so that everyone who was homeless or threatened with homelessness would have access to meaningful help, irrespective of their priority need status or local connection to the authority they approached. The new Act was the biggest legislative change in homelessness in the last 15 to 20 years.

Lincoln City Profile

The updated Lincoln City Profile was presented to committee in October 2019 by the Corporate Policy Unit and provided a significant amount of information for the committee. The comments from our committee were extremely positive and included suggestions for expanding the circulation list. I can recommend the use of this report if any member needs to know more detailed information about the city.

The introduction to the profile provides contextual information about the city and comprises eight chapters:

- Population
- Economy
- Welfare
- Health
- Education
- Housing

- Crime
- Environment and Climate

In the 2019 report, there is additional information on Climate Change. As there are huge similarities with the Environment chapter – this has been merged to a single chapter.

Opportunities

- Median annual earnings for full time workers increased to £24,976
- Over 90% of new businesses survived their first year of trading
- Less council tax support claimants - down to 8,598 as of April 2019
- Number of affordable homes delivered in 2018/19 was 231
- The average price paid for a property increased again and is now at £164,372
- The number of people on the housing waiting list dropped to a low of 1,172
- Lincoln performed at the expected level against our Police Audit Family.
- Gas and electricity consumption decreased for the 6th consecutive year
- Commercial and domestic CO2 contribution decreased for the 4th year
- Household waste per person in tonnes decreased to 0.36pp – lower than both England and East Midlands

Challenges

- More people (male and female) claimed benefits such as Universal Credit
- Both female and male life expectancy drop by 0.9 and 0.4 years respectively
- The rate of under 75 cardiovascular and cancer related deaths continues to be the highest and 2nd highest compared to nearest neighbours
- The prevalence of obesity and excess weight in children increased
- The average Attainment 8 and Progress 8 educational scores have both reduced (low = poor)
- The total reported criminal offences increased more than that of England

Performance Information Management (PIMS)

The councils brand new Performance Information Management System (PIMS) launched at the end of July 2019, after 8 months of development. PIMS is our fully in house built performance system which will initially be used to collect and report upon strategic and corporate performance measures. PIMS brings with it many useful advantages over IMPS (our previous performance management system) that will make it easier than ever for members at all levels of the authority to collect, monitor and analyse strategic, operational and corporate measures on a monthly, quarterly and annual basis.

Some of the key advantages PIMS brings are:

- An extremely easy to navigate and user friendly user interface
- A modern and fresh design
- Instant access to the data users want when they want through the use of interactive filtering (such as by Portfolio Holder, service area, Assistant Director and by status outturn)
- Instant performance outturn status upon data entry
- All performance measures are now targeted (except those measures that are purely volumetric), which makes it easy to see how services are performing
- Easy to see where data is missing with the use of 'Data Due' status indicators

- Back data is just one click away from the main report
- Report subscriptions allows users to receive bespoke custom reports directly into their inbox at the frequency they want
- Export into multiple file types such as PDF, JPEG, PowerPoint and Excel, so users can use the data the way they want
- For data collectors our new pre populated data entry form means very easy access.

Phase two of the PIMS rollout, due to start in mid-2020, will see all operational measures reviewed and incorporated into the system. Upon completion of phase 2, IMPS will be switched off after over 12 years of use.

PIMS will be used in helping to further enhance our performance driven culture and is a key resource for use in staff appraisals and service development.

Looking Ahead

Members will be aware that as Vision 2020 draws to a close in March this year, we are already well on the way to developing Vision 2025 - the second phase of this long-term programme to 2030. As part of this process this committee will continue to monitor the progress of all projects ensuring that the outcomes required are met and reviewing progress on the success measures developed for each Strategic Priority.

One of the key projects that affected the way we monitored performance this year was phase one of the PIMS project that I noted earlier. Officers plan to extend this improvement to phase two in the coming year as more is understood on the strategy for developing performance into the future.

A final few words to give my thanks to members on the Committee for their commitment and passion at each and every meeting, and to officers for providing performance reports – both standard ones and also the one-off specials that the committee sometimes requests.

Councillor Gary Hewson
Chair of Performance Scrutiny Committee

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COUNCIL

21 JANUARY 2020

REPORT UNDER RULE 2(VI) OF THE COUNCIL PROCEDURE RULES

Report by Councillor Bill Bilton, Chair of Policy Scrutiny Committee

Introduction

This year's Policy Scrutiny Committee's membership consists of the following Councillors: Laura McWilliams, Alan Briggs, Hilton Spratt, Ralph Toofany, Pat Vaughan, Jane Loffhagen, and Bill Bilton.

Substitute member(s): Councillors Gary Hewson and Kathleen Brothwell. The vice-chair of the committee is Councillor Laura McWilliams

Officers attending include: Toby Forbes-Turner, Simon Walters, Simon Colburn, Andrew McNeil and Paula Burton.

The committee has been, since May, scrutinising and discussing major themes and making recommendations, among them:

- Community Infrastructure Levy Policy
- Interim Air Quality Action Plan
- Acquisitions Policy Addendum
- Health and Environment Enforcement Policy
- Safeguarding Policy
- Parking on Grass Verges
- ICT Strategy 2020-2025

The Committee also received regular updates on the work of the Health Scrutiny Committee (HSC) held on 12 June 2019, 10 July 2019, 18 September 2019, which were attended on behalf of the City Council. The subjects and organisations scrutinised were:

- The new Medical School and nurse placements.
- United Lincolnshire Hospitals Trust – Update on Care Quality Commission Inspection.
- United Lincolnshire Hospitals Trust – Children and Young Persons Services Update.
- Mental Health, Learning Disability & Autism Services – Case Change for Emerging Options.
- General Practise Access and Demand.
- Glebe Medical Practice Consultation on Proposal to Close Skellingthorpe Health Centre.
- Update for Healthy Conversion 2019, the NHS Long Term Plan and NHS Estates.

- Medical Services at Grantham and District Hospital – Cause for change and Emerging Options (Health Conversion 2019)
- Trauma and Orthopaedic Services – Case for Change and Emerging Options (Healthy Conversion 2019)
- General Surgery Services – Case for Change and Emerging Options (Healthy Conversion 2019)
- Winter Resilience.

Work Programme

- Vision 2025
- Housing Allocations Policy
- Review of PSPO at St Peters Passage
- Environmental Policy

I encourage Members of the Committee to identify future items from the new Executive Work Programme and elsewhere for inclusion in the work programme for 2020/21. The function of the Policy Scrutiny Committee strengthens the position of the Council to ensure that we are able to deliver our strategic priorities, inform the decision making process and make robust decisions. In addition, the Committee makes sure that the Council is improving value for money and efficiency and helps to make sure we are open and accountable to our residents.

NOTICE OF MOTION

COUNCIL – 21 JANUARY 2020

International Holocaust Remembrance Alliance Definition of Antisemitism

What is the International Holocaust Remembrance Alliance?

The International Holocaust Remembrance Alliance (IHRA) was initiated in 1998.

The aim of the IHRA is to unite governments and experts to strengthen, advance and promote Holocaust education, research and remembrance, and to uphold the commitments to the 2000 Stockholm Declaration.

The IHRA's network is formed of trusted experts who share their knowledge on early warning signs of present-day genocide and education on the Holocaust. This knowledge supports policymakers and educational curricular. The key eight focus areas of the IHRA are:

- Antisemitism and Holocaust Denial
- Archives and Research
- Education
- Holocaust, Genocide & Crimes Against Humanity
- Genocide of the Roma
- Killing Sites
- Preserving Sites
- Remembrance

The IHRA's membership consists of 33 member countries. Each country recognises that international political coordination is imperative to strengthen the moral commitment of societies and to combat growing Holocaust denial and antisemitism.

Member countries include:

- | | | |
|------------------|---------------|----------------------------|
| - Argentina | - France | - Norway |
| - Australia | - Germany | - Poland |
| - Austria | - Greece | - Romania |
| - Belgium | - Hungary | - Serbia |
| - Bulgaria | - Ireland | - Slovakia |
| - Canada | - Israel | - Slovenia |
| - Croatia | - Italy | - Spain |
| - Czech Republic | - Latvia | - Sweden |
| - Denmark | - Lithuania | - Switzerland |
| - Estonia | - Luxembourg | - United Kingdom |
| - Finland | - Netherlands | - United States of America |

The IHRA cooperates closely with eight other governmental bodies that include Holocaust-related issues as part of their mandate. These eight governmental bodies are:

- United Nations
- UNESCO

- Organisation for Security and Co-operation in Europe/Office for Democratic Institutions and Human Rights
- International Tracing Service (ITS)
- European Union Agency for Fundamental Rights (FRA)
- European Union
- Council of Europe
- Conference on Jewish Material Claims Against Germany

IHRA definition of antisemitism & contemporary examples

The UK Government formally adopted the following IHRA's working definition of antisemitism on 12 December 2016.

“Antisemitism is a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities.”

In addition the UK Government also adopted the following 11 contemporary examples of antisemitism as part of Government policy -

- Calling for, aiding, or justifying the killing or harming of Jews in the name of a radical ideology or an extremist view of religion.
- Making mendacious, dehumanizing, demonizing, or stereotypical allegations about Jews as such or the power of Jews as collective — such as, especially but not exclusively, the myth about a world Jewish conspiracy or of Jews controlling the media, economy, government or other societal institutions.
- Accusing Jews as a people of being responsible for real or imagined wrongdoing committed by a single Jewish person or group, or even for acts committed by non-Jews.
- Denying the fact, scope, mechanisms (e.g. gas chambers) or intentionality of the genocide of the Jewish people at the hands of National Socialist Germany and its supporters and accomplices during World War II (the Holocaust).
- Accusing the Jews as a people, or Israel as a state, of inventing or exaggerating the Holocaust.
- Accusing Jewish citizens of being more loyal to Israel, or to the alleged priorities of Jews worldwide, than to the interests of their own nations.
- Denying the Jewish people their right to self-determination, e.g., by claiming that the existence of a State of Israel is a racist endeavor.
- Applying double standards by requiring of it a behavior not expected or demanded of any other democratic nation.
- Using the symbols and images associated with classic antisemitism (e.g., claims of Jews killing Jesus or blood libel) to characterize Israel or Israelis.
- Drawing comparisons of contemporary Israeli policy to that of the Nazis.

- Holding Jews collectively responsible for actions of the state of Israel.

The 2000 Stockholm Declaration

The Stockholm Declaration was the outcome of the International Forum held in Stockholm in January 2000. The forum was attended by representatives from governments around the world, and focused on Holocaust education, remembrance and research.

During the forum all attendees signed a declaration committing to preserving the memory of those who had been lost in the Holocaust. This became the 2000 Stockholm Declaration.

The Declaration has remained intact and unaltered, demonstrating its universal and enduring value.

This Council:

- (1) Resolves to adopt the definition of antisemitism in full as set out by the International Holocaust Remembrance Alliance.
- (2) Pledges to combat this pernicious form of racism wherever it manifests itself no matter where, how or when.
- (3) Reaffirms its condemnation of all forms of racism and discrimination based on religious belief (including Islamophobia), disability, race, gender or sexual orientation.

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NOTICE OF MOTION

COUNCIL – 21 JANUARY 2020

Standing up for responsible tax conduct

Full Council notes that:

1. The pressure on organisations to pay the right amount of tax in the right place at the right time has never been stronger.
2. Polling from the Institute for Business Ethics finds that “corporate tax avoidance” has, since 2013, been the clear number one concern of the British public when it comes to business conduct.
3. Almost two-thirds (63%) of the public agree that the Government and local councils should consider a company’s ethics and how they pay their tax as well as value for money and quality of service provided, when undertaking procurement.
4. Around 17.5% of public contracts in the UK have been won by companies with links to tax havens.
5. It has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK some £7bn per annum in lost corporation tax revenues.
6. The Fair Tax Mark offers a means for business to demonstrate good tax conduct, and has been secured by organisations with a combined annual income of £50bn and more than 6,500 outlets and premises, including many social enterprises and co-operatives.

Full Council believes that:

1. Paying tax is often presented as a burden, but it shouldn’t be.
2. Tax enables the Council to provide local services and enables policing and defence. It also helps to counter financial inequalities and rebalance distorted economies.
3. As recipients of significant public funding, the Council should take the lead in the promotion of exemplary tax conduct; be that by ensuring that the contractors we enter into partnership with are paying their proper share of tax, or by refusing to enter into contractual arrangements when buying land or property if offshore tax arrangements are in place by the seller.
4. Where substantive stakes are held in private enterprises, the Council should use its influence ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned - e.g., no use of marketed schemes requiring disclosure under DOTAS regulations (Disclosure Of Tax

Avoidance Schemes) or arrangements that might fall foul of the General Anti-Abuse Rule.

5. More action is needed, however, current law significantly restricts councils' ability to either penalise poor tax conduct or reward good tax conduct, when buying goods or services.
6. Lincoln and the Council should stand up for responsible tax conduct and the Council should do what it can within existing frameworks and pledging to do more given the opportunity, as active supporters of international tax justice.

Full Council resolves to:

1. Approve the Councils for Fair Tax Declaration.
2. Lead by example and demonstrate good practice in our tax conduct, right across our activities.
3. Ensure our contractors implement IR35 robustly and pay a fair share of employment taxes, in line with our employees.
4. Not use offshore vehicles for the purchase of land and property, especially where this leads to reduced payments of stamp duty.
5. Undertake due diligence to ensure that not-for-profit structures are not being used inappropriately as an artificial device to reduce the payment of tax and business rates, which should benefit the City.
6. Demand clarity on the ultimate beneficial ownership of our suppliers and their consolidated profit & loss position.
7. Promote Fair Tax Mark certification for any business in which we have a significant stake and where corporation tax is due.
8. Support Fair Tax Week events in the area, and celebrate the tax contribution made by responsible local businesses who say what they pay with pride.
9. Support calls for urgent reform of EU and UK law to enable the Council and all other local authorities to better penalise poor tax conduct and reward good tax conduct through their procurement policies, to achieve best economic value for Lincoln businesses and residents.

NOTICE OF MOTION

COUNCIL – 21 JANUARY 2020

Use of Fireworks

Fireworks are used by people throughout the year to mark different events. While they can bring much enjoyment to some people, they can cause significant problems and fear for other people and animals. They can be a source of fear and distress for many animals (including pet animals, farm livestock and wildlife). Animals affected not only suffer psychological distress but can also cause themselves injuries – sometimes very serious ones – as they attempt to run away or hide from the noise.

The unpredictable, loud and high intensity noises that many fireworks make can cause fear

For example, studies have found fireworks to be the most common cause for fear responses in dogs¹, and it is estimated that 45 percent of dogs show signs of fear when they hear fireworks². A New Zealand survey recorded 79 percent of horses as either anxious or very anxious around fireworks or over the Guy Fawkes Day period

Debris produced by fireworks, if found on the ground, can also pose a hazard to animals, such as horses and farm livestock

Although there is limited direct evidence, it is also likely that fireworks and their debris will cause disturbance to wildlife, and are likely to cause suffering or distress, depending on the distance from the explosive and the noise level.

The short-lived nature of firework noise can make it difficult for the police or local authority officers to pinpoint locations and take action

The RSPCA believes that a licensing system would help with better enforcement of the law by allowing enforcement bodies to know where licensed events are being held so they can focus on locations and incidents elsewhere.

The RSPCA believes there is a real need to raise awareness amongst owners of animals about fireworks phobia

This phobia can be treated (in dogs at least) in the long term but owners need to prepare themselves and their pets sooner, rather than just before the fireworks are let off. There is a need to raise awareness about the impact of fireworks on animals to the wider public to encourage them to be more considerate of those with pets, horses and livestock as well as local wildlife.

The RSPCA believes the law is failing as it does not prevent or sufficiently reduce the risk of fireworks causing distress, injury or anxiety to people, as well as death, injury or distress to animals

We believe that further research is needed to properly understand the impact of noise on animals and a number of things can be done to improve the situation for animals and people by:

- introducing a limit on the public use of fireworks on or close to specific dates and times
- tightening restrictions on the sale of fireworks in the run up to Bonfire night

- reducing the maximum noise level of fireworks sold to the public, ensuring they are labelled accurately
- licensing all public firework displays – and ensuring displays are better advertised to the public.

This Council resolves

- (1) To require all public firework displays within the local authority boundaries to be advertised in advance of the event, allowing residents to take precautions for their animals and vulnerable people.
- (2) To actively promote a public awareness campaign about the impact of fireworks on animal welfare and vulnerable people – including the precautions that can be taken to mitigate risks.
- (3) To write to the UK Government urging them to introduce legislation to limit the maximum noise level of fireworks to 90dB for those sold to the public for private displays
- (4) To encourage local suppliers of fireworks to stock ‘quieter’ fireworks for public display.

SUBJECT: COUNCIL TAX BASE 2020/21

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

**LEAD OFFICER: CLAIRE MOSES, REVENUES AND BENEFITS MANAGER
(SHARED SERVICE)**

1. Purpose of Report

- 1.1 The purpose of this report is to seek Members' recommendation of the Council Tax Base for the financial year 2020/21.

2. Executive Summary

- 2.1 This report is submitted to the Executive each year and sets out the calculation of the Council Tax Base for the following financial year.

3. Background

- 3.1 The Local Government Finance Act 1992 and Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) require the Council to formally set its Tax Base as the first stage of the Council Tax setting process.

4. Special Items

- 4.1 Before setting the Council Tax Base, the issue of any special items relating to a part of the Council's area must be considered. If there are any items of expenditure that relate to one part of the local authority area, then that expenditure can be levied on those residents in that area and not on others.
- 4.2 There are no items of special expenditure.

5. Council Tax Base

- 5.1 Certain assumptions have to be made in order to determine the number of dwellings within the Authority's area, and these are set out in Appendix A.
- 5.2 The calculation of the Council Tax base, detailed in Appendix B, shows the number of Band D equivalent chargeable dwellings as being 24,689.50. This is based on the Regulations in paragraph 3.1 above and assumes that 98.75% of the Council Tax due for 2020/21 will be collected.
- 5.3 The Council Tax base number of Band D equivalent chargeable dwellings for 2020/21 has been calculated as 29,013.25– less 4,323.76 deduction calculated for the localised Council Tax Support scheme – resulting in a proposed Council Tax base for 2020/21 of 24,689.50.

6. Organisational Impacts

- 6.1 Finance: The Council must confirm its Council Tax Base as a pre-requisite to setting the Council Tax charge for 2020/21.
- 6.2 Legal Implications: The Local Government Finance Act 1992 and Statutory Instrument No 1992/612 – Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) sets out the requirement for the Council to confirm and formally approve its Council Tax Base and notify it to its precepting bodies. The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 provide for Councils to make technical changes to certain discounts from April 2013.
- 6.3 Equality and Diversity: There are no specific equality and diversity impacts as a direct result of this report.

7. Recommendations

- 7.1 Executive is asked to recommend to Council that it:
- a) Notes that there are no special items as defined in Section 35 of the Local Government Finance Act 1992 (as amended) applicable to any part or parts of the City of Lincoln local authority area;
 - b) Approves the Chief Finance Officers' calculation of the Council Tax Base for the financial year commencing 1 April 2020 and ending 31 March 2021, as set out in Appendix B of this report;
 - c) Approves, in accordance with the Chief Finance Officers' calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2020/21 financial year is 24,689.50.

Key Decision	No
Do the Exempt Information Categories Apply	No
Call In and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain Appendices?	Yes
If Yes, how many Appendices?	Two
List of Background Papers:	None

Lead Officer: Claire Moses, Revenues and Benefits Manager (Shared Service), Telephone (01522) 873764

APPENDIX A: Executive 20 January 2019

Assumptions made in the Calculation of the Council Tax Base (See APPENDIX B)

Number of Dwellings:	The number of dwellings on the Council's database as at 30 November 2019
Exempt properties:	These are laid down by Regulations and are properties exempt from Council Tax, e.g. student occupied property. The total in each of the exemption categories has been calculated as at 30 November 2019 and it has been assumed that the exemption will remain throughout 2020/21.
Disabled relief:	These are properties that are occupied by disabled persons and may be placed in a lower valuation band if they fulfil the criteria laid down by the Regulations. The number of these properties has been calculated at 30 November 2019 and it has been assumed that the relief will remain throughout 2020/21.
Discounts on relevant Day – i.e. 25%, 50%, 10% + 100% levy:	These are laid down by Regulations, in addition to technical changes introduced from April 2013, and are properties subject to a percentage discount from the Council Tax, i.e. second homes, single person households or empty properties. The total in each of the discount categories has been calculated as at 30 November 2019 and it has been assumed that the discount will remain throughout 2020/21.
Net additions expected In year:	This is an estimate of the number of dwellings known to be currently under construction plus the anticipated number to be constructed throughout 2020/21. Account is taken where dwellings will not come into a charge until part way through the year. Adjustments to discounts and exemptions and appeals are also taken into account
Collection Rate:	It is assumed that 98.75% of the Council Tax due for 2020/21 will be collected.
Council Tax Support:	These are estimates of the amount of Council Tax Support to be granted in 2020/21 (localised replacement scheme for Council Tax Benefit from April 2013).

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Appendix B: City of Lincoln - 2019/20 Council Tax Base Estimate as at 30 November 2019

Valuation Bands	A-	A	B	C	D
1 Properties	0.00	27791.00	8982.00	4903.00	2542.00
2 Exempt properties	0.00	-2202.00	-610.00	-247.00	-104.00
3 Disabled Band Reductions	60.00	0.00	-16.00	-14.00	-16.00
4 Adjusted Chargable Dwellings	60.00	25589.00	8356.00	4642.00	2422.00
5 25% Discounts (SPD and disregards)	-4.25	-2987.00	-668.00	-316.25	-136.00
6 25% Discounts (less than 2 years)	0.00	0.00	0.00	0.00	0.00
7 50% Discounts (empty properties)	0.00	-12.50	-2.50	-1.00	-3.00
8 0% Discounts (second homes)	0.00	30.10	12.10	5.20	2.50
8A 0% Discounts (second homes)	0.00	-5.34	-1.44	-0.76	-0.42
9 100% Discounts	0.00	-111.00	-21.00	-5.00	-6.00
10 100% levy	0.00	234.00	22.00	16.00	12.00
11 Estimated Future Adjustment	0.00	60.00	20.00	10.00	5.00
12 Adjusted Dwellings	55.75	22797.26	7717.16	4350.19	2296.08
13 Ratio to Band D	5/9th	6/9th	7/9th	8/9th	9/9th
14 Band D Equivalent	30.97	15198.17	6002.24	3866.84	2296.08
15 Less Estimated non-collection (1.25%)	-0.39	-189.98	-75.03	-48.34	-28.70
16 Crown Properties	0.00	37.36	12.07	6.59	3.42
17 Adjusted to Band D Equivalent	30.59	15045.55	5939.28	3825.09	2270.80
18 CTR (Working Age)	-9.72	-2522.40	-212.18	-52.18	-24.70
19 CTR (Pensioner Age)	-2.67	-1134.07	-217.70	-110.67	-22.50
20 Council Tax Base	18.20	11389.09	5509.40	3662.25	2223.60

					19/20
E	F	G	H	TOTAL	Figures
1315.00	412.00	131.00	47.00	46123.00	45744.00
-307.00	-33.00	-4.00	-23.00	-3530.00	-3547.00
-3.00	-5.00	8.00	-11.00	3.00	-2.00
1005.00	374.00	135.00	13.00	42596.00	42496.00
-48.50	-17.25	-3.25	0.00	-4180.50	-4086.25
0.00	0.00	0.00	0.00	0.00	0.00
-1.50	-2.50	-6.00	-3.50	-32.50	-108.00
1.10	0.30	0.20	0.00	51.50	-34.20
-0.16	-0.11	-0.03	0.00	-8.26	-6.13
-1.00	0.00	0.00	0.00	-144.00	-322.00
2.00	2.00	2.00	0.00	290.00	73.50
3.00	1.00	1.00	0.00	100.00	300.00
959.94	357.44	128.92	9.50	38672.24	38312.92
11/9th	13/9th	15/9th	18/9th		
1173.26	516.30	214.87	19.00	29317.73	29070.16
-14.67	-6.45	-2.69	-0.24	-366.47	-363.38
1.77	0.55	0.18	0.06	62.00	60.00
1160.36	510.40	212.36	18.83	29013.25	28766.78
-7.70	-0.29	0.00	0.00	-2829.17	-2855.92
-5.26	-1.73	0.00	0.00	-1494.59	-1561.70
1147.41	508.38	212.36	18.83	24689.50	24349.16

EXECUTIVE**20 JANUARY 2020**

SUBJECT: LOCALISED COUNCIL TAX SUPPORT SCHEME – 2020/21

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

LEAD OFFICER: MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS

1. Purpose of Report

- 1.1 For Executive to review consultation responses and consider/approve a proposed 'no change' scheme for Local Council Tax Support (CTS) for the financial year 2020/21, as well as regarding proposals made in relation to an Exceptional Hardship Scheme, also regarding Council Tax changes.

2. Background

- 2.1 The Council Tax Benefit system was abolished on 31st 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 8,542 residents claiming Council Tax Support in the Lincoln District.

There are 2,903 pensioners in receipt of Council Tax Support. Pensioners are protected under the legislation and receive Council Tax Support as prescribed by the Government (broadly similar to the level of Council Tax Benefit) and as a result are not affected by any changes made to the Council Tax Support Scheme.

It is the 5,639 working age claimants who will be affected by any changes made to the scheme, and as such any potential reduction in support being provided.

- 2.2 The Council agreed to a Local Council Tax Support Scheme which came into effect on 1st April 2013. Our scheme matched the previous Council Tax Benefit scheme, giving 100% support for both pension and working age customers.
- 2.3 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.*

3. Our Council Tax Support Scheme

- 3.1 Our scheme has been updated by minor amendments each year to maintain the link with Housing Benefit and the previous Council Tax Benefit scheme.
- 3.2 For 2019/20, the cost of the scheme as at 31st August 2019 is £7,783,612, the Council's share of which is £1,183,109, for 8,542 claimants, 2,903 who are pensioners and 5,639 who are working age.
- 3.3 The current scheme has the following restrictions for working age customers: -
- Capital over £8,000;
 - Minimum entitlement of £2 per week;
 - Property banding capped at Band B e.g. a customer in Band C (and above) property, will only have their CTS calculated on Band B liability;
 - Backdating restricted to 1 month; and
 - Temporary absence from home in line with Housing Benefit.
- 3.4 The current scheme has the following Council Tax technical restrictions for all Council Tax Payers: -
- Introduction of additional 50% premium to empty properties over 2 years – total premium is 100% (total charge 200%);
 - Care leavers council tax exemption – 100% for those aged between 18 and 21st birthday and 50% for those up to their 22nd birthday;
 - Unoccupied discount 100% for the first month; and
 - Second Home discount of 0%.

4. Proposed Council Tax Support 'no change' Scheme for 2020-21

- 4.1 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 (ranging from 2% to 4%). These are summarised in Appendix 1, giving an indication of the potential cost and savings to City of Lincoln. Also included is the potential value for non-collection (based on projected collection in the taxbase of 98.75%).
- 4.2 As a billing authority the Council can decide whether or not to amend core elements of its scheme each year. Officers are not proposing any changes to the core elements of the scheme.

There will be some technical changes that will still need to be applied to ensure that the Council's scheme complies 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).

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 Executive on 20 January 2020. 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 2020/21 scheme.

4.3 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, based on the current national policy.
- 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 between 2% and 4% has therefore been assumed for modelling purposes. The final cost of the scheme will though be increased by the level of Council Tax increases applied. The modelling does not though take into consideration that the Council's percentage share of the overall cost of the scheme would slightly reduce if other preceptors increase their Band D by a greater percentage than the Council, this would in effect reduce the cost of the scheme to the Council.
- 1% reduction in caseload for 2020/21.
- 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 2020/21 it is proposed that the collection rate, based on current collection, is maintained at 98.75%.

4.4 **Exceptional Hardship Scheme:**

Alongside a proposed 'no change' CTS scheme for 2020/21, it is also suggested that £20,000 for an Exceptional Hardship Scheme continues. 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 scheme 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 2020 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. Exceptional Hardship falls within Section 13A (1) of the Local Government Finance Act 1992 and forms part of the Council Tax Support Scheme.

The current EHP budget is £20,000 and the cost of EHP awards is being borne solely by City of Lincoln. As at 31st August 2019, a total of £9,396 EHP has been awarded.

5. Proposed Changes to Council Tax

5.1 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.

In January 2019, Council approved for City of Lincoln to introduce support for care leavers within their 2019/20 Council Tax Support Scheme. A summary of the scheme is as follows: -

- *Award 100% discount on balance of Council Tax up to the individuals 21st birthday, then give 50% discount for a further year to the 22nd birthday. This would give a phased reduction towards full liability for Council Tax from the individuals 22nd birthday. Award to be made through the 2019/20 Council Tax Support Scheme.*

The Children's Society suggested that care leavers up to, at least the age of 21 be exempt from paying council tax, but that they would also receive additional support from the county up to the age of 25.

The term 'care leaver' is defined in The Children (Care Leavers) Act 2000 and refers to eligible, relevant and former relevant children.

- Eligible children are young people aged 16-17 who are still in care and have been 'looked after' for a total of 13 weeks from the age of 14 and including their 16th birthday.
- Relevant children are young people aged 16 and 17 who have already left care and who were 'looked after' for at least 13 weeks from the age of 14 and have been 'looked after' at some time while they were 16 or 17.
- Former relevant children are young people aged 18, 19, or 20 who have been eligible and/or received relevant support prior to this age.

Officers propose to consider the extension of the 100% support up to their 25th birthday. There are currently 3 care leavers between the age of 22 and 25 where this exemption could apply. If we were to assume support for those 3 cases, the **total cost would be £3,617.28** (assuming full support at Band A of £1,205.76). **For City of Lincoln, this would be a cost of £578.76.**

5.2 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. From 1st April 2019, the premium increased to 100% (from 50%) of the Council Tax on the property – giving a total charge of up to 200%. From 1st April 2020, 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) Act 2018 allows billing authorities to charge higher premiums on homes left empty.

The legislation provides for the following: –

- April 2020 – any property empty between five and ten years to receive a premium of 200% (giving a total charge of up to 300%); and
- April 2021 – any property empty over ten years to receive a premium of 300% (giving a total charge of up to 400%).

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. Officers have included in consultation a number of considerations to be taken into account when applying the premium, - i.e. a range of factors to be considered by officers when determining whether or not such a premium is to be charged at individual case level.

Approval of any change for 2021/22 cannot be made until the 2021/22 Local Council Tax Support scheme has been consulted on.

6. Timetable

6.1 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 2.3.

6.2 The timetable is as follows: -

- Consultation – 30th October 2019 to 14th January 2020 - the Council is required to review their current Council Tax Support scheme. The proposals and recommendations seek to ensure the Council has a robust review of its current scheme and understand the implications of adopting a new scheme.
- Policy Scrutiny Committee – 14th January 2020 as part of consultation process.
- Executive – 20th January 2020.
- Council – 21st January 2020 - the Local Government Finance Act 2012 requires a full review of the scheme by the Billing Authority. City of Lincoln Council will need to approve a new scheme after consultation by 31st January 2020.

7. Significant Policy Impacts

7.1 Strategic Priorities

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

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.

7.2 Organisational Impacts

Finance (including whole life costs where applicable)

The actual cost of the discount scheme in 2020/21 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 2020/21 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 2019/20, is proposed to continue for 2020/21.

If the care leavers' exemption was extended to the age of 25, there will be an additional cost of £3,617.28 (assuming full support at Band A of £1,205.76). For City of Lincoln, this would be a cost of £578.76.

7.3 Legal Implications inc Procurement Rules

The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012, laid before Parliament on 22nd 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 2020.

7.4 Equality, Diversity and Human Rights

The Authority will be obliged to comply with its general equality duty under the Equality Act 2010 and is shown in Appendix 7. The scheme is being amended in line with statutory requirements and uprating the financial allowances.

7.5 Staffing

No change to current staffing arrangements as a result of this policy.

8. Risk Implications

8.1 The Council, along with the other preceptors, bears the risk of the cost of the Council Tax Support scheme should caseload increase causing the cost to increase more than predicted.

8.2 Any revisions to the scheme must be approved by 31st January 2020, before the financial year begins.

8.3 The scheme cannot be changed mid-year and therefore it is vital the correct scheme is in place.

9. Recommendations

9.1 Executive is asked to recommend to Council that it: -

- 1) Reviews consultation responses relating to the Localised Council Tax Support Scheme for 2020/21;
- 2) Approves a proposed 'no change' Council Tax Support scheme for 2020/21 as set out in Section 4;
- 3) Approves continuation of the £20,000 Exceptional Hardship fund for 2020/21 to top up Council Tax Support awards in appropriate cases (this amount is funded through the collection fund);
- 4) Approves Council Tax changes for 2020/21, being:

- Care Leavers: 100% Council Tax exemption being extended up to their 25th birthday;
- Council Tax empty homes premium: for any property empty between five and ten years to receive a premium of 200% (giving a total Council Tax charge of up to 300%), but subject to criteria as outlined in Appendix 3.

Key Decision Yes

Do the Exempt Information Categories Apply No

Call In and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

Does the report contain Appendices? Yes

If Yes, how many Appendices? 7

- Appendix 1: Modelling 2020/21
- Appendix 2: Consultation Outcome
- Appendix 3: Suggested adjustments to Premium charges
- Appendix 4: 14th January 2020 Policy Scrutiny Committee Minutes – *to follow*
- Appendix 5: Response from Lincolnshire County Council
- Appendix 6: Response from Lincolnshire Police and Crime Commissioner
- Appendix 7: Equality Impact Assessment

List of Background Papers: None

Lead Officer: Martin Walmsley – Telephone 01522 873597

Council Tax Support Scheme ‘no change’ proposal as at 31 August 2019

All applicable amounts have been frozen, income with 0% increase, Council Tax with 2%, 3% and 4% increase and 1% caseload decrease.

Option 1: No change to current scheme	Estimated Total Spend	City of Lincoln Spend – 15.2%	Difference to MTFS (1,237,579) – saving / (cost)	Amount expected to be collected using collection figure of 98.75%
Current scheme only – 2% Council Tax increase	£8,004,133	£1,216,392	£21,177	£20,912
Current scheme only – 3% Council Tax increase	£8,087,399	£1,229,046	£8,523	£8,416
Current scheme only – 4% Council Tax increase	£8,170,678	£1,241,702	(£4,132)	(£4,080)

Council Tax Technical Options for change as at 19 September 2019

Option 4: Council Tax Empty Homes Premium	Council Tax Band	Total properties per band	Additional revenue per band @ 200%	City of Lincoln Additional revenue – 16%	Amount expected to be collected using collection figure of 98.75%
Introduce 200% premium (300%) charge for properties empty over 5 years	A	33	£39,776	£6,364	£6,285
	B	4	£5,625	£900	£889
	C	3	£4,821	£771	£762
	D	3	£5,424	£868	£857
	E	0	£0	£0	£0
	F	0	£0	£0	£0
	G	1	£3,013	£482	£476
	H	0	£0	£0	£0
Total		32	£58,659	£9,385	£9,269

Care Leavers

Officers propose to consider the extension of the 100% support up to their 25th birthday. There are currently 3 care leavers between the age of 22 and 25 where this exemption could apply. If officers were to assume support for those 3 cases, the **total cost would be £3,617.28** (assuming full support at Band A of £1,205.76). **For City of Lincoln, this would be a cost of £578.76**

Council Tax Support Survey – proposed scheme for 2020/21

Total responses = 237

Q1. We have designed our proposed support scheme taking into account the following principles:

- Reduced support where it is likely that a household has more income coming in or have savings to pay Council Tax
- Pension age – protection is statutory under Central Government Legislation

Do you agree with these principles? (tick one)

Yes = 169

No = 40

Don't Know = 28

Q2. We offer an exemption from Council Tax for care leavers up to the age of 22. We propose to extend the exemption to the age of 25.

Do you agree with this propose change? (tick one)

Yes = 179

No = 23

Don't Know = 35

Q3. Council Tax empty homes premium – Currently properties that have been unoccupied (and substantially unfurnished) for 5 years or more are subject to additional Council Tax premium charge of 100% - giving a total charge of 200%. The Government may propose to change this from 1 April 2020, and increase it to 300%. Do you agree City of Lincoln Council should increase the premium to 300%?

Do you agree? (tick one)

Yes = 145

No = 45

Don't know = 47

How many months do you think this suggested amount should apply for?

12 months = 87

6 months = 70

3 months = 42

Disagree with the above option – 37

No response = 1

Question 4b: Properties undergoing repair

How many months do you think this suggested amount should apply for?

6 months = 144

3 months = 54

Disagree with the above option = 38

No response = 1

Question 4c: Properties being marketed for sale

How many months do you think this suggested amount should apply for?

3 months = 180

Disagree with the above option = 56

No response = 1

Question 4d: Property undergoing adjustment to make it suitable for disabled living

How many months do you think this suggested amount should apply for?

9 months = 98

6 months = 93

Disagree with the above option = 45

No response = 1

Question 4e: Properties undergoing environmental efficiency improvement

How many months do you think this suggested amount should apply for?

9 months = 81

6 months = 110

Disagree with the above option = 45

No response = 1

Council Tax Premium Charges 2020/21 - Background

1. Section 11B of the Local Government Finance Act 1992 gives Councils to power to charge additional amounts of Council Tax on long term empty properties. A long term empty property in this context is any property which has been both unoccupied and unfurnished for a period of over two years.
2. The amount of the additional charge is capped by the legislation at:
 - a. properties that have been long term empty for less than 5 years, 100% - City of Lincoln current have 89 (65 Band D equivalent) properties within this category; and
 - b. properties that have been long term empty between 5 and ten years, 200% - City of Lincoln current have 20 (14 Band D equivalent) properties within this category; and
 - c. properties that have been long term empty for 10 years or longer, 300% - City of Lincoln current have 24 (18 Band D equivalent) properties within this category.
3. The 200% premium (maximum charge of 300%) represents a new power for the financial year 2020/21. For the financial year 2021/22, an additional premium of 100% for properties which have been long term for 10 years of longer comes in to force, increasing the total premium to 300% (maximum charge of 400%). However, approval of any change for 2021/22 cannot be made until the 2021/22 Local Council Tax Support scheme is consulted on.
4. Since the Council was granted this power in 2013/14 it has adopted the maximum premium available to it each year. For the financial years 2013/14 to 2018/19, the maximum was 50% (maximum charge of 150%). From 2019/20 the maximum increased to 100% (maximum charge of 200%).
5. To apply the maximum (or any additional charge below the maximum) the Council must make a resolution to this effect prior to the start of the financial year to which it applies.
6. The number of long term empty properties at both Councils has reduced since April 2019 and this is believed to be as a consequence of the increased Premium. It is likely that increasing the Premium for those properties which have been long term empty for more than 5 years from 1st April 2020 (and 10 years from 1st April 2021) could have a similar beneficial effect.
7. The increase in the additional premium to 100% (maximum charge of 200%) from 1st April 2019 generated a considerable amount of criticism, not least because of the blunt nature of the additional charge applying to all qualifying properties, regardless of the circumstances at those properties, or the circumstances of the taxpayers.
8. The criticism is likely to be even greater if the Council were to apply the new maximum levels that come into force from 1st April 2020 in the same manner.

9. To deflect the criticism whilst still giving the Council the opportunity to use the powers available to it, it is recommended that from the commencement of the financial year 2020/21, the Council introduces a combination of the following adjustments to its determination:
 - a. a period of grace for the purchasers of long empty properties before they incur the Premium Charge – this could be for 6 months or a year – really a matter of judgement. This has been a justifiable complaint against the Council’s application of the Premium Charge. A person purchasing an empty property will not know in advance whether it is a long term property or not and so feel aggrieved that they immediately incur the additional charges.
 - b. reductions (subject to conditions) if the taxpayer is:
 - i. repairing the property to bring it back into habitable condition
 - ii. making reasonable efforts to dispose of the property
 - iii. make adjustments to the property to make it suitable accommodation for someone living with a disability
 - iv. making adjustments to improve the energy efficiency of the property
10. The amounts of suggested adjustments are contained in Appendix 1 to this document.
11. At 1st November 2018, there were 154 long term empty properties in City of Lincoln. These figures have reduced to 133 on 1st September 2019.
12. There are 59 properties in Lincoln that are currently long term empty and will have been so for more than 5 years on 1st April 2020. Increasing the Premium rate to 200% (maximum charge of 300%) for these properties would have the effect of increasing the tax base by 43 Band D equivalents.
13. A suggested resolution is contained in Annex 2 to this document.

Annex 1

Suggested adjustments to Premium Charges

Circumstances	Considerations	Suggested Premium Amount	Length of adjustment	Details for owners
Change of owner	<ul style="list-style-type: none"> • What changes of ownership are acceptable? (suggest property has to have been marketed for sale to prevent abuse such as transfer between relatives etc.) • Length of adjustment 	0% (so new owners effectively paying standard empty property rate for first period of purchase)	6 months	The Council would write to the owner to advise of 0% charge from the first day of liability. The letter will advise of the % increase after 6 months
Properties undergoing repair	There is a locally defined discount with statutorily defined circumstances which applies and it would appear sensible to use those circumstances with some provisos. <ul style="list-style-type: none"> • Cannot apply to anyone who has already received the similar local discount at the property • Question whether the discount can only apply in a specific period (e.g. in the first two years that the person is the taxpayer) so that people cannot hold on to property for years before commencing work on property to maximise discount • The Council would have to be satisfied that work is actually taking place and likely to be completed in a reasonable 	Additional Charge to be halved So for long term empty property that is: <ul style="list-style-type: none"> • Less than 5 years, 50% 5 years or longer, 100% • Could consider only applying to those over 5 years 	3 months (this could be in addition to the initial 6 months) – new owners only	

Appendix 3 – Executive 20th January 2020 – Council Tax Support Scheme 2020/21

	timescale (so as not to encourage delay)			
Properties being marketed for sale	<ul style="list-style-type: none"> • Should only apply (if at all) to properties which are suitable for immediate occupation, so there is an incentive on owners to keep property in repair. • Council would need to see evidence of marketing • Council would need to be convinced that valuation is reasonable 	<p>Additional Charge to be halved</p> <p>So for long term empty property that is:</p> <ul style="list-style-type: none"> • Less than 5 years, 50% <p>5 years or longer, 100%</p> <p>Could consider only applying to those over 5 years</p>	3 months	
Property undergoing adjustment to make it suitable for disabled living	Probably similar to those undergoing repair, except it may be appropriate for it to be for a longer period, or in addition to the local discount.	<p>Additional Charge to be halved</p> <p>So for long term empty property that is:</p> <ul style="list-style-type: none"> • Less than 5 years, 50% <p>5 years or longer, 100%</p> <p>Could consider only applying to those over 5 years</p>	6 months Not limited – all owners	
Properties undergoing environmental	Probably similar to those undergoing repair, except it may be appropriate for	Additional Charge to be halved	6 months	

Appendix 3 – Executive 20th January 2020 – Council Tax Support Scheme 2020/21

<p>efficiency improvement</p>	<p>it to be for a longer period, or in addition to the local discount.</p>	<p>So for long term empty property that is:</p> <ul style="list-style-type: none"> • Less than 5 years, 50% <p>5 years or longer, 100%</p> <p>Could consider only applying to those over 5 years</p>		
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Annex 2

Suggested resolution

1. Pursuant to Section 11B of the Local Government Finance Act 1992, the Council resolves that it shall levy an additional charge on the Council Tax for long term empty properties for financial years commencing with the financial year 2020/21. The additional charge shall, subject to paragraphs 2 and 3 below, be the maximum permitted by the legislation for any class of property according to the length of time that it has been a long term empty property.
2. (a) The additional charge shall not apply in the first 12 months that a taxpayer becomes liable for the Council Tax for a property following the date of its purchase.

(b) This paragraph shall not apply if in the Council's view, the sale and purchase of the property was contrived in order to avoid the additional charges.

(c) For the purpose of this paragraph, a property will only be considered to have been sold if there is a conveyance leading to an amendment regarding the proprietorship of the property on the Land Register entry for the property.
3. (a) The amount of the additional charge shall be halved in the following situations:
 - (i) Subject to sub paragraphs (b) and (d), the Council is satisfied that the taxpayer is taking reasonable steps to return the property to a habitable state
 - (ii) Subject to sub paragraph (c), the Council is satisfied that the taxpayer is taking reasonable steps to bring the property back into occupation
 - (iii) Subject to sub paragraph (d), the Council is satisfied that the taxpayer is taking reasonable steps to make the property suitable for occupation by a person with a disability.
(b) This paragraph shall not apply in the following circumstances:
 - (i) The taxpayer has already received a local discount from the Council from the Council Tax for this property under Section 11A of the Local Government Finance Act 1992 and Class D of the Council Tax (Prescribed Classes of Dwellings) Order 2003.
 - (ii) The taxpayer has at the time of the repairs commencing been liable for the Council Tax at the property for a period of 18 months or longer.
(c) This paragraph applies for a maximum period of 3 months.

(d) This paragraph applies for a maximum period of 6 months.

Ref: MG/VBDEC19

Jaclyn Gibson
Chief Finance Officer
City of Lincoln Council
City Hall
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Lincoln
LN1 1DD

Michelle Grady
Assistant Director Strategic Finance
Lincolnshire County Council
County Offices
Newland
Lincoln
LN1 1YL
01522 843066
E: michelle.grady@lincolnshire.gov.uk

19th December 2019

Dear Jaclyn

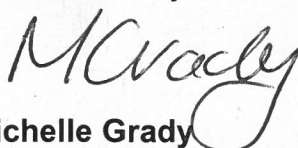
Re: Local Council Tax Support Scheme 2020/2021

Thank you for providing us with an opportunity to comment on your planned proposals relating to the City of Lincoln Council's Local Council Tax Support Scheme 2020/21.

Lincolnshire County Council is happy to support your recommendation of no change to your current scheme of council tax support. We are also happy to support your proposed technical changes to Council Tax in relation to:

- 1) Extension to care leavers Council Tax Exemption to 25 years of age
- 2) Increase to Council Tax empty homes premium to 200%.

Yours sincerely


Michelle Grady
Assistant Director

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Lincolnshire
POLICE & CRIME COMMISSIONER

SAFER TOGETHER

Deepdale Lane, Nettleham, Lincoln LN2 2LT
Telephone (01522) 947192 Fax (01522) 558739

E-Mail: lincolnshire-pcc@lincs.pnn.police.uk Website: www.lincolnshire-pcc.gov.uk

Date: 19th December 2019

Our Ref: JF/ch/2019-1364

Jaclyn Gibson
Chief Finance Officer
City of Lincoln Council
City Hall
Beaumont Fee
LINCOLN
LN1 1DD

By Email: jaclyn.gibson@lincoln.gov.uk

Dear Jaclyn

Re: Local Council Tax Support Scheme

Thank you for your letter of 21st November 2019 in which you seek the Police and Crime Commissioner's view on your Local Council Tax Support Scheme for 2020/21.

Whilst your letter includes a number of detailed options, the Police and Crime Commissioner's (PCC) comments are focussed on the aggregate impact of the scheme from the prospective of the police precept. The PCC has no desire to make additional service reductions or propose additional increases in his council tax to fund potential shortfalls arising from Local Council Tax Support Schemes. As a result, the PCC supports proposals for Council Tax Support Schemes which eliminate, or at least minimise, the consequent funding reductions. In addition, the PCC supports proposals to increase income through the discretions for Council Tax exemptions.

Thank you for giving us the opportunity to comment.

Yours sincerely

Julie Flint

Julie Flint
Chief Finance Officer

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Equality with Human Rights Analysis Toolkit



SECTION A

Name of policy / project / service	Council Tax Support Scheme 2020/21
Background and aims of policy / project / service at outset	<p>In January 2019, the meeting of Full Council approved City of Lincoln Councils Council Tax Support Scheme (CTS) for 2019/20. There were a number of 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 2020</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 30 October 2019 and will end on 11 December 2019, 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"> • Retain current scheme with a Council Tax increase between 2% to 4% and 1% caseload reduction – 8,542 CTS customers affected; and • Council Tax Empty Homes Premium to be increased from 100% to 200% (charge from 200% to 300%) - 20 council tax payers affected <p>Each of these will be considered in relation to how the changes might differently and / or adversely affect</p>

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	<p>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 2020/21 report pack which will be presented to Strategic Review Group on 16 December 2019.</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

	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 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-</p>	Yes	<p>Action dependant on outcome of consultation.</p> <p>With effect from 1 April 2020</p>

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				<p>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>		
<p>Disability including carers (see Glossary)</p>	<p>Y</p>			<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"> • Qualify for a disability, enhanced disability or severe disability premium for the claimant or partner, or • Qualify for disability or enhanced disability premium for a dependent, or • Qualify for a disability earnings disregard, or • Receive a disability related council tax reduction. • Be in receipt of Employment and Support Allowance (Work Related or Support Group component 	<p>NA</p>	<p>With effect from 1 April 2020</p>

Appendix 7 – Policy Scrutiny Committee 14th January 2020 – Council Tax Support Scheme 2020/21 Equality Impact Assessment

Gender re-assignment			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2020
Pregnancy and maternity			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2020
Race			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 2020
Religion or belief			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2020
Sex			Y	There is no evidence at this stage of an impact	NA	With effect from 1 April 2020
Sexual orientation			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2020
Marriage/civil partnership			Y	This does not have any effect on the decisions made under this policy.	NA	With effect from 1 April 2020
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 2020

- 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?

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):


- | | Tick here |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|
| ✓ No equality or human right Impact (your analysis shows there is no impact) - sign assessment below | [] |
| ✓ No major change required (your analysis shows no potential for unlawful discrimination, harassment)- sign assessment below | [] |
| ✓ Adverse Impact but continue (record objective justification for continuing despite the impact)-complete sections below | [x] |
| ✓ Adjust the policy (Change the proposal to mitigate potential effect) -progress below only AFTER changes made | [] |
| ✓ Put Policy on hold (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 money 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> <p>The aim of the proposed changes is to save some scheme expenditure in light of further reductions to local government finance.</p>
--------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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 Executive 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>
---------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Appendix 7 – Policy Scrutiny Committee 14th January 2020 – Council Tax Support Scheme 2020/21 Equality Impact Assessment



Checked and approved by responsible officer(s) (Sign and Print Name)	 Claire Moses	Date	3/9/2019
Checked and approved by Assistant Director (Sign and Print Name)	Martin Walmsley	Date	3/9/2019

SUBJECT: COUNCIL HOUSE AND GARAGE RENTS 2020/21

DIRECTORATE: HOUSING AND INVESTMENT

REPORT AUTHOR: FRANCES JELLY

HOUSING BUSINESS SUPPORT MANAGER

1. Purpose of Report

- 1.1 To propose an increase in council house rents in line with the Government's Rent Policy for social housing from 1 April 2020 onwards and to seek approval for the introduction of revised rents from Monday 6th April 2020.
- 1.2 To seek members approval for an increase of 3% on Council garage rents for 2020/21 in line with other fees and charges revisions by the Council.

2. Executive Summary

- 2.1 The Welfare Reform and Work Act 2016, determined that all social (inclusive of supported housing) and affordable rents were reduced by 1% year on year between 2016/17 to 2019/20. For the City of Lincoln Council it is estimated that the four year rent reduction process will have removed £10.5m funding from the City's current Housing Revenue Account Business plan.

In October 2017, the government announced its intention to set a long term rent deal. This would permit annual rent increases on both social and affordable rent properties of up to Consumer Price Index (CPI) plus 1% from 1 April 2020 for a period of at least five years.

- 2.2 In keeping with the Housing Business Plan approved by Council and the Governments Rent Guidelines, the formula rent rise for 2020/21 is based on CPI in the previous September (September 2019 = 1.7) plus 1.0%. In Lincoln's case this will mean an average rent increase of 2.7% from Monday 6 April 2020; although this is an average rent increase across the stock.

As a result of the continued erosion of stock numbers as a result of the Right To Buy regime, despite increasing rents at CPI plus 1% from the 6th April 2020, budgeted rental income will drop by £296k from £28.319m to £28.023m in 2020/21.

- 2.3 Despite actively buying back properties, stock numbers continue to reduce due to Right to Buy. To date we have completed 18 purchases. These are:
 - 2 - one bed
 - 8 - two bed
 - 8 - three bed

Between April and December 2019 42 properties have been sold under RTB (30 in the same period April to December 2018). These are:

- 3 - one bed
- 23 - two beds
- 13 - three beds
- 4 - four beds

- 2.4 Therefore there has been a net reduction in stock of 24 properties to date which directly impacts on rental income.

The average weekly increase for the City of Lincoln Council based on data at 12 December 2019 for net social housing rent (calculated over 52 weeks) from £67.74 in 2019/20 to £69.57 per week for 2020/21, to an average equivalent increase of income per property of £1.83 per week over 52 weeks.

The 50 week average rent would be charged at £72.35

There are currently 208 properties charged at an Affordable Rent which is higher than social housing rent. Based on data as of 12 December 2019 the increase, on the average weekly net rent (calculated over 52 weeks) will result in an increase from £105.52 in 2019/20 to £107.87 per week for 2020/21, to an average equivalent increase of income per property of £2.35 per week over 52 weeks. The 50 week average rent would be charged at £112.18

3. Background

- 3.1 The national Rent Convergence Policy and Social Rent Guidance was introduced in April 2002, the aim of which was that rents in the social housing sector (local authority rents and those charged by housing associations) should be brought onto a common system based on a formula set by Government. The formula creates a “formula rent” for each individual property which is calculated based on:

- The relative value of the property
- Relative local income levels; and
- The size of the property.

The formula rent is often also referred to as the “target rent”. The City Council and other social landlords are expected to move the actual rent of a property (which may be lower or higher than the formula rent) to the formula rent over time

- 3.2 Members will be aware that the financing for council housing was changed in April 2012 – the ‘Self-financing Regime’ was introduced under which local authorities were required to buy themselves out of the national housing subsidy regime in return for the keeping of future rental income at local level. The valuation of the housing stock and the Council’s Housing Revenue Account (HRA) Business Plan was based on rental income rising in line with the Government’s rent convergence policy and rent guidelines in place at that time

- 3.3 There are currently 7,720 housing rent properties, of those that have a current active tenancy :-

- 38% are in receipt of full housing benefit payment
- 15% are in receipt of partial housing benefit payment
- 16% are in receipt of Universal Credit
- 31% do not receive any of the above

- 3.4 Councils continue to increase rents on those housing properties that are currently below the 'formula rent' (or convergence amount) on re-letting to new tenants before applying the 2.7% increase. For the City of Lincoln Council at the date of this report, 803 properties (that are 10 pence or more below target rent) were not at formula rent and thus when these properties become available for re-letting the rent can be increased to the formula amount plus 2.7% for 2020/21.
- 3.5 Considering the importance of rent collection and the Council's ambitious plans, it is intended to review the Tenancy Strategy and to bring a further report to members during the next financial year to include the review of the tenancy agreement and as part of this review, to remove the 'two-free weeks' rent payments. This will bring our rent collection in to line with UC payments, increase direct debit payment date options and consider stopping the use of AllPay cards; which have a high cost per transaction to the Council.
- 3.6 The Lincoln Tenants' Panel is due to consider this report at its meeting on 15 January 2020. Their comments and observations will be reported verbally during the Executive meeting.

4. Strategic Priorities

4.1 Let's reduce inequality

The Government policy is primarily about reducing the welfare benefits bill but it does help those just above benefit thresholds. Council house rents remain significantly lower than the rent levels in the private rented sector in the City.

4.2 Let's deliver quality housing

The new rent policy recognises the need for a stable financial environment to support the delivery of new homes and to increase resources available to maintain current homes.

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable)

Council Housing Rents 2020/21

The impact of this change will be an increase to the current average calculated 52 week net social housing rent from £67.74 per week to £69.57 per week – an average increase of £1.83 per week, and an increase on affordable rent from £105.52 to £107.82 an average increase of £2.35 per week.

Changes in individual rents will vary according to the level of actual current rent as illustrated in Appendix 1.

Council Garage Rents 2020-21

An increase in garage rents of 3% is proposed in line with the Authority's Fees and Charges increase. This would bring the charge to £8.08 for 2020/21 (based on a calculated 52 week charge period), an increase of £0.23 per week. Research has shown that the garage rents in Lincoln are mid-range when compared to similar locations in the East Midlands.

5.2 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

These aspects have been considered in the writing of this report.

6. Risk Implications

6.1 (i) Key risks associated with the preferred approach

The main risks are that the Government make further changes to the Rent Guidelines which will undermine the Business Plan and also that future CPI levels are lower than those assumed in the MTFs and Business Plan i.e we assumed CPI at 2% per annum and September 2019 this dropped to 1.7.

7. Recommendation

7.1 Agree the basis of rent calculation for changes to individual Council house rents as set out in paragraph 5 of this report, which represents an increase in the average calculated 52 week council house net rent in 2020/21 of 2.7% for social housing rents (£1.83 p/w) and affordable rents (£2.85 p/w) increase per property. This is in accordance with Government policy.

7.2 Increase Council garage rents for 2020/21 in accordance with the proposal in paragraph 6.1 above by 3%.

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? 1

List of Background Papers:

Welfare Reform and Work Act 2016
Policy statement on rents for social housing –
February 2019

Lead Officer:

Frances Jelly – Housing Business Support Manager
Telephone (01522) 873229

APPENDIX 1

IMPACT OF INCREASES ON ALL TENANTS – APRIL 2020 (Based on a 52 week rent year inclusive of all rent types)

Average rent increase per property by number of bedrooms per week as 12 /12/2019	
No. of beds	Increase per week
1 & bedsits	£0.94
2	£2.04
3	£2.05
4	£2.19
5	£2.26
6+	£2.51

SUBJECT:	HARTSHOLME COUNTRY PARK - FEES AND CHARGES
DIRECTORATE:	COMMUNITIES AND ENVIRONMENT
REPORT AUTHORS:	STEVE BIRD ASSISTANT DIRECTOR, COMMUNITIES AND STREET SCENE
	JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To seek agreement to the use of some specific charges in Hartsholme Country Park, in advance of full Council formally agreeing the Council's full table of Fees and Charge for the year ahead.
- 1.2 To seek an adjustment of the way that Fees and Charges for some areas of the Council's business are set, moving to a two year proposal, so that customers can have certainty in advance, and thus permitting earlier bookings to be taken.
- 1.3 To seek agreement to support the Council's channel shift initiatives by taking card payments only.

2. Executive Summary

- 2.1 Current practice is to set all fees and charges for the Council annually. This report identifies that the council has a need, in some areas of its business, to gain certainty of fees and charges for longer than one year, so as to facilitate improved trading activities.
- 2.2 This report seeks permission to take bookings based on some charges in advance of them being formally agreed at full council, and to move to agreeing proposed charges two years ahead, rather than just one.
- 2.3 Further the report seeks agreement to stop taking cash payments, with card payments being the default.

3. Background

- 3.1 Currently the Council sets all fees and charges on a year-by-year basis.
- 3.2 However, in some trading areas, for example where advance bookings may be taken, then it has been identified that there is a demand for customers to book and pay on timetables not compatible with the council's current process.
- 3.3 An example would be where someone wishes to book and pay for a camp site pitch a year ahead. They may leave their pitch in September, and want to book to return next year, but as things stand we are unable to transact that business due

to uncertainty on price. Instead we take details and contact them after fees and charges are set, which is far from an ideal service, effectively doubling the staff time required in order to take a booking, which could be eliminated if a customer had been able to book online. It does lead to some loss of business.

3.4 Another example would be for such as events. Events can take more than a year to set up and as a part of this it can be helpful to develop plans and bookings based on certainty of charges.

3.5 It is also important to note that the ability to advertise the availability of bookings a long way ahead is also important, and that this too does not always fit well with the current fee and charge setting timetable.

4. The Proposal

4.1 That the table of fees and charges for Hartsholme Country Park be amended to make recommendations for two years. These have reference to the normal procedure of inflation based on 3% annually, but are also mindful of market pressures from competition, have reference to the quality of facilities offered, and customer feedback. The charges proposed therefore reflect what are considered to be rates that will protect or enhance our income generating potential.

4.2 A formal proposal is attached as Appendix A

4.3 This report also seeks agreement to the way payment is taken for bookings. At the moment, although advance payment is requested it is not always provided. In line with the council's channel shift programme, it is proposed that advance booking will be the default preference, and deposits taken by card. Deviation from this will be the exception. However, not wishing to turn bookings away, we will still take payment on arrival, but this MUST be by card. Cash will no longer be acceptable.

5. Strategic Priorities

5.1 Let's drive economic growth

This report relates to services offered by the Council. The camp site is used by visitors to the city, and therefore underpins the wider tourism offer.

5.2 Let's enhance our remarkable place

A vibrant events programme is a key part of encouraging people to engage with open spaces, and learn about their surroundings.

6. Organisational Impacts

6.1 Finance

Fees and charges are set by full council annually. This report proposes that consideration be given to setting some fees for two years ahead. Given the relatively small number of areas affected, it is suggested that this will assist officers in adopting a more commercial approach for these services, without adding risks to the council's financial programme.

6.2 Legal Implications including Procurement Rules

There are no legal implications arising from this proposal.

6.3 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

This report does not impact equality, diversity or human rights in any way.

7. Risk Implications

(i) Options Explored

Continue with existing fee and charge setting process- this will not permit officers to take a more commercial approach, and may deter some bookings.

Set fees and charges for two years ahead- this will give certainty for business planning and permit early bookings.

(ii) Key Risks Associated with the Preferred Approach. None

8. Recommendation

8.1 That the principle of setting some fees two years ahead where there is a business need be approved and that this be reflected in future Fee and Charge setting reports to Council.

8.2 That Council approves the use of the fees and charges schedule attached at Appendix A.

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

Lead Officer:

Steve Bird ADCSS
Telephone (01522) 873421

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **HARTSHOLME COUNTRY PARK (DCE)**
 NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2018/19 £	CURRENT 2019/20 £	PROPOSED 2020/21 £	
HARTSHOLME COUNTRY PARK				
- Overnight stay, incl use of showers (per night)				
Standard non-electric price for a pitch in the tent only area (apart from backpack tent).				
- High Season *	17.00	17.50	18.00	inc VAT
- Low Season	15.00	15.50	16.00	inc VAT
Electric included in pitch price for all other pitches				
Four berth caravan, motorhome or tent and car				
- High Season *	19.50	20.00	20.50	inc VAT
- Low Season	17.50	18.00	18.50	inc VAT
Dogs (each per stay)			1.00	inc VAT
Backpack Tent	11.00	11.50	12.00	inc VAT
Overflow Pitch	10.00	10.00	10.00	inc VAT
Camping Pod Single Night	40.00	40.00	40.00	inc VAT
Camping Pod 2 nights or more	35.00	35.00	35.00	inc VAT
Camping Pod Christmas Market	50.00	50.00	50.00	inc VAT
Non-refundable deposit - (included within price)				
Bank Holiday Weekends only				
Single night	10.00	10.00	10.00	inc VAT
Two or more nights	25.00	25.00	25.00	inc VAT
Full Awning	3.00	3.00	3.00	inc VAT
Additional Adult	3.00	3.00	3.00	inc VAT
Additional Car parking	3.00	3.00	3.00	inc VAT
- Christmas Market period, per pitch *				
Non-refundable deposit - (included within price)				
Two - four nights	30.00	25.00	25.00	inc VAT
Five nights	67.50	-	-	inc VAT
With electric hook-up				
Single night Thur/Fri/Sat	30.00	30.00	30.00	inc VAT
Five nights	135.00	135.00	135.00	inc VAT
Single night Wed/Sun	25.50	25.50	25.50	inc VAT
* High Season Period:				
Includes all Weekends, Bank Holidays, and LCC School Holidays.				
Deposits required.				
- Activity/Visit (tier 1)				
Per Person	2.50	3.50	3.50	inc VAT
Group of 30 (can be broken down into £40 per hour)	80.00	80.00	82.00	inc VAT
- Activity/Visit (tier 2) (Rangers Club per activity)	3.50	5.00	5.00	inc VAT
- Hire of activity boxes (tier 3)		25.00	-	
- Wreath Making	15.00	25.00	25.00	inc VAT
- Willow Weaving	20.00	25.00	25.00	inc VAT
- Meeting Room	10.00	10.00	10.00	inc VAT

LEISURE, SPORT & CULTURE- FEES AND CHARGES WEF 01/04/2020 - 31/03/2021

SERVICE : **HARTSHOLME COUNTRY PARK (DCE)**
 NOT SUBJECT TO VAT UNLESS STATED IN END COLUMN

	PREVIOUS 2019/20 £	CURRENT 2020/21 £	INCREASE BASIC £	Other	INCREASE £	%	PROPOSED 2021/22 £	
HARTSHOLME COUNTRY PARK						2.22%		
- Overnight stay, incl use of showers (per night)								
Standard non-electric price for a pitch in the tent only area (apart from backpack tent).								
- High Season *	17.50	18.00	0.54	0.04	0.50	2.78%	18.50	inc VAT
- Low Season	15.50	16.00	0.48	0.02	0.50	3.13%	16.50	inc VAT
Electric included in pitch price for all other pitches								
Four berth caravan, motorhome or tent and car								
- High Season *	20.00	20.50	0.62	0.12	0.50	2.44%	21.00	inc VAT
- Low Season	18.00	18.50	0.56	0.06	0.50	2.70%	19.00	inc VAT
Dogs (each per stay)		1.00					1.00	inc VAT
Backpack Tent	11.50	12.00	0.36	0.14	0.50	4.17%	12.50	inc VAT
Overflow Pitch	10.00	10.00	0.30	0.20	0.50	5.00%	10.50	inc VAT
Camping Pod Single Night	40.00	40.00	1.20	1.20	-	0.00%	40.00	inc VAT
Camping Pod 2 nights or more	35.00	35.00	1.05	1.05	-	0.00%	35.00	inc VAT
Camping Pod Christmas Market	50.00	50.00	1.50	1.50	-	0.00%	50.00	inc VAT
Non-refundable deposit - (included within price)								
Bank Holiday Weekends only								
Single night	10.00	10.00	0.30	0.30	-	0.00%	10.00	inc VAT
Two or more nights	25.00	20.00	0.60	4.40	5.00	25.00%	25.00	inc VAT
Full Awning	3.00	3.00	0.09	0.09	-	0.00%	3.00	inc VAT
Additional Adult	3.00	3.00	0.09	0.09	-	0.00%	3.00	inc VAT
Additional Car parking	3.00	3.00	0.09	0.09	-	0.00%	3.00	inc VAT
- Christmas Market period, per pitch *								
Non-refundable deposit - (included within price)								
Two - four nights	25.00	25.00	0.75	0.75	-	0.00%	25.00	inc VAT
Five nights	-	-	-	-	-	-	-	inc VAT
With electric hook-up								
Single night Thur/Fri/Sat	30.00	31.00	0.93	0.07	1.00	3.23%	31.00	inc VAT
Five nights	135.00	135.00	4.05	4.05	-	0.00%	135.00	inc VAT
Single night Wed/Sun	25.50	26.00	0.78	0.78	-	0.00%	26.00	inc VAT
* High Season Period:								
Includes all Weekends, Bank Holidays, and LCC School Holidays.								
Deposits required.								
- Activity/Visit (tier 1)								
Per Person	3.50	3.50	0.11	0.11	-	0.00%	3.50	inc VAT
Group of 30 (can be broken down into £40 per hour)	80.00	82.00	2.46	0.40	2.06	2.51%	84.00	inc VAT
- Activity/Visit (tier 2) (Rangers Club per activity)	5.00	5.00	0.15	0.15	-	0.00%	5.00	inc VAT
- Hire of activity boxes (tier 3)	25.00	-	-	-	-	-	-	
- Wreath Making	25.00	25.00	0.75	0.75	-	0.00%	25.00	inc VAT
- Willow Weaving	25.00	25.00	0.75	0.75	-	0.00%	25.00	inc VAT
- Meeting Room	10.00	10.00	0.30	0.30	-	0.00%	10.00	inc VAT

81. Hartsholme Country Park - Fees and Charges

Purpose of Report

To seek agreement to the use of some specific charges in Hartsholme Country Park, in advance of the Council formally agreeing the Council's full table of fees and charges for the year ahead.

To seek an adjustment of the way that fees and charges for some areas of the Council's business were set, moving to a two year proposal, so that customers could have certainty in advance therefore permitting earlier bookings to be taken.

To seek agreement to support the Council's channel shift initiatives by taking card payments only.

Decision

- (1) That the principle of setting some fees two years ahead where there was a business need be endorsed and that this be reflected in future fees and charges setting reports to the Council.
- (2) That the fees and charges set out in Appendix A be supported and referred to the Council for consideration.

Alternative Options Considered and Rejected

Alternative options considered and rejected were set out in paragraph seven of the report.

Reason for Decision

Fees and charges were currently set on a year-by-year basis, however, in some trading areas where advance bookings were taken it had been identified that there was demand for customers to book and pay on timetables not compatible with the Council's current process. The ability to advertise the availability of bookings a long way ahead was important, which the current annual process of setting fees and charges did not currently support.

It was proposed that the table of fees and charges for Hartsholme Country Park was amended to make recommendations for two years. These had reference to the normal procedure of inflation based on 3% annually, but were also mindful of market pressures from competition, had reference to the quality of facilities offered and took into account customer feedback. The revised schedule of fees and charges as proposed was set out in Appendix A of the report.

The proposal to only accept card payments for bookings was in line with the Council's channel shift initiatives.

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SUBJECT: INTERNAL AUDIT CHARTER

REPORT BY: JOHN SCOTT, AUDIT MANAGER

LEAD OFFICER: JOHN SCOTT, AUDIT MANAGER

1. Purpose of Report

1.1 To review and approve an updated Internal Audit Charter

2. Executive Summary.

2.1 The Audit Charter formally defines Internal Audit's purpose, authority and responsibility. It establishes Internal Audit's position within the Council and defines the scope of Internal Audit activities. It is linked to Internal Audit's roles and responsibilities set out in the Constitution (Financial Procedure Rules) but provides more detail around compliance with the Accounts and Audit Regulations and the Public Sector Internal Audit Standards.

3. Details

3.1 The current Charter was approved by the Audit Committee and Council in 2016. This update reflects updated CIPFA guidance released in 2019 and provides an opportunity to provide a more focused charter.

4. Key Changes

4.1 In the main the Charter has been slimmed to down provide a more succinct document – whilst there are slight changes essentially the document remains very much aligned to the original.

4.2 Changes to note are:

- a) The Charter now refers to the CIPFA application note for local government. The Chartered Institute of Public Finance (CIPFA) have developed an application note for the Standards – which sets out the proper practice for Internal Audit in local government.
- b) A specific requirement to review the audit strategy annually.
- c) Specific mention of periodic updates on the audit plan to the Audit Committee.
- d) A section on the audit procedures (establishing and maintaining appropriate internal auditing procedures incorporating best practice approaches and techniques).

4. Organisational Impacts

4.1 Finance

There are no direct financial implications arising as a result of this report.

4.2 Legal Implications including Procurement Rules

The Accounts and Audit Regulations 2015, more specifically require that internal audit takes into account the Public Sector Internal Audit Standards (The Standards) which are mandatory. The Charter sets out the roles and responsibility of Internal Audit in line with these standards and the Chartered Institute of Public Finance (CIPFA) have also developed an application note for the Standards – which sets out the proper practice for Internal Audit in local government. The Charter supplements the Constitution (Financial Procedure Rules) in the area of Internal Audit.

4.3 Equality, Diversity & Human Rights

There are no direct E and D implications arising as a result of this report.

5. Recommendation

5.1 That the Internal Audit Charter be approved.

Key Decision	No
Do the Exempt Information Categories Apply?	No
Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
How many appendices does the report contain?	One
List of Background Papers:	None
Lead Officer:	Audit Manager Telephone 873321

Internal Audit Charter 2019

Our Mission

To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight to our clients

The Council expects the internal audit service to achieve the mission statement through its overall delivery arrangements – this Charter sets out how this is done.

Internal Audit Charter

Purpose of this Charter

This Charter formally defines Internal Audit's purpose, authority and responsibility. It establishes Internal Audit's position within the Council and defines the scope of Internal Audit activities.

Internal Audit's Purpose

Internal Audit provides an independent, objective assurance and consulting activity that is designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.*

116 Internal Audit also provides the Audit Committee with information necessary for it to fulfil its own responsibilities and duties.

Implicit in Internal Audit's role is that it supports the organisation's management to fulfil its own risk, control and compliance responsibilities.

* This is also the "definition" of internal auditing.

Internal Audit's Authority

There is a statutory requirement for the Council to have an internal audit of its governance, risk and control processes. The [Accounts and Audit Regulations 2015](#), more specifically require that the audit takes into account the [Public Sector Internal Audit Standards \(The Standards\)](#) or guidance which are mandatory.



These Standards set the basic principles for carrying out internal audit in the public sector and provide criteria against which quality and performance can be evaluated. The Chartered Institute of Public Finance (CIPFA) have also developed an [application note](#) for the Standards – which sets out the proper practice for Internal Audit in local government.

Internal Audit derives its authority from these, from this Charter and from the Council's Constitution, specifically the Financial Procedure Rules

The Head of Internal Audit (Audit Manager) is the "Chief Audit Executive". The HIA and internal audit staff are authorised to:

- Have unrestricted access to all the organisation's records, property, and personnel, management and elected members relevant to the performance of its engagements. Including those relevant to services provided in partnership or under contract with external organisations.
- Receive information and explanations that are sought in the course of audit work
- Obtain the necessary assistance of the organisation's personnel in relevant engagements, as well as other specialised services from within or outside the organisation.

Internal Audit has no authority or management responsibility for any of its engagement subjects.

Internal Audit (and its auditors) will not make any management decisions or engage in any activity which could reasonably be construed to compromise its independence. Auditors are free from operational system involvement or influence.

Internal Audit Charter

Internal Audit's Responsibility

The Head of Internal Audit is responsible for all aspects of Internal Audit activity, including strategy, planning, performance, quality and reporting.

For each Authority, the Head of Internal Audit will:

Strategy

- Develop and maintain an Internal Audit Strategy.
- Review the Internal Audit Strategy at least annually with management and Audit Committee.

Planning

- Develop and maintain a risk based Internal Audit Plan
- Engage with Management and consider the organisation's strategic and operational objectives and related risks in the development of the Internal Audit Plan.
- Review the Internal Audit Plan periodically with management to reflect changes in the risk environment and these changes are approved when significant.
- Present the Internal Audit Plan, including updates, to the Audit Committee for periodic review and approval.
- Agree an Internal Audit Budget sufficient to fulfil the requirements of this Charter, the Internal Audit Strategy, and the Internal Audit Plan.

- The Internal Audit budget is reported to the Executive and Full Council for approval annually as part of the overall Council's budget. The Audit Manager will draw to the attention of the Chief Executive, Section 151 officer and the Audit Committee any resourcing issues that potentially impact on the effectiveness of the Internal Audit function.
- Coordinate with and (where relevant) provide oversight of other control, monitoring and assurance functions, including Risk Management, external audit.
- Consider the scope of work of the external auditors (and other assurance providers) for the purpose of providing optimal audit coverage to the organisation.

The Head of Internal Audit should be consulted about significant proposed changes to the internal control system and the implementation of new systems - providing advice on the standards of controls to be applied. This need not prejudice the audit objectivity when reviewing systems at a later date.

In developing the Internal Audit Plan we also take account of the Council's assurance framework – using the Three Lines of Assurance (see below) which is obtained through our Combined Assurance work.

Internal Audit Charter

How do we assure ourselves about how the council is run?

Management
Accountable for delivery

Corporate and third party
External inspections and internal assurance functions

Internal audit
Independent assurance

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Speaking to senior and operational managers who have the day to day responsibility for managing and controlling their service activities.

Working with corporate functions and using other third party inspections to provide information on performance, successful delivery and organisational learning.

Using the outcome of internal audit work to provide independent insight and assurance opinions.

Considering other information and business intelligence that feed into and has potential to impact on assurance

Performance

- Implement and deliver the risk based Internal Audit Plan
- Maintain professional resources with sufficient knowledge, skills and experience to meet the requirements of this Charter, the Internal Audit Strategy and the Internal Audit Plan.
- Allocate and manage resources to accomplish Internal Audit engagement objectives.
- Establish and maintain appropriate internal auditing procedures incorporating best practice approaches and techniques.
- Monitor delivery of the Internal Audit Plan using appropriate performance indicators.
- Hold regular senior management / statutory officer liaison meetings.

Quality

- Establish a Quality Assurance Framework is to:
 - ✓ provide a system for monitoring and evaluating our effectiveness and conformance with the **Standards**.
 - ✓ ensure continuous improvement within the internal audit service.
 - ✓ ensure compliance with professional Standards, Code of Ethics and Council Codes of Conduct.
 - ✓ meet client expectations / demonstrate our importance to the business.
 - ✓ facilitate the Head of Audit's statement on conformance with the International Standards for the Professional Practice of Internal Auditing.

Internal Audit Charter

- Undertake annual assessment of the service and its compliance with the UK Public Sector Internal Audit Standards (the **Standards**) – with this assessment being undertaken through an external assessment at least every five years by a suitably qualified, independent assessor.
- Obtain regular feedback on the quality and impact of our work (added value).

The **Standards** are principles-focused and consist of basic requirements for the professional practice of internal auditing and for evaluating the effectiveness of performance. The ten **Core Principles** set out what we must do to be considered effective – all principles must be present and operating effectively to achieve our mission, they are:-

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- 1 demonstrates integrity.
 - 2 demonstrates competence and due professional care.
 - 3 is objective and free from undue influence (independent).
 - 4 aligns with the strategies, objectives and risks of the organisation.
 - 5 is appropriately positioned and adequately resourced.
 - 6 demonstrates quality and continuous improvement.
 - 7 communicates effectively.
 - 8 provides risk based assurance.
 - 9 is insightful, proactive and future focused.
 - 10 promotes organisational improvement

Reporting

- Issue a report to management at the conclusion of each engagement to confirm the results of the engagement and the timetable for the completion of agreed management actions to be taken.

- Provide periodic reports to management and the Audit Committee summarising Internal Audit activities and the results of Internal Audit Engagements.
- Provide periodic reports to management and the Audit Committee on the status of agreed management actions taken in response to Internal Audit Engagements.
- Report annually to the Audit Committee and management on Internal Audit performance against goals and objectives including an annual assurance opinion on governance, risk and control. This will also help inform the Council's Annual Governance statement.
- Report as needed to the Audit Committee on management, resource, or budgetary impediments to the fulfilment of this Charter, the Internal Audit Strategy, or the Internal Audit Plan.
- Inform the Audit Committee of emerging trends and practices in internal auditing.
- Provide results of the annual review on the effectiveness of internal audit (including outcomes of its Quality Assurance and Improvement programme to both the Management and the Audit Committee. This will include a statement on organisational independence of Internal Audit and conformance with the Code of Ethics. Any significant non-conformance must be included in the Annual Governance Statement.
- The Head of Internal Audit will meet informally in private with members of the Audit Committee or the Committee as a whole as required.
- Report as necessary any significant risk exposures and control issues, including fraud risks, governance issues, and other matters requiring the attention of, or requested by, the Audit Committee or any response to risk by management that may be unacceptable to the organisation.

Internal Audit Charter

Internal Audit's Scope

The scope of Internal Audit activities includes all activities conducted by the organisation - the entire control environment including those services provided in partnership or under contract with external organisations. There are no restrictions.

The Internal Audit Plan identifies those activities that have been identified as the subject of specific Internal Audit engagements.

Assurance engagements involve the objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system or other subject matter. The nature and scope of the assurance engagement are **determined by Internal Audit**.

→ **Consulting engagements** are advisory in nature and are generally performed at the **specific request of management**. The nature and scope of consulting engagement are subject **to agreement with management** and should assist management in meeting the objectives of the organisation without undermining the key principles of independence and objectivity. Internal Audit should not assume management responsibility.

The Head of Internal Audit will assist with the implementation of the Council's counter fraud policy/strategy and the investigation of fraud and irregularities in line with policy/strategy and the constitution. The HIA must be notified of all suspected or detected fraud, corruption or impropriety

Consultancy engagements should only be performed where resources and skills exist and should focus on governance, risk and control – supporting the Head of Internal Audit annual opinion. They **should not** replace assurance engagements.

The Head of Internal Audit cannot give total assurance that control weaknesses or irregularities do not exist. Managers are fully responsible for the quality of internal control within their area of accountability. They should ensure that appropriate and adequate risk management, control systems, accounting records, financial processes and governance arrangements exist (the control environment), without depending on internal audit activity to identify weaknesses or control failures.

Independence and Internal Audit's Position within the organisation

To provide for Internal Audit's independence, the Head of Internal Audit reports directly to the Audit Committee (The Board) and the Corporate Management (Senior Management) Team and the Chief Executive.

Internal Audit also supports the Chief Finance Officer, Monitoring Officer and the Head of Paid Service discharge statutory responsibilities including those responsibilities set out in the Constitution.

Internal Audit Charter

The Head of Internal Audit has free and full access to the Chair of the Audit Committee.

The Head of Internal Audit reports administratively to the Section 151 Officer (CFO) who provides day-to-day oversight. The Chief Finance Officer reports directly to the Chief Executive as Head of Paid Service

The appointment or removal of the Head of Internal Audit will be performed in accordance with established procedures.

Internal Audit service will have an impartial, unbiased attitude and will avoid conflicts of interest.

If the independence or objectivity of the Internal Audit Service is impaired, details of the impairment should be disclosed to either the Section 151 Officer, or the Chair of the Audit Committee, or both dependent upon the nature of the impairment.

The Internal Audit Service is not authorised to perform any operational duties for the organisation; initiate or approve accounting transactions external to the Internal Audit Service; or direct the activities of any organisation employee not employed by the Internal Auditing Service, except to the extent such employees have been appropriately assigned to Service or to otherwise assist the Internal Auditor.

Where the Head of Internal Audit is responsible for delivery of operational functions other than Internal Audit. External assurance is sought on these - overseen by the Section 151 Officer.

Constructive working relationships make it more likely that internal audit work will be accepted and acted upon – although the internal auditor does not allow their objectivity or impartiality to be impaired.

Audit Committee

The Audit Committee is a key component of the Council's governance framework providing an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. It provides independent assurance to the Council members of the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

For the purposes of the UK Public Sector Internal Audit Standards the Audit Committee performs the role of the 'Board'. The Audit Committee complies with CIPFA best practice standards through their terms of reference and work programme.

The Audit Committee will:

- Approve the internal audit charter.
- Approve the risk-based internal audit plan.
- Receive reports from the head of internal audit on internal audit activity's performance relative to its plan and other matters.

Internal Audit Charter

Standards of Internal Audit Practice

Internal Audit will perform its work in accordance with the International Professional Practices Framework of the Chartered Institute of Internal Auditors, and further guided by interpretation provided by the Public Sector Internal Audit Standards (the **Standards**), the CIPFA Local Government Application note and the CIPFA publication on the “Role of the Head of Internal Audit”. This Charter is a fundamental requirement of the Framework.

External Work

Assurance Lincolnshire provides internal audit services to a number of public sector external clients. Approval is sought from the Section 151 officer and the Audit Committee before entering into any significant engagement. The level and extent of external work is also reported in the approval of the audit plan and annual report.

The nature and extent of work for external clients is kept under review to ensure:

- a) it does not impinge on the audit work carried out for the Council, and;
- b) there is no conflict of interest or impairment of independence arising from this work.

Approval and Validity of this Charter

This charter shall be reviewed and approved annually by Senior Management and by the Audit Committee as the Board of the organisation and Council .



38. **Internal Audit Charter**

John Scott, Audit Manager:

- a. sought Audit Committee approval of the updated Internal Audit Charter as detailed within Appendix A to his report
- b. advised that the Audit Charter formally defined Internal Audit's purpose, authority and responsibility, it established Internal Audit's position within the Council and defined the scope of Internal Audit activities linked to Internal Audit's roles and responsibilities set out in the Constitution (Financial Procedure Rules, also providing more detail around compliance with the Accounts and Audit Regulations and the Public Sector Internal Audit Standards
- c. reported that the current Charter was approved by the Audit Committee and Council in 2016, this update reflected updated CIPFA guidance released in 2019 and provided an opportunity for a more focused charter
- d. highlighted the key changes to the Charter as detailed at paragraph 4.2 of the report, which had been slimmed down to provide a more succinct document, however, essentially it remained very much aligned to the original document
- e. requested that the Internal Audit Charter be approved by Audit Committee.

RESOLVED that the Internal Audit Charter as detailed at Appendix A to the report be referred to Council for approval.

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SUBJECT: MEMBER CODE OF CONDUCT AND CONSTITUTIONAL AMENDMENTS

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: CAROLYN WHEATER, CITY SOLICITOR

1. Purpose of Report

1.1 To consider a revised version of the Member Code of Conduct, which incorporates aspects such as harassment, bullying, social media use and acting in an official capacity as recommended by the Ethics and Engagement Committee.

To consider other revisions to the Council’s Constitution.

2. Background

2.1 The Ethics and Engagement Committee at its meeting on 14 March 2019 considered a report by the Committee on Standards in Public Life following a review of standards arrangements in local government. The report comprised 26 recommendations to Government which the Committee on Standards in Public Life felt would enable councillors to be held to account effectively and would enhance the fairness and transparency of the standards process. The report also contained examples of good practice following a number of cases studies from across the country.

2.2 It was resolved at the meeting on 14 March 2019 that a review of the Member Code of Conduct be undertaken and that its scope be widened to include aspects such as harassment, examples of bullying, links to official capacity and social media use. An extract of the minutes from this meeting are attached at Appendix B to this report.

There will be a commitment to training on the revised code of conduct during the year and be integrated as part of the members development programme.

2.3 The Council’s City Solicitor and Monitoring Officer undertook a review of the Member Code of Conduct, in line with the resolution of the Ethics and Engagement Committee. A revised version of the Member Code of Conduct was considered by the Ethics and Engagement Committee at its meeting on 30 September 2019 and recommended this to Council for approval. An extract of the minutes from that meeting is attached at Appendix A and a revised version of the Member Code of Conduct is attached at Appendix B.

3. Other Constitutional Amendments

Disciplinary Procedure and Guidance – Joint Negotiating Committee Conditions of Service

- 3.1 In May last year, all Local Authorities received a letter from the Joint Negotiating Committee for Chief Executives of Local Authorities, reminding Councils to ensure that all elements of the Local Authority (Standing Orders) (England) (Amendment) Regulations 2015 had been addressed and formed part of Standing Orders within the Council's Constitution.
- 3.2 Whilst the Council duly complied with the above Regulations (which also apply to the Section 151 Officer and the Monitoring Officer) and confirmed the Council had in place a Member Investigatory Committee, an Appeals Committee and appointment of independent members, at that time the Council did not delegate the power to an elected member to suspend the Chief Executive immediately in the event of an emergency. In reviewing the requirements alongside the content of the letter from the Joint Negotiating Committee for Chief Executives of Local Authorities, it is apparent that such a delegation needs addressing. A number of other authorities across the country have also inadvertently omitted this aspect from their processes and procedures.
- 3.3 It is therefore considered appropriate that the Leader of the Council is given the designated power to suspend the Chief Executive immediately in the event of an emergency.
- 3.4 All other aspects of the process under the 2015 Regulations, as outlined above, will remain unchanged.
- 3.5 With regards to the Member Investigating and Disciplinary Committee, whilst Council formally approved such a Committee in 2007 there is, however, no actual reference to this in the Constitution. The Constitution will therefore be amended to formally recognise the existence of a Member Investigatory and Disciplinary Committee.
- 3.6 As the Council has never had cause to use this Committee, there is no proposal to allocate members to it at this stage. Membership will be requested as and when the Committee is ever called. It is important to note, with regards membership of that Committee that disciplinary and capability issues are non-executive functions.

4. Organisational Impacts

4.1 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

These issues have been taking into consideration in the writing of this report.

5. Recommendation

- 5.1 That the revised Member Code of Conduct be recommended to Council for approval.
- 5.2 That the Leader of the Council be given the power to suspend the Chief Executive, immediately in the event of an emergency.
- 5.3 That Council approves the amendments to the Constitution to formally record the existence of the Member Investigating and Disciplinary Committee.

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? Two

List of Background Papers: None

Lead Officer: Graham Watts, Democratic and Elections Manager
Telephone (01522) 873439

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Code of Conduct for Members

1.0 Application

- 1.1 This code applies to you whenever you are acting in your capacity as a member of this authority and it is your responsibility to comply with the provisions of this Code.
- 1.2 You are a representative of this authority and the public will view you as such therefore your actions impact on how the authority as a whole is viewed and your actions can have both positive and negative impacts on the authority.
- 1.3 The Code is based upon the 'Nolan Principles – the seven principles of public life' which are set out as **Appendix 1**.

2.0 Interpretation

- 2.1 In this Code –

“meeting” means any meeting of:

- (a) the authority;
- (b) the executive of the authority;
- (c) any of the authority's or its executive's committees, sub-committees, joint committees, joint sub-committees, or area committees;

whether or not the press and public are excluded from the meeting in question by virtue of a resolution of members.

“member” includes a co-opted member and an appointed member.

3.0 General Conduct

- 3.1 The Code applies to you whenever you are acting in your capacity as a member of the Council, including:
 - (a) at formal meetings of the Council, Executive, Committees and Sub-Committee, Joint Committees, Panels or Working Groups.
 - (b) when acting as a representative of the authority.
 - (c) in taking any decisions as an Executive Member or Ward Councillor.
 - (d) in discharging your functions as a Ward Councillor.
 - (e) at briefing meetings with officers.
 - (f) at site visits.
 - (g) when corresponding with the authority (other than in a private capacity).

- 3.2 When acting in your role as a member of the authority:
- (a) do treat others with respect and not bully any person.
 - (b) do provide leadership to the authority by personal example.
 - (c) do not conduct yourself in a manner which is likely to bring the authority into disrepute.
 - (d) do use your position as a member in the public interest and not for personal advantage.
 - (e) do not disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where:
 - (i) you have the consent of a person authorised to give it;
 - (ii) you are required by law to do so
 - (iii) the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or
 - (iv) the disclosure is:
 - a. reasonable and in the public interest
 - b. made in good faith and in compliance with the reasonable requirements of the authority; and
 - c. you have consulted with the Monitoring Officer prior to its release if appropriate
 - (f) do not prevent another person from gaining access to information to which that person is entitled to by law.
 - (g) when using or authorising the use by others of the resources of the authority:
 - 1. Do act in accordance with the authority's reasonable requirements including the requirements of the authority's ICT policy, copies of which have been provided to you and you are deemed to have read;
 - 2. Do make sure that such resources are not used improperly for political purposes (including party political purposes); and
 - 3. Do have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

3.3 In politics, rival groupings are common, either in formal political parties or more informal alliances. It is expected that members will campaign for their ideas, and may also seek to discredit the policies and actions of their opponents. Criticism of ideas and opinion is part of the democratic debate, and does not in itself amount to failing to treat someone with respect.

3.4 Ideas and politics may be robustly criticised, but individuals should not be subject to personal attacks. This particularly applies when dealing with the public and officers.

4.0 **Bullying and Harassment**

4.1 You must not bully, harass or intimidate any person. This is completely unacceptable and will be considered to be a breach of the Code.

4.2 Harassment, bullying, discrimination, intimidation and victimisation (either directly or indirectly) are unacceptable and should not be tolerated. It is important to recognise the impact such behaviour can have on any individual experiencing it, as well as the wider organisation in terms of morale and effectiveness.

4.3 **Bullying** is inappropriate and unwelcome behaviour which is offensive and intimidating and which makes an individual or group feel undermined humiliated or insulted. It is the impact of the behaviour rather than the intent which is the key.

4.4 Bullying usually arises as a result of an individual misusing their power and can occur through all means of communication. Bullying can be a pattern of behaviour or can be a one-off serious incident that becomes objectionable or intimidating.

4.5 Examples of bullying behaviour are set out below (these are not exhaustive):

- unwelcome physical, verbal or non-verbal contact
- intimidating behaviour including verbal abuse or the making of threats
- making someone's work life difficult
- disparaging, ridiculing or mocking comments and remarks
- physical violence

4.6 **Harassment** is any unwelcome behaviour or conduct which makes someone feel offended, humiliated, intimidated, frightened and/or uncomfortable. Harassment can be experienced directly or indirectly and can occur as an isolated incident or as a course of persistent behaviour.

4.7 As a Councillor you should be aware of the inherent influence your role brings and ensure that you are demonstrating respect for others and encouraging colleagues to do the same.

4.8 Where you have witnessed bullying and harassment you have a responsibility to speak out. You should challenge inappropriate behaviour as it happens and consider making a complaint.

4.9 As with bullying, even if the behaviour is unintentional, it can still be classed as a form of harassment. Harassment can occur through verbal or written comments,

including those made online. Examples of harassment are set out below (these are not exhaustive):

- unwelcome physical contact such as touching or invading 'personal space'
- inappropriate remarks or questioning such as comments about someone's appearance, lewd comments and offensive jokes (such as those of a racist, sexual or sectarian nature)
- intrusive questioning for example on sexual orientation, religious or political beliefs (either directly or with others)
- sending unwelcoming and/or inappropriate emails, messages or notes, circulating or displaying explicit or inappropriate images

4.10 Your specific duties as a Councillor:

- you should behave in accordance with the Code in all situations where you act as a councillor or are perceived as acting as a councillor, including representing the Council on official business and when using social media
- you should treat all individuals with respect when carrying out your duties as a Councillor. You should not participate in, or condone, acts of harassment, discrimination, victimisation or bullying

5.0 Use of Social Media

5.1 The use of Social Media (Twitter, Facebook, blogs etc) is a very effective tool for Councillors to communicate with their local communities, and taking part in social networks and interactive activity online is now a majority activity which will certainly grow.

5.2 The Council has a Social Media Policy which members should be familiar with and sets out how to use social media in a positive way and how to avoid pitfalls.

5.3 There is a difference between communicating on behalf of the Council on social media and as a private citizen, and the former will be held to a higher standard than the latter.

5.4 The key to whether your online activity is subject to the Code is whether you are giving the impression that you are acting as a Councillor.

5.5 The Code of Conduct applies equally to your online activity in the same way it applies to other verbal communication or face to face meetings.

6.0 Disclosable Pecuniary Interests

You must:

6.1 Comply with the statutory requirements to register, disclose and withdraw from participating in respect of any matter in which you have a disclosable pecuniary interest. The statutory requirements with regards to disclosable pecuniary interests are attached as **Appendix 2** to this code.

- 6.2 Ensure that your register of interests is kept up to date and notify the Monitoring Officer in writing within 28 days of becoming aware of any change in respect of your disclosable pecuniary interests
- 6.3 Make verbal declaration of the existence and nature of any disclosable pecuniary interest at any meeting at which you are present at which an item or business affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent

7.0 Other Interests

- 7.1 You must, within 28 days of:
- (a) this Code being adopted by or applied to your authority; or
 - (b) your election or appointment to office (where that is later), notify the Monitoring Officer in writing of the details of your other personal interests, where they fall within the following descriptions, for inclusion in the register of interests.
- 7.2 You have a personal interest in any business of your authority where either it relates to or is likely to affect:
- (i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
 - (ii) any body—
 - (aa) exercising functions of a public nature;
 - (bb) directed to charitable purposes; or
 - (cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),of which you are a member or in a position of general control or management;
 - (iii) any easement, servitude, interest or right in or over land which does not carry with it a right for you (alone or jointly with another) to occupy the land or to receive income.
- 7.3 You must, within 28 days of becoming aware of any new interest or change to any interest registered under paragraph 5.1, notify the Monitoring Officer of the details of that new interest or change.

8.0 Disclosure of interests

- 8.1 Subject to paragraphs 6.2 to 6.5, where you have a personal interest described in paragraphs 5.2 or 6.2 in any business of your authority, and where you are aware or ought reasonably to be aware of the existence of the personal interest, and you attend a meeting of your authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

8.2 (A) You have a personal interest in any business of your authority

- (i) where a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a *relevant person* to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral division or ward, as the case may be, affected by the decision, or
- (ii) it relates to or is likely to affect any of the interests you have registered as a disclosable pecuniary interest.

(B) In paragraph 6.2(A), a *relevant person* is:

- (a) a member of your family or any person with whom you have a close association; or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in paragraph 5.2.

8.3 Where you have a personal interest in any business of your authority which relates to or is likely to affect a person described in paragraph 5.1(i) or (ii)(aa) you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.

8.4 Where you have a personal interest but, by virtue of paragraph 8, sensitive information relating to it is not registered in your authority's register of members' interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.

8.5 Where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.

9.0 Register of interests

9.1 Any interests notified to the Monitoring Officer will be included in the register of interests. A copy of the register will be available for public inspection and will be published on the authority's website.

10.0 Sensitive interests

10.1 Where you consider that disclosure of the details an interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Monitoring Officer agrees, if the interest is entered on the register, copies of the register that are made available for inspection and any published version of the register will exclude details of the interest, but may state that you have an interest, the details of which are withheld.

11.0 Non-participation in case of pecuniary interest

11.1 Where you have a personal interest in any business of your authority you also have a pecuniary interest in that business where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest and where that business—

(a) affects your financial position or the financial position of a person or body described in paragraphs 5.2 or 6.2; or

(b) relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraphs 5.2 or 6.2.

11.2 Subject to paragraphs 9.3 and 9.4, where you have a pecuniary interest in any business of your authority—

a) You may not participate in any discussion of the matter at the meeting and should leave the room during consideration of the relevant matter.

(b) You may not participate in any vote taken on the matter at the meeting.

(c) If the interest is not registered, you must disclose the interest to the meeting.

(d) If the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days. In addition this Code and Standing Orders requires you to leave the room where the meeting is held while any discussion or voting takes place.

11.3 Where you have a pecuniary interest in any business of your authority, you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise and you leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.

11.4. Subject to you disclosing the interest at the meeting, you may attend a meeting and vote on a matter where you have a pecuniary interest that relates to the functions of your authority in respect of:

(i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease;

(ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;

(iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;

- (iv) an allowance, payment or indemnity given to members;
- (v) any ceremonial honour given to members; and
- (vi) setting council tax or a precept under the Local Government Finance Act 1992.

11.5. Where, as an executive member, you may discharge a function alone, and you become aware of a pecuniary interest in a matter being dealt with, or to be dealt with by you, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter, or seek improperly to influence a decision about the matter.

12.0 Interests arising in relation to scrutiny committees

12.1 In relation to any business before a scrutiny committee of the authority (or of a sub-committee of such a committee) where-

12.1.1 That business relates to a decision made (whether implemented or not) or action taken by your authority's executive or another of your authority's committees, sub-committees, joint committees or joint sub-committees; and

12.1.2 At the time the decision was made or action was taken, you were a member of the executive, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph 10.1.1 and you were present when that decision was made or action was taken;

Or

12.1.3 that business relates to a decision made (whether implemented or not) or action taken by you (whether by virtue of the Council's constitution or under delegated authority from the Leader);

You may attend a meeting of the scrutiny committee of your local authority or of a sub-committee of such a committee but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise.

13.0 Gifts and Hospitality

13.1 You must within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value of in excess of £50 which you have accepted as a member from any person or body other than the authority

13.2 The Monitoring Officer will place your notification on a public register of gifts and hospitality

13.3 This duty to notify the Monitoring Officer does not apply where the gift, benefit or hospitality comes within any description approved by the authority for this purpose.

THE SEVEN PRINCIPLES OF PUBLIC LIFE

SELFLESSNESS

Holders of public office should act solely in terms of the public interest.

INTEGRITY

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

OBJECTIVITY

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

ACCOUNTABILITY

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

OPENNESS

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

HONESTY

Holders of public office should be truthful.

LEADERSHIP

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Disclosable pecuniary interests

This note explains the requirements of the Localism Act 2011 (Ss 29-34) and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, in relation to disclosable pecuniary interests.

These provisions are enforced by criminal sanction.

1 Notification of disclosable pecuniary interests

Within 28 days of becoming a member or co-opted member, you must notify the Monitoring Officer of any 'disclosable pecuniary interests'.

A 'disclosable pecuniary interest' is an interest of yourself or your partner (which means spouse or civil partner, a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners) within the following descriptions: (In the extracts from the Regulations below, 'M' means you and 'relevant person' means you and your partner, as above)

<i>Subject</i>	<i>Prescribed description</i>
<i>Employment, office, trade, profession or vacation</i>	<i>Any employment, office, trade, profession or vocation carried on for profit or gain.</i>
<i>Sponsorship</i>	<i>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</i>
<i>Contracts</i>	<i>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.</i>
<i>Land</i>	<i>Any beneficial interest in land which is within the area of the relevant authority.</i>
<i>Licences</i>	<i>Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.</i>

<i>Corporate tenancies</i>	<p><i>Any tenancy where (to M's knowledge)—</i></p> <p><i>(a) the landlord is the relevant authority;</i></p> <p><i>and</i></p> <p><i>(b) the tenant is a body in which the relevant person has a beneficial interest.</i></p>
<i>Securities</i>	<p><i>Any beneficial interest in securities of a body where—</i></p> <p><i>(a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and</i></p> <p><i>(b) either—</i></p> <p><i>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</i></p> <p><i>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</i></p>

These descriptions on interests are subject to the following definitions;

“the Act” means the Localism Act 2011;

“body in which the relevant person has a beneficial interest” means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

“director” includes a member of the committee of management of an industrial and provident society;

“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

“M” means a member of a relevant authority;

“member” includes a co-opted member;

“relevant authority” means the authority of which M is a member;

“relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or section 31(7), as the case may be, of the Act;

“relevant person” means M or any other person referred to in section 30(3)(b) of the Act;

“securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

2 Register of interests

Any interests notified to the Monitoring Officer will be included in the register of interests. A copy of the register will be available for public inspection and will be published on the authority's website.

3 Sensitive interests

Where you consider that disclosure of the details of a disclosable pecuniary interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Monitoring Officer agrees, if the interest is entered on the register, copies of the register that are made available for inspection and any published version of the register will exclude details of the interest, but may state that you have a disclosable pecuniary interest, the details of which are withheld under Section 32(2).

4 Non participation in case of disclosable pecuniary interest

- A) If you are present at a meeting of the authority, or any committee, sub-committee, joint committee or joint sub-committee of the authority, and you have a disclosable pecuniary interest in any matter to be considered or being considered at the meeting,
1. You may not participate in any discussion of the matter at the meeting.
 2. You may not participate in any vote taken on the matter at the meeting.
 3. If the interest is not registered, you must disclose the interest to the meeting.
 4. If the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days.

Note: In addition, Standing Orders require you to leave the room where the meeting is held while any discussion or voting takes place.

- B) Where an executive member may discharge a function alone and becomes aware of a disclosable pecuniary interest in a matter being dealt with or to be dealt with by her/him, the executive member must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter.

5 Dispensations

The authority may grant you a dispensation, but only in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

6 Offences

It is a criminal offence to

- Fail to notify the Monitoring Officer of any disclosable pecuniary interest within 28 days of election
- Fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register
- Fail to notify the Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the register that you have disclosed to a meeting
- Participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest
- As an executive member discharging a function acting alone, and having a disclosable pecuniary interest in such a matter, failing to notify the Monitoring Officer within 28 days of the interest.
- Knowingly or recklessly providing information that is false or misleading in notifying the Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting

The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.

36. Member Code of Conduct

Becky Scott, Legal Services Manager:

- (a) Presented a report which provided the Ethics and Engagement Committee with an opportunity to consider a revised version of the Member Code of Conduct.
- (b) Explained that the revisions incorporated aspects such as harassment, bullying, social media use and acting in an official capacity as recommended at the previous meeting of the Ethics and Engagement Committee.
- (c) Reported that the revisions were proposed following a review undertaken by the Council's City Solicitor and Monitoring Officer.
- (d) Reported that a revised version of the Member Code of Conduct was appended to the report, with those key changes as a result of the review having been highlighted.
- (e) Reported that the Social Media Policy was currently in the process of being developed in consultation with service managers and trade union representatives and would subsequently be considered by the Policy Scrutiny Committee and the Executive.
- (f) Invited members' questions and comments.

Councillor Christopher Reid highlighted the following paragraph under the bullying and harassment section:

"Where you have witnessed bullying and harassment you have a responsibility to speak out. You should challenge inappropriate behaviour as it happens and consider making a complaint".

Councillor Reid was concerned that having a responsibility to speak out in such circumstances could mean that if a Councillor chose not to do so they themselves could be in breach of the Code of Conduct. He was therefore of the opinion that this section was worded too strongly as it could result in people being found to have breached the Code of Conduct when they had not done anything wrong in the first instance.

Councillor Ric Metcalfe, Leader of the Council, disagreed with this suggestion and understood that there was a common law obligation not to simply stand aside, adding that there would be a danger of situations arising that were not being reported. This was key to the issue of bullying and harassment and Councillor Metcalfe did not wish to see members' responsibilities in this regard being weakened in the Code of Conduct. He therefore proposed retaining the existing wording.

It was acknowledged that a member failing to report such an instance would not necessarily mean that they had breached the Code of Conduct, as the wording of the draft Code of Conduct included the term 'and consider making a complaint'. The way in which the Code of Conduct was worded meant that members would have a responsibility to challenge inappropriate behaviour with regards to bullying and harassment.

Councillor Reid highlighted that victims of harassment and bullying may not be comfortable with a complaint being made for various reasons, including fear, humiliation or intimidation and that, potentially, this choice would be taken away from them in the way in which the Code of Conduct was currently worded. Councillor Laura McWilliams agreed with this point in that some victims would be afraid to come forward and highlight instances of bullying and harassment that they themselves had experienced.

Councillor Geoff Ellis agreed with Councillor Metcalfe in that members were duty bound to act if they witnessed anything inappropriate. The Legal Services Manager added that this was consistent with developments in law relating to domestic violence and slavery.

Councillor Lucinda Preston said that this was about changing culture and by retaining the proposed wording the culture associated with bullying and harassment would continue to be challenged in order that it could not develop.

It was agreed that the wording associated with challenging inappropriate behaviour should be retained.

Councillor Reid also highlighted the following sentence in relation to the general obligations heading:

"Ideas and politics may be robustly criticised, but individuals should not be subject to unreasonable or excessive personal attacks".

Councillor Reid questioned when a personal attack could ever be considered reasonable, so suggested removing the words 'unreasonable or excessive'. The Committee agreed with this suggestion.

Councillor Reid also suggested including reference to courtesy in debate as part of section (iii) under the general obligations heading. The Committee agreed with this suggestion.

Councillor Reid made the point regarding reference to physical aspects of bullying and harassment and was of the opinion that labelling this as bullying or harassment did not seem to adequately portray the seriousness of the allegation. It was noted that this terminology was consistent with how it was used within Human Resources policies and procedures for employees.

With regards to gifts and hospitality, the registration of any gift up to the value of £25 was highlighted as it was understood that this had been increased to £50. This point would be reviewed and updated if necessary, together with other typographical or formatting errors which had been highlighted.

It was RESOLVED that the Member Code of Conduct be recommended to Council for approval, subject to the incorporation of those changes highlighted above.