

EXECUTIVE

Tuesday, 2 January 2024

6.00 pm

**Committee Rooms 1 and 2,
City Hall, Beaumont Fee,
Lincoln, LN1 1DD**

Membership: Councillors Ric Metcalfe (Chair), Donald Nannestad (Vice-Chair), Sue Burke, Bob Bushell, Rebecca Longbottom and Naomi Tweddle

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

A G E N D A

SECTION A	Page(s)
1. Confirmation of Minutes - 11 December 2023	3 - 6

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.

OUR PEOPLE AND RESOURCES

- | | |
|--|----------------|
| 3. Council Tax Base 2024/25 | 7 - 14 |
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Present: Councillor Ric Metcalfe (*in the Chair*),
Councillor Donald Nannestad, Councillor Sue Burke,
Councillor Bob Bushell, Councillor Rebecca Longbottom
and Councillor Naomi Tweddle

Apologies for Absence: None.

62. Confirmation of Minutes - 20 November 2023

RESOLVED that the minutes of the meeting held on 20 November 2023 be confirmed.

63. Declarations of Interest

No declarations of interest were received.

64. City Council Natural History, Geology and Archaeology Collectios

Purpose of the Report

To recommend to Executive the transfer of legal title to Lincolnshire County Council's Heritage Services that proportion of the artefacts currently within the City Council's ownership that did not have a direct relationship with the City itself. This element finalised the pre-existing agreement in relation to the ongoing operation of the Usher Art Gallery together with the safe storage, conservation and display of the city council's art and artefacts. The proposals had been developed following extensive further negotiations with Lincolnshire County Council.

Decision

1. That the proposed transfer to Lincolnshire County Council Heritage Services of material as listed be approved.
2. That a further report on the remaining items for transfer in due course be received.

Alternative Options Considered and Rejected

None were considered.

Reasons for the Decision

Members would recall the lengthy and complex negotiations with Lincolnshire County Council (LCC) over a three-year period to secure the future of the Usher Gallery as an art gallery. This culminated in a report to this committee on 25 August 2021 which led to the approval of three agreements:

- A lease variation for the Usher Gallery, which enabled wider use of the building by LCC in limited circumstances and introduced the option of a break clause to the lease after 20 years (31st March 2042)

- A service level agreement which defined the hours and days of operation of the gallery, the role and financial support of the city council, and overall principles for the management of the city council's art and artefacts (including transfer of title for some artefacts). A rolling agreement was made with a review point after three years (March 2025) and every two years thereafter.
- A detailed collections management agreement which outlined how the collections themselves would be looked after by Lincolnshire County Council (LCC).

The substantial collection of art owned by the City Council was excluded from the agreement to transfer title to the County Council. Also, in term of artefacts in the City Council's ownership, the wider collection related to world cultures was likewise excluded. Therefore, this report focused on artefacts within three broad categories:

- Archaeology (within Lincolnshire)
- Natural History
- Geology

Prior to April 1974, Lincoln County Borough Council owned and operated the City and County Museum and the Usher Gallery. Through local government reorganisation under the Local Government Act 1972, ownership of the buildings and all collections passed to the City Council. On 24th October 1974, the City Council resolved to appoint the County Council as its agent under s.101 of the Local Government Act 1972 for the operation of the City and County Museum and the Usher Gallery, and the service had operated in this way since, until revised terms were negotiated in November 2021. This report covered the element of those revised terms relating to the transfer of defined artefacts in the City Council's ownership to Lincolnshire County Council.

Members should note that as part of the revised agreement, the County Council made no charge for storing, conserving and curating the City Council's material to national standards. This represented a significant cost saving to the City Council, which had in total over 24,000 pieces of art and artefacts.

It should also be noted that post 1974, the County Council had become the accession body for all such material. Therefore, for some collections ownership was split between the City Council (pre 1974 donations) and LCC (all post 1974 donations).

The full list of objects to be transferred ran to 794 pages of individual detailed listings, a 10-page random sample extract had been taken from each listing to provide an illustration of the type of material to be transferred, reproduced in **Appendix C to E** of the officers report.

The overall view was that this represented a positive for both the City and County Councils and was the right approach with regard to the correct curation of these collections. For those collections not forming part of this agreement, they were retained by the Council, and hence remained the ultimate owner of the materials found in Lincoln or given specifically to the City, and the City Council would continue to hold the ultimate say over their care. For the rest of the items/collections, these would move into the ownership of LCC, an accredited body committed to looking after them.

65. Exclusion of the Press and Public

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

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

66. Write Outs of Irrecoverable Non-Domestic Rates, Sundry Debtors, Council Tax and Overpayment of Housing Benefit

Purpose of Report

As detailed in the exempt report to the Executive.

Decision

That the recommendation to the Executive, as set out in the exempt report, be approved.

Alternative Options Considered and Rejected

As detailed in the exempt report to the Executive.

Reasons for the Decision

As detailed in the exempt report to the Executive.

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SUBJECT: COUNCIL TAX BASE 2024/25

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

LEAD OFFICER: MARTIN WALMSLEY, ASSISTANT DIRECTOR – SHARED REVENUES AND BENEFITS

1. Purpose of Report

- 1.1 The purpose of this report is to seek Executives' recommendation of the Council Tax Base for the financial year 2024/25.

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 / Long-Term Empty Definition Change

- 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, is based upon the number of dwellings on the Valuation List, provided by the Government's Valuation Office. The figures are adjusted for exempt dwellings and for dwellings subject to disabled reduction. The number of chargeable dwellings in each band is further adjusted for discounts, exemptions, premiums, and Council Tax Support. The resultant figure is the total equivalent number of dwellings which are then converted using ratios into the number of Band D equivalents. For 2024/25, the equivalent number of Band D properties is calculated at 25,931.37.
- 5.3 The Council Tax Base is finally determined by multiplying the sum of the Band D equivalents by the Authority's estimated collection rate, which has been assumed at 98.75% for 2024/25. This is the estimate of the percentage of the 2024/25 Council Tax set which will be collected in total, and not the expected in-year

collection rate in 2024/25. In addition, a final adjustment in respect of Crown properties is made. This results in a proposed Council Tax base for 2024/25 of 25,669.23.

- 5.4 The Levelling-Up and Regeneration Act 2023 now includes provision allowing billing authorities to change the period at which a long-term empty property attracts an additional Council Tax charge of 100% after 12 months rather than the current position of after 2 years. This premium can be introduced from 1st April 2024 under the provisions of this Act.

6. Strategic Priorities

- 6.1 There are no direct implications for the Council's Strategic Priorities arising as a result of this report.

7. Organisational Impacts

7.1 Financial

The Council must confirm its Council Tax Base as a pre-requisite to setting the Council Tax charge for 2024/25.

7.2 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) set 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.

7.3 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.

Due to the nature of the report, no specific Equality Impact Analysis is required.

8. Risk Implications

- 8.1 The key risk associated to this report are financial, in terms of the accuracy of the forecasted Council Tax Base. Any variance between the Base and the final Council Tax liability in 2024/25 will result in the declaration of either a surplus or deficit on the Collection Fund.

9. Recommendations

9.1 Executive is asked to recommend to Council that it:

- a) In line with the Levelling-Up and Regeneration Act 2023, with effect from 1st April 2024, approves a Council Tax premium of 100% for a property empty for 12 months, (changing from the current position of a property empty for 2 years);
- b) 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;
- c) Approves the Chief Finance Officers' calculation of the Council Tax Base for the financial year commencing 1st April 2024 and ending 31st March 2025, as set out in Appendix B of this report;
- d) 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 2024/25 financial year is 25,669.23.

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: Martin Walmsley, Assistant Director – Shared Revenues and Benefits,
Martin.walmsley@lincoln.gov.uk

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APPENDIX A: Executive 2nd January 2024

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 th November 2023.
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 th November 2023 and it has been assumed that the exemption will remain throughout 2024/25.
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 th November 2023 and it has been assumed that the relief will remain throughout 2024/25.
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 th November 2023 and it has been assumed that the discount will remain throughout 2024/25.
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 2024/25. 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.
Council Tax Support:	These are estimates of the amount of Council Tax Support to be granted in 2024/25 (localised replacement scheme for Council Tax Benefit from April 2013).
Collection Rate:	It is assumed that 98.75% of the Council Tax due for 2024/25 will be collected.

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City of Lincoln - 2024/25 Council Tax Base Estimate as at 30th November 2023 / Executive 2nd January 2024 - Appendix B

Valuation Bands	A-	A	B	C	D	E	F	G	H	YEAR 2024/25
VO Schedule		28773.00	9115.00	4942.00	2560.00	1437.00	519.00	136.00	46.00	47528.00
Exemptions Under Classes B,D-W		-2450.00	-528.00	-234.00	-109.00	-322.00	-125.00	-6.00	-21.00	-3795.00
Subtotal		26323.00	8587.00	4708.00	2451.00	1115.00	394.00	130.00	25.00	43733.00
Disabled bands		51.00	51.00	43.00	28.00	12.00	7.00	4.00	8.00	204.00
adjusted disabled band	51.00	51.00	43.00	28.00	12.00	7.00	4.00	8.00		204.00
Subtotal	51.00	26323.00	8579.00	4693.00	2435.00	1110.00	391.00	134.00	17.00	43733.00
25% Discounts (<i>Single Person Discount (SPD)/uninhabitable/1 x disregard</i>)	-5.25	-3102.25	-720.50	-346.00	-142.00	-54.50	-18.25	-2.25	0.00	-4391.00
37.5% Discounts (<i>50% plus SPD or 1 x disregard</i>)	0.00	-1.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.13
50% Discounts (<i>inc 2 x disregards</i>)	0.00	-19.00	-4.00	-3.00	-3.50	-1.50	-1.50	-5.00	-5.00	-42.50
75% Discounts (<i>100% with SPD or 1 x disregard</i>)	0.00	-14.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-14.25
100% Discounts	0.00	-99.00	-24.00	-2.00	-6.00	-1.00	0.00	0.00	0.00	-132.00
50% levy (Premium on empty homes - discretionary)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100% Levy (Premium on homes empty 2-5 years)	0.00	132.00	37.00	19.00	11.00	3.00	4.00	0.00	0.00	206.00
200% Levy (Premium on homes empty 5-10 years)	0.00	26.00	6.00	0.00	2.00	0.00	0.00	0.00	0.00	34.00
300% Levy (Premium on homes empty 10+ years)	0.00	54.00	6.00	0.00	0.00	0.00	0.00	3.00	0.00	63.00
CTR (PENSION AGE)	-4.69	-1550.21	-247.36	-95.92	-16.12	-7.45	-0.83	0.00	0.00	-1922.58
CTR (WORKING AGE)	-21.23	-3835.11	-275.15	-55.29	-17.25	-4.66	-1.17	0.00	0.00	-4209.85
Estimated Future Adjustment	0.00	250.00	20.00	10.00	4.00	0.00	0.00	0.00	0.00	284.00
Adjusted dwellings	19.83	18164.06	7376.99	4219.79	2267.13	1043.89	373.26	129.75	12.00	33606.70
RATIO TO BAND D	5/9th	6/9th	7/9th	8/9th	9/9th	11/9th	13/9th	15/9th	18/9th	
Band D equivalent	11.02	12109.37	5737.66	3750.92	2267.13	1275.87	539.15	216.25	24.00	25931.37
Less Estimated non-collection (1.25%)	-0.14	-151.37	-71.72	-46.89	-28.34	-15.95	-6.74	-2.70	-0.30	-324.14
Crown properties (Payment in lieu of Council Tax) Band D Equivalent		0.00	4.67	25.33	32.00	0.00	0.00	0.00	0.00	62.00
Council Tax Base	10.88	11958.00	5670.60	3729.37	2270.79	1259.92	532.41	213.55	23.70	25669.23

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SUBJECT: COLLECTION FUND SURPLUS/DEFICIT – COUNCIL TAX

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: JACLYN GIBSON – CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To inform Members of the estimated balance for the Council Tax element of the Collection Fund and the surplus or deficit to be declared for 2023/24.

2. Executive Summary

- 2.1 Prior to setting the Council Tax for 2024/25 the City Council is required to estimate whether there is to be a surplus or deficit on Council Tax element of the Collection Fund for the current financial year (2023/24).
- 2.2 The Council will declare a deficit on Council Tax £730,117 for the financial year 2023/24, with the City Council's share being £104,334, to be distributed in 2024/25.

3. Background

- 3.1 As a Council Tax Billing Authority, the City Council is required to estimate whether there is to be a surplus or deficit on the Collection Fund for the current financial year, prior to setting its Council Tax for the next year. The calculation is based on an estimate of tax collected in year compared to the estimate made the previous year, taking into account any previously declared surplus or deficit and the expected year-end arrears position.
- 3.2 The calculation of Council Tax is based on an estimate of tax collected in year compared to the estimate made the previous year, taking into account any previously declared surplus or deficit, and a forecast for the remainder of the current year.
- 3.3 A surplus or deficit may occur in the Collection Fund if actual performance during the year is higher or lower than originally estimated when Council was set. Areas of variance include:
- Council Tax base is larger or smaller than originally anticipated (reasons may be increased property development or changes in exemptions and discounts)
 - Claimant numbers for the Local Council Tax Support scheme are higher or lower than expected.
 - In year collection rates are higher or lower than expected,
 - Arrears collection rates are higher or lower than expected.
- 3.4 The Council is required to declare any surplus or deficit during January of each financial year and once approved has an obligation to notify its major precepting

authorities (Lincolnshire County Council and the Police and Crime Commissioner for Lincolnshire) of their share of the estimated surplus or deficit.

4. Estimated Surplus/Deficit for 2023/24 – Council Tax

- 4.1 As at 31st March 2023 the Collection Fund is estimated to have a deficit of £825,869 for Council Tax relating to the Financial Year 2023/24.
- 4.2 The primary reasons for this deficit in year is due to a reduction in collection rates which have been impacted by the cost of living crisis and the effect on household incomes, resulting in the subsequent increase in arrears and provision for doubtful debts, along with a higher number of property exemptions than had been assumed for in the Council Tax Base
- 4.3 In addition to declaring the estimated surplus or deficit position on the Collection Fund for the current financial year the Council is also required to declare any surplus or deficit relating to the difference between previously declared surplus/deficit positions and the actual outturn position as reported in the Council's Statement of Accounts. In 2023/24 there is a surplus balance of £95,752 in the Collection Fund relating to previous years.
- 4.4 Based on the forecast position of the in-year Collection Fund as at 31st March 2024 and taking into account an adjustment for the difference between prior year estimates compared to the actual outturn it is estimated that there will be a deficit of £730,117 on the Council Tax element of the Collection Fund in 2023/24. This deficit will be distributed between the City Council, County Council and Police and Crime Commissioner in 2024/25 as follows:

	£
City of Lincoln Council	104,334
Lincolnshire County Council	524,242
Police & Crime Commissioner	101,541
Total	730,117

5. Strategic Priorities

- 5.1 There are no direct implications for the Council's Strategic Priorities arising as a result of this report.

6. Organisational Impacts

- 6.1 Finance

For City of Lincoln the financial implications of the report are summarised below:

	2024/25 £
Council Tax – 23/24 estimated deficit	118,017
Council Tax – prior years surplus	(13,683)
Total Deficit	104,334

The Council's share of the estimated deficit will be distributed as set out in the above table and will form part of the Medium Term Financial Strategy 2024-29.

6.2 Legal Implications incl Procurement Rules

The Local Government Finance Act 1992 (as amended) requires the Council as the Billing Authority to establish and maintain a Collection Fund and report each year on surplus and deficits by the 15th January each year.

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.

Due to the nature of the report, no specific Equality Impact Analysis is required.

7. Risk Implications

- 7.1 The key risks associated to this report are financial, in terms of the accuracy of forecasts to arrive at the estimation of the deficit determined for the year 2023/24. Officers will continue to track and monitor the collection fund performance. The Council's performance on recovery of Council Tax, both in-year and for its overall recovery rate needs careful monitoring as does monitoring of trends in Local Council Tax Support scheme claimant numbers. The performance of the Collection Fund is included within the relevant directorate risk register and monitored accordingly.

8. Recommendations

- 8.1 Executive are recommended to confirm the action of the Chief Finance Officer in declaring a Council Tax deficit of £730,117 for 2023/24, to be distributed in 2024/25.

Is this a key decision?

Yes

Do the exempt information categories apply?

No

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

No

How many appendices does the report contain?

None

List of Background Papers:

None

Lead Officer:

Jaclyn Gibson, Chief Finance Officer
Jaclyn.gibson@lincoln.gov.uk

SUBJECT: LOCALISED COUNCIL TAX SUPPORT SCHEME 2024/25

DIRECTORATE: CHIEF EXECUTIVE & TOWN CLERK

REPORT AUTHOR: MARTIN WALMSLEY, ASSISTANT DIRECTOR – SHARED REVENUES AND BENEFITS

1. Purpose of Report

- 1.1 To provide information regarding the outcome of consultation regarding 2024/25 Council Tax Support scheme options.
- 1.2 To propose options for a Council Tax Support scheme for the 2024/25 financial year, which must be approved by Council before 31st January 2024.

2. Background

- 2.1 The Council Tax Benefit system was abolished on 31st March 2013 and replaced by the Council Tax Support (CTS) Scheme. This scheme can be determined locally by the Billing Authority having had due consultation with precepting authorities, key stakeholders, and residents. As at November 2023, there are 8,330 residents claiming Council Tax Support in the City of Lincoln. 2,579 are pensioners who are protected under the legislation and receive Council Tax Support as prescribed by the Government (broadly similar to the level of Council Tax Benefit). It is the 5,751 working age (including those classified as ‘vulnerable’ for CTS purposes) claimants where a local scheme can be determined which can change the level of support provided.
- 2.2 Unless a decision by the Council is made to apply scheme changes to vulnerable working-age customers, the localised CTS scheme would historically only be applied to non-vulnerable working age. Vulnerable working-age customers are those that have one of the following for CTS purposes:
 - Disability Premium;
 - Enhanced Disability Premium;
 - Severe Disability Premium;
 - Disabled Child Premium;
 - In receipt of a war pension;
 - Qualifies for disabled or long-term sick earnings disregard;
 - Employment and Support Allowance (income-related, where the support or work-related component is received and has been recorded separately).

The current split of the 5,817 (31.7.2023) working age CTS recipients is as follows:

- Working age – vulnerable: 3,242;
- Working age (not vulnerable): 2,575.

- 2.3 The initial City of Lincoln CTS Scheme from 2013/14 effectively ‘protected’ working age Council Tax payers seeking support, retaining eligible entitlement of up to 100% and

not restricting other areas of entitlement calculation. However, in recent years the scheme has changed in light of increasing scheme costs and budget pressures.

- 2.4 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):-*
 - *Consult any major precepting authority which has power to issue a precept to it,*
 - *Publish a draft scheme in such manner as it thinks fit, and*
 - *Consult such other persons as it considers are likely to have an interest in the operation of the scheme.*

3. Changes in Caseload

- 3.1 Whilst for a period of time claimant levels remained stable, Covid-19 had an impact on the amount of CTS awarded, with significant increases in caseload and cost of the scheme.

- 3.2 The table below shows how Lincoln's CTS caseload has changed over the last four years.

	Working age	Pension age	Total
September 2019	5,639	2,903	8,542
December 2019	5,578	2,881	8,459
March 2020	5,638	2,853	8,491
June 2020	6,197	2,842	9,039
September 2020	6,225	2,806	9,031
December 2020	6,182	2,773	8,955
March 2021	6,227	2,747	8,974
June 2021	6,220	2,720	8,940
September 2021	6,120	2,679	8,799
December 2021	5,993	2,649	8,642
March 2022	5,898	2,645	8,543
June 2022	5,891	2,618	8,509
September 2022	5,812	2,642	8,454
December 2022	5,830	2,639	8,469
March 2023	5,841	2,608	8,449
June 2023	5,867	2,591	8,458
November 2023	5,751	2,579	8,330

- 3.3 The level of CTS caseload is an important factor when considering the potential cost of a local CTS scheme – as effectively an increase in caseload increases the cost of the scheme, and vice versa the cost decreases when the CTS caseload reduces. Understandably, the Covid-19 pandemic had a direct impact on the number of residents claiming CTS. It can be seen that caseloads rose sharply in 2020 and 2021 as an outcome of the impact of Covid-19 on the economy and residents' incomes. The caseload then plateaued somewhat before falling and returning back to pre-pandemic

levels. However, with the ongoing cost of living pressures on residents there is the potential that the number of claimants may begin to increase again.

4. City of Lincoln Council 2023/24 CTS Scheme

4.1 The current, 2023/24 scheme has the following restrictions for working age customers:

- Capital limit £6,000;
- 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 regulations.

5. Council Tax Support Scheme Options for 2024/25

5.1 In this Council's Medium Term Financial Strategy (MTFS), the budgeted cost of the 2024/25 CTS scheme is £1,288,500 (i.e. City of Lincoln Council's share 14.3%, - (with the estimated total scheme cost of c£9.02m dependent on increases in the main preceptors' levels of Council Tax).

If the Council wishes to continue protecting vulnerable working age CTS recipients, then any changes to the CTS scheme will only apply to 2,471 customers or 29.66% of the caseload. Changes to the CTS scheme may be made for vulnerable working age customers too, however pension age residents are 'protected,' and the 'default' government scheme effectively applies.

City of Lincoln's CTS caseload as at the end of November 2023, can be broken down as follows:

Caseload breakdown	Caseload	% of total caseload
Total caseload	8,330	
Pensioner	2,579	30.96%
Working age vulnerable	3,280	39.38%
Working age non-vulnerable	2,471	29.66%

5.2 Based on the current core elements of the existing scheme, caseload increases of 0% and 5% have been modelled, along with Council Tax increases of 1.9% and 2.9%. These are summarised in **Appendix 1**, giving an indication of the potential cost and savings to City of Lincoln Council. Also included is the potential value for non-collection, based on the collection figure currently included in the MTFS (98.75%).

5.3 As a billing authority the Council can decide whether or not to amend core elements of its scheme each year. Proposed options for consultation are included in Appendix 1 to this report.

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 (for example, covering Universal Credit, premiums and discounts). These details are awaited from the Department for Levelling Up, Housing and Communities (DLUHC).

Technical amendments to the scheme in relation to uprating incomes, applicable amounts, disregards and allowances are to be collated once statutory details have been released by the Secretary of State.

5.4 In developing the modelling for each of the CTS scheme options a number of assumptions have been made, as follows:

- **5% uprating of benefits figures** - the national benefits uprating figure was 3.1% for 2022/23, and then an initially unanticipated 10.1% in 2023/24 (in line with the September 2022 inflation rate). As the actual 2024/25 benefits upratings figure was only announced at the Autumn Statement on 22nd November 2023 (6.7%), further work needs to take place on this increased uprating percentage – however, it is unlikely to make a significant difference to the figures already modelled.
- As the Council and major preceptors are likely to set differing levels of Council Tax increases, this creates a variety of modelling scenarios. **Council Tax increases of 1.9% and 2.9%** have therefore been assumed for modelling purposes. The final costs of the scheme will though be increased by the actual 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.
- **No increase in caseload for 2024/25, also a 5% caseload increase.** These caseload projections would effectively allow for the currently-slightly decreasing CTS caseload to continue, then potentially rise due to ongoing and potentially increased cost of living pressures. Of course, officers can only predict the economy and subsequent impacts on CTS caseload, particularly in the current climate this cannot be an 'exact science'.
- **Collection rate of 98.75%.** The MTFS assumes a collection rate of 98.75% for 2024/25 (this is higher than the 2022/23 figure of 98.25%). Given the cost of living crisis, the collection rate will be reviewed as part of the development of the updated MTFS.

5.5 The options considered for consultation by Executive on 18th September 2023, were as follows, (both options are modelled including the factors as set out in paragraph 5.4 (above)):

- **Option 1: No change to the current scheme;**
- **Option 2: Introduction of a 'banded scheme' for all working age customers**
- *see paragraph 5.6 (below) for further information.

5.6 Banded Scheme for all Working Age Customers

For 2024/25, an option which was put forward for consideration was to make a fundamental change to the way CTS is calculated for working age customers.

This could be a more streamlined, efficient, and easier to understand scheme based on specified income bands and percentage awards. A key factor for consideration is due to the way Universal Credit (UC) is re-assessed on a monthly basis by Department for Work and Pensions (DWP) – this means some Council Taxpayers have their UC entitlement altered each month – for example, where they have a fluctuating wage. If the UC recipient is also receiving CTS, this subsequently means that they then have a re-assessment of their CTS entitlement – meaning that it is possible to keep having a new bill sent each month, with instalments for repayment being ‘re-set’ – which can be confusing for customers, as well as administratively inefficient for officers – and preventing recovery progressing where there is non-payment of Council Tax. This is a particular issue with customers who have opted to pay by direct debit, as month after month the instalment resets and the direct debit is never taken. This moves their whole debt to the end of the year where potentially they are asked to pay more than they can afford, when they may have made every effort to pay this during the year.

Therefore, an option for consideration was to adopt an income-banded local CTS scheme for all working age CTS customers (not just UC recipients). Key objectives would be to move towards a scheme that is more adaptable to UC regulations, - and to provide clarity to customers as to what their entitlement to CTS will be.

Currently, 3,715 CTS customers are in receipt of UC, - which equates to 63.88% of the working age caseload.

The scheme that was being modelled would have a series of 'income bands' and a customer's entitlement to CTS is based on what band their earned income falls within. A banded scheme means that small changes in a claimant's income will not necessarily change their entitlement to CTS. Officers continued to model a range of factors in relation to a potential banded scheme, with a view to refining options in advance of and during the consultation period, to present a final potential option to Executive in January 2024.

Such a banded scheme would be likely to achieve some efficiencies, - particularly in terms of simplicity of scheme for customers – reducing customer enquiries and subsequent responses, reductions in Council Tax adjustment notices being issued (e.g. in cases with Universal Credit entitlement changes month-on-month). With UC managed migration announced as being progressed in the latter part of 2023/24 and during 2024/25, now would appear to be the time to introduce such a banded scheme.

There are variables around entitlement which would result in some customers receiving an increased CTS award, and with some receiving a reduced CTS award. However, the scheme was being modelled and designed to try and keep these fluctuations as low as is possible, - but with an exceptional hardship scheme fund proposed to sit alongside a banded scheme – where appropriate, reductions in 2024/25 CTS awards could be mitigated.

- 5.7 **Continuation/Increase of the Exceptional Hardship Scheme:** Exceptional Hardship Payments (EHP) assist persons who have applied for CTS and who are facing 'exceptional hardship' – it is similar to the Discretionary Housing Payment scheme (DHP) for Housing Benefit shortfalls. EHP provides a further financial contribution where an applicant is in receipt of CTS 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 2023 to the CTS Scheme. Since April 2013, the Council has agreed to introduce an EHP 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 CTS Scheme.

The cost of EHP awards is borne solely by City of Lincoln. As at the end of November 2023, a total of £6,792 EHP has been awarded for 2023/24. It is proposed that an EHP budget of £25,000 be in place for 2024/25 (the same figure as available in 2023/24).

5.8 Committee and Consultation Timetable

5.9 The timetable to approve any changes to the new scheme takes into account the existing calendar of meetings. Full Council of the Billing Authority needs to approve the scheme after consultation as outlined in paragraph 2.4.

5.10 The timetable is as follows:

- Executive: 18th September 2023, *to consider/approve options for consultation*
- Consultation starts (6 weeks): 2nd October 2023, *including consultation with public, other appropriate organisations (e.g. Citizens Advice), and major precepting authorities*
- Policy Scrutiny Committee: 3rd October 2023, *as part of consultation process*
- Consultation Ends: 16th November 2023
- Executive: 2nd January 2024, *to refer to Council a recommendation on a proposed 2024/25 scheme*
- Council: 16th January 2024, *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 2024.*

6. Outcomes of Consultation

6.1 175 responses through public consultation were received, - as well as responses from Lincolnshire County Council, and Lincolnshire Police and Crime Commissioner. Responses are included as appendices to this report. To summarise key points from consultation:

- Policy Scrutiny Committee supported consultation on a no change scheme, also supporting consultation on a working age banded scheme as well as further detailed modelling of such a scheme.
- Public consultation responses were mixed, with 151 supporting a 'no change' scheme. 101 respondents supported a working age banded scheme, however of these 101 respondents, 91 also answered 'yes' in support of a no change scheme.
- Lincolnshire County Council was supportive of a banded scheme option, whilst recognising it had not been possible to analyse the potential financial impacts

during the consultation period (due to the data not being available).

- Lincolnshire Police and Crime Commissioner was supportive of a simplified scheme such as the income-banded option proposed, however again recognised that it had not been possible to analyse the potential financial impacts at consultation stage.

6.2 However, despite significant efforts by the Council to 'build' a potential banded scheme, the software supplier was unable to achieve this to the timescales required. Therefore, it is not possible to carry out robust and intensive testing, which would be required before even considering implementing a significantly changed CTS scheme for 2024/25 such as a working age banded scheme.

7. Significant Policy Impacts

7.1 Strategic Priorities

Let's drive inclusive 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 all kinds of 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 2024/25 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 for 2024/25 based on various scenarios and the options set out in section 5 of this report are 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.

It is proposed an Exceptional Hardship Fund of £25,000 be made available during 2024/25, if a 'no change' scheme is to be implemented. The cost of this fund is wholly borne by City of Lincoln Council as Billing Authority.

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 2024.

7.4 Equality, Diversity and Human Rights

The Authority will be obliged to comply with its general equality duty under the Equality Act 2010 – an Equality Impact Assessment is included at Appendix 2 to this report.

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 2024 before the financial year begins.
- 8.3 The scheme cannot be changed mid-year and therefore it is vital an appropriate scheme is in place.

9. Recommendations

9.1 Executive is asked to:

- 1) Consider this report, taking into consideration the responses as part of the consultation.
- 2) Executive is asked to recommend to Council that it:
 - (a) Approves a 'no change' to the core Council Tax Support scheme for 2024/25 as set out in Section 4 and subject to the technical amendments described in paragraph 5.3;
 - (b) Approves an Exceptional Hardship Fund of £25,000 to be available, for the financial year 2024/25;
 - (c) Approves further detailed modelling of a banded scheme for all working age customers, with delivery to be assured from our ICT provider at a timescale to allow for robust and accurate testing of such a potential scheme, with a view to consulting on such a scheme for 2025/26.

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?	6
	Appendix 1 – Council Tax Support Modelling 2024/25
	Appendix 2 – Policy Scrutiny Committee Draft Minutes 3 rd October 2023
	Appendix 3 – Summary of public consultation responses
	Appendix 4 – Consultation response from Lincolnshire County Council
	Appendix 5 – Consultation response from Lincolnshire Police and Crime Commissioner
	Appendix 6 – Equality Impact Assessment
List of Background Papers:	None
Lead Officer:	Martin Walmsley martin.walmsley@lincoln.gov.uk

Appendix 1: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme

Option 1: No change to the current scheme	Estimated Total Spend (all preceptors)	City of Lincoln Spend – 14.5%	Difference to MTFS (£1,288,500) – (saving) / cost	Amount expected to be collected using collection figure of 98.75%
<ul style="list-style-type: none"> • 0% caseload change • 1.9% Council Tax increase 	£8,313,821	£1,188,876	(£99,624)	(£98,378)
<ul style="list-style-type: none"> • 0% caseload change • 2.9% Council Tax increase 	£8,407,068	£1,202,211	(£86,289)	(£85,210)
<ul style="list-style-type: none"> • 5% caseload increase • 1.9% Council Tax increase 	£8,728,751	£1,248,211	(£40,289)	(£39,785)
<ul style="list-style-type: none"> • 5% caseload increase • 2.9% Council Tax increase 	£8,826,100	£1,262,132	(£26,368)	(£26,038)
Option 2: Income Banded Scheme	Estimated Total Spend (all preceptors)	City of Lincoln Spend – 14.5%	Difference to MTFS (£1,288,500) – (saving) / cost	Amount expected to be collected using collection figure of 98.75%
<i>Unable to provide figures, due to ICT provider not building scheme as had been requested.</i>				

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EXTRACT FROM COMMITTEE

Policy Scrutiny Committee

3 October 2023

Present: Councillor Emily Wood (*in the Chair*),
Councillor Liz Bushell, Councillor Natasha Chapman,
Councillor Bill Mara Councillor Mark Storer and Councillor
Calum Watt

Apologies for Absence: None.

20. Localised Council Tax Support Scheme 2024/25

Tracey Parker, Revenues and Benefits Manager:

- a. presented the proposed scheme for Local Council Tax Support for the financial year 2024/25 and accompanying Exceptional Hardship Payments Scheme, as part of the formal consultation period.
- b. gave the background to the scheme as detailed at paragraph 2 of the report and advised that there were currently 8458 residents claiming Council Tax Support in Lincoln.
- c. advised that there were 2,591 pensioners in receipt of Council Tax Support and they were protected under the legislation so that they would not be affected by any changes made to the Council Tax Support Scheme.
- d. further advised that there were 5,867 working age claimants who would be affected by any changes made to the scheme, and as such any potential reduction in support being provided. This figure includes those working age customers considered 'vulnerable'..
- e. highlighted the impacts of Covid-19 on the amount of Council Tax Scheme awarded, with significant increases in caseload and cost of the scheme as detailed at paragraph 3 of the report.
- f. referred to paragraph 4 of the report and gave an overview of the current Council Tax Support Scheme.
- g. advised that based on the current core elements of the existing scheme, caseload increases of 0% and 5% had been modelled, along with Council Tax increases of 1.9% and 2.9%. These were summarised in Appendix 1 of the report which gave an indication of the potential cost and savings to the City of Lincoln Council. Also included was the potential value for non-collection (based on projected collection in the tax base of 98.75%)
- h. explained that as a billing authority the Council could decide whether or not to amend core elements of its Council Tax Support scheme each year.

Appendix 2: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme – Policy Scrutiny Committee 3rd October 2023 Draft Minutes

Schemes being consulted on were summarised at Appendix 1 of the report.

- i. referred to paragraph 5.3 and 5.4 of the report and explained the technical amendments and assumptions that had been made in developing the modelling for each Council Tax Support Scheme.
- j. reported that the options considered for consultation by Executive on 18 September 2023 were as follows:
 - Option 1: No change to the current scheme;
 - Option 2: Introduction of a 'banded scheme' for all working age customers (as detailed at paragraph 5.6 of the report)
- k. referred to paragraph 5.8 of the report which detailed the Exceptional Hardship Payments Scheme and proposed an Exceptional Hardship Budget of £35,000 be put in place for 2024/25.
- l. asked for Committee's consideration and comments as part of the formal consultation process.

Question: Did the exceptional hardship fund start from the beginning of the financial year?

Response: Yes, the proposal was to increase the exceptional hardship fund to £35k. It was expected that more claims would be made next year if we moved to a banding scheme.

Question: Could members have a copy of the consultation letter?

Response: The letter was available on the website; however a copy of the letter could be circulated to members following the meeting.

Question: Did members of the public have access to a hard copy of the consultation letter?

Response: We encouraged online responses to the consultation; however a hard copy could be provided on request.

Question: When did the consultation start?

Response: The consultation started on 2 October and would end on 13 November 2023.

RESOLVED that:

1. That consultation on a 'no change' scheme for 2024/25 be supported.
2. That consultation on a working age banded scheme for 2024/25 be supported, as well as further detailed modelling of a working age banded scheme for 2024/25 to take place.
3. The Exceptional Hardship Scheme of £35,000 for 2024/25 be supported.

Appendix 3: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme – Public Consultation Responses

Question 1

We have designed our proposed support scheme considering the following principles.

- Reduced support where it is likely that 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?

Yes	127
No	28
Don't know	19
No response – on hardcopy document	1
Total	175

Question 2

Our current 2023/24 scheme has the following restrictions for working age customers –

- Capital is limited to £6,000;
- Minimum entitlement is £2 per week;
- Property banding capped at Band B – a customer in band C and above will only have their Council Tax Support calculated on a band B liability
- Backdating is restricted to 1 month since 1st April 2018;
- Temporary absence from home in line with Housing Benefit regulations

Our current scheme provides care leavers with a full exemption up to the age of 25 years
We have premium charges for properties left empty for more than 2 years, more than 5 years and more than 10 years.

We have an Exceptional Hardship Fund of £25,000

Pensioners and working age vulnerable are excluded from this scheme

Do you want the above scheme to stay the same for 2024/25 ?

Yes	151
No	9
Don't know	14
No response on hardcopy document	1
Total	175

Question 3

If you have answered No to Question 2 , or Don't know –

Can you please provide further comments below ?

NO	EXCEPTIONAL HARDSHIP FUND SHOULD BE INCREASED
YES	NO COMMENT
DON'T KNOW	GET RID OF COUNCIL TAX

Appendix 3: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme – Public Consultation Responses

NO	<i>capital limited to £12,000 (the £6,000 range is outdated in this day and age entitlement in some cases should be lowered to £1 per week or zero in some cases the hardship fund is very low for 2024/25 some of us can not afford the going rate and that includes myself</i>
DON'T KNOW	<i>More help for those on Pensions and Universal credit (who are not eligible to work)</i>
DON'T KNOW	<i>I HAVE TICKED YES MEANT NO</i>
DON'T KNOW	<i>N/A</i>
DON'T KNOW	<i>I don't know enough about people working to comment.</i>
NO	<i>PROPERTY BAND CAP</i>
DON'T KNOW	<i>DON'T KNOW</i>
DON'T KNOW	<i>Not sure about the difference between different types of bands</i>
NO	<i>£6000 savings is not a huge amount when you're disabled. As people constantly tell me "there are people out there that can do that for you" Correct; but by the time you have paid all these people to do the work that if you were fit and able to do for yourself for free your savings wouldn't matter so much but they very quickly get eaten up ie. Gardening, housework, decorating, support to leave your home, fuel that you can not cut back on due to certain disabilities. The list goes on</i>
DON'T KNOW	<i>I have in the past received the hardship payment this year has been different. Though I appreciate everyone's suffering hardship but being disabled I have found it difficult.</i>
DON'T KNOW	<i>I DON'T KNOW</i>
NO	<i>All households should pay council tax, the amount depending on their finances. I dont get the banding system, if someone lives in a more valuable house, doesnt mean they can afford the top tax payment.</i>
NO	<i>Although means very little to me, but I don't think it should be the same but I could be wrong.</i>
DON'T KNOW	<i>I do not agree that the poor on benefits and/or disability premium benefits should be hit by any new scheme. They are struggling with cost of living as it. I do not agree anyone on any disability benefit especially if its a child should be hit. Its wrong morally and not humanitarian. I believe people with second homes should pay in this scheme.</i>
DON'T KNOW	<i>I think it's ok</i>
YES	<i>I think people on pension credit should not have to pay council tax.</i>
NO	<i>Exceptional Hardship Fund should be increased. 25 000 is nothing to consider how many people lives in our area. Cost of living crisis is still here and people need much more help from you,</i>
DON'T KNOW	<i>I am not in the category of working age group</i>
DON'T KNOW	<i>I don't really understand the restrictions in the current 2023/24 scheme so can't say whether I want it to stay the same or change. I have no comment on this point, therefore</i>
don't know	<i>More gardening and maintenance done on grounds around communal flats</i>
No	<i>Pensioners and working age vulnerable are excluded from this scheme. Pensioners and vulnerable people need all the help they need. I think any empty properties shud be taken over and used to help homeless folks.</i>

Appendix 3: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme – Public Consultation Responses

Question 4

We are considering a banded scheme for our Working Age customers. This could have fixed non-dependant deductions and will apply to all working age customers, including those on Universal Credit and those Working Age customers who are considered to be vulnerable.

The banded scheme will consider who lives in the property and what the monthly household income is. It could look something like this – although at this time we are working through the final banding figures.

DISCOUNT	SINGLE	SINGLE 1 CHILD	SINGLE 2 + CHILDREN	COUPLE	COUPLE 1 CHILD	COUPLE 2 + CHILDREN
100%	£0.00 - £350.00	£0.00 - £650.00	£0.00 - £900.00	£0.00 - £550.00	£0.00 - £850.00	£0.00 - £1000.00
80%	£350.01 - £450.00	£650.01 - £750.00	£900.01 - £1000.00	£550.01 - 650.00	£850.01 - £950.00	£1000.01 - £1100.00
60%	£450.01 - £550.00	£750.01 - £850.00	£1000.01 - £1100.00	£650.01 - £750.00	£950.01 - £1050.00	£1100.01 - £1200.00
40%	£550.01 - £650.00	£850.01 - £950.00	£1100.01 - £1200.00	£750.01 - £850.00	£1050.01 - £1150.00	£1200.01 - £1300.00
20%	£650.01 - £750.00	£950.01 - £1050.00	£1200.01 - £1300.00	£850.01 - £950.00	£1150.01 - £1250.00	£1300.01 - £1400.00
0%	£750.01 +	£1050.00 +	£1300.00 +	£950.01 +	£1250.01 +	£1400.01 +

Under this scheme, we are considering ignoring the following incomes when we calculate the 'income' above. This will mean that someone who is working age and vulnerable will be given some additional protection.

Income that we will ignore for these purposes –

- Disability Living Allowance
- Personal Independence Payment
- Armed Forces Independence Payment
- Child Benefit
- Child Maintenance
- War Disablement Benefits
- Government payments in respect of the provision of accommodation for refugees

Customers will be placed into a Council Tax Support band according to a calculation based on their individual circumstances. This will mean that small changes in the household income, either up or down, will not affect the council tax support if the calculation leaves the customer in the same band. Depending on the values of the bands, some customers may find that they still receive multiple changes if they move from one band to another. However, for the majority of people, this should reduce the number of changes to Council Tax Support over the year and also gives some clarity to customers as to what their entitlement to Council Tax Support will be.

We are also considering changes to some of the other elements of the current Council Tax Support scheme – including the following :

- Capital limit to be increased from £6,000 to £16,000

Appendix 3: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme – Public Consultation Responses

- Full working age banded scheme (regardless of if UC or legacy benefit).
- Removal of minimum award £2.00 per week.
- Removal of Council Tax Band B cap.
- Removal of earnings disregards and additional earnings disregard.
- Removal of all second adult rebate for working age.
- Removal of Self-employed minimum income floor.
- Disregard boarders/lodgers both room and income.
- Flat rate non-dependant deduction
- Remove any habitual residency test, recourse to public funds, leave to remain, etc criteria. If someone is deemed liable for Council Tax, then they are eligible to claim for CTS.

Do you agree that we should move Working Age Customers to a banded scheme ?

Yes	101
	Of these , 91 also said yes to retaining the current scheme
No	30
Don't know	43
No response on hardcopy document	1
Total	175

DON'T KNOW	<i>I agree with this in principle but, it will depend on the bands. Currently if it was to be £0-£350 it would mean that everyone on UC would only get an 80% discount. I would consider the first band to be £400 a month income minimum otherwise you will have some massive debt implications.</i>
NO	<i>THINK THERE SHOULD BE MORE HELP FOR SINGLE PEOPLE IN PRIVATE RESTED ACCOMMODATION WHO ON LOWER INCOME</i>
NO	<i>The Council Tax Support should be for people who cannot work due to cancers, strokes etc... People who work can do more hours to supplement their income, overtime etc... Sadly people with illnesses do not have this option also disabled people in small households no longer get the winter fuel allowance which is a disgrace and the council should help these vulnerable people who have to spend each day at home</i>
YES	<i>Being a pensioner on limited income the council tax reduction is a saving myself and other pensioners rely on. To keep the reduction would be an asset to all those pensioners</i>
YES	<i>well put together like it ,like a lot bless you</i>
DON'T KNOW	<i>Every one pays enough council tax which has always risen from day one and never goes the other way unless you are entitled to any reduction.</i>
YES	<i>If it is within the remit of the Council, Personal allowances should be increased to the figure of £18,000. per year.</i>
YES	<i>Limit on capital should not be increased to £16,000 it is much too high</i>

Appendix 3: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme – Public Consultation Responses

DON'T KNOW	<i>ANY people on benefits should not have to pay. IF they have savings, they don't qualify for benefit anyway. Also, when you get benefit, it does not list paying council tax in its entitlement. Worded, it used to say "this is the amount calculated you need to live on" Anyone who tries to exist on benefit for fun is in for a big disappointment. Already most poor people, which includes benefit claimants are struggling with extreme fuel poverty. Making this struggle even harder will not help AT ALL.</i>
YES	<i>But the proposed banding is very punitive. For example, a single person renting and earning £600/month might face a benefit cap on their housing costs of, say, £400, so they will face a rental excess of at least £200, and a CTS banding of 40% support, so perhaps £80-£100 council tax per month payable. So their income is halved. Please think of the renter's who pay some rather egregious rents</i>
YES	<i>I am am a pensin age 76</i>
YES	<i>Not sure ive been of any help but understand that sorting this must be strenuous</i>
YES	<i>I feel that the current scheme and the proposed changes are fair and that the council are doing a good job under the circumstances</i>
YES	<i>Cost saving measures should be investigated, efficient management protocols inplace with performance bonuses payable, to any & all employees, from operative level, to the highest senior management positions in each departments. How ever targets cannot be met by cutting services down, nor the reduction of quality of the service provided, with possible consequence for individuals, teams,line of management. This could be in the form of the bonus scheme starting at a set prorata amount, at a starting point amount, so that should services prvided not meet their individual targets, a percentage can be deducted from the standing starting point bonus. The same would would apply to quality of service targets. Council spending should always be disclosed as public information & scrutiny, obviously a cost of inflation figure should be calculated using the Bank of Englands figures, to calculate the yearly increase that will obviously required. Also the percentage of increase due to the population increase, affecting the development requirements of more properties being developed, including new builds, of housing & business properties. This figure should also be a part of pubic freedom of access to all such information. Also the provision of all calculations used to reach any & all amendments costs, up or down, to any & all servives coverd under the Council Tax funds raised, & finance raised that is used to pay any & all departments. Im permanently disabled & registered as enhanced disabilities, recieving Enhanced P.I.P. & U.C. My interest is for my 3 grown & all working daughters, & for my grandsons living standards, now & in the future. Many thanks for your consideration of my thoughts, kindest regards,</i>
NO	<i>We have to protect the elderly and vulnerable in society whilst we are facing fuel and food financial hardship. But those that could work have to be shown that there is a need to contribute and not have a lifetime of living off the country. Also savings of £16,000 and above is an absolute luxury for many people so savings have to be considered, but I'm not sure how this would be governed as no doubt there are ways of hiding savings if there is financial gain to be made. A working model as above is a solid idea but the monthly incomes are too low to be expected to contribute the amount suggested. There are so many other things right now that are a priority that the numbers don't stack up.</i>
NO	<i>No comments at this time but will have comments to make on this in the near future.</i>
YES	<i>As a pensioner I would like to express my deep gratitude for the help I receive</i>
DON'T KNOW	<i>I am on universal credit & low rates of both parts of PIP myself & I only just able to currently pay all my monthly bills & food for the month, so if I had to pay for council tax myself, that would end up coming out of my already stretched food budget for the month. As the cost of living crisis has increased my bills & how much I now have to pay for food, that I already had to make cuts to stuff each month & I just can't cut anything else Now other than food bill which will mean me only eating every other day or so. As I am currently only able to afford to eat one meal a day at the moment.</i>

Appendix 3: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme – Public Consultation Responses

YES	<i>As long as disability payment are not used, as i have heard they should not but are being</i>
YES	<i>I am not happy with the amount of calculations. I have had 6 different council tax calculations this year, and even paying montly i still receive new calculations saying I owe more, which cant possibly afford. From march to now my council tax has increased 200%, getting use to life not on benefits is hard enough, all this is massively increasing my anxiety.</i>
no response	<i>I was told to put move money into my pension scheme. I did, to have a happy retied but it all goes to pay gas, electr, council bills - that o.k but we have a your generation that do not pay anything but pension have to pay because they save up for a happy retierd. I like to thank Lincolnshire Council fo help and understand with me and my council tax. God bless Mrs Parker yours sincerely B</i>
NO	NO
YES	<i>don't think the £6k capital limit should be increased to £16k. If someone has that level of capital they should be ablr to pay their way towards public services. This is the same as removing the cap of band B. It their choice to live in higher band and should therefore have calculated the cost in living in these house. It is unfair for those in lower band to be subsidising them in some way. If the above is approved how much are you expecting the increase in the take up of CTS? Regarding the removal of residency check, how can you mitigate multiple claim of a person owning various properties especially if the council tax is not paid by tenant or they have a number of vacant properties. Also, foreign nationals should not be entitled in claiming from public funds that supposed to be for local residents.</i>
DON'T KNOW	<i>do not agree that vulnerable and sick should be in this new banding scheme or any banding scheme. The poor are already struggling i do not understand why you would want to look at sick adults as making them worse off would harm there mental health and in turn more suicide. I agree with only the first and eight.</i>
DON'T KNOW	<i>Plese help who is financially facing hardship.</i>
YES	<i>Low income households should not pay council tax</i>
YES	<i>People on Industrial Injury Benefit should also have extra protection and that source of income should be disregarded. ALso, I do not agree that you should remove earnings disregards</i>
YES	<i>I'm not sure exactly how the current scheme operates, however, this banded scheme seems to make it very clear where a person stands in terms of the discount they can expect to receive (if any) concerning their Council Tax. Of course, if this change represents a disadvantage to residents or those who are working age, then I am not in favour. However, I DO support the creation of a situation where those who reasonably have the means to pay something towards their Council Tax (if not, all of it) then they should pay as a matter of principle to contribute fairly to the society we live in and to help uphold it for the better</i>
yes	<i>It has been a great help not paying council tax now that I'm disabled so thank you for your support over the last 4 years since I had an accident</i>

Lincolnshire County Council email response to Localised Council Tax Support 2024/25 consultation

Ref: AC/AH

Date: 15 November 2023

Dear Jaclyn,

SUBJECT: LCC RESPONSE TO NKDC CONSULTATION ON PROPOSED COUNCIL TAX SUPPORT SCHEME FOR 2024/25

Thank you for your email, received on the 4 October 2023, inviting Lincolnshire County Council to take part in the consultation of the proposed Council Tax Support Scheme changes for 2024/25.

In respect of council tax income, Lincolnshire County Council is a major precepting authority which receives approximately 72% of council tax raised in City of Lincoln (based on published 2023/24 data). As a major preceptor, any changes to the scheme proposed by the district can have a significant impact on the council tax income received by Lincolnshire County Council.

The option to introduce a banded scheme for all working age customers is consistent with the steps that other local authorities have taken, and would be expected to lead to benefits such as in administration as a result of a simplified scheme.

In order to understand the potential financial impact of any change, it is always preferable for analysis of impact to be available and shared. This has not been available during the consultation period. During engagement with officials from City of Lincoln Council, we have received assurance that one of the key principles behind the change is to keep the total cost of the scheme 'broadly' in line with the current position.

Lincolnshire County Council is supportive of this principle, and on the basis that the banded scheme option is consistent with this principle, Lincolnshire County Council is supportive of the proposed change.

County Offices, Newland
Lincoln LN1 1YL
www.lincolnshire.gov.uk

Once again, thank you for inviting the Council to take part in the overall consultation. Should you require any further information or wish to discuss the contents of this letter further, please feel free to contact me.

Yours sincerely



Andrew Crookham
Deputy Chief Executive & Executive Director of Resources

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Lincolnshire Police & Crime Commissioner email response to Localised Council Tax Support 2024/25 consultation



**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: 16th November 2023
Our Ref: JF/ch/2023-1378

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

CONSULTATION ON PROPOSED COUNCIL TAX SUPPORT SCHEME FOR 2024/25

Thank you for your letter of 4th October in which you seek views on City of Lincoln Council's proposed Council Tax Support Scheme for 2024/25.

I note that two options are being consulted upon:

- Option 1: No change to the current scheme;
- Option 2: Introduction of a 'banded scheme' for all working age customers

In terms of Option 2, key objectives are to move towards a scheme that is more adaptable to Universal Credit regulations and to provide clarity to customers as to their entitlement to Council Tax Support. I note that detailed modelling on the specific criteria to be applied and the resulting financial impact of the scheme on both customers and the collection fund are still being modelled. However, in principle, the PCC is supportive of proposals which simplify the scheme subject to minimal impact on overall council tax receipts. Simplification is both beneficial for customers and likely to lead to efficiencies in administering the scheme.

Thank you for giving us the opportunity to comment.

Yours sincerely

Julie Flint
Chief Finance Officer

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**Appendix 6: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme –
Equality Impact Assessment**

Equality with Human Rights Analysis Toolkit



SECTION A

Name of policy / project / service	Council Tax Support Scheme 2024/25
Background and aims of policy / project / service at outset	<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 1st April 2024.</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 (EIA).</p> <p>This EIA makes reference to data derived from the current Council Tax Support caseload.</p> <p>Formal consultation commenced on 2nd October 2023, utilising a combination of the Council's website, press releases, social media and letters issued to those in receipt of Council Tax Support directing the public to the on-line consultation documents, as well as potentially interested organisations such as Citizens Advice, and other Council Tax major precepting authorities.</p> <p>The level of changes to the current scheme are not yet known but the individuals / groups impacted by the selection of changes are being identified through ICT systems.</p> <p>Each of these are being considered in relation to how the changes might differently and / or adversely affect people with protected characteristics.</p> <p>The EIA assesses our approach to consultation on the proposed scheme and will be added to during and following the results of this consultation. The consultation will be monitored with information used to develop the draft scheme.</p>
Person(s) responsible for policy or decision, or advising on decision,	Martin Walmsley, Assistant Director – Shared Revenues and Benefits

**Appendix 6: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme –
Equality Impact Assessment**

and also responsible for equality analysis	
Key people involved <i>i.e. decision-makers, staff implementing it</i>	<ul style="list-style-type: none"> Decision Makers – City of Lincoln Members, and Executive Staff implementing any changes

SECTION B

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

44	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 (working age).</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. Working age claimants with younger children under 5 are more likely to be unemployed or work part-time hours (and are mostly female), therefore childcare costs could be a barrier to employment. However, the current Council</p>	Yes	<p>Action dependant on outcome of consultation and Executive recommendation on 2nd January 2024</p> <p>With effect from 1st April 2024</p>

**Appendix 6: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme –
Equality Impact Assessment**

				<p>Tax Support scheme takes childcare costs up to a certain level into account, also Universal Credit takes account of childcare costs in the assessment of entitlement.</p> <p>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 the Council Tax Support scheme unless they are a non-dependent in the householder's home.</p>		
45 Disability including carers (see Glossary)	Y	Y		The Department for Work and Pensions states that disabled people are less likely to be in employment. Proposals will be carefully considered in relation to this group.	Yes	<p>Action dependant on outcome of consultation and Executive recommendation on 2nd January 2024</p> <p>With effect from 1st April 2024</p>
Gender re-assignment			Y	This does not have any effect on the decisions made under this policy.	N/A	
Pregnancy and maternity			Y	This does not have any effect on the decisions made under this policy.	N/A	
Race			Y	<p>Neither race nor ethnicity itself have any effect on the application of the scheme.</p> <p>Council Tax Support is proposed to be considered to potentially affect all working age customers.</p>	N/A	

**Appendix 6: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme –
Equality Impact Assessment**

Religion or belief			Y	There is no evidence at this stage of an impact in relation to religion or belief	N/A	
Sex			Y	This does not have any effect on the decisions made under this policy.	N/A	
Sexual orientation			Y	This does not have any effect on the decisions made under this policy.	N/A	
Marriage/civil partnership			Y	This does not have any effect on the decisions made under this policy.	N/A	
Human Rights (see page 8)			Y	This does not have any effect on the decisions made under this policy.	N/A	

- 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?
	Y	Further modelling is taking place in relation to impacts of a working age banded scheme.

**Appendix 6: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme –
Equality Impact Assessment**

**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 | [x] |
| ✓ Adverse Impact but continue (record objective justification for continuing despite the impact)-complete sections below | [] |
| ✓ 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)

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.

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.


If a banded scheme was to be implemented, detailed testing of impacts on groups will be fully considered.

When and how will you review and measure the impact after implementation?*

The policy and Council Tax Support 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.

The Council continually analyses its Council Tax Support 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.

**Appendix 6: 2nd January 2024 – Executive - City of Lincoln Council – Council Tax Support 2024/25 Scheme –
Equality Impact Assessment**

Checked and approved by responsible officer(s) (Sign and Print Name)		Date	
Checked and approved by Assistant Director (Sign and Print Name)	 Martin Walmsley	Date	15 th September 2023.