

## EXECUTIVE

**Monday, 20 January 2025**
**6.00 pm**
**Committee Room 1, City Hall**

Membership: Councillors Naomi Tweddle (Chair), Donald Nannestad (Vice-Chair), Bob Bushell, Rebecca Longbottom and Joshua Wells

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

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## A G E N D A

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1. Confirmation of Minutes - 6 January 2025	<b>3 - 8</b>
2. Declarations of Interest	
Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
<b>INCLUSIVE ECONOMIC GROWTH</b>	
3. Charterholme Delivery - Eastern Access and First 52 Homes (ONE@CHARTERHOLME)	<b>9 - 20</b>
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4. Draft Medium Term Financial Strategy 2025-2030	<b>To Follow</b>
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8. Exclusion of the Press and Public

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

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

These items are being considered in private as it is likely that exempt information may be disclosed, as defined in Schedule 12A of the Local Government Act 1972. No representations have been received in relation to the proposal to consider these items in private.

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**SECTION B**

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**CUSTOMER EXPERIENCE, REVIEW AND RESOURCES**

9. Leasing of Beaumont Manor

[Exempt Para 3]

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**REMARKABLE PLACE**

10. Leisure Services Contract Update

[Exempt Para 3]

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**Present:** Councillor Naomi Tweddle (*in the Chair*),  
Councillor Donald Nannestad, Councillor Bob Bushell,  
Councillor Rebecca Longbottom and Councillor  
Joshua Wells

**Apologies for Absence:** None.

**62. Confirmation of Minutes - 9 December 2024**

RESOLVED that the minutes of the meeting held on 09 December 2024 be confirmed and signed by the Chair as a true record.

**63. A Minutes Silence in Memory of Councillor Sue Burke**

Executive observed a minute's silence in memory of the recent passing of a much loved Councillor colleague, Councillor Sue Burke. Tributes were made to her work as Portfolio Holder for Reducing Equality in her role as an Executive Member, as former Mayoress of Lincoln, and her tireless dedicated work as a Ward Councillor and a strong advocate for the City and its residents. Her warmth and empathy touched many lives. She would be greatly missed.

**64. Declarations of Interest**

No declarations of interest were received.

**65. Collection Fund Surplus/Deficit - Council Tax**

Purpose of Report

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 2024/25.

Decision

That the action of the Chief Finance Officer in declaring a Council Tax deficit of £400,924 for 2024/25, to be distributed in 2025/26 be confirmed.

Alternative Options Considered and Rejected

None. Prior to setting the Council Tax for 2025/26 the City Council was required to estimate whether there was to be a surplus or deficit on Council Tax element of the Collection Fund for the current financial year (2024/25).

Reasons for the Decision

The Council would declare a deficit on Council Tax £400,924 for the financial year 2024/25, with the City Council's share being £56,359, to be distributed in 2025/26.

As a Council Tax Billing Authority, the City Council was required to estimate whether there was 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

was 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.

The Council was required to declare any surplus or deficit during January of each financial year and once approved had 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.

Based on the forecast position of the in-year Collection Fund as at 31 March 2025 and taking into account an adjustment for the difference between prior year estimates compared to the actual outturn it was estimated that there would be a deficit of £400,924 on the Council Tax element of the Collection Fund in 2024/25, distributed as follows in 2025/26:

	£
City of Lincoln Council	56,359
Lincolnshire County Council	288,897
Police & Crime Commissioner	55,668
<b>Total</b>	<b>400,924</b>

## **66. Council Tax Base 2025/26**

### Purpose of Report

To seek the Executive's recommendation to the City Council of the Council Tax Base for the financial year 2025/26.

### Decision

That it be recommended to the Council that:

- a) It be noted that there were 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) The Chief Finance Officer's calculation of the Council Tax Base for the financial year commencing 1 April 2025 and ending 31 March 2026, as set out in Appendix B of the officer's report be approved;
- c) In accordance with the Chief Finance Officer's calculation, and pursuant to the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended), that the Council Tax Base for the 2025/26 financial year be 25,764.25.

### Alternative Options Considered and Rejected

None. The Local Government Finance Act 1992 and Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) required the Council to formally set its Tax Base as the first stage of the Council Tax setting process.

### Reasons for the Decision

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 were any items of expenditure that related to one part of the local authority area, then that expenditure could be levied on those residents in that area and not on others. There were no items of special expenditure for the 2025/26 financial year.

The calculation of the Council Tax Base, was based upon the number of dwellings on the Valuation List, provided by the Government's Valuation Office. The figures were adjusted for exempt dwellings and for dwellings subject to disabled reduction. The number of chargeable dwellings in each band was further adjusted for discounts, exemptions, premiums, and Council Tax Support. The resultant figure was the total equivalent number of dwellings which were then converted using ratios into the number of Band D equivalents. For 2025/26, the equivalent number of Band D properties was calculated at 26,161.52.

The Council Tax Base was finally determined by multiplying the sum of the Band D equivalents by the Authority's estimated collection rate, which had been assumed at 98.25% for 2025/26. This was the estimate of the percentage of the 2025/26 Council Tax set which would be collected in total, and not the expected in-year collection rate in 2025/26. In addition, a final adjustment in respect of Crown properties was made. This resulted in a proposed Council Tax base for 2025/26 of 25,764.25.

Section 77 of The Levelling-Up and Regeneration Act 2023 provided a discretionary provision to the Local Authority to raise a Council Tax premium of no more than 100% on second homes. 'Second homes' were not defined with the Council Tax legislation and the properties that were the subject of a premium were dwellings where:

- a. There was no resident of the dwelling, and
- b. The dwelling was substantially furnished.

A list of exceptions had also now been provided by Central Government.

A resident in relation to the dwelling meant an individual who had their sole or main residence in the dwelling.

Full Council approved (in February 2024) to introduce this premium for City of Lincoln Council from 1 April 2025 (as 12 months' notice to existing owners of second homes was required).

An estimate of the impact of this premium had been included in the calculation of the proposed 2025/26 Council Tax Base.

## **67. Statement of Accounts 2023/24**

### **Purpose of Report**

To present for information the final Statement of Accounts for the financial year ended 31 March 2024, following substantial completion of the audit opinion.

### **Decision**

That following scrutiny of the statement of accounts for the financial year ended on 31 March 2024, the Statement of Accounts be recommended to Council on 21 January 2025 for approval.

#### Alternative Options Considered and Rejected

None.

#### Reasons for the Decision

The Statement of Accounts for 2023/24 provided a comprehensive picture of the Council's financial circumstances and had been compiled to demonstrate probity and stewardship of public funds.

The Council was statutorily required to publish its draft Statement of Accounts for 2023/24 by 31 May 2024 with an audit opinion and certificate by no later than 28 February 2025.

The Statement of Accounts for 2023/24 were still subject to verification by External Audit. The audit of the accounts was being finalised by KPMG, who commenced the audit in July 2024. The majority of the audit work had now been completed, however, should any changes be necessary as a result of this final external work, these would be reported to the Chair of the Audit Committee with any material changes notified to the Audit Committee.

The Council made the statement of accounts available for public inspection for the 30 working days, between 3 June until 12 July 2024, during which time, the external auditor was available to answer questions, although none were received.

During the completion of the external audit there were four misstatements above the threshold level of £100k, of these two misstatements had been amended in the final version of the Statement of Accounts. The unadjusted misstatements related to a valuation of a Council property that was deemed "optimistic" and the treatment of a historic transaction agreed by the Council's previous auditors. If there were any further misstatements identified as part of the completion of the external audit work, these would be reported to this Committee.

The Audit Completion Report also provided a number of recommendations around internal controls that management had made comment on.

The Council was also required to provide a documental annual review of the effectiveness of its governance arrangements (Annual Governance Statement (AGS)), which sat alongside the Statement of Accounts; the overall level of assurance provided in 2023/24 was substantial (green) and was in line with the Council's Code of Corporate Governance. There were no significant governance issues that were identified for inclusion in the 2023/24 AGS.

### **68. Localised Council Tax Support Scheme 2025/26**

#### Purpose of Report

1. To provide information regarding the outcome of consultation regarding 2025/26 Council Tax Support Scheme (CTS) options.

2. To propose a recommended option for a Council Tax Support Scheme for the 2025/26 financial year, which must be approved by Council before 31st January 2025.

### Decision

- (1) That the content of the report, taking into consideration the responses received as part of the consultation be noted.
- (2) That a 'no change' to the core Council Tax Support scheme for 2025/26, as set out in Section 4 of the officer's report, subject to the technical amendments described in paragraph 5.3 be approved.
- (3) An Exceptional Hardship Fund of £25,000 to be available, for the financial year 2025/26, be approved.

### Alternative Options Considered and Rejected

While the Policy Scrutiny Committee and major preceptors supported the implementation of a banded scheme, a key factor (that was unconfirmed at the time the options were proposed) was whether the Council's software supplier, could accommodate the changes being proposed within the timescales required. While the software supplier had developed a banded scheme module for the Council, due to the later than anticipated timescale at which this module was first made available for testing – and the considerable work identified as still being required to deliver a robust banded scheme option for 2025/26, - the Council was not in a position to be sufficiently satisfied to recommend a banded scheme for implementation in 2025/26. However, work would continue in coming months so this may become a potential option for consultation in respect of a 2026/27 Council Tax Support scheme.

### Reasons for the Decision

The council tax benefits system had been abolished by the government on 31 March 2013 and replaced by the Council Tax Support Scheme, which could be determined locally by the City of Lincoln Council, as the billing authority, after consultation with precepting authorities, key stakeholders and residents.

As at 31 October 2024, there were 8,119 residents claiming Council Tax Support in Lincoln, with 2,515 of these as pensioners protected under the legislation and receiving Council Tax Support, as prescribed by the Government, broadly similar to the level of Council Tax Benefit.

It was the 5,604 working age (including those classified as 'vulnerable' for CTS purposes) claimants, where a local scheme could be determined which could change the level of support provided. The split of the 5,604 working age CTS recipients was 3,399 working age (vulnerable) and 2,205 working age (not vulnerable)

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 had changed in light of increasing scheme costs and budget pressures.

Unless a decision was made by Council to apply scheme changes to vulnerable working-age claimants, the localised CTS scheme would historically only be applied to non-vulnerable working age claimants.

**69. Exclusion of the Press and Public**

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

**70. Housing Repair Service Back Office Restructure**

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.

**71. New Payment Infrastructure at Central Car Park**

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.



<b>SUBJECT:</b>	<b>CHARTERHOLME DELIVERY – EASTERN ACCESS &amp; FIRST 52 HOMES (ONE@CHARTERHOLME)</b>
<b>DIRECTORATE:</b>	<b>MAJOR DEVELOPMENTS</b>
<b>REPORT AUTHOR:</b>	<b>JO WALKER – ASSISTANT DIRECTOR, WESTERN GROWTH CORRIDOR</b>

## **1. Purpose of Report**

- 1.1 To provide an update on the delivery of the Eastern Access, including the rail overbridge, and the agreements which are in place with Network Rail and Lincolnshire County Council.
- 1.2 To provide an update on the development of the first 52 homes and to set out options for the management of the residual public open spaces within this phase.
- 1.3 To outline the ongoing work with partners in relation to the detailed design of the site wide infrastructure and the prospective funding arrangements to support its delivery.

## **2. Eastern Access**

- 2.1 In July 2024, conditional approval was granted by the Executive to progress with the delivery of the eastern site access from Tritton Road, with the works to include a vehicle and multi-user bridge oversailing the railway line.
- 2.2 This decision was subject to final approval of the technical designs and legal agreements being in place with Network Rail (NR) and Lincolnshire County Council (LCC) to set out the arrangements for the construction, adoption, maintenance and the granting of rights in respect of the resulting infrastructure.
- 2.3 At the time of the decision, negotiations were still underway with both NR and LCC in order to finalise a position in respect of future liability for costs, should the bridge require modifications to accommodate longer-term changes to the railway. The City Council was originally asked to indemnify both LCC and NR against any claim for future costs in perpetuity. A detailed risk assessment was carried out at the time and whilst the likelihood of a claim was considered to be very low (as a result of design mitigations, land ownership arrangements and further statutory controls), the potential magnitude, however unlikely, was still a significant concern.
- 2.4 A solution was brokered following further dialogue with LCC, such that the County Council agreed to accept this liability clause from the point of adoption, thereby limiting the City Council's exposure to this particular obligation, to the construction phase only.
- 2.5 As such, the City Council and Lincolnshire County Council were able to enter into their respective 'bridge agreements' with Network Rail to cover the arrangements for the construction and adoption of the resulting asset in September 2024.

- 2.6 For its part, the City Council has entered into an Outside Party Asset Protection Agreement (OPAPA) with Network Rail to cover the construction of the bridge structure and a small parcel of land to the west of the railway is being transferred from Network Rail to allow for the building of the bridge and associated drainage culvert. The OPAPA and the land transfer also covers the grant of rights across the airspace. An Option Agreement has also been agreed in outline to cover the arrangements for the building of future bridges as envisaged within the original planning consent for this scheme.
- 2.7 Lincolnshire County Council has entered into a Structures Agreement with Network Rail, which covers an obligation to adopt and maintain the bridge structure on completion of the bridge and associated maintenance period.
- 2.8 Having settled the position with LCC and NR, on 17<sup>th</sup> September 2024 the City Council was able to enter into contract with John Graham Construction Limited for the delivery of the bridge and access road. Works are now progressing at pace and to programme, for anticipated completion in March 2026.
- 2.9 Notable progress includes the completion of the haul route across the site; utilities diversions to the east of the railway/Tritton Road; bulk earthworks in building up the embankment to the east and west of the railway, and the installation of the RECO walls to form the bridge abutments east and west of the railway. Bridge beam fabrication is also underway to enable the installation of the bridge across the railway, under possession, from April 2024.
- 2.10 The City Council has also entered into a Section 278 Agreement with LCC which permits carriageway works to the existing highway at Tritton Road to form the bell-mouth and a new signalised junction to serve the site once housing development commences. Additional works to tie in with Tritton Road and Dixon Street junctions is also part of this scope of works.

### **3. Charterholme and First 52 Homes**

- 3.1 In addition to the bridge works, the City Council has now entered into a Development Agreement with Lindum Developments Limited for the delivery of the first 52 homes, following the Executive decision in July 2024 and final approval of the legal drafting and associated finances, in line with that decision.
- 3.2 Works have now commenced on site for the first phase of 19 homes, which are due to be completed in summer/autumn 2025 onwards.
- 3.3 In preparation for the marketing and sale of these first homes, the development site has now been rebranded with the launch of 'Charterholme' in December 2024. The first 52 homes will be known as 'One@Charterholme' for marketing purposes.
- 3.4 By way of further preparation, ahead of housing sales and the delivery of the development over the next 2-3 years, arrangements for the management of the residual green spaces and common areas also need to be determined.
- 3.5 Whilst this first phase can be dealt with on a discrete basis, it is important to consider this in the context of the wider site proposals for green space. Further common areas

and parkland spaces will be created within the future development parcels, in addition to the strategic 'Central Park' in the middle of the site. The design proposals for these spaces will be set out within a design code, with detailed proposals forming part of future planning applications (reserved matters). Whilst the detail therefore is still to be worked through, the principle of creating high quality spaces with a consistent and robust approach to management is accepted by the City Council and adjoining landowner, Lindum, in order to create an attractive place where people want to invest and live.

3.6 The options for phase 1 are broadly:

- to transfer the land into a Management Company, which will ultimately be managed independently of the Council, with costs recovered via a service charge on the new home-owners.
- to retain the land and to manage these spaces directly, utilising existing contractual arrangements or via the procurement of a separate managing agent. Again, the Council has the option of recovering the costs via a service charge.

3.7 At this stage, it is proposed that the Council retains the land. This allows for flexibility to embed the management of the first phase with any future management arrangement to ensure consistency across the development.

3.8 It is also proposed that a service charge is implemented in order to cover these costs. The application of a service charge is commonplace on new developments of this nature and is a mechanism to ensure that quality spaces are maintained. This is particularly important for this gateway site, to set the standards for future phases and given that this phase consists of 100% market homes. It is also considered appropriate to ensure a consistent approach to the funding arrangements for open spaces within the subsequent development parcels.

3.9 If the Council decides to recover the cost of providing services through a service charge, it would typically work as follows. The Council would retain ownership of the land in respect of which management services are to be provided and would not (for now) grant any derivative interest in it. Subject as below, it is not necessary to transfer the land to a separate management company. The services to be provided would include grounds maintenance and street lighting for the areas retained – note that the street lighting on the adopted highway will be the responsibility of Lincolnshire County Council, as highways authority.

3.10 Administration would be managed and co-ordinated through the Directorate of Major Developments (DMD) in conjunction with other Council services, or via the procurement of a managing agent.

3.11 The provision of management services as described in this report falls within the Council's general power of competence in the Localism Act 2011. Further, as a discretionary service the Council has powers to charge for such services under section 93 Local Government Act 2003. This is subject to the critical requirement that the level of income is restricted to the amount it costs to provide the services. The Council is not constrained as to how it calculates costs, so it can include the full cost of all aspects of service provision, for example the costs of providing the infrastructure

to provide the services. Further it is lawful to recover, for example, the ongoing costs of Officer time in managing a scheme.

3.12 Trading powers allow the Council to trade commercially – i.e. with a view to profit - but these powers must be exercised through a company. Before exercising the trading power, the Council would be required to prepare and approve a business case setting out the objectives of the business, the investment and other resources required to achieve the objectives, the risks the business might face, the financial results of the business and any other relevant outcomes. If the Council were to provide any resources to the company, such as accommodation, staff or services, it would have to recover the costs of these.

3.13 Given that Phase 1a includes only 52 homes, and so the requirement for management services is relatively small, Officers consider that creation of a company, with governance and audit requirements, is premature. However, if the service charge option is chosen, then depending on lived experience of delivery of management services Officers propose that the Council should retain this as a future possibility for service delivery to Phase 1a and to future stages of the overall development. Any such proposal would be subject to appropriate consultation, necessary authority and preparation of an appropriate business plan to include an evaluation of risk.

3.14 The Council's development partner for this first 52 homes, Lindum Developments Limited, is responsible for settling conveyancing documentation for plot sales. This includes obtaining estate layout approval from HM Land Registry. If the service charge option is selected, the standard plot sales documentation will include a mechanism for collection.

3.15 The estimated maintenance and management costs for the retained areas are in the region of £13,000, equating to an estimated charge per plot of £250 per annum. This level of service charge is in line with other developments of a similar scale.

3.16 Conveyancing documentation would provide for the Council:

- to prepare a budget with an estimate of the annual charge, on an ongoing basis, to coincide with the Council's financial year. The budget would include a reserve and contingency element so as to fund any unforeseen issues and would be subject to inflationary increases;
- to recover an on-account payment to the end of the financial year as an interim payment as part of the sums due on completion;
- to collect service charge annually, with half-yearly payments due from plot owners;
- to charge interest and collection costs on overdue payments;
- to have the benefit of a restriction on individual plot titles such that a plot owner would require a certificate from the Council to dispose of their interest, in order to ensure a means for recovery of unpaid charges. This would be postponed to a purchase money mortgage, in accordance with mortgage lender requirements, and is common in structures of this nature;
- to roll forward any surplus or shortfall and to offset it against or charge it to the following year's budget;
- to have the ability to transfer the operation into a trading company, whether owned by the Council or not. Any such proposal would be subject to detailed

evaluation, business planning, and consultation with plot owners at the appropriate time;

- to establish a consultative committee for plot owners and residents to enable residents to have their say on how maintenance services are provided on an annual basis.

3.17 Any service charge arrangements would be transparent for plot owners. This is important to ensure that there is no trading profit (and therefore lawfulness), and also for reputational purposes – Officers are acutely aware of service charge sensitivities.

3.18 The above proposed arrangement is considered to be a fair and transparent way to manage the common areas to a high standard, retaining Council control and allowing for future flexibility as the development progresses, whilst providing certainty of exposure for homeowners.

3.19 A further report to Executive will be presented in due course to set out the site wide management arrangements, once the design and scope for the central green area is further developed and the design parameters for the development parcels has been crystalised, alongside the funding arrangements for the delivery of the site wide infrastructure.

#### **4. Site Wide Proposals**

4.1 As set out in previous reports, Officers are continuing to work with partners such as Homes England to seek to secure a further funding package to support the delivery of the wider site infrastructure such that the Council can maintain its role as master developer and deliver fully serviced housing sites to the market, for third party development or for the direct delivery of its own Council housing stock.

4.2 In support of this process, work is ongoing to progress the design of key infrastructure, such as the spine road, including the earthworks and drainage. Further work is ongoing on the masterplanning and the detailed design codes that will form the basis of our housing development requirements. Finally, technical support has been commissioned to advise on the highway and planning requirements and how these can be appropriately dealt with in a reasonable and proportionate way, without undermining our ability to deliver quality housing and place-making to create the Charterholme community.

4.3 It is expected that the designs for the proposed spine route will be ready for submission to the Local Planning Authority (LPA) by March 2025, following a collaborative design process over the past several months. An updated Drainage Strategy has also been completed and the wider masterplanning and design coding work is also expected to complete in March 2025. Officers are also working with appointed infrastructure contractor, John Graham Construction, to review the delivery plan for the eastern spine route and development platform, such that the Council would be able to proceed with delivery following completion of the bridge works and subject to securing the required capital grant to allow for the forward funding of this work, ahead of parcel/housing receipts.

4.4 In this regard, a full business case for funding is being prepared for completion this Spring, with a decision expected in Summer 2025. A further report will be tabled to

update on the design and funding proposals once there is more information to present.

## **5. Strategic Priorities**

### **5.1 Let's drive inclusive economic growth**

The proposals in this report will enable the development to progress and create further opportunities for housing growth, contributing directly and indirectly to the economic growth of the city.

The creation of the access to the east and the prospect of future funding will provide the opportunity to deliver a connecting spine route thereby opening up the full potential of the site and resulting opportunities to support sustainable economic growth.

### **5.2 Let's reduce all kinds of inequality**

The development will bring a number of positive benefits in respect of reducing inequality and supporting inclusive growth through the provision of affordable housing, sustainable transport links and wider energy efficiency measures, employment opportunities and access to leisure and green spaces.

### **5.3 Let's deliver quality housing**

The first 52 quality homes are underway. The delivery of the Eastern Access will directly open up the land within the ownership of the City Council and forming part of the Western Growth Corridor site. This will provide the opportunity for the delivery of a range of housing across all types and tenures to serve the needs of the City. The Council will be ensuring that a high quality of development is achieved, in line with its objectives and wider vision statement to create sustainable, inclusive communities.

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

The area for development has a high-quality environment and some very special attributes in terms of existing quality landscape, views of the historic area and the biodiversity of the natural environment that will be utilised to create a quality community environment. The detailed development proposals for both the infrastructure and subsequent housing development will be required to take account of these assets and to seek to preserve key landscape features and to enhance biodiversity across the site.

The proposal for the first 52 homes will safeguard the quality of the environment at this gateway site to set the standards for the subsequent development.

### **5.5 Let's address the challenge of climate change**

The vision for Charterholme is to deliver a high quality, sustainable development which seeks to address the challenge of climate change in terms of the overall scheme design and its constituent parts – housing layout and built form, energy, biodiversity, transport and construction methodology.

In respect of the Eastern Access, the value engineering and design process is seeking to improve the overall design, to reduce the quantum of material to be used and to seek to source this sustainably. The opportunities identified to date will realise a 50% reduction in fill material, with greater potential still to be explored leading to significant carbon (and cost) efficiencies. A sustainability report assessment is being carried out to compare the previously-approved bridge solution to the current proposal.

In respect of the first phase of housing, a sustainability report has been provided which demonstrates that the proposals will deliver a scheme which will produce 87% less carbon than a standard building regulation compliant scheme. The proposals will go further than this, exceeding the proposed Future Homes Standard for development.

This demonstrates the Council's commitment to leading the way in the delivery of a new standard of housing, which is differentiated from the existing market offer and a positive and significant step towards the delivery of net zero development.

## **6. Organisational Impacts**

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

#### **First 52 Homes**

Projected costs for the management of the retained spaces are in the region of £13k per annum. These costs should be set out within a service charge schedule and apportioned and recovered from the new property owners. A separate earmarked reserve will be established to roll forward any surplus or shortfall arising each year, as a result there should be no impact on the Council's revenue budgets.

Based on the potential Council Tax banding of the first 52 homes, the projected additional Council Tax revenue is estimated to be c £13k p.a (this is the City Council's share only). While this would fund the cost of delivering the management services, the Council's Medium Term Financial Strategy is based on assumptions of growth in housing numbers and Council Tax each year, as a result an element of the c£13k p.a. is already built into the budget forecasts and is not additional resource.

Applying a service charge for the management of the retained spaces will therefore ensure that the Council is able to recharge the additional costs it will incur.

#### **Network Rail Land/Rights**

The funding for the main bridge rights and land transfer was detailed in the report to Executive on 22<sup>nd</sup> July 2024. There are no further financial implications arising as a result of this report.

### **6.2 Legal Implications including Procurement Rules**

The provision of management services as described in this Report falls within the Council's general power of competence in the Localism Act 2011. Further, as a discretionary service the Council has powers to charge for such services under section 93 Local Government Act 2003. This is subject to the critical requirement that

the level of income is restricted to the amount it costs to provide the services. The Council is not constrained as to how it calculates costs, so it can include the full cost of all aspects of service provision, for example the costs of providing the infrastructure to provide the services. Further it is lawful to recover, for example, the ongoing costs of Officer time in managing a scheme. The proposal is cost-neutral to the Council, and the scheme would be self-sustaining on an ongoing basis.

### **6.3 Equality, Diversity and Human Rights**

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

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

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

The detailed design process for the bridges, homes and wider site masterplanning has and will continue to have due regard to the above objectives, in conjunction with the wider legislation which must be adhered to in connection with the design and delivery of highway and development projects.

Additionally, the implementation of a service charge has been considered in respect of the level of affordability, commensurate with other, similar private sector schemes and in order to ensure VfM and transparency.

### **6.4 Human Resources**

A combination of internal Officers and specialist external advice has been procured to support the delivery of the scheme. Further resources will be required to deliver the wider scheme, which will be subject to future funding decisions as noted in this report.

### **6.5 Land, Property and Accommodation**

#### **First 52 Homes**

The land which is not to be conveyed as part of the 52 plot sales, and which sits outside of the limits of adoption by the Local Highways Authority/Water Authority, is proposed to be retained and maintained by the Council, with costs recovered under service charge.

#### **Network Rail Land/Rights**

As reported in July, the Council is acquiring a small parcel of land from Network Rail to allow for the bridge construction and the culverting of an existing ditch. Additionally, Network Rail have granted the Council 'air rights' across the railway for this bridge.



## 6.6 Corporate Health and Safety Implications

A Health & Safety assessment has been undertaken in respect of the contractor selection process, to ensure compliance with the Council's Control of Contractors procedure.

A Principal Designer (PD) has been appointed in respect of the homes and also the Eastern Access to ensure compliance with Construction Design & Management (CDM) Regulations 2015.

## 7. Risk Implications

- 7.1 A risk register is in place for the delivery of the Eastern Access and the first 52 homes, where the Council is leading delivery, which includes:

### **Financial – ability to deliver the project within budget:**

Early contractor engagement is underway to review design and value engineering opportunities, there is a fully costed risk process and risk register in place with key risks such as weather and ground transferred to the contractor. Further risks are mitigated through the enabling works package. Contingency allowances and arrangements are in place for the deferral of fees to provide a further contingency buffer. Future funding opportunities are being pursued to allow for wider risk management. Land value uplift (to the HRA) arising from the delivery of the bridge provides further mitigation.

### **Financial – funding and risk of claw-back:**

Regular dialogue and monitoring with DfT; discussion and understanding of need to undertake early work to determine deliverability; agreement to principle of flexibility and redistribution of match funding between financial years so that LUF funding is utilised first; approval of the change in scope to remove the footbridge (for now).

### **Financial – funding and risk of non-payment of partner contributions**

The Council currently has a Parent Company Guarantee in place with Lindum Group to mitigate risks under the development agreement for the first 52 homes and bridge works.

### **Financial – liability for future costs in respect of the maintenance period or future requirements from Network Rail**

The Council has transferred risks as far as possible within the contract for works and via the Structure Agreement between LCC and NR to mitigate risks as far as possible.

### **Programme – ability to deliver the project to programme:**

Utilising compliant framework for procurement, early contractor engagement to establish feasibility and deliverability, detailed programming, contract provisions to reduce client risk, fully costed risk register and programming contingency to allow for some float, early assessment and booking of key dates relating to possessions over the railway.

### **Resource – capacity and expertise to deliver:**

Experienced, specialist civils contractor to lead on design and build basis, external project manager/cost consultant to oversee, support client and provide due diligence;. Support from internal qualified and experienced Solicitor on all legals, an internal

experienced Construction Manager on operational aspects, and appropriate supervision throughout.

**Key risks and mitigations in respect of the delivery of the Phase 1a Homes include:**

**Scheme viability and ability to fund/finance** – phasing the scheme, option not to continue beyond phase 1 in the event of market failure;

**Funding clawback** – Council has drawn down full Local Authority Accelerated Construction funding allowance and is in regular dialogue with Homes England as part of the ongoing monitoring requirement to discuss changes to the delivery programme;

**Scheme delay/increase in costs** – full review of cost provisions, including inflationary allowances; fixing costs/programme parameters to reduce risk to the Council; dedicated project manager/QS, contract provisions and contingencies;

**Market conditions impacting house prices and land value return** – delivery mechanisms to share risk/return, control of build-out programme, phasing and contract provisions;

**A further risk to the overall delivery is the Site wide viability** - whereby costs exceed the projected returns that can be derived from the site as a whole. This is on the basis of the additional, significant infrastructure and abnormal costs, coupled with a market down-turn which is depressing current values. The key mitigation is to continue pursuing additional external funds in combination with reducing risk through the design development process to increase the potential commercial return in addition to affordable housing delivery, in collaboration with strategic partners, particularly Homes England.

## **8. Recommendations**

- 8.1 To note the progress with the delivery of the Eastern Access and the provisions that have been agreed to assist in managing the longer-term risks for the Council.
- 8.2 To approve the proposals for the management of the retained areas in respect of the first 52 homes, namely that these are retained by the Council and a service charge is levied as set out within this report.
- 8.3 To note the work towards a potential future funding package to support accelerated delivery.

**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:**

**Lead Officer:** Kate Ellis – Strategic Director of Major Development  
Email address: [kate.ellis@lincoln.gov.uk](mailto:kate.ellis@lincoln.gov.uk)

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**SUBJECT:                    COLLECTION FUND SURPLUS/DEFICIT – BUSINESS RATES**

**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 Business Rates element of the Collection Fund and the surplus or deficit to be declared for 2024/25.

## **2.      Executive Summary**

- 2.1      Prior to setting the Council Tax for 2025/26 the City Council is required to estimate whether there is to be a surplus or deficit on both the Council Tax and Business Rates elements of the Collection Fund for the current financial year (2024/25).
- 2.2      At the Executive meeting on 6<sup>th</sup> January 2025 the Council declared a deficit on Council Tax of £400,924 for the financial year 2024/25, of which it's share was £56,359. The Council will declare a deficit on the Business Rates Collection Fund of £1,560,563 for 2024/25 subject to the confirmation of the Business Rates base by 31<sup>st</sup> January 2025, of which its share is £624,225.
- 2.3      This deficit has primarily arisen due to the in-year and backdated element of Check, Challenge and Appeals against the Ratings Lists.

## **3.      Background**

- 3.1      As a Business Rates Billing Authority, the Council is required by legislation to estimate the surplus or deficit for each financial year on the Collection Fund. Prior to 2013/14 this estimate was only required for Council Tax. However, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention (BRR) Scheme from April 2013, whereby the collection and distribution of business rates is done via the Collection Fund (distribution of business rates had previously been managed nationally). Local Authorities as a result took on an additional level of risk and uncertainty of business rates funding. In a similar way to Council Tax precepts from the Collection Fund business rate precepts are now fixed prior to the start of a financial year and any variations from this realised through the Collection Fund in year are distributed in the following financial years (based on estimated in the following year and actuals in the subsequent year).
- 3.2      The calculation of business rates is based on an estimate of rates 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:
- Business rates base is larger or smaller than originally anticipated (reasons include properties coming off and off the valuation list (e.g. as a result of redevelopments), appeals by businesses to rating valuations.
  - Reliefs and exemptions 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 (for business rates these are Lincolnshire County Council and the Government) of their share of the estimated surplus or deficit.

#### **4. Estimated Surplus/Deficit for 2024/25 – Business Rates**

- 4.1 As at 31<sup>st</sup> March 2025 the Collection Fund is estimated to have a deficit of £585,831 for business rates relating to the financial year 2024/25, the City Council's share of this being £234,332. This deficit has arisen due to a reduction in the gross rates payable in year, primarily due to the removal on appeal of two museums from the Ratings List, and due to the need to increase the provisions for other Check, Challenge and Appeals against the 2017 and 2023 Ratings Lists.
- 4.2 In addition to declaring the estimated 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 2024/25 there is a deficit balance of £974,732 in the Collection Fund relating to previous years, the City Council's share of this being £389,893. This has arisen mainly due to the back dated element of the appeal to remove two museums from the ratings list.
- 4.3 Based on the forecast position of the in-year Collection Fund as at 31<sup>st</sup> March 2025 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 £1,560,563 on the business rates element of the Collection Fund in 2024/25.

#### **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:

	<b>2025/26 £</b>
Business Rates – 24/25 estimated deficit	234,332
Business Rates - prior year's deficit	389,893
<b>Total Deficit Declared for 24/25</b>	<b>624,225</b>

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 2025-30.

This deficit will be a cost to the General Fund in 2025/26 and will be funded from the Business Rates Volatility Reserve, which is held to cushion such fluctuations in Business Rates income. There is currently a balance of £969,134 in the reserve.

## 6.2 Legal Implications incl Procurement Rules

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

## 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 Business rate income and appeals assessments are monitored on a monthly basis and form part of the overall budget monitoring and reporting to Members. However, the volatility in the level of business rate income presents a significant financial risk to the Council which has been heightened due to the current economic environment. This risk along with other key financial risks forms part of the overall risk assessment of the MTFS and in part determines the Council's approach to the level of reserves and balances that it deems prudent to hold.

## 8. **Recommendations**

- 8.1 Executive are recommended to confirm the action of the Chief Finance Officer in declaring a business rates deficit of £1,560,563 for 2024/25 subject to the confirmation of the business rates base by 31st January 2025. Any amendments to the declared deficit will be notified to the relevant preceptors and be included in the Final MTFS 2025-30 to be presented to the Executive 24<sup>th</sup> February 2025.

**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](mailto:Jaclyn.gibson@lincoln.gov.uk)



<b>SUBJECT:</b>	<b>COUNCIL DWELLING AND GARAGE RENTS 2025-26</b>
<b>DIRECTORATE:</b>	<b>HOUSING AND INVESTMENT</b>
<b>REPORT AUTHOR:</b>	<b>JORDAN ALLMOND, HOUSING BUSINESS SUPPORT MANAGER</b>

## **1. Purpose of Report**

- 1.1 To propose an increase to Council rents of 2.7% for dwellings, within the terms of the Government's rent policy for social housing, and 3% for garages, respectively; and to seek approval for the introduction of revised rents from Monday 7 April 2025.

## **2. Executive Summary**

- 2.1 Having considered the impact on tenants and financial pressures the Council has in delivering services, the proposal is to apply a rental increase of 2.7% to dwellings and 3% for garages for 2025-26 financial year as outlined in section four of this report.

The proposed levels of rent for 2025/26 will come into effect from Monday 7 April 2024. Budgeted rental income for the year, subject to approval, will be circa £36,371,680.

Subject to approval:

The average 52-week net rent for Council dwellings will increase by £2.36 per week, across all property and rent types, under the proposed 2.7% increase.

The average 52-week rent for Council garages will increase by £0.27 per week under the proposed 3% increase.

## **3. Background**

### **3.1 Social Rent Setting**

The national Rent Convergence Policy and Social Rent Guidance was introduced in April 2002, the aim of which was for those 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" and is the maximum allowable rent the Council can charge on a social rent property. The City Council

and other social landlords are expected to move the actual rent of a property (which may be different to formula/target rent) to the formula rent over time when a property becomes available for re-let.

As at week commencing 2 December 2024, there were 7,348 properties let on a social rent.

### **3.2 Affordable Rents Setting**

Affordable rents were introduced nationally in 2011 to provide an intermediary level of rent within the social housing sector. They apply to new build and buy back properties.

Affordable rents do not follow the same structure and limitations as target rents above, instead their rents are based on a maximum of 80% of the market rent, would that property have been on the open market. Upon becoming void, affordable rent properties must be revalued under Government Rent Policy and their rent set at no more than 80% of the open market rent, and no lower than the comparable target rent for that property, would it have had a social rent.

As affordable rent properties are revalued when they become void, average rents fluctuate throughout the year dependent upon the private rented sector.

As at week commencing 2 December 2024, there were 441 properties let on an affordable rent.

### **3.3 Garage Rents**

Garage rents are managed as part of the annual fees and charges process. Rent structuring and annual increases are not subject to the Government Rent Standard as in 3.4 below.

### **3.4 Limit on Annual Rent Increases**

Annual increases to housing rents are capped at CPI + 1% per annum for dwelling rents. The CPI figure used is from September of the year prior to the annual increase, with September 2024 being the applicable CPI figure for rent setting for 2025-26.

CPI in September 2024 was 1.7%. Therefore, the maximum housing rents can be increased in 2025-26 is 2.7%.

### **3.5 Self-Financing and Regulation**

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.

The Council's ability to charge rents is governed by the Rent Standard, which is one of the economic standards that the Regulator of Social Housing (RSH) expects providers of social housing to comply with. It sets the requirements around how registered providers set and increase rents for social housing in line with Government policy as set out in Policy Statement on Rents for Social Housing as detailed in 3.1, 3.2 and 3.4 of this report.

The Council has taken a considered approach regarding rental increases to tenants and their households within the last few years, balanced against our need to be financially sustainable and to continue to deliver services. In 2022/2023 a lower increase was approved at 3.6% (compared to a 4.1% maximum) and in 2023/2024 at 6.5% (compared to a 7% maximum) respectively. As the below table demonstrates:

<b>Year</b>	<b>Total limit</b>	<b>COLC Rental increase</b>	<b>Commentary</b>
2020-21	2.7%	2.7%	
2021-22	1.5%	1.5%	
2022-23	4.1%	3.6%	
2023-24	7%	6.5%	7% cap legislated by Government for 2023-24 for current rents, but not target rents which continued to inflate at 11.1%
2024-25	7.7%	7.7%	
2025-26	2.7%	2.7%*	*Proposed

3.6 As at week commencing 2 December 2024 the proportion of our tenants in receipt either Housing Benefit (full or partial) or Universal Credit is:

- 19% (23% previously reported in January 2024) are in receipt of full housing benefit payment.
- 7% (9% previously reported in January 2024) are in receipt of partial housing benefit payment.
- 49% (41% previously reported in January 2024) are in receipt of Universal Credit.
- 25% (27% previously reported in January 2024) do not receive any of the above.

## **4. Proposed 2025-26 Average Rents**

### **4.1 Current Social Rents**

There is a total of 7348 properties that are charged at social rent as at week commencing 2 December 2024.

Property type	Average increase per week (52 wk.)	Proposed Average Rent (52 wk.)	Number of properties
1 bed	£2.08	£79.00	3024
2 bed	£2.32	£88.34	2613
3 bed	£2.56	£97.53	1584
4 bed	£2.73	£103.85	115
5 bed	£2.84	£108.05	4
6+ bed	£3.15	£119.67	8

## 4.2 Affordable Rents

There were a total of 441 properties that are charged at affordable rent as at week commencing 2 December 2024. The below table shows the average increase per property:

Property type	Average increase per week (52 wk.)	Proposed Average Rent (52 wk.)	Number of properties
1 bed	£3.38	£128.55	115
2 bed	£3.59	£136.79	166
3 bed	£3.87	£147.42	124
4 bed	£4.41	£167.64	35
5 bed	£6.18	£234.83	1
6+ bed			None

## 4.3 Garages

An increase in garage rents of 3% is proposed in line with the Authority's general Fees and Charges increase. This would result in an average increase in the rent charged to £9.27 per week for 2025/26 (based on a calculated 52-week charge period), an increase of £0.27 per week.

A review of garage provision is ongoing, and we are committed to a fundamental revaluation of the garage rent structure as part of the wider garage strategy.

## 5. Strategic Priorities

### 5.1 Let's reduce all kinds of inequality

Council house rents remain significantly lower than the rent levels in the private rented sector in the city.

### 5.2 Let's deliver quality housing

The proposed rent levels for 2025/26 recognises the need for a stable financial environment to support the delivery of new homes and increase resources available to maintain existing stock. The Council's 30-year Housing Business Plan commits

the Council to improving our existing housing stock, reduce carbon emissions, build more homes, and improve the environment of estates.

## **6. Organisational Impacts**

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

The proposed rent levels will have the below impact on the current Medium Term Financial Strategy (MTFS):

Approved Budget for Rent 2024/25 - £35,213,060

Current MTFS Budget for 2025/26 - £36,153,200

Current MTFS Budget for 2026/27 - £37,081,760

Current MTFS Budget for 2027/28 - £38,033,480

Current MTFS Budget for 2028/29 - £39,008,940

Proposed Budget for 2025/26 - £36,371,680

Proposed Budget for 2026/27 - £37,396,020

Proposed Budget for 2027/28 - £38,583,470

Proposed Budget for 2028/29 - £39,586,430

Proposed Budget for 2029/30 - £40,729,200

Proposed Budget for 2025/26 - £36,371,680 sees additional income of £1,158,620 against Approved Budget for Rent 2024/25.

Proposed Budgets for 2025/26 – 2028/29 (£151,937,600) would see additional income of £1,660,220 against the Current MTFS Budgets for this period (£150,277,380). This is due to several factors including increase of 2025/26 opening stock numbers, lower forecast Right To Buy sales from 2026/27-2028/29, inclusion of additional day in calculations.

There is no Current MTFS Budget for 2029/30 to compare to as the previous MTFS was set for 2024/25 – 2028/29.

The MTFS and the HRA 30-year Business Plan assumes a rent level increase of RPI + 1% each year in line with rent formula. In the budget planning for 2025/26 an assumption had been made that RPI would decrease, but to a lower level of 3%, a difference of -0.3%. The loss of income associated with this change is circa £105k in 2025/26 and circa £5m across the life of the 30 Year Business Plan (BP). This also assumes a certain level of additions to stock and reductions through the Right to Buy regime.

Note: A zero % increase would reduce yearly rental income by £1.048m in 2025/26 and take approx. £47m out of the HRA BP over the 30-year period.

### **6.2 Legal Implications including Procurement Rules**

There are no legal or procurement implications arising from this report.

### **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

When proposals of rent chargeable on social housing are recommended, they are applied across the board to all properties irrespective of any equality characteristic of the tenant and are applied in line with government policy and legislation.

There are policies that allow tenants to claim monetary assistance to pay their rent, for example Housing Benefit and Universal Credit for such things as age and disability. Thus, there are no direct equality, diversity, or human rights implications in this report.

### **6.4 Human Resources**

None.

### **6.5 Land, Property and Accommodation**

None.

### **6.6 Significant Community Impact &/or Environmental Impact**

None.

### **6.7 Corporate Health and Safety Implications**

None.

## **7. Risk Implications**

### **7.1 (i) Options Explored**

- To increase dwelling rents by 2.7%, and garages rents by 3%, respectively. Including the impact this would have on the forecasting of Housing Revenue Account and 30-year business plan.
- To Increase dwelling rents by 3% in 2025-26, as previously assumed in MTFS. However, this is not possible due to the cap of 2.7% that has been applied to rent increases.

## 7.2 (ii) Key Risks Associated with the Preferred Approach

There are no risks associated with preferred approach.

## 8. Recommendation

- 8.1 To agree the basis of rent calculation for individual Council house rents as set out in paragraphs two and four of this report, which increases dwelling rents by 2.7% for social housing and affordable rents from 7 April 2025.
- 8.2 To increase Council garage rents for 2025/26 in accordance with the proposal in paragraph two above by 3% from 7 April 2025.
- 8.3 To refer this report and recommendations to Full Council on Tuesday 21 January 2025.

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? Yes

How many appendices does the report contain? None

List of Background Papers: None

Lead Officer: Jordan Allmond, Housing Business Support Manager  
Email address: [Jordan.Allmond@Lincoln.gov.uk](mailto:Jordan.Allmond@Lincoln.gov.uk)

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**EXECUTIVE**

**20 JANUARY 2025**

<b>SUBJECT:</b>	<b>EXTRACT FROM PERFORMANCE SCRUTINY COMMITTEE – 05 DECEMBER 2024– PORTFOLIO UNDER SCRUTINY - QUALITY HOUSING</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>ALI HEWSON, SENIOR DEMOCRATIC SERVICES OFFICER</b>

**1. Matter for Executive**

- 1.1 To receive concerns raised by Performance Scrutiny Committee around health statistics in the City, requesting that current health statistics be reviewed together with liaison with the Local MP with a view to receiving suggestions on what improvements could be made locally.

**List of Background Papers:** Performance Scrutiny Committee– 5 December 2024- Minute Extract

**Lead Officer:** Ali Hewson, Senior Democratic Services Officer  
[Alison.hewson@lincoln.gov.uk](mailto:Alison.hewson@lincoln.gov.uk)

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**54. Portfolio Holder under Scrutiny - Quality Housing**

Donald Nannestad, Portfolio Holder for Quality Housing:

- a) advised that performance data for service areas which came under his portfolio covered the Council's own housing stock, regulation of private sector housing and health
- b) highlighted those major changes since his last report had been the Regulator of Social Housing (ROSH) expanding to cover local authorities from 1 April this year and policy announcements by Government since the July General Election
- c) reported that in terms of Government announcements, the changes in Right to Buy would help, however, in the period between the autumn statement and the deadline for applications to be made under the previous system, over 90 applications were received which was the equivalent to the number which would normally be sold in around two years.
- d) presented his report to Performance Scrutiny Committee providing an insight into key activities and achievements during the past twelve months, covering the following main areas:
  - Homelessness
  - Tenancy Services
  - Voids
  - Housing Repairs
  - Housing Investment
  - New Build
  - Decarbonisation
  - Control Centre
  - Private Sector Housing
  - Health
- e) extended his thanks to the team of officers that supported his Portfolio for their hard work, dedication and commitment to supporting the residents of Lincoln
- f) invited members' comments and questions.

**Question:** Why did Park and Carholme wards have the highest number of complaints regarding dis-repair?

**Response:** Complaints were received from private and rented accommodation. Park and Carholme ward were the two wards with the biggest numbers of private and rented properties which was reflected in the number of complaints.

**Question:** Who carried out the inspections of City of Lincoln Council properties?

**Response:** The Council had entered into a contractual agreement with an external contractor to undertake stock condition surveys. A small number of unresponsive surveys would be undertaken by existing City Council employees.

**Question:** What was the Lincoln Home Standard?

**Response:** The Lincoln Home Standard was developed locally by the Lincoln Tenants Panel (LTP) to agree to some enhancement of homes. It was being reviewed in anticipation to decent homes round two which included exploring different floor coverings if a property became void. Local enhancement on decent homes was in the process of being reviewed but wasn't yet complete. A report would be submitted to a future Portfolio Holder meeting on the management of homes for customers.

**Question:** If the inspections were undertaken by a contractor, how much would it cost?

**Response:** To complete and independent 20% stock condition survey of the stock, it would cost around £137,000.

Following a brief discussion on the matter, Gary Hewson, Chair of Performance Scrutiny Committee raised concerns in relation to health in the city and highlighted that every year the statistics showed that regionally and nationally it was very poor.

In response, the Portfolio Holder for Quality Housing explained that there were a number of reasons for this but the main issue was due to the lack of support services and NHS funds. The best way to access information currently was through e-gyms as it enabled officers to measure statistics more closely. There also needed to be improvements through the primary care trusts and mental health services.

The Chair concluded the item, and on behalf of the Committee made a recommendation to the Executive expressing its concerns around health and requested that they view the current Health statistics and liaise with the Local MP with a view to receiving suggestions on what improvements could be made locally.

RESOLVED that:

- a) Performance Scrutiny Committee submit a recommendation to the Executive to review the current health statistics and liaise with the Local MP on what improvements could be made locally.
- b) The content of the report be noted with thanks.

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

**1. Purpose of Report**

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

**2. Recommendation**

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

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