

11 January 2016 City of Lincoln Council Executive – Localised Council Tax Support

Appendix 6 – Lincolnshire County Council Consultation Response

Jaclyn,

Thank you for your letter of 3rd November on the above subject. Please accept this e-mail as the formal response to the consultation from the County Council.

As stated over the past few years since the introduction of the localised council tax support scheme concept the County Council has adopted a stance that it's preference was for all local schemes to be 'self-financing' taking into account the available government grant and income from the technical changes to the council tax regime from April 2013. This inevitably meant that there would need to be a modest reduction in benefits for some working age claimants going forward. With the exception of the City of Lincoln Council all other schemes in the county satisfied our requirement. Indeed that continues to be the case going forward with other local schemes. It is disappointing therefore that the proposal for next year does not involve an element of benefit reduction. It is, of course, totally within the rights of the City of Lincoln Council to adopt a policy not involving any benefit reduction but around 75% of the cost of so doing is effectively met by the County Council. The County Council faces major budget pressures over the next few years and is likely to be announcing a series of significant service reductions in public facing services as part of the budget cycle now underway and in response to the likely implications of the forthcoming Spending Review.

It is pleasing to note though that, based on the general pick-up in the economy, the current scheme is performing well relative to estimates in the current year. It is also noted that national changes to the welfare regime may impact negatively on the cost of the scheme going forward.

In light of the ongoing funding pressures faced by the County Council, particularly in adult care services, the County would ask the City of Lincoln Council to consider modifying the scheme to reduce its cost next year and in the years thereafter.

As has been the case in previous years the County Council will wish to consider any bid from the City of Lincoln Council for use of its 2016/17 second homes discount income in the light of the final decisions taken in formulating its council tax support scheme for next year and in response to ongoing budget pressures more generally.

David C Forbes
County Finance Officer
Resources Directorate
County Offices
Newland