



Colchester  
City Council

# Council Meeting

**Council Chamber, Town Hall, High Street,  
Colchester, CO1 1PJ  
Wednesday, 21 February 2024 at 18:00**

# Information for Members of the Public

## Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published.

Dates of the meetings are available here:

<https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx>.

Most meetings take place in public. This only changes when certain issues, for instance, commercially sensitive information or details concerning an individual are considered. At this point you will be told whether there are any issues to be discussed in private, if so, you will be asked to leave the meeting.

## Have Your Say!

The Council welcomes contributions and representations from members of the public at most public meetings. If you would like to speak at a meeting and need to find out more, please refer to the Have Your Say! arrangements here:

<https://colchester.cmis.uk.com/colchester/HaveYourSay.aspx>.

## Audio Recording, Mobile phones and other devices

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## Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms.

## Facilities

Toilets with lift access, if required, are on each floor of the Town Hall. A water dispenser is available on the first floor.

## Evacuation Procedures

Evacuate the building using the nearest available exit. Make your way to the assembly area in the car park in St Runwald Street behind the Town Hall. Do not re-enter the building until the Town Hall staff advise you that it is safe to do so.

Colchester City Council

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e-mail: [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk)

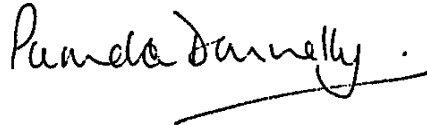
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**COLCHESTER CITY COUNCIL**  
**Council**  
**Wednesday, 21 February 2024 at 18:00**

**TO ALL MEMBERS OF THE COUNCIL**

**Published 16/02/2024**

You are hereby summoned to attend a meeting of the Council to be held on Wednesday, 21 February 2024 at 18:00 for the transaction of the business stated below.



**Chief Executive**

**AGENDA**  
**THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING**  
**(Part A - open to the public)**

Please note that the business will be subject to short breaks at approximately 90 minute intervals.

**1 Welcome and Announcements (Council)**

The Mayor will welcome members of the public and Councillors and will ask the Chaplain to say a prayer. The Mayor will explain the procedures to be followed at the meeting including a reminder everyone to use microphones at all times when they are speaking, but otherwise keep microphones muted.

**2 Have Your Say! (Council)**

Members of the public may make representations to the meeting on any item on the agenda or any other matter relating to the business of Council. Members of the public may register their wish to address the Council by e-mailing [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk) by 12.00 noon on the working day before the meeting. However, advance registration is not mandatory and members of the public may register to speak in person immediately before the meeting.

**3 Declarations of Interest**

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of the item or

participating in any vote upon the item, or any other registerable interest or non-registerable interest.

**4 Minutes of the Previous Meeting (Council)**

A... Motion that the minutes of the meeting held on 7 December 2023 be confirmed as a correct record.

**Council minutes 071223**

7 - 20

**5 Mayor's Announcements**

The Mayor to make announcements.

**6 Items (if any) referred under the Call-in Procedure (Council)**

The Council consider any items referred by the Scrutiny Panel under the Call-in Procedure because they are considered to be contrary to the policy framework of the Council or contrary to, or not wholly in accordance with, the budget.

**7 Recommendations of the Cabinet, Panels and Committees**

Council will consider the following recommendations:-

**7(i) Final Budget Proposals 2024/25 (General Fund and Housing Revenue Account, including Medium-Term Revenue and Capital)**

21 - 110

B... Motion that the recommendations contained in the reports from the Section 151 officer entitled Final Budget Proposals 2024/25 (General Fund and HRA, including medium-term revenue and capital) and Council Tax Setting 2024/25 (including proposed changes to premiums) and recommendation (f) in draft minute 828 of the Cabinet meeting of 24 January 2024 be approved and adopted.

**7(ii) Local Council Tax Support Scheme 2024-25**

111 -  
200

C... Motion that the recommendation contained in minute 814 of the Cabinet meeting of 19 December 2023 be approved and adopted.

**7(iii) Officer Pay Policy Statement 2024-25**

201 -  
202

D,,, Motion that the recommendation contained in draft minute 830 of the Cabinet meeting of 24 January 2024 be approved and adopted.

**7(iv) Review of the Council's Ethical Governance Policies**

203 -  
206

E... Motion that the recommendation contained in minute 396 of the Governance and Audit Committee meeting of 13 December 2023 be approved and adopted.

7(v)	<b>Review of the Local Code of Corporate Governance</b>	207 - 208
	F... Motion that the recommendation contained in minute 398 of the Governance and Audit Committee meeting of 13 December 2023 be approved and adopted.	
8	<b>Questions to Cabinet Members and Committee Chairs pursuant to Council Procedure Rule 10</b>	
	Cabinet members and Committee/Panel Chairs will receive and answer pre-notified questions in accordance with Council Procedure Rule 10(1) followed by any oral questions (not submitted in advance) in accordance with Council Procedure Rule 10(3).	
	(Note: a period of up to 60 minutes is available for pre-notified questions and oral questions by Members of the Council to Cabinet Members and Chairs (or in their absence Deputy Chairs)).	
	At the time of the publication of the Council Summons no pre-notified questions had been received.	
9	<b>Increase in Members Allowances 2023-24</b>	209 - 212
	G... Motion that the recommended decisions in the report by the Head of Governance and Monitoring Officer be approved and adopted.	
10	<b>Schedule of Portfolio Holder Decisions</b>	213 - 218
	Council is invited to note the schedule of portfolio holder decisions covering the period 27 November 2023- 13 February 2024.	
11	<b>Urgent Items (Council)</b>	
	Council will consider any business not specified in the Summons which by reason of special circumstances the Mayor determines should be considered at the meeting as a matter of urgency.	
12	<b>Reports Referred to in Recommendations</b>	
	The reports specified below are submitted for information and referred to in the recommendations specified in item 7 of the agenda (the report on the 2024-25 Budget is not included here as it is already included in the papers at item 7(i)).	
	<b>Local Council Tax Support Scheme 2024-25, report to Cabinet, 19 December 2023</b>	219 - 246
	<b>Officer Pay Policy Statement 2024-25, report to Cabinet, 24 January 2024</b>	247 - 262

**Review of the Ethical Governance Policies, report to Governance and Audit, 13 December 2023** 263 - 372

**Local Code of Corporate Governance, report to Governance and Audit, 13 December 2023** 373 - 414

**13 Exclusion of the Public (not Scrutiny or Executive)**

In accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

**Part B  
(not open to the public including the press)**

**14 Final Budget Proposals 2024/25 (General Fund and Housing Revenue Account, including Medium-Term Revenue and Capital) Part B**

The not for publication appendix D to the Cabinet report on the 2024-25 Budget at item 7(i) is included for information.

**2024-25 Budget Proposals and MTF, report to Cabinet, 24 January 2024, not for publication Appendix D**

- This report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).

# Council

Thursday, 07 December 2023

**Attendees:**

Councillor Simon Appleton, Councillor Tracy Arnold, Councillor Lewis Barber, Councillor Lyn Barton, Councillor Kevin Bentley, Councillor Molly Bloomfield, Councillor Michelle Burrows, Councillor Roger Buston, Councillor Mark Cory, Councillor Pam Cox, Councillor Paul Dundas, Councillor Mark Goacher, Councillor Martin Goss, Councillor Jeremy Hagon, Councillor Dave Harris, Councillor Mike Hogg, Councillor Alison Jay, Councillor David King , Councillor Richard Kirkby-Taylor, Councillor Jocelyn Law, Councillor Darius Laws, Councillor Michael Lilley, Councillor Sue Lissimore, Councillor Andrea Luxford Vaughan, Councillor Roger Mannion, Councillor Sam McCarthy, Councillor Sam McLean, Councillor Sara Naylor, Councillor Chris Pearson, Councillor Thomas Rowe, Councillor Lee Scordis, Councillor Lesley Scott-Boutell, Councillor Fay Smalls, Councillor Paul Smith, Councillor Rhys Smithson, Councillor Natalie Sommers, Councillor Michael Spindler, Councillor William Sunnucks, Councillor Leigh Tate, Councillor Martyn Warnes, Councillor Julie Young, Councillor Tim Young

**649 Prayers**

The meeting was opened with prayers from the Reverend Terry Walker.

**650 Apologies**

Apologies were received from the Mayor and Councillors Davidson, Ellis, Maclean, Moffat, Nissen, Powling and Ripplingale.

**651 Have Your Say! (Council)**

Sir Bob Russell addressed Council pursuant to the provisions of Council Procedure Rule 6(1) about anti-social behaviour. The Anti-Social Behaviour Crime and Policing Act and the City Centre Public Space Protection Order provided some protection against anti-social behaviour in public areas. However, the reality was by removing the railings at Trinity Street the Council was in the process of creating two new anti-social behaviour hotspots. Concerns about this had been raised with Chief Inspector Cox of Essex Police,

who was unaware of the proposals. He had referred this matter to Essex Police Headquarters, and their Designing Out Crime Unit who had expressed concerns that the lack of surveillance of the area could lead to anti-social behaviour, particularly in the public realm either side of the Church Tower. They had also confirmed that the Council had not consulted Essex Police.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, responded to explain that the scheme for Holy Trinity Church had been subject to considerable consultation and the changes proposed were minor. The risk of the scheme generating the behaviours outlined was slight. The design commanded public support and would greatly improve the location. The Council enjoyed a close relationship with the police and he would take this issue up with Chief Inspector Cox. However he was confident that the scheme brought forward by the Town Deal Board would improve the City Centre.

Richard Martin addressed Council pursuant to the provisions of Council Procedure Rule 6(1). In July 2022 the Council had voted to adopt section 2 of the Local Plan with the inclusion of Middlewick Rages, then a 82 hectare site. This had been inflated to 120 hectares in the Ministry of Defence sales brochure. Concern was expressed about the impact of this inflation of the site on the proposed mitigation land and Birch Brook. It would also limit the amount of land available for biodiversity net gain. Clarification was sought on the following points:-

- Was the concealment of the true size of the site dishonest and would it set a precedent for landowners and developers in the future?
- Given that achieving biodiversity net gain at Middlewick seemed unachievable, would Councillors support a comprehensive review of the Santech report?
- If new evidence raised further doubts, would Councillors consider withdrawing Middlewick from the Local Plan?

Councillor Luxford Vaughan, Portfolio for Planning, Environment and Sustainability, indicated that she would send a full written response. The allocation shown in the sales brochure was nothing to do with the Council and the policy remained as set by the Policy Map within the Local Plan. Any deviation from that would need to be supported by significant evidence. An independent ecological report was considered necessary. The budget for this was ringfenced and Colchester Natural History Society and Natural England had been consulted on the brief. An appointment was imminent. This report would feed into the review of the Local Plan, which had begun. If policy needed to be strengthened then this would be done. The Council was seeking a meeting with the Ministry of Defence to look at timescales for the sale but they had not yet responded. There was little point in preparing a Masterplan until the developer was known and their intentions were understood. All Councillors and the public would be involved in the preparation of the Masterplan.

Gordon Kerr addressed Council pursuant to the provisions of Council Procedure Rule



6(1). The Deputy Mayor ruled that his contribution was vexatious and terminated his contribution pursuant to the provisions of Council Procedure Rule 6(8). Following an adjournment, the Chief Executive invited Mr Kerr to submit his question or observations in writing to which a written answer would be provided.

Rachel Mathews addressed Council pursuant to the provisions of Council Procedure Rule 6(1). At the last Council meeting the use of slave labour and environmentally harmful practices in the production of green technologies had been justified by the reduction in carbon dioxide. However carbon dioxide made up only 0.04% of the atmosphere, most of which is naturally occurring. In the Jurassic era carbon dioxide levels had been six times higher than now with no detriment to the planet. In fact levels were dangerously low. There was a significant time lag between increases in carbon dioxide and temperature change and the counter intuitive way that temperature rose when carbon dioxide levels fall suggests it was not the driving force behind climate change and that the science was not settled on this issue. In terms of melting ice sheets, only the western side showed signs of melting and the eastern side was growing. There was considerable difference to being informed by the main stream media and being properly informed. The meeting agreed to by Councillor King was welcomed, where expert speakers could present evidence that the Council should have considered before acting. An assurance was sought that the Council would not be going ahead with its planned carbon literacy training for Councillors.

Carinna Cooper addressed Council pursuant to the provisions of Council Procedure Rule 6(1) about the carbon literacy training that Councillors were being requested to undertake. This did not take a long enough view of carbon dioxide levels or of other environmental trends. It was based on unsubstantiated claims and cherry picked data. Concern was expressed that Councillors were encouraged to manipulate the public and use deceptive data to effect behavioural change. This was morally and ethically wrong. The public would want not taxpayer money used for this purpose and it would be preferable to learn from open and accessible information from independent experts. This was why a public debate had been called for so evidence based answers from experts could be provided. It was suggested that to cover costs a nominal entrance fee be charged, although the Council would save significant sums through a proper understanding of the issues.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, indicated that the Council would look to arrange a meeting. He had posed some questions about the format of the meeting, which would need to be balanced and respectful. The Council was made up of 51 independently minded people and the suggestion that they were manipulating the public was plainly wrong. Councillor views would be based on their own interpretation of the science and the contributions Have Your Say! speakers had made had enriched understanding of the issues. The Council would proceed with the carbon literacy training as planned. Councillors would be able to evaluate the information they received and to weigh it against information from other sources. It was

important to approach the training and the forthcoming meeting with an open mind.

Simon Collis addressed Council pursuant to the provisions of Council Procedure Rule 6(1). Following on from his previous address to Council he and his family had now found a home. However he believed that Colchester Borough Homes was a failing organisation. It was not for purpose and should be dissolved and replaced. The lack of housing and the impact of right to buy was appreciated, but the funding raised had not been used to replace the housing stock. The consequence was that hard working families were at risk of homelessness and were let down by Colchester Borough Homes.

Councillor Smith, Portfolio Holder for Housing, responded and explained that over 300 families were currently in temporary accommodation. This was a national problem and Colchester was in a better position than many authorities. When right to buy was introduced, the Council controlled approximately 12,000 units of accommodation. Colchester Borough Homes now controlled just over 6,000. The government only allowed the Council to spend 25% of the proceeds of right to buy on new property, so it could not replace on a 1 to 1 basis as it would have wished. It was unfair to blame Colchester Borough Homes for a problem that was not of their making. The Council tried to avoid using bed and breakfast accommodation but it was sometimes unavoidable. The homelessness budget would be overspent by £850,000 this year. The Council was working hard to try and deal with the housing crisis and a decision to purchase a further eleven homes had just been taken.

Lance Peatling addressed Council pursuant to the provisions of Council Procedure Rule 6(1). It was noted that there was a tendency to deflect responsibility for actions by stating that they were imposed or required by other authorities. If Councillors believed that these actions were wrong they should do nothing. The evidence on which climate emergency had been sought but not received. If Councillors changed their mind about the evidence as a consequence of the public meeting, would they be prepared to reverse their earlier decision?

Councillor King, Leader of the Council and Portfolio Holder for Strategy, referred to his earlier responses on this issue. The rationale for the decision to declare a climate emergency had been shared. Councillors would always be ready to change their minds on an issue.

Angel Kalyan addressed Council pursuant to the provisions of Council Procedure Rule 6(1) and explained that her home had been flooded on 19 July and explained the impact this had had on the condition of her home and her health. She had been informed by Colchester Borough Homes that it was her responsibility to resolve as she had bought the property. This was not the case as she had only owned the lease agreement. The Council was in breach of the lease agreement in respect of peaceful enjoyment of the property. The remedy was not with Essex County Council as had been claimed, and neither Essex County Council or Colchester City Council had attended case conferences

in respect of her legal proceedings or complied with court orders.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, responded. He had met with Mrs Kalyan and had undertaken the actions that had been agreed at the meeting in respect of providing her with a copy of the lease, and seeking reassurance from Colchester Borough Homes and Essex County Council that they were aware of her case and that they were being looked into the issues. He would ensure that every care was taken with her complaint as it went through the Council's processes.

## **652 Minutes of the Previous Meeting (Council)**

*RESOLVED* that the minutes of the meeting held on 18 October 2023 be confirmed as a correct record.

## **653 Mayor's Announcements**

The Deputy Mayor invited Council to stand for a minutes silence in memory of Alderman David Cannon who had recently passed away and invited Councillor Bentley to address Council in tribute.

The Deputy Mayor thanked Stagertext for providing a subtitling service which helped her to chair the meeting notwithstanding her hearing impairment.

The Deputy Mayor made the following announcements:-

- The Mayor was out of hospital following his recent operation and was progressing well. Council sent its good wishes to the Mayor.
- Councillor Rippingale had given birth to a baby boy. Council offered its congratulations to Councillor Rippingale and her family.

## **654 Electoral Review of the City of Colchester**

*RESOLVED (UNANIMOUS)* that:-

- (a) The submission of the evidence base document attached to the report by the Head of Governance and Monitoring Officer to the Local Government Boundary

Commission for England be approved.

(b) It be noted that the Council's political groups will be making their own submissions on council size to the Commission.

(c) The Head of Governance and Monitoring Officer be delegated to make any necessary changes to the evidence base document following its submission to the Commission following consultation with the Leader of the Council and Group Leaders.

#### **655 Appointment of Temporary Councillors to a Parish Council**

The Monitoring Officer provided an update to his report and confirmed that the remaining parish councillor on Wakes Colne Parish Council had now resigned and that therefore there were no parish councillors currently on the Parish Council. The proposed Order at Appendix 1 of his report would therefore need to be amended accordingly.

*RESOLVED (UNANIMOUS)* that the Order attached at Appendix 1 of the report by the Monitoring Officer and Head of Governance be made, subject to an amendment to reflect the fact that the remaining parish councillor on Wakes Colne Parish Council had also resigned.

#### **656 Appointment of Deputy Mayor 2024-25**

*RESOLVED (UNANIMOUS)* that Councillor Lilley be appointed as the Deputy Mayor of the City of Colchester for the 2024-25 municipal year.

#### **657 Review of Polling Districts and Polling Places**

*RESOLVED* that the schedule of polling places set out in Appendix A of the report by the Head of Governance and Monitoring Officer to the meeting of the Governance and Audit Committee on 28 November 2023 and the explanation of changes contained at Appendix B of the same report be approved.

## **658 Parental Leave Policy for Councillors**

*RESOLVED (UNANIMOUS)* that the Parental Leave Policy at Appendix A to the report by the Head of Governance and Monitoring Officer be approved and adopted and be effective from the commencement of the current municipal year.

## **659 Impact of the Conflict in the Middle East**

The Deputy Mayor announced that as the subject matter of the motions on the Impact of Conflict in the Middle East and the City of Sanctuary were similar she had agreed that both motions and main amendments would be moved separately, debated in the round and then be subject to separate votes on each motion and main amendment.

Imran Hussainy addressed Council pursuant to the provisions of Council Procedure Rule 6(1) on behalf of the Colchester Muslim Community and stressed that Councillors should put their feelings as human beings before their political ideologies. The impact of the conflict in Gaza was highlighted, particularly on the vulnerable. The international community had failed and allowed this situation to happen. A humanitarian pause was not sufficient and a ceasefire was required now. In the future it would be accepted that what was being allowed to happen was wrong, and Councillors should consider how their actions would be viewed by future generations.

Dr Fauzia Farrukh addressed Council pursuant to the provisions of Council Procedure Rule 6(1) to present statistical information about the scale of the suffering in Gaza, statements from international bodies about events in Gaza and highlighting that a policy of collective punishment was a breach of international law. It was emphasised that this was not a time to remain neutral and a comparison was drawn with Britain's opposition to the imposition of sanctions on South Africa when it practised apartheid. Councillors had a choice to make and should demand a long lasting ceasefire that would help build a safer and just world.

Ali Wilkin addressed Council pursuant to the provisions of Council Procedure Rule 6(1) to thank those Councillors who had indicated their support for the motion on the impact of the conflict in the Middle East. It was unclear what the motion on the City of Sanctuary was seeking to achieve. It also failed to address the source of the tragedies that were causing distress to Colchester residents. Colchester was a garrison city and it was right that these issues were debated and addressed substantively. If Councillors could not support a ceasefire or the return of all hostages then the group she represented would not vote for them in any election. They would work with and support Councillors and candidates who recognised the gravity of the situation in Gaza,

It was proposed by Councillor Goacher that:-

*Colchester City Council recognises the significance of the tragic situation in the Middle East to our city and its impact on our local communities, including the rising incidence of antisemitism and Islamophobia, and the potential need for Colchester to provide sanctuary to refugees fleeing the conflict.*

*We therefore call on the UK Government to use its influence to press for the urgent release of all hostages; for international law to be upheld and for the protection of all civilians in Israel and Palestine; for an end to the collective punishment of the Palestinian people and an end to the siege of Gaza to allow vital supplies of food, fuel, medicine and water to reach the civilian population; and to join with the international community and the UN and its aid agencies in urgently pressing all parties to agree to an immediate ceasefire.*

A main amendment was proposed by Councillor Cory as follows:-

*That the motion on the impact of conflict in the Middle East be approved and adopted subject to the addition of the following words at the end of the motion:-  
“A ceasefire and diplomatic talks, will reduce tensions across communities at home and abroad. Colchester City Council will communicate with and work with affected communities and support local efforts to help those affected.*

*Colchester City Council will continue to listen to and communicate with our Jewish and Islamic communities in Colchester. We represent all communities with equity and denounce discrimination of any kind.”*

Councillor Goacher indicated that the main amendment was accepted and the motion was deemed amended accordingly. The amended wording of the motion was as follows:

*Colchester City Council recognises the significance of the tragic situation in the Middle East to our city and its impact on our local communities, including the rising incidence of antisemitism and Islamophobia, and the potential need for Colchester to provide sanctuary to refugees fleeing the conflict.*

*We therefore call on the UK Government to use its influence to press for the urgent release of all hostages; for international law to be upheld and for the protection of all civilians in Israel and Palestine; for an end to the collective punishment of the Palestinian people and an end to the siege of Gaza to allow vital supplies of food, fuel, medicine and water to reach the civilian population; and to join with the international community and the UN and its aid agencies in urgently pressing all parties to agree to an immediate ceasefire.*

*A ceasefire and diplomatic talks will reduce tensions across communities at home and abroad. Colchester City Council will communicate with and work with affected communities and support local efforts to help those affected.*

*Colchester City Council will continue to listen to and communicate with our Jewish and Islamic communities in Colchester. We represent all communities with equity and denounce discrimination of any kind.*

A further main amendment was moved by Councillor T. Young as follows:-

*That the motion on the impact of conflict in the Middle East be approved and adopted subject to following amendments:-*

*The deletion of all words following “the protection of all civilians in Israel and Palestine” and the insertion of the following words:-*

*“This Council, therefore, supports UN resolution 2712 passed by the UN Security Council on 15 November 2023 which called, amongst other things, ‘...for urgent and extended humanitarian pauses and corridors throughout the Gaza strip...to enable...full, rapid, safe, and unhindered humanitarian access. ‘and further calls for an ‘immediate, durable and sustained humanitarian truce leading to a cessation of hostilities’ as set out in resolution ES–10/21 adopted by the UN General Assembly on 27 October 2023.”*

Councillor Goacher indicated that the main amendment was not accepted.

On being put to the vote the main amendment was carried (TWENTY TWO voted FOR, FIFTEEN voted AGAINST and FIVE ABSTAINED from voting) and the motion was deemed amended accordingly. A named vote having been requested by Councillor McCarthy, supported by Councillors Luxford Vaughan and Kirkby-Taylor, pursuant to the provisions of Council Procedure Rule 15(2), the voting was as follows:-

FOR: Councillors Barber, Bentley, Buston, Cox, Dundas, Hagon, Harris, Law, Laws, Lilley, Lissimore, Mannion, McLean, Pearson, Scordis, Smalls, Smithson, Sunnucks, Tate, Warnes, J. Young and T. Young.

AGAINST: Councillors Appleton, Arnold, Barton, Bloomfield, Burrows, Cory, Goacher, Goss, Hogg, Jay, Kirkby-Taylor, Luxford Vaughan, McCarthy, Smith and Sommers.

ABSTAINED FROM VOTING: Councillors King, Naylor, Rowe, Spindler and the Deputy Mayor (Scott-Boutell).

The amended wording of the motion was as follows:-

*Colchester City Council recognises the significance of the tragic situation in the Middle East to our city and its impact on our local communities, including the rising incidence of antisemitism and Islamophobia, and the potential need for Colchester to provide sanctuary to refugees fleeing the conflict.*

*We therefore call on the UK Government to use its influence to press for the urgent release of all hostages; for international law to be upheld and for the protection of all civilians in Israel and Palestine. This Council, therefore, supports UN resolution 2712 passed by the UN Security Council on 15 November 2023 which called, amongst other things, '...for urgent and extended humanitarian pauses and corridors throughout the Gaza strip...to enable...full, rapid, safe, and unhindered humanitarian access.' and further calls for an 'immediate, durable and sustained humanitarian truce leading to a cessation of hostilities' as set out in resolution ES-10/21 adopted by the UN General Assembly on 27 October 2023.*

On being put to the vote the amended motion was approved and adopted.

## **660 City of Sanctuary**

It was proposed by Councillor J. Young that:-

*This Council acknowledges the overwhelming tragedies of the ongoing conflict in Israel and Gaza and other conflicts around the world.*

*Residents of all persuasions will be feeling powerless, scared and uncertain here in Colchester too.*

*Residents in our City have friends, relatives and family connections with Israel and Gaza and we acknowledge the shock, terror and grief that they must be feeling.*

*The Council's number one priority at this time is to keep all of our residents safe and we are working with our partners in the Police and charities such as Refugee, Asylum-seeker and Migrant Action (RAMA) and Community 360 to help keep everyone, and especially those most vulnerable in the City, as well supported as possible.*

*Colchester as a City of Sanctuary has a vision of being a welcoming place of safety for all. We are proud to offer sanctuary to people fleeing violence and persecution. We reaffirm our commitment to this important work and thank our officers for the most difficult but vital work they do to support all communities in our City especially at this difficult time.*



On being put to the vote the motion was approved and adopted (UNANIMOUS).

## **661 Accuracy in Financial Reporting**

It was proposed by Councillor Dundas that:-

*This Council notes that:*

- 1. Colchester City Council recently published on its website a list of payments to suppliers over the last 12 months, this being a statutory duty pursuant to the Local Government Transparency Code 2015, revealing to Colchester Council Tax Payers where their money was being spent.*
- 2. All payments were correctly made, but a publication error meant that a number of payments were incorrectly attributed to the wrong recipients including £2,200,809 on stationery, over £2.1m on election software, £880,000 on playground inspections, over £5m on newspaper advertising, over £1m on an individual no one can identify, £350,000 on printing, £847,000 on telephone bills, just under £5m with a Christian Empowerment Charity, £8,646 on Oysters, £130,000 on mobile phones and £1,097,146 on Ice Creams. This has led to misunderstanding and complaint, regretted by the Council.*
- 3. Consequently the published figures were removed from the website and the Leader of the Council issued an apology to Councillors.*

*Therefore, the Council:*

- 1. Thanks the Leader of the Council for prompt acknowledgement of the error and the email notification of the data failures issued on October 31.*
- 2. Thanks and notes the work of Conservative opposition councillors who brought these errors to the attention of the Council.*
- 3. Informs Cabinet that the operational finance team may be under considerable time pressure and a review of its workload would be appropriate.*
- 4. Notes the Council has apologised for this rare publication error and has taken steps to ensure it will not be repeated*

On being put to the vote, the motion was approved and adopted.

## **662 Knife Crime**

It was proposed by Councillor Goss that:-

### *Council*

1. *Notes and congratulates the Evening Gazette on their anti-knife campaign launch last month in association with the arrival of the Knife Angel statue to Colchester.*
2. *Notes the tragic consequences of knife attacks on families and friends and recognises the bravery and work of Ann Oakes-Odger MBE whose son was sadly murdered through stabbing.*
3. *Notes the alarming increase in knife carrying, nationwide, particularly by those associated with gang membership and/or illegal drug activity.*
4. *Welcomes the work of the police in tackling all forms of crime and the progress they are making, including reducing violent crime. And welcomes their work to raise awareness through the deployment of a knife arch in Colchester centre and work with knife amnesties and knife bins.*
5. *Notes the work of the Youth Voices Listening Project that found “knife crime and knife harm stood alongside fights and drug use as major concerns for young people in Colchester”.*
6. *Therefore calls on Colchester Council through the Safer Colchester Partnership to deepen multi-agency collaborative working on this issue. And with our schools and young people to continue work done through the Knife Angel visit. To help make Colchester and its surrounding area safer for us all, particularly our younger residents.*

As this motion related to an executive matter, it stood referred direct to Cabinet in accordance with Council Procedure Rule 11(2).

**663 CCTV in Hackney Carriages and Private Hire Vehicles**

It was proposed by Councillor Harris that:-

*That this Council agrees to lobby the relevant Government Department to introduce mandatory regulations which would install CCTV / taxi cameras in Hackney Carriage / Private Hire vehicles which would be to the benefit of both drivers and customers in the City of Colchester area. And to seek funding to help with installation and or data management running costs.*

On being put to the vote the motion was approved and adopted (UNANIMOUS).

**664 Schedule of Portfolio Holder Decisions**

RESOLVED that the schedule of Portfolio Holder decisions for the period 7 October 2023 – 27 November 2023 be noted.





## Council

Item  
**7(i)**

21 February 2024

<b>Report of</b>	<b>The Section 151 Officer</b>	<b>Authors</b>	<b>Andrew Small Chris Hartgrove</b>
<b>Title</b>	<b>Final Budget Proposals 2024/25 (General Fund and HRA, including medium-term revenue and capital)</b>		
<b>Wards affected</b>	Not Applicable		

### 1 Executive Summary

- 1.1 This Budget preparation process, which commenced in late summer 2023, has now concluded. This report sets out detailed budget proposals, as recommended by Cabinet, for the Council's consideration and approval.
- 1.2 The *Revenue* elements (**Attachment 1a, including clarifications in Attachment 1d**) of the proposed Budget for 2024/25 comprise the following:
- The General Fund final draft budget proposal for 2024/25 comprises Net Expenditure of £24.959 million, which includes a contribution of £0.153 million to the General Fund Reserve.
  - The *provisional* Local Government Finance Settlement 2024/25 was as expected at "Core Spending Power +3.0%", although Government subsequently added a further 1.0% to the *final* Settlement, which has not been included in the budget.
  - A Council Tax increase of 2.99% in accordance with the Government's Referendum Limit is proposed (which would raise Band D Council Tax from £211.59 to £217.92 if adopted).
  - The HRA final draft budget proposal for 2024/25 anticipates a balanced budget with projected Net Operating Income of £2.459 million.
  - A Housing Rent increase of 7.7% is proposed (in accordance with the Legal Rent Standard); and
  - A total Management Fee of £13,424,200 payable to Colchester Borough Homes is recommended.
- 1.3 The *Capital* elements (**Attachment 1b, including clarifications in Attachment 1d**) of the proposed Programme for 2024/25 to 2028/29 comprise the following:
- The General Fund Capital Programme comprises total expenditure of £57.672 million over the five-year period 2024/25 to 2028/29, including £39.258 million in 2024/25; and
  - The HRA Capital Programme comprises total expenditure of £205.365 million over the five-year period 2024/25 to 2028/29, including £43.655 million in 2024/25.

- 1.4 Looking further ahead, an updated *Medium-Term Financial Forecast (MTFF)* is included (**Attachment 1c, including clarifications in Attachment 1d**) covering both the General Fund and HRA; the numbers reflect the final draft budget proposals for 2024/25.
- The updated MTFF forecasts a General Fund revenue deficit of £1.991 million for 2025/26, although a (one-year) surplus of £1.310 is anticipated for 2026/27; and
  - Over the four-year period 2025/26 to 2028/29, a structural deficit of £2.771 million is forecast. This is the currently estimated sum that will need to be removed from the Council's base budget in order to balance the budget in the medium-term; this is the identified budget gap over and above existing savings plans of £4.772 million for the three-year period 2024/25 to 2028/29 (as part of the Council's "Fit for the Future" Transformation Programme) that are already embedded within the forecast.
- 1.5 In addition, the Council's Section 151 Officer has a duty under Section 25 of the Local Government Act 2003 to report on the robustness of the budget estimates and the adequacy of the Council's financial reserves. Members attention is therefore drawn to the comments made in **Attachment 2**, which is for consideration and noting.
- 1.6 In considering the Council's contingency reserves, extant professional guidance in the form of the recommended principles contained in "*LAAP Bulletin 99: Local Authority Reserves and Balances (issued July 2024)*" is followed. On that basis, taking account of the strategic, operational, and financial risks facing the Council, the maintenance of a £3.0 million minimum contingency balance of unallocated revenue reserves in the General Fund Reserve is recommended (an increase of £0.825 million compared to the current provision). The Council has sufficient unallocated revenue reserves elsewhere on its Balance Sheet to meet this commitment.

## **2 Recommended Decisions**

- 2.1 That the draft General Fund and Housing Revenue Account (HRA) revenue budgets for 2024/25 as presented in **Attachment 1a, including the clarifications in Attachment 1d**, be approved.
- 2.2 That the draft General Fund and HRA capital programmes for 2024/25 to 2028/29 as presented in **Attachment 1b, including the clarifications in Attachment 1d**, be approved.
- 2.3 That the updated General Fund and HRA Medium-Term Financial Forecasts (MTFF) for 2024/25 to 2028/29 as presented in **Attachment 1c, including the clarifications in Attachment 1d**, be approved.
- 2.4 That the Section 151 Officer's report – in accordance with Section 25 of the Local Government Act 2003 – on the robustness of estimates for the purposes of the Council's 2024/25 budgets and the adequacy of the reserves, presented in **Attachment 2**, be noted.
- 2.5 That the Section 151 Officer's recommendation to maintain a minimum £3.0 million contingency balance in the Council's General Fund Reserve be approved.

### **3 Reason for Recommended Decisions**

- 3.1 To enable the Council to set a final balanced budget for 2024/25 in accordance with its legal duty under the Local Government Finance Act 1992.

### **4 Alternative Options**

- 4.1 The proposals in this report represent the Cabinet's recommended position on the 2024/25 General Fund and Housing Revenue Account budgets (both Revenue and Capital).

### **5 Strategic Plan References**

- 5.1 The proposals set out here have been developed within the framework of the Council's ambitions, as set out within the agreed Strategic Plan. These are balanced against the statutory requirement to balance the budget and deliver core statutory services. The Budget presented therefore is considered the optimum combination of these factors.

### **6 Publicity Considerations**

- 6.1 Decisions on taxation and on the level of services provided, as set out within these Budget proposals, are likely to have direct impact on the majority of the Council's residents. The Council uses all standard publicity media to ensure that the impact of the agreed Budget is widely communicated and the reasons for the proposals understood.

### **7 Financial Implications**

- 7.1 There are significant financial implications, which are covered in detail in the report.

### **8 Consultation**

- 8.1 The proposals contained within this report have been developed through engagement with all members of the Council. If adopted, the embedded savings items are likely to impact directly on the workforce, in terms of a reduction in the numbers of posts employed by the Council. The required statutory consultation process commenced on 1st February 2024.

### **9 Environment and Sustainability Implications**

- 9.1 Where appropriate, Budget proposals are assessed for their environmental impact, reflecting the Council's commitment to be 'carbon neutral' by 2030. Environment and Climate Change is a core theme of the Strategic Plan.

### **10 Equality and Diversity Implications**

- 10.1 Consideration will be given to equality and diversity issues in respect of changes proposed as part of the Budget. This will be done in line with agreed policies and procedures, including the production of Equality Impact Assessments where appropriate.

### **11 Standard References**

- 11.1 There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications because of this report.







<b>Cabinet</b>	<b>Item</b>
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24th January 2024

<b>Report of</b>	<b>The Section 151 Officer</b>	<b>Author</b>	<b>Andrew Small</b> <small>(<a href="mailto:Andrew.Small@Colchester.gov.uk">Andrew.Small@Colchester.gov.uk</a>)</small> <b>Chris Hartgrove</b> <small>(<a href="mailto:Chris.Hartgrove@Colchester.gov.uk">Chris.Hartgrove@Colchester.gov.uk</a>)</small> <b>Darren Brown</b> <small>(<a href="mailto:Darren.Brown@Colchester.gov.uk">Darren.Brown@Colchester.gov.uk</a>)</small>
<b>Title</b>	<b>Draft Budget Proposals 2024/25 (including General Fund &amp; HRA Revenue &amp; Capital, and an updated Medium-Term Financial Forecast)</b>		
<b>Wards affected</b>	Not Applicable		

## 1. Executive Summary

1.1 This report contains the final budget proposals for 2024/25 for consideration by Cabinet.

1.2 The **Revenue** elements of the draft budget for 2024/25 can be found at **Appendix A (including CONFIDENTIAL Appendix D)**.

- The General Fund final draft budget proposal for 2024/25 comprises Net Expenditure of £24.959 million, which includes a contribution of £0.153 million to the General Fund Reserve.
- The provisional Local Government Finance Settlement 2024/25 was as expected at “Core Spending Power +3.0%”.
- A Council Tax increase of 2.99% in accordance with the Government’s Referendum Limit is proposed (which would raise Band D Council Tax from £211.59 to £217.92 if adopted).
- The HRA final draft budget proposal for 2024/25 anticipates a balanced budget with projected Net Operating Income of £2.459 million.
- A Housing Rent increase of 7.7% is proposed (in accordance with the Legal Rent Standard); and
- A total Management Fee of £13,424,200 payable to Colchester Borough Homes is recommended.

1.2 The **Capital** elements of the draft budget for 2024/25 can be found at **Appendix B**.

- The General Fund Capital Programme comprises total expenditure of £57.672 million over the five-year period 2024/25 to 2028/29, including £39.258 million in 2024/25; and
- The HRA Capital Programme comprises total expenditure of £205.365 million over the five-year period 2024/25 to 2028/29, including £43.655 million in 2024/25.

- 1.3 Looking further ahead, an updated Medium-Term Financial Forecast (MTFF) is included at **Appendix C** covering both the General Fund and the HRA; the numbers reflect the final draft budget proposals for 2024/25. The overall financial profile has weakened slightly in 2025/26 (with a forecast deficit of £1.991 million) compared to the forecast in the Indicative MTFF prepared in October 2023, due to some late budget pressures identified as part of detailed budget preparations. However, the forecast is significantly brighter in 2026/27 (with a forecast surplus of £1.310), reflecting the impact of savings anticipated as part of the emerging three-year "Fit for the Future" Programme.
- 1.3 The Section 151 Officer confirms that the Council has sufficient available to reserves to smooth the transition between the two financial years (2025/26 and 2026/27), which will be a key consideration as part of a forthcoming detailed review of the Council's reserves as part of preparing the 2023/24 financial statements.
- 1.4 In conclusion, the budget sets out a vision to make Colchester City Council 'Fit for the Future', economically, structurally, and culturally. Led by the Council's Administration, much cross-party consultation and work with the former Leaders Alumni group has enabled scrutiny of a demanding transformation programme. This budget addresses the short-term pressures, medium-term challenges, and long-term fundamental organisation change.
- 1.5 The approach has been open and inclusive of both officer expertise and Council-member involvement. With all-member briefings, surveys, and cross-party workshops, helping to shape this most challenging of budget cycles. The aim of the Administration is to deliver the objectives of Colchester's Strategic Vision, with the most efficient and focused Council structure.
- 1.6 Laser focused on utilising Council assets, resources, committed staff, and partners across our town and country, to invest in Colchester's community infrastructure. The budget includes investment to enable economic growth; internally, encouraging income and increased commerciality, and externally, supporting business growth, and community investment, alongside partners in the public and voluntary sectors. All enabling a greener, cleaner, and more equitable and prosperous place for all to live, work and visit.

## **2. Recommended Decision**

- 2.1 To consider the final revenue and capital budget proposals for 2024/25 as presented in **Appendices A to D** of this report, together with the comments received from the Scrutiny Committee (23rd January 2024)
- 2.2 Make any amendments that Cabinet considers necessary; and
- 2.3 Recommend to Council:
  - 2.3.1 The budget for 2024/25 (including Revenue and Capital in **Appendices A, B and CONFIDENTIAL Appendix D**)
  - 2.3.2 The updated Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29 (covering General Fund and HRA in **Appendix C**)
  - 2.3.3 The level of Council Tax increase for 2024/25 (Paragraph 2.6, **Appendix A**)
  - 2.3.4 The level of Housing Rent increase for 2024/25 (Paragraph 3.3, **Appendix A**); and
  - 2.3.5 The Management Fee payable to Colchester Borough Homes (CBH) in 2024/25 (Paragraph 3.4, **Appendix A**).

**3. Reason for Recommended Decision**

- 3.1 To enable Cabinet to recommend a final budget for 2024/25 to the Council in February 2024.

**4. Alternative Options**

- 4.1 The proposals in this report represent Cabinet's recommended position on the 2024/25 General Fund and Housing Revenue Account budgets (both Revenue and Capital).

**5. Equality, Diversity and Human Rights implications**

- 5.1 Consideration will be given to equality and diversity issues in respect of budget changes proposed as part of the budget process. This will be done in line with agreed policies and procedures including production of Equality Impact Assessments where appropriate.

**6. Standard References**

- 6.1 There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications because of this report.

**7. Strategic Plan References**

- 7.1 The Budget proposals set out here have been developed within the framework of the Council's Strategic Plan ambitions, as set out within the agreed Strategic Plan. These are balanced against the Statutory requirement of presenting a balanced budget and delivering core Statutory Services. The Budget presented here is the considered optimum combination of these factors.

**8. Consultation**

- 8.1 The proposals contained within this report have been developed through engagement with all members of the Council. If adopted, the savings proposals set out in elements of this paper are likely to impact directly on the Council's workforce, in terms of a reduction in the numbers of posts employed by the Council. This will require Statutory consultation, which has not yet commenced pending the consideration of these proposals.

**9. Publicity Considerations**

- 9.1 Decisions on Taxation and on the level of services provided, as set out within these Budget proposals, are likely to have direct impact on the majority of the Council's residents. As part of Budget engagement, the Council will use all standard publicity media to ensure that the impact of the agreed Budget is widely communicated and the reasons for the proposals are understood.

**10. Financial implications**

- 10.1 As set out in the report.
- 10.2 No changes are necessary to the 2020 Financial Regulations.

**11. Health, Wellbeing and Community Safety Implications**

11.1 Health, Wellbeing and Community Safety consideration have been explored and considered in respect of each key component part of the Budget presented here.

**12. Health and Safety Implications**

12.1 None.

**13. Risk Management Implications**

13.1 The consideration of risk formed an integral part of the development of the proposals in this report. In particular, the Budget (and updated MTFF) is based on a series of estimates and assumptions that are informed by a range of intelligence sources (some certain, some uncertain); that process, including any residual risk in the decision-making process, is clearly indicated where appropriate.

**14. Environmental and Sustainability Implications**

14.1 All budget measures are assessed for their environmental impact, reflecting the Council's commitment to be 'carbon neutral' by 2030. Environment and Climate Change is an essential cross-cutting theme in the Council's recovery planning and a core theme of the new Strategic Plan.

**Appendices**

- ***Appendix A - Draft Budget Proposals 2024/25 GENERAL FUND & HRA REVENUE***
- ***Appendix B - Draft Budget Proposals 2024/25 GENERAL FUND & HRA CAPITAL***
- ***Appendix C – Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29***
- ***Appendix D – Staff Savings Proposals (CONFIDENTIAL)***

**Background Papers**

None.

**Draft Budget Proposals 2024/25**  
**GENERAL FUND & HRA REVENUE**

**1. Background and Introduction**

- 1.1 The Council adopted a General Fund Medium-Term Financial Forecast (MTFF) covering the five-year period 2023/24 through to 2027/28 on 22nd February 2023. In setting the 2023/24 General Fund revenue budget, the MTFF met the balanced budget requirement for the year ahead, whilst projecting a deficit (a 'budget gap') of £0.193 million for 2024/25.
- 1.2 The adopted General Fund MTFF followed on from the approval of a five-year MTFF for 2023/24 through to 2027/28 by Cabinet on 25th January 2023; a balanced position was presented for the duration of the Forecast, including 2024/25.
- 1.3 As previously reported to Members, the delivery of the 2023/24 General Fund revenue budget is proving challenging. As with 2022/23, the economic background has created multiple, unforeseen, budget pressures with the peak in inflation and higher interest rates persisting for longer than predicted by the Treasury at the time the budget was set. This is resulting in higher costs, but also lower income from some services as disposable incomes are reduced and residents adjust their spending patterns. Additionally, the squeeze on incomes and higher housing costs are resulting in higher demands for some Council services, such as Homelessness. The delivery of some savings targets, including staffing costs (in respect of assumed vacancies) especially, has also proved very difficult.
- 1.4 The pressures noted above were reflected in a forecast net overspend of £1.447 million on the General Fund revenue budget for 2023/24 at the Quarter 2 (30th September 2023) stage, which was reported to the Governance & Audit Committee on 28th November 2023.
- 1.5 It is against this backdrop that the adopted General Fund MTFF was revisited and reviewed (and effectively reset) during October 2023. The opportunity was taken to reassess previous savings assumptions embedded within the projections for 2024/25 (especially) and 2025/26. The MTFF was also reviewed in the light of other intelligence including updated inflationary assumptions, interest rates and, most notably, emerging indications from the Government as to the potential Local Government Finance Settlement for 2024/25.
- 1.6 An initial (indicative) MTFF covering the five-year period 2024/25 through to 2028/29 was completed based on factors known as of 31st October 2023. The indicative outcome for 2024/25 was a revised deficit projection (a 'budget gap') of £1.466 million for 2024/25.

1.7 In arriving at the indicative projections in the MTFF, there were some significant alterations made to previous assumptions, most notably including:

- **Savings** - the opportunity was taken to *temporarily* remove previous savings assumptions, thus allowing Cabinet and senior officers to review and reflect on updated intelligence and changing priorities.
- **Capital Financing Costs** – building on the progress of the 2023 Capital Review, the opportunity was also taken to further improve the alignment between revenue and capital spending by exploring the potential impact on revenue costs of extending the Capital Programme to five years to be co-terminus with the MTFF. This allowed the introduction of initial ‘rolling investment programmes’ in key areas such as IT and Major Property Repairs; and
- **Local Government Finance Settlement** – along with many councils nationally, the Council had taken a cautious approach as to future financial settlements from Government, which was embedded in the February 2023 iteration of the MTFF. However, by August 2023, there was gathering sector intelligence to suggest that the Government was committed to providing at least some inflationary increase in the Settlement for 2024/25 (as opposed to the cut previously assumed). Funding projections were therefore uplifted accordingly.

1.8 The indicative MTFF also included the following key assumptions for 2024/25:

- **Pay Award 3.0%** - although – based on blanket annual awards of £1,925 to all staff in 2022/23 and 2023/24 – pay increases have recently exceeded this level, pay increase expectations for 2024/25 were lowered in the context of declining inflation in the economy.
- **Core Inflation 3.5%** - based on declining CPI forecasts as of Autumn 2023 covering the 2024/25 financial year.
- **Interest Rates** – ‘blended’ interest rate assumptions are now utilised as part of early Section 151 (Finance) shared services arrangements with Epping Forest District Council (taking the average forecast of two separate professional Treasury Management advisors). An average interest rate assumption of 4.8% has been included for 2024/25.
- **Council Tax increase 3.0%** - assumed to be the maximum allowable in accordance with the anticipated Referendum Limit.
- **Finance Settlement “Core Spending Power + 3.0%”** – based on emerging sector intelligence; and
- **Fees & Charges increase 6.7%** - reflecting September 2023 CPI.

- 1.9 Further net budget pressure of £0.923 million was identified by Finance officers during November 2023 as the detailed work on the 2024/25 budget progressed. The additional budget pressure increased the forecast General Fund revenue net budget deficit to £2.369 million for 2024/25 (£1.446 million + £0.923 million); this is the deficit that required eliminating in full if the Council were to fulfil its legal obligation to set a balanced budget for the forthcoming financial year.
- 1.10 Acting on the strategic direction provided by Cabinet, the draft Budget has been developed collaboratively over many months, with officers working through their respective Portfolio Holders to develop a set of proposals which address the Budget gap for both the forthcoming and future years. Engagement has included regular liaison with, and the views sought, of each of the main political groups. The objective has been to enable a shared understanding of the financial challenges facing this, and other councils, and the joint design and formulation of an approach to balancing the Budget, without resorting to annual incremental budget cuts.
- 1.11 This report allows Cabinet to consider the final budget proposals for 2024/25 – for both the General Fund and HRA – as presented, whilst taking into consideration the comments of the Scrutiny Panel.

## **2. Proposed General Fund Revenue Budget 2024/25**

### **SUBJECTIVE ANALYSIS**

- 2.1 The proposed General Fund revenue budget for 2024/25 comprises Net Expenditure of £24.959 million and is summarised by subjective heading – including subsequent changes to the October 2023 *Indicative* MTF – in the table below.

2024/25 General Fund Draft Revenue Budget: subjective analysis				
Description	Indicative MTFF (Oct 2023)	Additional Budget Pressures (Nov 2023)	Addressing the Budget Gap (Dec 2023/ Jan 2024)	Draft Budget (Jan 2024)
	£000's	£000's	£000's	£000's
<b>EXPENDITURE</b>				
Employees	30,311	1,404	(253)	31,462
Premises	10,753	(800)	1,492	11,445
Transport	2,124	(80)	73	2,117
Supplies & Services	8,928	193	345	9,466
Third Party Payments	6,199	180	1,002	7,381
Transfer Payments (inc. HB)	32,966	0	7,035	40,001
Financing Costs	10,229	0	2,948	13,177
<b>Gross Expenditure</b>	<b>101,510</b>	<b>897</b>	<b>12,642</b>	<b>115,049</b>
<b>INCOME</b>				
Government Grants	(32,375)	67	(4,146)	(36,454)
Other Grants & Contributions	(4,824)	0	220	(4,604)
Customer & Client Receipts	(27,669)	(41)	(8,222)	(35,932)
Income-Interest	(6,943)	0	(3,013)	(9,956)
Inter-Account Transfers	300	0	250	550
HRA/NEPP Recharges	(3,679)	0	(15)	(3,694)
<b>Net Expenditure</b>	<b>26,320</b>	<b>923</b>	<b>(2,284)</b>	<b>24,959</b>
<b>FUNDING</b>				
Council Tax	(14,597)	0	186	(14,411)
Business Rates	(6,675)	0	(300)	(6,975)
Collection Fund Adjustments	0	0	(584)	(584)
Council Tax Sharing Agreement (CTSA)	(570)	0	(350)	(350)
Revenue Support Grant (RSG)	(211)	0	(7)	(218)
New Homes Bonus	(600)	0	(34)	(634)
Funding Guarantee Allocation	(2,100)	0	160	(1,940)
Contribution to/(from) Reserves	(121)	0	274	153
<b>Total Funding</b>	<b>(24,874)</b>	<b>0</b>	<b>(85)</b>	<b>24,959</b>
<b>(Surplus)/Deficit</b>	<b>1,446</b>	<b>923</b>	<b>(2,369)</b>	<b>0</b>
<b>2024/25 Cumulative Position</b>	<b>1,446</b>	<b>2,369</b>	<b>(2,369)</b>	<b>0</b>



**NOTE: TRANSITIONAL PRESENTATION**

- 2.2 Members are requested to note that this is the first year that the proposed General Fund budget has been presented based on subjective headings (as opposed to service headings). The new approach has been implemented on the basis of Member feedback received from previous years' budget reports and enhances transparency and simplicity.
- 2.3 However, at the time of preparing this report, the Council's underlying management accounting processes (including Ledger coding etc.) remain configured to support the previous reporting approach. This results in some transitional challenges in terms of *presentation*, which are reflected in some large variances in the table above, with some gross figures representing internal transactions in complex areas such as Housing Benefit Subsidy. This is a priority development area, which will be addressed in readiness for the first iteration of the MTF in 2025/26 budget cycle. It should be emphasised that there is no net impact on the budget as demonstrated in the table below, which summarises the impact of three major adjustments.

<b>Material Budget adjustments (excluding Savings)</b>		
<b>Subjective Category</b>	<b>Description</b>	<b>Impact £000's</b>
<b><i>Homelessness Adjustment</i></b>		
Premises	Payments to Landlords	1,805
Third Party Payments	Payments to Third Sector Homelessness Providers	438
Transfer Payments	Housing Benefit Subsidy Loss	2,025
Transfer Payments	Rent Allowances	5,010
Government Grants	Homelessness Prevention Grant	(1,286)
Government Grants	DWP Housing Benefit Subsidy	(2,839)
Customer & Client Receipts	Housing Benefit Subsidy Loss	(2,025)
Customer & Client Receipts	Housing Subsidy (Gross)	(3,062)
<b>Net Impact on General Fund Budget</b>		<b>66</b>
<b><i>HRA Interest Adjustment</i></b>		
Financing Costs	Increased Interest Payable on HRA Debt	2,694
Income - Interest	Additional Interest Receivable from HRA	(2,694)
<b>Net Impact on General Fund Budget</b>		<b>(0)</b>
<b><i>Turnstone Adjustment</i></b>		
Third Party Payments	Lease Payments for Turnstone	1,002
Customer & Client Receipts	Income from Commercial Tenants	(1,319)
<b>Net Impact on General Fund Budget</b>		<b>(317)</b>

## **EXPENDITURE**

2.4 The *Expenditure* highlights included in the table above are as follows:

- **Employee Costs (£31.462 million)** – the core inflationary assumption with regard to a 2024/25 Pay Award of 3.0% remains unchanged compared to the Indicative MTFF prepared in October 2023. However, a back-dated pay settlement for 2023/24 has now been adopted following agreement with the unions; it was a fixed sum increase of £1,925 for all employees, equating to an average pay increase in excess of 5.0%. This has a knock-on impact with the 2024/25 budget for Employee Costs as the base budget for 2023/24 (from which the 2024/25 budget is extrapolated) was originally assumed at 4.0% in the Indicative MTFF. This increases the required budget provision for 2024/25 by circa £600,000, although the full impact has been mitigated through the removal of some posts (impact £479,000). In addition, Employee Costs have also risen as a consequence of bringing all functions relating to maintaining and managing assets back into the back into the Council from Amphora and Colchester Borough Homes (impact £410,000).
- **Premises (£11.445 million)** – there has been a significant increase (£692,000) in the required budget provision for Premises in 2024/25. Most notably, anticipated savings of £800,000 in energy costs were identified in November, with a further £150,000 (making £950,000 in total) added during the more detailed stages of budget preparation. However, these budget reductions were outweighed by an adjustment of £1.805 million required in respect of additional Temporary Accommodation costs (presented above in Paragraph 2.3)
- **Supplies & Services (£9.466 million)** – a core inflation rate of 3.5% was initially applied to Supplies & Services in preparing the Indicative October 2023 MTFF, based on declining CPI forecasts as of late Summer/Autumn 2023. Subsequent events tend to support that assumption with the CPI rate declining to 3.9% in November 2023; at the time of reporting, there is a broad consensus amongst commentators, including the Bank of England, that a further decline in CPI can be expected in the calendar year 2024. A number of small miscellaneous required changes to Supplies and Service budgets have been subsequently identified since November 2023, including further increases in Insurance, ICT and Telephony budgets.
- **Third Party Payments (£7.381 million)** – an increased contractual payment of £1.002 million to Canada Life as part of the Northern Gateway “Turnstone” development has been included within the budget for Third Party Payments, which adds to a pressure of £438,000 on Temporary Homelessness Accommodation payments to Third Sector providers (presented above in Paragraph 2.3). There has also been a partially offsetting reduction in the anticipated Management Fee paid to Amphora (down by £205,000, from £1.749 million to £1.544 million).
- **Transfer Payments (£40.001 million)** – a net increase of £7.035 million is expected in Housing Benefit costs (mainly met by Government grant) in 2024/25, which reflects adjustments in respect of additional Homelessness costs as presented above in Paragraph 2.3 (£5.010 million Rent Allowances, £2.025 million Housing Subsidy Loss).

- **Financing Costs (£13.177 million)** – an increase of £2.948 million in Financing costs since the Indicative October 2023 MTFF was produced, primarily relates to a £2.694 million increase in Interest Payable relating to new HRA borrowing (presented above in Paragraph 2.3). It should be re-emphasised that the cost is fully met by the HRA, rather than the General Fund.

## **INCOME**

2.5 The **Income** highlights included in the table above are as follows:

- **Government Grants (£36.454 million)** – the majority of Government Contributions relate to Housing Benefit Subsidy payments. These have increased by £2.839 million since the Indicative October 2023 MTFF was produced due to the increasing cost of Homelessness (presented above in Paragraph 2.3). The Flexible Homelessness Prevention Grant, which local authorities have been receiving for a number of years now towards the increased cost of Temporary Accommodation has also been built into the base budget for 2024/25; this includes the 2024/25 allocation already announced by DLUHC, plus provision for a further award based on intelligence received from Ministerial Briefings (total impact £1.286 million as presented above in Paragraph 2.3)
- **Customer & Client Receipts (£35.932 million)** – an assumed average increase of 6.7% (September 2023 CPI) was assumed in Fees and Charges for 2024/25 (adopted by Cabinet in December 2023), which was largely achieved. The large increase since the Indicative October 2023 MTFF was produced is mainly due to the combined impact of total adjustments of £5.087 million in respect of Homelessness costs (presented above and Paragraph 2.3), additional income in respect of the “Turnstone” lease of £1.320 million (also covered above in Paragraph 2.3). Additional (gross) income of £1.246 million is also anticipated from the new Garden Waste scheme (presented below in Paragraph 2.12); and
- **Income - Interest (£9.956 million)** – an increase of £3.013 million since the Indicative October 2023 MTFF was prepared primarily reflects an increase in anticipated income of £2.694 million from the HRA (refer to discussion on Financing Costs above).

## **FUNDING**

2.6 The **Funding** highlights included in the table above are as follows:

- **Council Tax (£14.411 million)** – the Indicative MTFF prepared in October 2023 included an overall Council Tax yield (the Colchester City Council share) of £14.597 million, reflecting an assumed Council Tax increase of 3.0%. The *Provisional* Local Government Finance Settlement (announced 18th December 2023) included a 3.0% Referendum Limit (allowing a maximum increase of 2.99% without the need for a Referendum).

A final tax base of 66,132.0 for 2024/25 has now been calculated and the Parish Councils notified accordingly. Although Council Tax collection rates are marginally down at the Quarter 3 stage in 2023/24 compared to the same stage in 2022/23, (consistent with previous years) an eventual collection rate of 99.0% has still been assumed.

These draft budget proposals assume a 2.99% increase which, if accepted, would raise the current Band D charge from £211.59 to £217.92. The additional funding raised from the proposed increase would be £418,616 (compared to a Council Tax freeze). Members of course retain the opportunity to vary this proposal.

It should be noted that the Levelling up and Regeneration Act received royal ascent on 26th October 2023 following significant delays in the progress of the Bill through Parliament. This means that the introduction of (100%) Council Tax premium on Second Homes is no-longer an option for the Council until 2025/26. It had been previously assumed that the Council would benefit from this additional funding source with effect from 2024/25; this is the reason for the small reduction in the assumed Council Tax yield compared to the Indicative MTFP produced in October 2023.

- **Business Rates (£6.975 million)** – the introduction of the Business Rates Retention (BRR) system in April 2013 was designed to incentivise local councils to grow the Business Rates base in their local area through being allowed to retain (subject to a Government levy) a share of the additional income raised above a pre-determined Business Rates Baseline (BRB). Councils were also allowed to reduce the size of the levy payable through forming local Business Rates Pools.

Although the picture has varied nationally, Colchester City Council have benefited significantly from a sustained period of growth in its Business Rates base since BRR was introduced, with the additional funding received further boosted through membership of the Essex Business Rates Pool.

The BRR system is highly complex, and the Council has – for many years – protected itself from volatility in the system through the operation of a Business Rates Reserve, which allows the prudent release of consistent (steadily growing) funding levels from the system to support the annual budget. It is in that context that a technical assessment of the current position and prospects for the Council's funding from the BRR system has been completed in preparing these draft budget proposals. The outcome of that review concludes that there is an opportunity to release some funding from the Reserve to support the Council's wider MTFP and Corporate Plan objectives. It is also possible to assume a further £300,000 to support the base budget for 2024/25 (thus increasing the overall BRR yield assumption from £6.675 million included in the Indicative MTFP in October 2023, to £6.975 million).

Members should note that the Government has indicated from the outset of the BRR system that they intend to periodically reset BRBs (which would remove the growth element from overall BRR yield). It is estimated that, ceteris paribus, and in the absence of any form of transitional support, the total BRR yield for Colchester would reduce to circa £5.7 million (i.e., a fall approaching £1.3 million compared to the 2024/25 budget proposals). It is therefore prudent at this stage not to excessively increase the budget assumption for Business Rates to avoid a sharp reduction in future funding. However, there is currently no indication as to the Government's precise intentions regarding any future reset; the earliest that it could happen would be 2025/26 and, even if it happened without any transitional support (the 'worst case scenario'), the Council has sufficient funds within the Business Rates Reserve to ensure a smooth transition to a new (lower) baseline.

- **Collection Fund Adjustments (£0.584 million)** – forecasting the size of Collection Fund adjustments can be a complex exercise. A (relatively cautious) 'neutral' assumption for 2024/25 was therefore made in preparing the Indicative MTF in October 2023. Since then, Finance officers have completed detailed assessments for both the Council Tax and Business Rates elements of the Collection Fund. Both the Council Tax and the Business Rates elements of the Collection Fund are now expected to be in surplus by 31st March 2024, which releases additional funding for distribution from the Collection Fund in 2024/25 of £583,815 in 2024/25 (comprising Council Tax of £14,545 and Business Rates £569,270). Members should note the encouraging news on the Business Rates element of the Collection Fund, which has shown a particularly strong recovery following the pandemic.
- **Council Tax Sharing Agreement (CTSA) (£0.350 million)** – the Council has benefited from the Essex Council Tax Sharing Agreement (CTSA) for several years now. The CTSA scheme incentivises and rewards billing authorities for increasing Council Tax collection rates (from which all major precepting authorities benefit); this takes the form of an adjustment (a reduction) to the precepts paid to the major preceptors (County, Police and Fire) based on collection rate performance, with the proceeds available to support the Colchester budget. The size of the adjustment is calculated in accordance with a 'graduated percentage rate' (higher performance attracts a higher percentage "share back"). In 2023/24, based on forecasts prior to the start of the financial year, Colchester City Council were expected to receive £731,581 from CTSA driven by a 9% share back rate. However, Council Tax collection rates to date are slightly lower in 2023/24 compared to the same stage in 2022/23; the Quarter 3 (31st December 2023) forecast is now predicting that the Council will receive £312,835 driven by a (reduced) share back rate of 6%. On that basis, it is prudent to reduce the funding expectation for 2024/25 to £350,000. If collection rates improve in 2024/25 (as part of an economic recovery possibly), an in-year funding surplus could emerge, and the opportunity could also be taken to raise budget expectations for 2025/26.

- **Revenue Support Grant (RSG) (£0.218 million)** – the *Provisional* Local Government Settlement for 2024/25 (announced 18th December 2023) included an RSG allocation of £217,978 (compared to £204,437). This was very close to an assumed RSG allocation of £211,000 included in the Indicative MTFP produced in October 2023.
- **New Homes Bonus (NHB) (£0.634 million)** – the Council received an NHB allocation of £575,621 in 2023/24. Based on emerging intelligence received in August 2023, an allocation of £600,000 was assumed within the October 2023 Indicative MTFP for 2024/25. The *Provisional* Local Government Settlement for 2024/25 (announced 18th December 2023) included an allocation of £634,031, thus marginally exceeding expectations.
- **Funding Guarantee Allocation (FGA) (£1.940 million)** – the *Provisional* Local Government Settlement for 2024/25 (announced 18th December 2023) included an FGA allocation of £1,940,455, representing an increase of £255,422 compared to the Council’s allocation of £1,685,033 in 2023/24. Despite the increase, this was slightly lower (by £159,545) than the assumption of £2,100,000 included in the Indicative MTFP in October 2023. However, the FGA is in substance the ‘balancing figure’ (in the wider Settlement) so is subject to fluctuation if other elements of the Settlement change. Most notably in this instance, a September 2023 CPI (6.7%) award within the Business Rates Retention (BRR) system, thus offsetting any reduction in FGA.
- **Contribution to/(from) Reserves (£0.153 million)** – a planned net contribution of £153,000 to Reserves also forms part of these General Fund budget proposals as presented in the table below.

<b>Draft Planned Contributions (from)/to General Fund Reserves 2024/25</b>	
<b>Description</b>	<b>Value (£000's)</b>
General Fund Reserve	335
NEPP Reserve	18
Flexible Homelessness Prevention Grant	(200)
<b>Net Contribution to/(from) Reserves</b>	<b>153</b>

**EMBEDDED SAVINGS PROPOSALS**

2.7 As described in Paragraph 1.9 and presented in the table in Paragraph 2.1 above, as of the end of November 2023, a budget gap of £2.369 million had to be eliminated in order to balance the budget for 2024/25. In completing that task, the final stages of the draft budget development process undertaken by Finance officers identified a wide range of miscellaneous – mainly small – adjustments (both positive and negative), which were supplemented by two major blocks of Savings Proposals; the “Fit for the Future” Programme and additional Staff Savings proposals. The achievement of the full budget gap is summarised in the table below.

Savings/Budget Adjustments (Description)	Impact on 2024/25 Budget
	£000's
Transformation Programme “Fit for the Future”	(1,844)
Staff Savings	(479)
Other Net Expenditure Adjustments	39
Funding Adjustments	(85)
<b>Total</b>	<b>(2,369)</b>

2.8 Other Net Expenditure and Funding Adjustments are described in Paragraphs 2.4 to 2.6 above.

**Transformation Savings (“Fit for the Future”) (2024/25 to 2026/27)**

2.9 The financial challenge facing local government has grown since the Covid Pandemic, with multiple financial shocks hitting the sector, including a recent steep rise in inflation, and borrowing costs. This has pushed several councils towards the point of issuing “Section 114” notices (an inability to balance the budget). Colchester City Council is not in this position, having prudently managed its finances over many years, but nevertheless, it has still found itself needing to identify substantial savings over the past two years in order to balance the books.

2.10 Annual exercises of identifying additional income, efficiencies and, if all else fails, budget cuts, are unsustainable and lead to reactionary as opposed to strategic decision making. Facing further financial challenges, as laid out in the MTF, the Council is embarking on a strategic programme of review, entitled “Fit for the Future” with the objective of delivering a council with a net operating cost of only three-quarters of what it would have been without this action.

2.11 The aim of this programme is to deliver a leaner, fitter organisation, offering improved services to residents, but which operates sensibly within the projected financial resources available to it, avoiding the need for repeated annual cuts exercises.

- 2.12 The projected financial benefits from the “Fit for the Future” Programme are included in the draft 2024/25 Budget and MTFP proposals (*in Appendix C*), but a more expansive explanation of the Programme will be presented to Cabinet in March 2024. The overall Programme is expected to deliver total savings of £4.772 million over three years (2024/25 to 2026/27). The 2024/25 elements of the Programme total £1.844 million and are summarised in the table below.

<b>“Fit for the Future” Savings Programme (2024/25)</b>		
<b>Service Area</b>	<b>Description</b>	<b>Budget Impact (2024/25)</b>
		<b>£000’s</b>
Waste Services	Garden Waste Chargeable Service	955
Waste Service	Business Waste Service Expansion	100
Greening & Street Care	Service Options Appraisal	100
Culture & Heritage	Museums Delivery Model Review	120
Culture & Heritage	Hollytree Admission Charging	100
Active & Wellbeing	Gladstone	20
Active & Wellbeing	Digi Ticket	6
Assets	Corporate Landlord Model	300
Corporate	Channel Experience with Contact Centre (Digital Customer)	100
Corporate	Building Control (Shared Services)	43
<b>Total</b>		<b>1,844</b>

**Salary Savings (2024/25)**

- 2.13 The Council had extended pay negotiations during 2023/24 as the pay offer made by the Council, in accordance with the budgetary provision included in the 2023/24 Budget, was rejected by UNISON. The provision made in the Budget for 2023/24 was consistent with the Government’s projection for falling inflation, but inflation proved stubborn and stayed higher than forecast. Ultimately, agreement was reached at level which mirrored the National Joint Council (NJC) pay offer of a flat £1,925 per employee.
- 2.14 The agreed offer exceeded the provision made for pay in the 2023/24 budget by £600,000 and therefore resulted in an overspend in the current year and represents a continuing financial strain in every subsequent budget year.
- 2.15 Recognising that funding is finite and therefore the cost of the higher settlement must be accommodated within the overall pay envelope contained within the Budget, options have been developed to reduce the overall pay bill of the Council. Ultimately, this means a reduction in the number of posts employed by the Council, with fewer staff being paid more to balance the equation.



- 2.16 The list of savings proposed as part of this Budget package are included in the ***Confidential Appendix D***, recognising the sensitive nature of the proposals and the need to properly consult before the savings are implemented. It should also be noted these will be in addition to salary savings that arise from the Fit for the Future Programme.

**SUBJECTIVE ANALYSIS**

- 2.17 A summary of the draft General Fund budget analysed by Subjective Heading (and Service Heading) can be found at **Annex 1**.

**COST CENTRE SUMMARY**

- 2.18 A detailed summary of the draft General Fund budget analysed by Cost Centre can be found at **Annex 2**.

### 3. Proposed Housing Revenue Account (HRA) Budget 2024/25

- 3.1 The proposed HRA revenue budget for 2024/25 – including a comparison with the Original Budget for 2023/24 – is summarised in the table below. A balanced budget is proposed after adjustments for Contributions to Capital of £2.459 million.

<b>2024/25 HRA Draft Revenue Budget: subjective analysis</b>			
<b>Description</b>	<b>Final Budget 2023/24</b>	<b>Movement</b>	<b>Draft Budget 2024/25</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b><i>INCOME</i></b>			
Dwelling Rents (Gross)	(30,131)	(2,449)	(32,580)
Non-Dwelling Rents (Gross)	(1,189)	(36)	(1,225)
Charges for Services and Facilities	(3,283)	23	(3,260)
Other Contributions	(65)	(5)	(70)
<b>Total Income</b>	<b>(34,668)</b>	<b>(2,467)</b>	<b>(37,135)</b>
<b><i>EXPENDITURE</i></b>			
Repairs and Maintenance	6,521	1,402	7,923
CBH Management Fee	4,872	149	5,021
Supervision and Management	7,691	(104)	7,587
Rents, Rates and Other Charges	190	7	197
Provision for Bad Debts	250	0	250
Interest Payable	6,045	2,288	8,333
Depreciation and Impairments	6,000	0	6,000
Debt Management Costs	58	6	64
<b>Total Expenditure</b>	<b>31,627</b>	<b>3,748</b>	<b>35,375</b>
<b>Net Cost of Service</b>	<b>(3,041)</b>	<b>1,281</b>	<b>(1,760)</b>
HRA Investment Income	(263)	(436)	(699)
<b>Net Operating Income</b>	<b>(3,304)</b>	<b>845</b>	<b>(2,459)</b>
<b><i>Appropriations:</i></b>			
Contributions to Capital	3,304	(845)	2,459
<b>Total Appropriations</b>	<b>3,304</b>	<b>(845)</b>	<b>2,459</b>
<b>In Year (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 3.2 The HRA budget for 2024/25 has been prepared using – where appropriate – a set of assumptions that are consistent with those applied to the General Fund, including an assumed Pay Award of 3.0%. Bespoke assumptions include an interest rate of 4.6% on new HRA borrowing (reflecting the discounted PWLB rates available to the HRA) and inflationary increases on building costs as stipulated in individual repairs and maintenance contracts.
- 3.3 The overall revenue position shows an anticipated reduction in Net Operating Income from £3.304 million in 2023/24 to £2.459 million in 2024/25 (down £0.845 million). The most notable factors behind the reduction are as follows:
- **Total Income - £37.135 million (up £2.467 million)** – an increased income assumption for 2024/25 is primarily driven by a proposed Rent Increase of 7.7% (September 2023 CPI of 6.7% + 1.0%) in accordance with the extant Legal Rent Standard (April 2020); combined with movements in the Housing Stock, it is anticipated that the Gross Rent yield will rise by £2.449 million to £32.580 million. Members of course have the option of choosing a lower rent increase. Non-Dwelling rents are increased in line with agreed increases in Fees and Charges (with the budget adjusted for voids), whereas Tenant and Leaseholder Service Charges are determined on a full cost recovery basis.
  - **Total Expenditure - £35.375 million (up £3.748 million)** – the anticipated increase in income in 2024/25 is expected to be outweighed by a substantial increase in expenditure. There are two dominant items as follows:
    - **Repairs & Maintenance - £7.923 million (up £1.402 million)** – an increase is expected in Repairs & Maintenance costs (up 21.5%) in 2024/25. Most notably there is an anticipated increase of £0.491 million on Responsive Repairs (driven by inflation, and increased health and safety related requirements such as works to alleviate damp and mould), Decorating £0.385 million, Servicing Contracts (including Gas) £0.245 million, and Fencing £0.171 million; and
    - **Interest Payable - £8.333 million (up £2.288 million)** – a major increase in Interest Payable (up 37.8%) is expected, reflecting the new borrowing required to fund the 2024/25 HRA Capital Programme (including anticipated rolled-forward schemes from 2023/24). Interest rate assumptions are also substantially higher than they were in developing the 2023/24 budget.
  - **HRA Investment Income – £0.699 million (up £0.436 million)** – increased income from Investments (up 165.8%) is also expected, reflecting the additional interest earned on HRA Reserves and Balances due to much higher interest rates.

**COLCHESTER BOROUGH HOMES MANAGEMENT FEE**

- 3.4 Members attention is drawn to an assumed overall Management Fee payable to Colchester Borough Homes (CBH) of £13.424 million in 2024/25. This includes £10,427,700 payable through the HRA above (£5,406,800 in Repairs and Maintenance, including Management Fees + the general CBH Management Fee of £5,020,900). The table below summarises the overall Management Fee proposed by CBH and is recommended for Cabinet approval.

<b>Colchester Borough Homes (CBH) draft Management Fee 2024/25</b>	
<b>Description</b>	<b>Value</b>
	<b>£'s</b>
<b><i>Housing Revenue Account (HRA) - Revenue</i></b>	
CBH Management costs	5,020,900
R&M Management Fee	736,000
R&M Works	4,670,800
<b>Sub-Total</b>	<b>10,427,700</b>
<b><i>Housing Revenue Account (HRA) – Capital</i></b>	
Capital Fee	1,990,000
<b>Sub-Total</b>	<b>1,990,000</b>
<b><i>General Fund</i></b>	
Professional Support Unit	137,000
Housing Options Team	763,500
Housing Systems Team	106,000
<b>Sub-Total</b>	<b>1,006,500</b>
<b>Total CBH Management Fee 2024/25 (Draft)</b>	<b>13,424,200</b>

**HRA COST CENTRE SUMMARY**

- 3.5 A detailed summary of the draft HRA budget for 2024/25 – analysed by cost centre – can be found at **Annex 3**.

## Draft General Fund Budget 2024/25: Subjective Analysis

Income & Expenditure Analysis 2024-25 (@ January 2024)											
Subjective Description	C&DC	Modern City Services	Corporate Services	Enjoy Colchester	Place & Prosperity	Senior Leadership Board	Transformation & Business Improvement	Housing & Wellbeing	Other	HRA Recharges	General Fund Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employees	0	10,612	6,481	5,832	3,172	1,918	2,038	1,043	366		31,462
Premises	0	157	1,686	2,437	2,707	0	0	4,458	0		11,445
Transport	0	2,016	23	11	57	4	3	3	0		2,117
Supplies & Services	550	890	3,299	1,562	422	286	1,552	277	628		9,466
Third Party Payments	0	1,211	4,216	112	155	0	127	1,560	0		7,381
Transfer Payments	0	0	37,501	0	0	0	0	2,500	0		40,001
Capital Financing Costs	0	0	111	0	0	0	0	0	13,066		13,177
											0
<b>Total Expenditure</b>	<b>550</b>	<b>14,886</b>	<b>53,317</b>	<b>9,954</b>	<b>6,513</b>	<b>2,208</b>	<b>3,720</b>	<b>9,841</b>	<b>14,060</b>	<b>0</b>	<b>115,049</b>
Government Grant	0	(7)	(35,161)	0	0	0	0	(1,286)	0		(36,454)
Other Grants & Contributions	0	(1,774)	(1,520)	(1,116)	(191)	0	0	(3)	0		(4,604)
Customer & Client Receipts	0	(5,447)	(9,344)	(7,986)	(5,780)	(330)	(670)	(6,375)	0		(35,932)
Income-Interest	0	0	(258)	(15)	0	0	0	0	(9,683)		(9,956)
Inter-Account Transfers	0	0	0	0	0	0	0	0	550		550
HRA/NEPP Recharges										(3,694)	(3,694)
<b>Total Income</b>	<b>0</b>	<b>(7,228)</b>	<b>(46,283)</b>	<b>(9,117)</b>	<b>(5,971)</b>	<b>(330)</b>	<b>(670)</b>	<b>(7,664)</b>	<b>(9,133)</b>	<b>(3,694)</b>	<b>(90,090)</b>
<b>Net Cost Of Services</b>	<b>550</b>	<b>7,658</b>	<b>7,034</b>	<b>837</b>	<b>542</b>	<b>1,878</b>	<b>3,050</b>	<b>2,177</b>	<b>4,927</b>	<b>(3,694)</b>	<b>24,959</b>

Annex 2**Draft General Fund Budget 2024/25: Cost Centre Summary**

<i>Service: Corporate &amp; Democratic Core</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		£'s	£'s
3544	C D C-DEMOCRATIC REP & MANGMNT	24,500	28,400
3545	C D C-CORPORATE MANAGEMENT	-57,300	521,400
		<b>-32,800</b>	<b>549,800</b>

<i>Service: Modern City Services</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		£'s	£'s
2660	LICENSING	-293,100	-315,000
2671	Waste Collections	3,327,600	4,510,100
2672	Trade Collections	-317,100	-421,300
2677	Void Clearance	-41,500	65,200
2680	BRING - GLASS & CANS	-9,900	-2,200
2694	Garden Waste	0	-1,429,000
2719	North and South Zones	1,211,900	1,217,900
2728	Sweepers	236,300	193,500
2732	Town Centre Zone	724,200	835,900
2740	Neighbourhood Services Mngmt	-71,700	-3,800
2747	Business Improvement Team	469,900	504,700
2870	Safety & Protection Mgr (exEH)	13,600	95,200
2871	Environmental Control Team	311,500	321,700
2872	Anti-Social Behaviour Team	7,500	0
2874	PSH Enforcement	308,000	331,100
2876	Food & Safety Team	255,300	260,000
2877	Healthy Homes	68,300	73,200
3503	COMMUNITY SAFETY	66,300	93,000
3504	Community Safety Partnership	3,300	3,300
3510	Safer Streets (ex DARG)	0	-5,000
3535	Safeguarding	30,100	24,600
4650	Animal Control	15,400	22,000
4690	Market & Street Trading	-1,600	500
4820	Building Control	-99,700	-14,700
5565	Bus Interchange Facility	7,500	9,100
5852	FLEET MANAGEMENT	1,024,200	1,098,400
5882	DEPOT	213,900	190,100
		<b>7,460,200</b>	<b>7,658,500</b>

<b>Service: Corporate Services</b>			
<b>Cost Centre Ref.</b>	<b>Description</b>	<b>Budgeted Net Expenditure</b>	
		<b>2023/24 (Final)</b>	<b>2024/25 (Draft)</b>
		<b>£'s</b>	<b>£'s</b>
2533	Street Lighting	48,800	40,300
2534	Engineering Services	62,600	115,300
2665	Watercourses / Drainage	3,000	3,000
2799	Travel Plan	-36,800	-37,800
2886	Purchasing & Control	264,200	296,300
2889	HR Service Centre PSU	284,600	331,100
3530	EMERGENCY PLANNING	30,400	39,700
3546	Health and Safety Officer	69,900	73,400
3603	Central Training	6,000	24,900
3606	Strategic People& Perfmnce Mgr	68,400	128,000
3607	UNISON REPRESENTATIVE	11,500	11,800
3609	Human Resources	190,300	204,400
3610	ELECTIONS	330,100	240,000
3611	ELECTORAL REGISTRATION	64,600	55,100
3620	CIVIC FUND	92,900	107,700
3622	Members Allowances	645,500	654,800
3642	Vending	1,300	0
3700	Director of Finance ( s151)	0	122,800
3701	Financial Management	942,500	925,900
3714	Group Manager (Bens & Support)	-3,200	0
3716	Contact & Support	1,030,700	1,040,800
3719	Group Manager Accounts & Debt	19,000	49,900
3758	Technical Services	256,300	283,400
3769	ECC Compliance Contribution	-78,200	-78,200
3770	Council Tax inc LCTS	25,800	-23,800
3771	N N D R	-82,600	-61,200
3775	Income & Corporate Debt	221,900	252,200
3778	Benefits Processing	170,600	238,800
3790	Benefits - Administration	-581,000	-421,300
3791	Benefits - Private Sector	-273,100	-481,000
3793	Benefits - Non HRA Rebate	85,600	45,100
3794	Benefits - Rent Rebates	-111,500	137,200
3800	Members & Staff Car Parks	7,100	26,600
3805	Other Civic Offices	-36,200	13,900
3809	Town Hall	329,800	301,600
3811	Rowan House	306,700	254,500
3814	Corp. Repairs & Maintenance	751,400	834,500
3820	Cleaning Contract	0	210,000
3830	Estates Management Holding a/c	0	419,900
3840	COMML LETTS AGRIC ESTATES	-16,100	-13,900
3841	COMML LETTS IND. ESTATES	-834,400	-851,000
3842	COMML LETTS OTHER PROPERTIES	-1,403,500	-1,147,100
3843	FINANCE LEASE INCOME (COMML)	-258,300	-258,300
3844	Northern G'way Leisure Park	0	-457,100
3851	SERVICE LETTS IND. ESTATES	-3,200	-2,800
3852	SERVICE LETTS OTHER PROPERTIES	-92,200	-249,900
3860	SURPLUS/REDEV. AGRIC. ESTATES	-23,200	-25,900
3862	SURPLUS/REDEV.OTHER PROPERTIES	-360,200	-393,400
3870	Digital Broadband	-100,000	-50,000
3949	Corporate Governance	81,200	82,900
3950	INSURANCE MANAGEMENT	1,052,500	1,348,800
3951	DEBT MANAGEMENT	10,500	11,300
3954	Internal Audit	98,700	102,500
5820	Cleaning	318,500	0
6612	Central Stationery	3,000	3,000
6620	MESSENGER & POST ROOM	34,800	43,200
6622	Hallkeepers	87,900	170,800
6640	ELECTORAL SERVICES	164,100	179,600
6700	COMMITTEE SERVICES	261,700	277,700
6705	Strategic Governance Manager	64,200	80,900
6706	Procurement	124,000	143,600
6720	LEGAL SERVICES	198,200	228,400
6790	RIF Revenue	0	1,200
7071	Corporate Facilities	119,800	126,500
7421	Commercial Client	1,447,100	1,303,000
		<b>6,094,000</b>	<b>7,033,600</b>

<i>Service: Enjoy Colchester</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		£'s	£'s
1561	HERITAGE & CONSERVATION	58,200	57,600
1566	Firstsite (ex CADVAT)	112,000	112,000
1568	MERCURY THEATRE	170,900	170,900
1571	COLCHESTER ARTS CENTRE	48,200	48,200
1573	VISITOR INFORMATION CENTRE	177,500	192,800
2821	Tour of Britain/Tour Series	27,000	27,000
4710	Administration (Ex Holding)	-934,500	-1,017,100
4712	Colchester Museums Income	-560,500	-803,600
4724	Heckworth Close (Storage)	86,800	99,100
4728	MARKETING	65,100	65,100
4729	Museum Activities - Colchester	-25,500	-24,500
4732	CASTLE MUSEUM	130,500	156,000
4733	HOLLYTREES MUSEUM	35,000	24,100
4734	NATURAL HISTORY MUSEUM	8,900	5,300
4737	Colchester Front of House	463,300	502,800
4739	Museum Activites - Ipswich	-1,900	-400
4742	BM Portable Antiquities	15,700	20,000
4765	Exhibitions (ex-Display)	97,700	142,000
4774	Ipswich Front of House	498,300	562,100
4787	Ipswich Collections Storage	10,000	10,000
4900	CIMS Manager	90,700	103,100
4901	Colchester Museums Mangt	60,300	62,400
4902	Ipswich Museums Mangt	55,300	59,300
4908	COL Collect & Lrning Curation	187,100	205,200
4909	IP Collect & Learning Curation	250,700	251,500
4910	Commercial & Business Manager	31,500	33,100
4911	Retail	-23,400	-22,100
4959	Fundraising	0	6,500
5712	Tiptree Sports Centre	55,700	-9,200
5713	Highwoods Sports Centre	34,300	3,400
5725	CLEANING	265,700	291,800
5726	FITNESS CENTRE	18,300	0
5727	WET SIDE COURSES	-390,100	-452,600
5729	BUILDING & PLANT MAINTENANCE	1,914,900	1,438,400
5730	CATERING	-18,200	0
5731	DRY SIDE ACTIVITIES	-176,800	-179,500
5732	AQUA SPRINGS	-359,600	-389,800
5733	Pools	-747,800	-915,900
5739	Welcome Zone (ex Admin)	288,800	291,800
5740	CLW Management	560,700	560,100
5742	Lifestyles	-1,655,200	-1,290,500
5743	LEAP	24,100	33,200
5745	AEROBICS	97,500	97,200
5747	BEAUTY THERAPY	-70,600	-31,300
5750	West End Tennis Centre	-69,500	-21,600
5752	Leisure World Car Park	-115,800	-125,900
5753	CLW Business Development	24,200	29,700
5760	LWN - Operations	640,800	510,200
5761	LWN - Indoor Sports	22,600	31,000
5762	LWN - Outdoor Sports	-121,700	-116,100
5763	LWN - Coffee Shop	52,800	34,700
		<b>1,410,000</b>	<b>837,500</b>



<b>Service: Place &amp; Prosperity</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		£'s	£'s
1511	Greening Management	359,700	410,900
1515	ALLOTMENTS	-14,200	-13,100
1521	COUNTRYSIDE MANAGEMENT	215,200	244,100
1522	High Woods Country Park	17,800	1,300
1525	CLOSED CHURCHYARDS	11,700	11,500
1530	CASTLE PARK	468,000	460,800
1531	COMMUNITY LANDSCAPES	522,400	443,400
1534	Tree Maintenance	150,600	160,300
1535	PLAYGROUNDS	137,800	141,000
1540	SPORTS & PLAYING FIELDS	357,600	434,600
1545	MERSEA ISLAND	-131,700	-134,700
1546	RIVER COLNE	132,700	167,600
2521	Energy Manager	54,100	56,200
2525	Head of Sustainability	0	68,100
2541	Transportation Policy	194,800	99,200
2553	Sustainability&Climate Change	0	124,900
2807	Planning,Housing&EcoGrowth Mgr	-7,100	59,500
2810	Planning Policy (was Spatial)	426,200	445,100
2866	Planning	-117,300	-152,700
3522	Colchester2020 Travel Plan	9,000	11,200
3559	Head of Economic Growth	0	80,600
3560	ECONOMIC DEVELOPMENT	239,100	186,400
5550	CBC Off-Street Car Parks	-2,609,700	-2,764,400
7461	Client and Business Manager	96,700	0
		<b>513,400</b>	<b>541,800</b>

<b>Service: Senior Leadership Board</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		£'s	£'s
3507	Communications	-128,000	-88,500
3520	E M T	834,400	0
3548	Communications Team	561,200	588,300
3551	Senior Leadership Board	0	1,290,000
3718	Research and Behaviour Change	104,900	88,300
7410	Assistant Director Customers	169,100	0
7430	Assistant Director Enviroment	167,900	0
7440	Assistant Director Communities	174,400	0
7450	Asst. Director Corp&Improvement	24,500	0
7460	Asst. Director Place&Client	163,300	0
		<b>2,071,700</b>	<b>1,878,100</b>

<b>Service: Transformation &amp; Business Improvement</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
2881	Civica and Northgate support	174,000	158,400
3509	Strategic Change Team	60,800	175,500
3709	Strategic ICT Mgr	36,500	45,300
3711	Corporate I C T	1,330,200	1,487,200
3953	Computer Holding Account	996,800	1,185,300
3960	TELEPHONES HOLDING ACCOUNT	36,600	101,300
6632	Printers and Scanners	16,900	19,800
6710	LAND CHARGES	-151,900	-122,400
		<b>2,499,900</b>	<b>3,050,400</b>

<b>Service: Housing &amp; Wellbeing</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		<b>£'s</b>	<b>£'s</b>
1550	Cemetery	-27,300	24,700
1551	Crematorium	-861,600	-681,100
1552	Assisted Funerals	24,000	21,000
1719	Head of Strategic Housing	0	-114,500
1727	Housing Strategy	202,600	215,900
1781	Community Initiatives	214,400	241,200
1783	Community Locality Grants	102,000	102,000
1786	Wellbeing & Prevention Mgr	28,300	78,100
2873	Public Health	600	600
3536	Equality & Diversity	5,600	6,200
3768	The Community Hub	315,800	288,500
4538	G.FUND TEMP ACCOMM PROPERTIES	-86,000	-86,000
4543	Homelessness Initiatives	533,500	1,258,300
4547	Hsg System Business Imprvmts	99,000	106,000
4548	Housing Options PSU (CBH)	133,200	137,000
4549	Housing Options Team (GF)	663,200	578,900
		<b>1,347,300</b>	<b>2,176,800</b>

<b>Service: Other (Technical &amp; Corporate Items)</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		<b>£'s</b>	<b>£'s</b>
3570	Non Distributed Costs	1,201,900	365,500
3920	C.L.I.A.	1,126,300	497,300
3921	M.R.P.	2,753,100	2,885,100
3923	Corporate Items	1,419,200	628,200
3923	Contribution to Building Mtce Plan	300,000	300,000
3930	Contribution to RIF Reserve	250,000	250,000
		<b>7,050,500</b>	<b>4,926,100</b>

Annex 3**Draft Housing Revenue Account (HRA) Budget 2024/25: Cost Centre Summary**

<i>Housing Revenue Account</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2023/24 (Final)	2024/25 (Draft)
		£'s	£'s
1904	H.R.A. (DELEG) PLAN/CYC MAINT.	298,600	403,800
1905	H.R.A PLANNED REPAIRS	118,400	134,900
1906	H.R.A. PLANNED/CYCLICAL MAINT.	1,359,400	1,899,300
1915	Housing Options Team (HRA)	25,400	29,900
1920	H.R.A GENERAL MANAGEMENT	8,246,900	8,457,500
1922	H.R.A GREENSTEAD CENTRE	27,500	27,200
1929	H.R.A I C T	632,700	813,200
1930	H.R.A SPECIAL MANGEMENT	397,900	437,300
1942	Contracts & Standards	287,400	293,500
1950	H.R.A-Income	-33,819,800	-36,279,900
1960	H.R.A-CAPITAL FINANCING	15,144,000	16,157,300
1980	H.R.A Leasehold Charges	-428,800	-428,800
4552	H.R.A HOMELESS PERSONS UNITS	42,100	55,400
5609	Community Initiatives	46,100	46,200
5610	H.R.A Delgt- Special Managt	322,800	323,400
5611	H.R.A Delgt - General Managt	69,500	81,800
5616	H.R.A PUMPING STATIONS	138,900	149,000
5617	H.R.A Delgt- Grounds Mtce	780,500	679,600
5641	H.R.A RESPONSE REPAIRS	4,645,100	5,417,500
5940	H.R.A SHELTERED GENERAL	1,541,400	1,125,600
5960	H.R.A SHELTERED - GROUNDS MTCE	124,000	176,300
		-	-



## Draft Budget Proposals 2024/25

### GENERAL FUND & HRA CAPITAL 2024/25 to 2028/29

#### 1. Background and Introduction

- 1.1 The Capital Programme plays a vital part in the delivery of the Council's Corporate Plan since long-term investment is required to deliver many of the objectives in the Plan.
- 1.2 In approving additions of £6.198 million on 18th October 2023, the Council's updated General Fund Capital Programme, comprised total capital investment of £118.922 million over the four-year period 2023/24 to 2026/27.
- 1.3 The five-year Housing Revenue Account (HRA) Capital Programme for 2023/24 to 2027/28 was approved by Cabinet on 25th January 2023, comprising total capital investment of £191.403 million. The delivery of the HRA Programme is shared with Colchester Borough Homes (CBH) under hybrid arrangements covering "Decent Homes", and the acquisition and building of Council homes.
- 1.4 Acting on the strategic direction provided by Cabinet, officers have subsequently refined existing capital commitments (both General Fund and HRA), ensuring that they remain focused around the Council's Strategic Plan objectives, are sufficient and aligned with the Council's wider financial strategy, and at the same time, maintain an appropriate balance with affordability given the difficult revenue budget position (the long-term financial sustainability of the Council being an overriding consideration throughout).
- 1.5 As with the development of the Revenue budget (**Appendix A** above), engagement has been a key priority in developing the Council's Capital proposals, with the Scrutiny Panel tasked with scrutinising the draft Capital budgets on 23rd January 2024.
- 1.6 Now that the detailed budget development work has been completed, this report allows Cabinet to consider final capital investment proposals for 2024/25 to 2028/29 – for both the General Fund and HRA – as set out in the report, whilst taking into consideration the comments of the Scrutiny Panel held on 23rd January 2024.

## 2. General Fund Capital Investment 2024/25 to 2028/29

2.1 Despite a challenging financial landscape, the continued delivery of the Council's strategic objectives is contingent on carefully targeted capital investment, especially in major schemes such as the Colchester Northern Gateway. It is also prudent for the Council to maintain sufficient and consistent investment in its asset base. The five-year Capital Investment proposals therefore include targeted growth of £28.950 million over the period 2024/25 to 2028/29 on both 'One-Off' Schemes and Rolling Investment.

### **'One-Off' Capital Investment (£13.142 million)**

2.2 The capital investment proposals for one-off capital schemes are summarised in the table below.

<b>General Fund: New Capital Investment 2024/25 to 2028/29 (DRAFT) One-Off Schemes</b>						
<b>Description</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>Totals</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
CNG Enabling Infrastructure	7,700	0	0	0	0	<b>7,700</b>
Kingswood Community Centre*	207	1,000	0	0	0	<b>1,207</b>
Fieldgate Quay Phase 2	1,500	0	0	0	0	<b>1,500</b>
Car Parks	425	160	0	0	0	<b>585</b>
Moot Hall	1,000	0	0	0	0	<b>1,000</b>
Castle	400	0	0	0	0	<b>400</b>
Natural History Museum (match funding)	200	300	0	0	0	<b>500</b>
"The Big Switch Off" (ICT)	250	0	0	0	0	<b>250</b>
<b>Totals</b>	<b>11,682</b>	<b>1,460</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,142</b>

\*Kingswood Community Centre – 100% Section 106 funded

2.3 The one-off capital investment proposals in the table above can be summarised as follows:

- **CNG Enabling Infrastructure (£7.700 million)** – the capital investment is required to deliver improvements to the A12 junction as required by the planning permission on the wider Colchester Northern Gateway (CNG) site. The completed works will unlock the further development of CNG, which is a key gateway site to the City of Colchester and will deliver on some of the Council's key priorities in the Strategic Plan. It is also a key employment site in the Local Plan.

- **Kingswood Community Centre (£1.207 million)** – the Kingswood scheme is to be funded from Section 106 money. It will deliver a community facility (on the old “Severalls” site), which will serve the growing local community.
- **Fieldgate Quay (Phase 2) (£1.500 million)** – Phase 2 of this project in the Hythe area of the City, links to Phase 1; this entailed the repair of a 15-metre-long section of failed Sheet Piling, which has created a Health & Safety hazard and led to the closure of the public footpath.

The Sheet Piling for the remainder of the Quay is also failing and in danger of collapse within the next 12 months. As a former industrial site, it is also the Council’s ambition to re-naturalise as much of the area as possible, create a more environmentally friendly site, and improve the public footpath. Therefore, the proposal is to remove the failing Sheet Piles, grade the Bank back to a more natural slope and route the footpath along the top to create a pleasing section of the riverbank.

- **Car Parks (£0.585 million)** – the proposed capital investment in Car Parks is required to undertake the first phase of structural works at the St Marys and St Johns multi-storey car parks. This supports the Colchester City Centre Masterplan and the emerging Car Park Strategy for the next 10 years. Waterproofing works is the priority.
- **Moot Hall (£1.000 million)** – it is proposed to earmark capital investment for remedial works required to the Moot Hall, which is an important part of the Town Hall. The Hall is currently closed for health and safety reasons, pending suitable repairs to the ceiling (especially). When fully operational, the Hall generates a significant income stream (in the region of £200,000 annually) for the Council from public rentals (e.g., Weddings and other Social Events).
- **Castle (£0.400 million)** – the Castle allocation relates to emergency works required to ensure public safety following issues with water ingress in the North-West Tower; the Museum service will fundraise for the long-term works required to stabilise and conserve the building to minimise the cost to the Council.
- **Natural History Museum (match funding) (£0.500 million)** – the Museums service is planning to apply for round one support from the National Lottery Heritage Fund (NLHF) in May 2024. It is an NLHF requirement that successful applicants will have significant match funding in place ahead of that process; and
- **“The Big Switch Off” (ICT) (£0.250 million)** – the UK telephony network is shifting from analogue to digital, which requires councils to review and upgrade analogue connections and devices in use within their organisations and communities (e.g., telecare systems, lift alarms, monitoring devices, etc.) to ensure they will continue to function following the switchover.

**Rolling Capital Investment (£15.808 million)**

2.4 Maintaining effective Council operations and the successful delivery of corporate priorities is dependent on ongoing/rolling capital investment in key areas such as ICT and Property. It is therefore proposed to strengthen the alignment between the Council’s MTFF (Revenue) and the General Fund Capital Programme in providing significant and stable (or ‘rolling’) investment in selected areas as summarised in the table below.

<b>General Fund: New Capital Investment 2024/25 to 2028/29 (DRAFT) Rolling Investment</b>						
<b>Description</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>Totals</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
ICT Strategy	1,000	1,000	1,000	1,000	1,000	<b>5,000</b>
Asset Management Strategy	1,000	1,000	1,000	1,000	1,000	<b>5,000</b>
Disabled Facilities Grants*	0	1,452	1,452	1,452	1,452	<b>5,808</b>
<b>Totals</b>	<b>2,000</b>	<b>3,452</b>	<b>3,452</b>	<b>3,452</b>	<b>3,452</b>	<b>15,808</b>

\*Disabled Facilities Grants – 100% Government Grant funded

2.5 The rolling capital investment proposals in the table above can be summarised as follows:

- **ICT Strategy (£5.000 million)** – an annual capital investment commitment of £1.0 million is proposed to support the Council’s emerging ICT Strategy. This will enable ongoing targeted investment in digital, data and technology to enable the Council to adapt quickly to technological advancements, which will enhance efficiency, foster innovation, and meet customer needs and expectations in a ‘digital age.’
- **Asset Management Strategy (£5.000 million)** – an annual capital investment commitment of £1.0 million is proposed to support the Council’s emerging Asset Management Strategy. This will enable ongoing targeted investment in existing property assets that support service delivery and our staff, contribute to new projects that enhance income generation opportunities and reduce risk in relation to health and safety and legislative compliance; and
- **Disabled Facilities Grants (£7.260 million)** – the Council has – for many years – delivered the Disabled Facilities Grant (DFG) Programme. DFGs, which are 100% funded by a General Fund capital grant paid by the Government, contribute to the cost of home adaptations for eligible disabled people (regardless of age or housing tenure) to assist them to continue living safely and independently. The additional capital investment included now extends to the full five years of the General Fund Capital Programme.



### 3. Capital Schemes Removed

- 3.1 Following the 2023 Capital Review, endorsed by the Audit & Governance Committee and Peer Review, and in the light of the change in economic climate and unprecedented challenges to local authority finances, a comprehensive review of the cost and deliverability of the General Fund Capital Programme has been undertaken. Consequently, some schemes are no longer deemed either deliverable in the short term, affordable, or viable so are being proposed for removal. Some may be revisited in the future following a new business case to ensure that the costs and benefits are fully understood.

<b>General Fund Capital Programme: Schemes Removed (DRAFT)</b>				
<b>Description</b>	<b>Scheme Commenced</b>	<b>Approved Budget</b>	<b>Spend to Date (31/12/23)</b>	<b>Remaining Budget</b>
		<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Loans to Council Housing Company	2022/23	26,700	0	26,700
CCHL Equity Investment	2022/23	5,800	0	5,800
CAEL Loan Facility	2022/23	1,020	0	1,020
CNG Heat Network	2019/20	6,786	436	6,350
CNG Micro Grid/Solar Farm	2023/24	5,700	2	5,698
CNG St Marks/Mill Road Rugby Club	2019/20	1,966	195	1,771
Smart Locks	2023/24	44	0	44
<b>Totals</b>		<b>48,016</b>	<b>633</b>	<b>47,383</b>

- 3.2 A review of the Colchester Northern Gateway (CNG) Programme is ongoing, brought about due to change in economic climate, cost, deliverability, and consumer needs. Whilst some new capital investment requirements have been identified, existing projects are now in question and require updated feasibility and business planning resulting in a redefined programme and approach which will continue to evolve over the next 12 to 18 months. The Heat Network, Micro Grid / Solar Farm projects included here are therefore paused, as are the delivery vehicles of CHL and CAEL, in the short term. They are therefore recommended for removal from the Capital Programme until full business cases have been agreed. Once current costs are better understood, an updated report identifying revised capital investment requirements will be brought back to Cabinet.

- 3.3 The St Marks/Mill Road scheme is within the CNG area and is also currently under review. The cost of this project has escalated and as such it has been paused for some time. Links to additional community centre provision to go alongside the development of housing on CNG, means that there is unlikely to be any progress within the MTFE period. It is therefore recommended that this scheme be removed from the current Programme.
- 3.4 However, community provision in the area will be revisited as CNG plans mature, and depending on demand, wider provision, the ability to self-sustain and developer contribution. In the meantime, it is proposed to refresh, and life extend, existing facilities in the area in addition to S106 facilities coming on stream at Kingswood and Severalls. Funding options for improvements to the existing Highwoods Community Centre are also being considered.
- 3.5 With regard to Smart Locks, a change to the financial situation of the Council has led to a review of this project. No obvious net financial saving is deliverable therefore it is proposed that this project should not proceed at this time.

**4. Proposed General Fund Capital Programme 2024/25 to 2028/29**

- The proposed General Fund Capital Programme (following adjustment for the items presented in Sections 2 and 3 above) totals £57.672 million over the five-year period 2024/25 to 2028/29 and is summarised by **service** area in the table below.

Draft General Fund Capital Programme 2024/25 to 2028/29: Service Analysis						
Service	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Economic Growth	28,736	2,035	0	0	0	30,772
Health Partnerships and Wellbeing	259	1,000	0	0	0	1,259
Museums, Culture and Tourism	1,872	300	0	0	0	2,172
Neighbourhood Services	2,083	995	115	0	0	3,194
Sustainability	2,605	160	0	0	0	2,765
ICT Transformation	1,250	1,000	1,000	1,000	1,000	5,250
Strategic Housing - General Fund	1,452	1,452	1,452	1,452	1,452	7,261
Building Maintenance	1,000	1,000	1,000	1,000	1,000	5,000
<b>Total Expenditure</b>	<b>39,258</b>	<b>7,943</b>	<b>3,567</b>	<b>3,452</b>	<b>3,452</b>	<b>57,672</b>
<b>Capital Financing:</b>						
Grants	19,842	3,357	1,452	1,452	1,452	27,555
Section 106 Contributions	3,163	1,130	0	0	0	4,293
Capital Receipts	0	0	0	0	0	0
Revenue	100	0	0	0	0	100
Borrowing	16,153	3,455	2,115	2,000	2,000	25,724
<b>Total Financing</b>	<b>39,258</b>	<b>7,943</b>	<b>3,567</b>	<b>3,452</b>	<b>3,452</b>	<b>57,672</b>

## **EXPENDITURE**

- The key features of the draft General Fund Capital Programme above are as follows:
  - **Economic Growth (£30.772 million)** – this section of the Programme is all about our future City, enabling a thriving economy, a City Centre that is accessible, vibrant and enhances heritage through Town Deal projects and Levelling Up Funding. It also includes the enabling infrastructure for future improvements of the Northern Gateway area of the city.
  - **Health Partnerships and Wellbeing (£1.259 million)** – the 2024/25 Programme will focus here on two important community venues, including extensive repair of the important and much-loved Anglican Chapel in the grounds of the Cemetery and the development of a new developer funded (through S106) Community facility at Kingswood.
  - **Museums, Culture and Tourism (£2.172 million)** – as custodians to thousands of years of history, looking after our heritage buildings owned by the City Council is critically important. This element of the Programme will focus on essential repairs to Hollytrees, Natural History and the Castle Museum roof along with The Moot Hall, which is within the City's Town Hall.
  - **Neighbourhood Services (£3.194 million)** – Waste and Recycling services delivered to all 192,000 residents of the City include an array of infrastructure and vehicles that regularly need replacing or updating. This year capital investment in the fleet will include a range of vehicles including new Garden Waste vehicle, a new roadside sweeper, and a recycling HGV.
  - **Sustainability (£2.765 million)** – the Sustainability service looks after Colchester's public open spaces and recreation areas, which includes parks, countryside, woodland and car parks and quaysides. In 2024/25, there is a need to invest in repairs at Fieldgate Quay at the Hythe to reopen the footpath and ensure the safety of the Quay wall, along with essential repairs to St Marys Car Park in the City Centre and improvements and repair to the much-loved and used play area within Castle Park.
  - **ICT Transformation (£5.250 million)** – the £5.250 million ICT Transformation draft allocation primarily reflects the needs of the emerging ICT Strategy (as described above in Paragraph 2.5).
  - **General Fund Strategic Housing (7.261 million)** – this investment relates to Disabled Facilities Grants, which contribute to the cost of home adaptations for eligible disabled people to assist them to continue living safely and independently (as described above in Paragraph 2.5); and
  - **Building Maintenance (£5.000 million)** – the £5.0 million Building Maintenance draft allocation reflects the needs of the emerging Asset Management Strategy (as described above in Paragraph 2.5).

## **FINANCING**

- The assumed Capital Financing profile for the proposed General Fund Capital Programme 2024/25 to 2028/29 represents an amalgam of Grants, S106 Contributions, Revenue Contributions and Borrowing. Thus:
  - **Grants (£27.555 million)** – the assumed Grant funding in the Programme is dominated by three major areas; firstly the Levelling Up Fund (£16.025 million) supporting projects including Britannia Yard (£6.743 million) and St Botolph’s Roundabout (£7.186 million); secondly Town Deal Fund (£4.270 million) supporting numerous projects with the largest proportion relating to the Town Centre to Greenstead and University Cycle Path (£2.557 million); and finally Disabled Facilities Grants (£7.260 million).
  - **Revenue Contributions (£0.100 million)** – there is just one scheme funded from Revenue Contributions namely the Castle Park Area Replacement project. This scheme has a total budget of £0.680 million and is funded through a mixture of Revenue contributions (£0.100 million), Section 106 contributions (£0.309 million) and Borrowing (£0.271 million).
  - **Section 106 Contributions (£4.293 million)** – the two dominant projects supported by Section 106 contributions relate to St Botolph’s Roundabout (£2.524 million) and Kingswood Community Centre (£1.207 million); and
  - **Borrowing (£25.724 million)** – there are numerous schemes funded through borrowing within the Capital Programme; the most significant schemes include CNG Enabling Infrastructure (£7.70 million); the ICT strategy (£5.0 million) and finally, the Building Maintenance Programme (£5.0 million).
- 4.4 A more detailed summary of the draft Capital Programme – analysed at an individual **scheme** level (including a “Scheme History”) is included in **Annex 1**.
- 5. **Proposed HRA Capital Programme 2024/25 to 2028/29**
  - 5.1 The development of the draft HRA Capital Programme has been guided by the overarching principles in the Council’s adopted HRA Asset Management Strategy and, in the case of the Stock Investment Programme, the outputs from the Asset Management System, maintained and operated by Colchester Borough Homes (CBH) on behalf of the Council. Specific work programmes are accordingly recommended by CBH Board and embedded within the Programme presented below. In addition, other work streams, including the Sheltered Accommodation Review, and the New Build and Acquisitions programmes, are based upon the direct decisions of the Council.

5.2 The proposed HRA Capital Programme totals £205.365 million over the five-year period 2024/25 to 2028/29 and is summarised by nature in the table below.

<b>Draft HRA Capital Programme 2024/25 to 2028/29</b>						
<b>Description</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b><i>HOUSING INVESTMENT</i></b>						
Stock Investment Programme	19,582	20,004	19,935	21,040	19,773	<b>100,334</b>
Sheltered Accommodation Review	553	2,272	3,021	1,169	5,892	<b>12,907</b>
Adaptations	830	839	855	876	884	<b>4,284</b>
<b><i>Sub-Total</i></b>	<b>20,965</b>	<b>23,115</b>	<b>23,811</b>	<b>23,085</b>	<b>26,549</b>	<b>117,525</b>
<b><i>OTHER WORKS</i></b>						
New Build	11,830	18,207	14,150	0	0	<b>44,187</b>
Acquisitions	10,800	11,016	11,236	5,094	5,196	<b>43,342</b>
ICT	60	61	62	64	64	<b>311</b>
<b><i>Sub-Total</i></b>	<b>22,690</b>	<b>29,284</b>	<b>25,448</b>	<b>5,158</b>	<b>5,260</b>	<b>87,840</b>
<b>Total Expenditure</b>	<b>43,655</b>	<b>52,399</b>	<b>49,259</b>	<b>28,243</b>	<b>31,809</b>	<b>205,365</b>
<b><i>FINANCING</i></b>						
Major Repairs Reserve	(6,000)	(6,190)	(6,447)	(6,684)	(6,818)	<b>(32,139)</b>
Revenue Contributions	(2,459)	(3,405)	(2,887)	(3,286)	(3,635)	<b>(15,672)</b>
Grants	0	(3,060)	(3,120)	0	0	<b>(6,180)</b>
RTB Receipts	(5,894)	(3,658)	(1,998)	(2,038)	(2,078)	<b>(15,666)</b>
Borrowing	(29,302)	(36,086)	(34,807)	(16,235)	(19,278)	<b>(135,708)</b>
<b>Total Financing</b>	<b>(43,655)</b>	<b>(52,399)</b>	<b>(49,259)</b>	<b>(28,243)</b>	<b>(31,809)</b>	<b>(205,365)</b>

## **EXPENDITURE**

5.3 The HRA Programme presented above comprises the following:

- **Housing Investment Programme (HIP) (£117.525 million)** – capital investment in the HIP over the period 2024/25 to 2028/29 is focused in three areas as follows:
  - **Stock Investment Programme (£100.334 million)** – this includes capital investment in works to maintain, improve, and refurbish the Housing Stock and its environment. The single largest element relates to works on maintaining the ‘Decency Homes Standard the Housing Stock. Provision is also included for works on areas such as Building Safety, Structural works, Environmental and Estate Works, Asbestos, Legionella and Fire Safety.
  - **Sheltered Accommodation Review (£12.907 million)** – the Cabinet has previously agreed a Refurbishment Programme for the Council’s stock of Sheltered Housing. Completed refurbishments to include Worsnop House, Enoch House and Elfreda House. The capital allocation represents the continuation of that programme of works; and
  - **Adaptations (£4.284 million)** – the proposed allocation maintains the Adaptations budget at historic levels. Funds are utilised to adapt Dwellings to meet the special needs of Councils tenants.
- **Other Works (87.840 million)** – other capital investment priorities over the next five-years is primarily focused in two areas as follows:
  - **New Build (£44.187 million)** – the allocation reflects the funds required to deliver planned new Council housing units across the City over the next three years (with further sites yet to be confirmed in years four and five at this stage). The largest individual scheme relates to the planned delivery of 136 accommodation units as part of the “Heart of Greenstead” project. Other schemes include Military Road and Phase 3 Garage Sites; and
  - **Acquisitions (£43.342 million)** – provision has been made to acquire 100 properties at Social Rent over the five-year span of the Capital Programme; the Council is able to utilise retained ‘1-4-1 Right to Buy (RTB) receipts’ to partly fund such acquisitions at Social Rent. Provision is also included to acquire a further 60 properties at Affordable Rent.

## **FINANCING**

5.4 The assumed capital financing profile for the proposed HRA Capital Programme 2024/25 to 2028/29 represents an amalgam of Major Repairs Reserve Contributions, Revenue Contributions, Grants, “Right to Buy” (RTB) Receipts, and Borrowing. Thus:

- **Major Repairs Reserve (MRR) (£32.139 million)** – the MRR is a mandatory reserve that contains funds set aside to maintain the Housing Stock in its current form and condition. The annual contribution *into* the reserve mirrors the HRA Depreciation charge. Allocations out of the MRR are determined in accordance with the HRA Business Plan.
- **Revenue Contributions (£15.672 million)** – the Council is set to continue with substantial revenue contributions to capital; this has been a major source of financing for the HRA Capital Programme for many years and is predominantly driven by the availability of annual Net Operating Surpluses, within the framework of the HRA Business Plan (which balances long-term affordability and sustainability, including the strategy to maintain a minimum balance of £1.6 million within the HRA Reserve).
- **Grants (£6.180 million)** – the assumed Grant funding in the Capital Programme relates exclusively to funding from Homes England to support the Heart of Greenstead project.
- **“Right to Buy” (RTB) Receipts (£15.666 million)** – the HRA Business Plan assumes RTB sales of 30 properties per annum over the next five years. The proportion of RTB receipts retained by the Council (for funding replacement properties and debt redemption) is determined by formulae included in the RTB Retention Agreement between local authorities and Government, and there are strict rules regarding how the retained share can be used to fund new housing; and
- **Borrowing (£135.708 million)** – as with the General Fund, further long-term HRA borrowing is anticipated. Likewise, precise details on lenders and other details will be determined in consultation with our Treasury Management advisors (Link) nearer the time.

5.5 Members should note that the proposed five-year HRA Capital Programme presented above reflects current assumptions in the Council’s 30-Year HRA Business Plan. However, a detailed review of the Housing Revenue Account, including the assumptions contained within the 30-Year Business Plan, is scheduled for the spring/summer of 2024. Specific emphasis will be placed on the long-term deliverability and financial sustainability of the Business Plan, in the light of changing circumstances and updated intelligence on key variables such as changing housing needs, rents and interest rates. The outcome of the review, including its potential impact on the HRA Capital Programme, will be reported to Members during 2024/25; this will allow sufficient time to develop, and scrutinise, updated five-year HRA capital investment proposals for 2025/26 to 2029/30.

## Annex 1

## Draft General Fund Capital Programme 2024/25 to 2028/29 Summary of Schemes

GENERAL FUND CAPITAL PROGRAMME 2024/25 to 2028/29 (DRAFT)							Scheme History		
Scheme	2024/25 Updated	2025/26 Updated	2026/27 Updated	2027/28 Proposed	2028/29 Proposed	Total MTF 24/25 to 28/29	Total Approved Budget	Spend to Date (31 December 2023)	Remaining Budget
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
<b>ECONOMIC GROWTH</b>									
<b>LEVELLING UP</b>									
Britannia Yard	6,742,635	0	0	0	0	6,742,635	7,692,635	0	7,692,635
Vineyard Street	1,846,115	0	0	0	0	1,846,115	2,284,397	0	2,284,397
St Botolph's Roundabout	9,700,000	0	0	0	0	9,700,000	11,800,000	0	11,800,000
Kerbless and Green Streets (combination with Town Deal Funding)	250,000	0	0	0	0	250,000	1,107,295	28,615	1,078,680
	18,538,750	0	0	0	0	18,538,750			
<b>TOWN DEAL</b>									
Jumbo	445,000	445,000	0	0	0	890,000	1,059,000	120,532	938,468
5G	198,200	35,000	0	0	0	233,200	977,414	73,014	904,400
Development work and Fees - Town Deal	205,537	205,537	0	0	0	411,074	411,074	0	411,074
Town Centre to Greenstead and University Cycle Path	1,505,787	1,314,649	0	0	0	2,820,436	3,146,369	325,933	2,820,436
Multi use community centre - Greenstead	143,223	35,000	0	0	0	178,223	6,007,704	50,398	5,957,306
	2,497,747	2,035,186	0	0	0	4,532,933			
CNG Enabling Infrastructure	7,700,000	0	0	0	0	7,700,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
<b>Sub Totals</b>	28,736,497	2,035,186	0	0	0	30,771,683			
<b>HEALTH PARTNERSHIPS AND WELLBEING</b>									
Anglian Chapel Repairs	52,000	0	0	0	0	52,000	270,000	135,722	134,278
Kingswood CC	206,781	1,000,000	0	0	0	1,206,781	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
<b>Sub Totals</b>	258,781	1,000,000	0	0	0	1,258,781			
<b>MUSEUMS, CULTURE AND TOURISM</b>									
Hollytrees essential repairs	272,000	0	0	0	0	272,000	500,000	0	500,000
Natural History Museum	200,000	300,000	0	0	0	500,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
Moot Hall	1,000,000	0	0	0	0	1,000,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
Colchester Castle	400,000	0	0	0	0	400,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
<b>Sub Totals</b>	1,872,000	300,000	0	0	0	2,172,000			
<b>NEIGHBOURHOOD SERVICES</b>									
To launch a paid for garden service (3 vehicles)	556,800	515,000	0	0	0	1,071,800	1,654,600	22,308	1,632,292
New sweeper	320,000	0	0	0	0	320,000	320,000	0	320,000
2 x 50:50 split RCVs	460,000	0	0	0	0	460,000	460,000	0	460,000
Hard 2 Reach	200,000	0	0	0	0	200,000	200,000	0	200,000
HGV split triple lift - recycling	230,000	0	0	0	0	230,000	230,000	0	230,000
Bin Lift	316,400	480,400	115,200	0	0	912,000	912,000	0	912,000
<b>Sub-Totals</b>	2,083,200	995,400	115,200	0	0	3,193,800			
<b>SUSTAINABILITY</b>									
Castle Park Area replacement	680,000	0	0	0	0	680,000	700,000	0	700,000
Fieldgate Quay (Phase 2)	1,500,000	0	0	0	0	1,500,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
Car Parks	425,000	160,000	0	0	0	585,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
<b>Sub-Totals</b>	2,605,000	160,000	0	0	0	2,765,000			
<b>ICT TRANSFORMATION</b>									
The Big Switch Off (ICT)	250,000	0	0	0	0	250,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
ICT Strategy	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
<b>Sub-Totals</b>	1,250,000	1,000,000	1,000,000	1,000,000	1,000,000	5,250,000			
<b>STRATEGIC HOUSING - GENERAL FUND</b>									
Disabled Facilities Grant	1,452,105	1,452,105	1,452,105	1,452,105	1,452,105	7,260,525	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
<b>Sub-Totals</b>	1,452,105	1,452,105	1,452,105	1,452,105	1,452,105	7,260,525			
<b>BUILDING MAINTENANCE</b>									
Building Maintenance Programme (Capital)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	(24/25 Growth)	(24/25 Growth)	(24/25 Growth)
<b>Sub-Totals</b>	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000			
<b>TOTAL EXPENDITURE</b>	<b>39,257,583</b>	<b>7,942,691</b>	<b>3,567,305</b>	<b>3,452,105</b>	<b>3,452,105</b>	<b>57,671,789</b>			
<b>CAPITAL FINANCING</b>									
Grants	19,841,633	3,357,291	1,452,105	1,452,105	1,452,105	27,555,239			
Section 106 Contributions	3,162,991	1,130,000	0	0	0	4,292,991			
Capital Receipts	0	0	0	0	0	0			
Revenue	100,000	0	0	0	0	100,000			
Borrowing	16,152,959	3,455,400	2,115,200	2,000,000	2,000,000	25,723,559			
<b>TOTAL CAPITAL FINANCING</b>	<b>39,257,583</b>	<b>7,942,691</b>	<b>3,567,305</b>	<b>3,452,105</b>	<b>3,452,105</b>	<b>57,671,789</b>			



## Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29

*Updated January 2024*

### 1. Background

- 1.1 The preparation of a Medium-Term Financial Forecast (MTFF) provides the cornerstone on which the Council can build and deliver services in accordance with the aims and objectives outlined in the Corporate Plan 2023-2026 (“A City fit for the Future”), which is focussed on six priority themes:
- Respond to the climate emergency
  - Deliver modern services for a modern city
  - Improve health, wellbeing, and happiness
  - Deliver homes for those most in need
  - Grow our economy so everyone benefits; and
  - Celebrate our city, heritage, and culture.
- 1.2 Through ‘horizon scanning’ and anticipating necessary change at the earliest opportunity, providing resilience, and the ability to react to and withstand ‘major shocks’ is achieved.

### 2. Introduction

- 2.1 The MTFF is a forward-looking document that provides a tentative look at the Council’s General Fund and HRA financial picture over the next five years (2024/25 through to 2028/29) and re-evaluates the position in the light of the development and completion of the draft 2024/25 budgets.
- 2.2 This is the second iteration of the General Fund element of MTFF within the 2024/25 budget cycle following the *Indicative* version prepared in October 2023, which effectively reset the MTFF to reflect changed circumstances, especially in the light of progress against savings assumptions included in the 2023/24 budget and in response to feedback on the presentation of previous iterations.
- 2.3 The HRA element of the MTFF presented here updates the previous iteration adopted by the Cabinet in January 2023.

### 3. Updated General Fund MTFF 2024/25 to 2028/29

- 3.1 The *Indicative* October 2023 MTFF revealed a projected General Fund deficit of £1.446 million for 2024/25, which reflected a range of inflationary pressures, the inclusion of emerging intelligence on the Local Government Finance Settlement, the removal of previously assumed savings targets and updated longer-term capital financing assumptions. Estimated net expenditure was £26.320 million, compared to funding of just £24.874 million.

3.2 Members should note that, although the *Indicative* October 2023 General Fund MTFF provided an essential building block in the development of the 2024/25 budget, it was prepared prior to the announcement of the *provisional* 2024/25 Local Government Finance Settlement, before the 2023/24 Pay Settlement had been agreed, and during the early stages of the detailed budget preparation process. The October 2023 MTFF projections can be summarised as follows:

<b>General Fund Indicative MTFF (@ October 2023)</b>		
<b>Financial Year</b>	<b>(Surplus)/Deficit</b>	<b>Comment</b>
	<b>£000's</b>	
2024/25	1,446	Assumed Local Government Finance Settlement of "Core Spending Power +3.0%", 2023/24 Pay Settlement of 4.0%, Net Contributions <i>from</i> Reserves of £0.121 million. No Savings assumed. General Fund Capital Programme extended to five-years (to align with MTFF) with indicative revenue consequences of likely 'rolling capital investment' requirements added.
2025/26	2,327	Stepped increase in Deficit – to a large extent – reflecting likely increase in Capital Financing Costs (up £2.311 million in 2025/26).
2026/27	1,566	
2027/28	1,271	
2028/29	897	

3.3 A Pay Settlement for 2023/24 (a fixed sum of £1,925 for all pay grades) has now been reached and the provisional Local Government Finance Settlement for 2024/25 was announced by the Government in December 2023 and further – more detailed – work has been completed by Finance officers on a range of issues (discussed in detail in **Appendix A**). The budget development process has been further aided by extensive engagement across the Council's political spectrum. A balanced budget is therefore presented for consideration by Cabinet at this meeting.

3.4 The updated MTFF (2024/25 through to 2028/29), reflecting the final draft General Fund budget for 2024/25, is illustrated in the table below.

2024/25 Budget: GENERAL FUND (Base Budget only)						
	Opening Budget (2023/24)	Estimated Budget Requirement 2024/25	Estimated Budget Requirement 2025/26	Estimated Budget Requirement 2026/27	Estimated Budget Requirement 2027/28	Estimated Budget Requirement 2028/29
	£000's	£000's	£000's	£000's	£000's	£000's
Employees	29,505	31,462	32,298	32,897	34,065	35,256
Premises	9,493	11,445	11,113	10,026	10,577	10,788
Transport	2,064	2,117	2,006	2,046	2,087	2,129
Supplies & Services	9,594	9,466	9,427	9,719	9,913	10,112
Third Party Payments	5,909	7,381	7,529	7,679	7,833	7,989
Transfer Payments	32,966	40,001	40,001	40,001	40,001	40,001
Capital Financing Costs	10,659	13,177	15,488	16,083	16,025	16,134
<b>Gross Expenditure</b>	<b>100,190</b>	<b>115,049</b>	<b>117,862</b>	<b>118,452</b>	<b>120,501</b>	<b>122,410</b>
Government Grant	(32,375)	(36,454)	(36,454)	(36,454)	(36,454)	(36,454)
Other Grants & Contributions	(5,896)	(4,604)	(4,804)	(5,004)	(5,004)	(5,004)
Customer & Client Receipts	(27,112)	(35,932)	(36,445)	(37,397)	(37,640)	(37,885)
Income-Interest	(6,943)	(9,956)	(9,956)	(9,956)	(9,956)	(9,956)
Inter-Account Transfers	550	550	550	550	550	550
HRA/NEPP Recharges	(3,679)	(3,694)	(3,694)	(3,694)	(3,694)	(3,694)
<b>Net Expenditure</b>	<b>24,735</b>	<b>24,959</b>	<b>27,059</b>	<b>26,497</b>	<b>28,303</b>	<b>29,967</b>
<b>Funding:</b>						
Council Tax	(13,936)	(14,411)	(15,249)	(15,859)	(16,494)	(17,154)
Business Rates	(6,456)	(6,975)	(7,111)	(7,249)	(7,390)	(7,534)
Collection Fund Adjustments	323	(584)	0	0	0	0
Council Tax Sharing Agreement (CTSA)	0	(350)	(350)	(350)	(350)	(350)
<i>Non-Specific Grants:</i>	0	0	0	0	0	0
New Homes Bonus	(576)	(634)	0	0	0	0
Funding Guarantee Allocation	(1,685)	(1,940)	(1,940)	(1,940)	(1,940)	(1,940)
2023-24 Services Grant	(175)	0	0	0	0	0
Revenue Support Grant (RSG)	0	(218)	(218)	(218)	(218)	(218)
Contribution to/(from) Reserves	(2,230)	153	(200)	(200)	0	0
<b>Total Funding</b>	<b>(24,735)</b>	<b>(24,959)</b>	<b>(25,068)</b>	<b>(25,816)</b>	<b>(26,392)</b>	<b>(27,196)</b>
<b>In-Year (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>1,991</b>	<b>(1,310)</b>	<b>1,230</b>	<b>859</b>
<b>Cumulative (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>1,991</b>	<b>681</b>	<b>1,912</b>	<b>2,771</b>

- 3.5 As presented in **Appendix A**, the initially identified deficit for 2024/25 in the *Indicative* MTFF in October 2023 (as well as subsequent budget pressures identified in November 2023) has now been addressed and the budget balanced. It is a very complex exercise to draw detailed comparisons between the different iterations of the MTFF; there are multiple variables that ‘roll up’ cumulatively as the years progress. However, it is possible to highlight the key influences in Years 2 (2025/26) and 3 (2026/27) as follows:
- **2025/26 (£1.991 million deficit)** – this is a reduced deficit compared to the Indicative October 2023 MTFF (which was a deficit of £2.327 million) as can be expected. However, given the elimination of the of the originally anticipated deficit (£1.446 million) from the base budget in 2024/25, this would normally be expected to reduce to around £900,000. However, as explained in **Appendix A** (Paragraphs 1.9 and 2.1), further budget pressures of £923,000 were identified in November 2023, which exerted immediate budget pressure on the 2024/25 budget, so is therefore included in the base budget (from which the forecast for 2025/26 is extrapolated). This pushes the forecast deficit back up again and closer to £2.0 million; and
  - **2026/27 (£1.310 million surplus)** – in contrast, this represents an improved position compared to the Indicative October 2023 MTFF (which was a deficit of £1.566 million) i.e. there has been a positive swing of £2.876 million, which primarily reflects the inclusion of £2.675 million in assumed in new savings as part of the “Fit for the Future” Programme (covered in detail below in Section 4).
- 3.6 The key assumptions included in the Indicative October MTFF 2023 remain virtually unaltered. Thus:
- **Pay Award** - although – based on blanket annual awards of £1,925 to all staff in 2022/23 and 2023/24 – pay increases have recently exceeded the budgetary provision, pay increase expectations for 2024/25 have been lowered in the context of forecast declining inflation in the economy. Therefore 3.0% has been assumed for 2024/25, with 2.0% thereafter.
  - **Core Inflation** based on declining CPI forecasts as of Autumn 2023, 3.5% has been assumed for 2024/25, with 2.0% thereafter.
  - **Interest Rates** – ‘blended’ interest rate assumptions are now utilised as part of early Section 151 (Finance) shared services arrangements with Epping Forest District Council (taking the average forecast of two separate professional Treasury Management advisors). An average interest rate assumption of 4.8% has been included for 2024/25, 3.4% for 2025/26, 2.8% for 2026/27, 2.8% for 2027/28, 2.8% for 2028/29.
  - **Council Tax increase** – 2.99% recommended for 2024/25 followed by 3.0% thereafter.

- **Settlement** - “Core Spending Power + 3.0%” in 2024/25, and frozen thereafter.
- **New Homes Bonus** – discontinued from 2025/26; and
- **Fees & Charges** – increased 6.7% 2024/25 and 2% thereafter.

**4. Transformation Savings (“Fit for the Future”) (2024/25 to 2026/27)**

- 4.1 As explained in **Appendix A** (Paragraphs 1.9 to 2.1), the Council is embarking on a strategic programme of review, entitled “Fit for the Future” with the objective of delivering a council with a net operating cost of only three-quarters of what it would have been without this action.
- 4.2 The aim of this programme is to deliver a leaner, fitter organisation, offering improved services to residents, but which operates sensibly within the projected financial resources available to it, avoiding the need for repeated annual cuts exercises.

4.3 The projected financial benefits from the “Fit for the Future” Programme are expected to deliver total savings of £4.772 million over three years (2024/25 to 2026/27). These are now embedded in the updated MTFP presented above in Paragraph 3.4 and are summarised in the table below.

<b>“Fit for the Future” Savings Programme (2024/25)</b>				
<b>Service Area</b>	<b>Description</b>	<b>Budget Impact</b>		
		<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
		<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Waste Services	Garden Waste Chargeable Service	955	103	0
Waste Service	Waste Strategy	0	0	1,000
Waste Service	Business Waste Service Expansion	100	0	0
Greening & Street Care	Service Options Appraisal	100	150	750
Culture & Heritage	Museums Delivery Model Review	120	0	0
Culture & Heritage	Hollytree Admission Charging	100	0	0
Active & Wellbeing	Interim Transition	0	0	725
Active & Wellbeing	Gladstone	20	0	0
Active & Wellbeing	Digi Ticket	6	0	0
Assets	Corporate Landlord Model	300	0	0
Housing	Homelessness Prevention	0	0	200
Corporate	Channel Experience with Contact Centre (Digital Customer)	100	0	0
Corporate	Building Control (Shared Services)	43	0	0
<b>Total</b>		<b>1,844</b>	<b>253</b>	<b>2,675</b>

4.4 The table below provides further details on the individual elements of the “Fit for the Future” Programme.

<b>Description of Saving</b>	<b>Details of how the saving will be achieved</b>	<b>Budget Impact 2024/2025 £000's</b>
Garden Waste Chargeable Service	High levels of uptake of the new garden waste scheme have been experienced, and this is the revised forecast income from the scheme for 24/25	<b>955</b>
Business Waste Expansion	A revised 3-year business plan for the business waste collection service has been produced underpinned by customer surveys. This will result in net income growth in 24/25.	<b>100</b>
Greening and Street Care Programme	This will involve reviewing the model of delivery of both Street Care Services and Grounds Maintenance to secure efficiencies across both services. As a first stage all tasks are being reviewed to identify opportunities to reduce cost with the least impact resulting in a budget saving for 24/25.	<b>100</b>
Museums Delivery Model Review	New delivery models are being considered that can result in a more entrepreneurial Museums Service. This includes new service offers and income opportunities such as a partnership with Suffolk University to deliver university courses and a review of the VAT on income associated with the service.	<b>120</b>
Holytrees Admission Charging	By introducing a charge for entry an additional income stream can be developed to support the continued operation of the museum.	<b>100</b>
Gladstone	Efficiencies can be delivered against the contract for the main Sport and Leisure management system.	<b>20</b>
Digi Ticket	Efficiencies can be delivered as a result of the main online booking system for Sport and Leisure.	<b>6</b>
Corporate Landlord Model	By developing a new approach and the new corporate landlord approach a more efficient staffing structure can be created. This will then allow the new assets strategy to be delivered to ensure property is maintained effectively and commercial and income generation opportunities are maximised.	<b>300</b>
Channel Experience with Contact Centre	A review of the customer contact centre was initiated in 22/23 to maximise channel shift requiring less staff resource which creates further budget savings in 24/25.	<b>100</b>
Building Control	A review of the service and revised staffing structure creates a budget saving in 24/25	<b>43</b>

4.5 Further details on the “Fit for the Future” Programme will be presented to Cabinet in March 2024, explaining in more detail how the targets committed to here will be delivered.

**5. Updated Housing Revenue Account (HRA) MTFF 2024/25 to 2028/29**

5.1 The January 2023 MTFF revealed a projected HRA breakeven position over the five-year period, including the (now forthcoming) 2024/25 financial year. However, in terms of presentation, the HRA does not have a such a strict (annual) balanced budget requirement and budgeted surpluses and deficits are allowed within the controlled framework of its (30-Year) Business Plan. For example, the Council's HRA Business Plan assumes the maintenance of a minimum reserve level of £1.6 million as a contingency against *unplanned* overspends.

5.2 The Council's established MTFF approach to balance the HRA after adjustment is made for Revenue Contributions to Capital (with the size of such contributions mirroring forecast Net Operating Income). Revenue Contributions to Capital are therefore subject to fluctuations as presented in the table below.

Housing Revenue Account MTFF (@ February 2023)				
Financial Year	Revenue Contributions to Capital	Increase/ (Decrease) in Net Operating Income	(Surplus)/ Deficit	Comment
	£000's	%	£000's	
2023/24	3,304	N/A	0	
2024/25	3,603	9.0%	0	
2025/26	4,450	23.5%	0	53 Week Rent Year
2026/27	3,915	(12.0%)	0	
2027/28	4,449	13.6%	0	
2028/29	N/A	N/A	N/A	N/A



5.3 The updated MTFP (2024/25 through to 2028/29), reflecting the final draft HRA budget for 2024/25, is illustrated in the table below.

COLCHESTER BOROUGH COUNCIL Housing Revenue Account - Medium Term Financial Forecast Summary						
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Income & Expenditure Analysis	Original	Original	Original	Original	Original	Original
	Budget	Budget	Budget	Budget	Budget	Budget
	£000's	£000's	£000's	£000's	£000's	£000's
<b>INCOME</b>						
Dwelling Rents (Gross)	(30,131)	(32,580)	(34,425)	(35,320)	(36,682)	(37,663)
Non-Dwelling Rents (Gross)	(1,189)	(1,225)	(1,249)	(1,274)	(1,300)	(1,326)
Charges for Services and Facilities	(3,283)	(3,260)	(3,273)	(3,336)	(3,400)	(3,466)
Contributions towards Expenditure	(65)	(70)	(71)	(73)	(74)	(76)
<b>Total Income</b>	<b>(34,668)</b>	<b>(37,135)</b>	<b>(39,018)</b>	<b>(40,003)</b>	<b>(41,456)</b>	<b>(42,531)</b>
<b>EXPENDITURE</b>						
Repairs and Maintenance	6,521	7,923	7,993	8,292	8,942	8,721
CB Homes Ltd Management Fee	4,872	5,021	5,121	5,224	5,328	5,435
Supervision and Management	7,691	7,587	7,740	7,947	8,110	8,275
Rents, Rates and Other Charges	190	197	201	205	209	213
Negative Subsidy - payment to Secretary of State	0	0	0	0	0	0
Increased provision for Bad or Doubtful Debts	250	250	263	268	281	302
Interest Payable	6,045	8,333	8,515	9,077	8,967	9,491
Cost of Capital Charge	0	0	0	0	0	0
Depreciation and Impairments of Fixed Assets	6,000	6,000	6,190	6,447	6,684	6,818
Amortisation of Deferred Charges	0	0	0	0	0	0
Debt Management Costs	58	64	66	67	68	70
<b>Gross Expenditure</b>	<b>31,627</b>	<b>35,375</b>	<b>36,089</b>	<b>37,527</b>	<b>38,589</b>	<b>39,325</b>
<b>Net Cost of Services</b>	<b>(3,041)</b>	<b>(1,760)</b>	<b>(2,929)</b>	<b>(2,476)</b>	<b>(2,867)</b>	<b>(3,206)</b>
Net HRA Income from the Asset Management Account	0	0	0	0	0	0
Amortised Premiums and Discounts	0	0	0	0	0	0
Disposal of Fixed Assets	0	0	0	0	0	0
HRA Investment Income (including mortgage interest and interest on Notional Cash Balances)	(263)	(699)	(475)	(411)	(419)	(427)
<b>Net Operating Expenditure</b>	<b>(3,304)</b>	<b>(2,459)</b>	<b>(3,404)</b>	<b>(2,887)</b>	<b>(3,286)</b>	<b>(3,633)</b>
Revenue Contributions to Capital Expenditure	3,304	2,459	3,404	2,887	3,286	3,633
Transfer from Capital Financing Reserve	0	0	0	0	0	0
Transfer to/(from) Major Repairs Reserve	0	0	0	0	0	0
<b>(Surplus) / Deficit for the Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

5.4 The overall revenue position for 2024/25 shows anticipated Net Operating Income of £2.459 million (as presented in **Appendix A**, Paragraph 3.1 and explained in Paragraph 3.3). As explained in **Appendix A**, in keeping with the established strategy, a balanced budget is achieved through the adjustment of Contributions to Capital thereby protecting the £1.6 million contingency Balance in accordance with the 30-Year HRA Business Plan. The 53-week rent year peak in 2025/26 still occurs in 2025/26 as identified in January 2023 and presented above in Paragraph 4.2.



## 2024/25 Budget Proposals: Clarifications

Preparing the annual budget is a dynamic process with a range of events, some internal, some external, occurring right up until the full Council meeting to set the budget is held. In response to feedback from various sources and the release of the Final Local Government Finance Settlement for 2024/25. This Attachment provides clarifications on the following subjects:

- Late Items (non-adjusting).
- The updated Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29.
- The Reserves position; and
- The Treasury Management position.

### 1) **Late Items (non-adjusting)**

The draft budget proposals for 2024/25 presented to the Scrutiny Panel on 23rd January 2024 and the Cabinet on 24th January 2024, contained an assumed revenue saving of £8,800 in relation to the Leisureworld Café to be achieved through the discontinuation of the present service. Based on councillor feedback received, the Cabinet have decided to pause this proposal and review the matter in more detail. If the proposal is not implemented as originally planned, this would create an ongoing pressure of £8,800 beginning in 2024/25.

In the light of the consultation responses received on the provisional Settlement, the Government released further funding to local government in the final Local Government Finance Settlement for 2024/25 published on 5th February 2024. The additional funding included a guaranteed additional increase of 1.0% (from 3.0% to 4.0%) on “Core Spending Power” to all councils, including Colchester. This resulted in the Council receiving additional funding of £245,829 over and above that assumed in the proposals presented to Cabinet on 24th January 2024.

Both items are *not* reflected in the final budget proposals, which means that there could potentially be a small net surplus available if there are any minor adjustments required as the budget is debated and agreed, with any remaining balance being utilised as an additional contribution to reserves.

### 2) **Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29**

Questions of interpretation were raised by some Members at the Scrutiny Panel held on 23rd January 2024 regarding the updated Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29.

It is confirmed that the MTFF presented to the Panel (Agenda Item 12, Appendix C, Page 75) was correct, although the table presented on the evening has been relabelled and another line added for further information (see table below). For the avoidance of any doubt, Colchester City Council has a forecast structural revenue deficit of £2.771 million on its General Fund as of January 2024. This is the estimated sum required to be removed from the Council’s base budget over the four-year period 2025/26 to 2028/29 to balance the budget.

Colchester CC: Medium-Term Financial Plan (January 2024)						
2024/25 Budget: GENERAL FUND (Base Budget only)						
	Opening Budget (2023/24)	Estimated Budget Requirement 2024/25	Estimated Budget Requirement 2025/26	Estimated Budget Requirement 2026/27	Estimated Budget Requirement 2027/28	Estimated Budget Requirement 2028/29
	£000's	£000's	£000's	£000's	£000's	£000's
Employees	29,505	31,462	32,298	32,897	34,065	35,256
Premises	9,493	11,445	11,113	10,026	10,577	10,788
Transport	2,064	2,117	2,006	2,046	2,087	2,129
Supplies & Services	9,594	9,466	9,427	9,719	9,913	10,112
Third Party Payments	5,909	7,381	7,529	7,679	7,833	7,989
Transfer Payments	32,966	40,001	40,001	40,001	40,001	40,001
Capital Financing Costs	10,659	13,177	15,488	16,083	16,025	16,134
<b>Gross Expenditure</b>	<b>100,190</b>	<b>115,049</b>	<b>117,862</b>	<b>118,452</b>	<b>120,501</b>	<b>122,410</b>
Government Grant	(32,375)	(36,454)	(36,454)	(36,454)	(36,454)	(36,454)
Other Grants & Contributions	(5,896)	(4,604)	(4,804)	(5,004)	(5,004)	(5,004)
Customer & Client Receipts	(27,112)	(35,932)	(36,445)	(37,397)	(37,640)	(37,885)
Income-Interest	(6,943)	(9,956)	(9,956)	(9,956)	(9,956)	(9,956)
Inter-Account Transfers	550	550	550	550	550	550
HRA/NEPP Recharges	(3,679)	(3,694)	(3,694)	(3,694)	(3,694)	(3,694)
<b>Net Expenditure</b>	<b>24,735</b>	<b>24,959</b>	<b>27,059</b>	<b>26,497</b>	<b>28,303</b>	<b>29,967</b>
<b>Funding:</b>						
Council Tax	(13,936)	(14,411)	(15,249)	(15,859)	(16,494)	(17,154)
Business Rates	(6,456)	(6,975)	(7,111)	(7,249)	(7,390)	(7,534)
Collection Fund Adjustments	323	(584)	0	0	0	0
Council Tax Sharing Agreement (CTSA)	0	(350)	(350)	(350)	(350)	(350)
<i>Non-Specific Grants:</i>						
New Homes Bonus	(576)	(634)	0	0	0	0
CSP Funding Guarantee Government Grant	(1,685)	(1,940)	(1,940)	(1,940)	(1,940)	(1,940)
2023-24 Services Grant	(175)	0	0	0	0	0
Lower Tier Services Grant	0	0	0	0	0	0
Revenue Support Grant (RSG)	0	(218)	(218)	(218)	(218)	(218)
Contribution to/(from) Reserves	(2,230)	153	(200)	(200)	0	0
<b>Total Funding</b>	<b>(24,735)</b>	<b>(24,959)</b>	<b>(25,068)</b>	<b>(25,816)</b>	<b>(26,392)</b>	<b>(27,196)</b>
<b>In-Year (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>1,991</b>	<b>(1,310)</b>	<b>1,230</b>	<b>859</b>
<b>Structural (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>1,991</b>	<b>681</b>	<b>1,912</b>	<b>2,771</b>
<b>Cumulative (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>1,991</b>	<b>2,673</b>	<b>4,584</b>	<b>7,355</b>

### 3) Balance Sheet Reserves

#### Background and Introduction

At the time of reporting, the Council's Statement of Accounts for 2022/23 have not been published. However, the Statements are nearing completion, and an initial draft Balance Sheet has been prepared, which establishes the Council's baseline Reserves position as of 31st March 2023.

A summary forecast of General Usable Reserves is presented in the table below.

Earmarked Reserves															
	Balance at 31-Mar-23	Budgeted Usage 2024/25	Quarter 3 Budget Overspend 2023/24	Planned Movements 2023/24	Forecast Balance at 31-Mar-24	Budgeted Usage 2024/25	Planned Movements 2024/25	Forecast Balance at 31-Mar-25	Planned Movements 2024/25	Forecast Balance at 31-Mar-26	Planned Movements 2024/25	Forecast Balance at 31-Mar-27	Planned Movements 2024/25	Forecast Balance at 31-Mar-28	Planned Movements 2024/25
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
General Fund Reserve	(2,175)	-	-	-	(2,175)	-	-	(2,175)	-	(2,175)	-	(2,175)	-	(2,175)	-
Reserve to Support Future Year's Budget	(6,082)	900	1,287	1,521	(2,374)	-	-	(2,374)	-	(2,374)	-	(2,374)	-	(2,374)	-
Pension Fund Deficit Reserve	(3,214)	557	-	-	(2,657)	-	-	(2,657)	-	(2,657)	-	(2,657)	-	(2,657)	-
Revenue Grants Unapplied Reserve	(3,746)	200	383	177	(2,986)	200	-	(2,786)	200	(2,586)	200	(2,386)	-	(2,386)	-
Repairs and Renewals Reserve	(3,522)	800	31	(129)	(2,820)	-	-	(2,820)	-	(2,820)	-	(2,820)	-	(2,820)	-
Business Rates Reserve	(6,374)	323	-	-	(6,051)	-	-	(6,051)	-	(6,051)	-	(6,051)	-	(6,051)	-
Revolving Investment Fund Reserve	(2,086)	-	-	40	(2,046)	-	-	(2,046)	-	(2,046)	-	(2,046)	-	(2,046)	-
Capital Expenditure Reserve	(356)	-	-	(51)	(407)	-	-	(407)	-	(407)	-	(407)	-	(407)	-
Insurance Reserve	(755)	-	-	-	(755)	-	-	(755)	-	(755)	-	(755)	-	(755)	-
Strat Plan Delivery Reserve	(1,520)	(550)	-	550	(1,520)	(335)	60	(1,795)	-	(1,795)	-	(1,795)	-	(1,795)	-
Gosbecks Reserve	(93)	-	-	-	(93)	-	-	(93)	-	(93)	-	(93)	-	(93)	-
Other Reserves	(481)	-	-	-	(481)	-	-	(481)	-	(481)	-	(481)	-	(481)	-
<b>CCC Sub-Total</b>	<b>(30,404)</b>	<b>2,230</b>	<b>1,701</b>	<b>2,108</b>	<b>(24,365)</b>	<b>(135)</b>	<b>60</b>	<b>(24,440)</b>	<b>200</b>	<b>(24,240)</b>	<b>200</b>	<b>(24,040)</b>	<b>-</b>	<b>(24,040)</b>	<b>-</b>
Decriminalisation Parking Reserve	161	-	-	(147)	14	(18)	-	(4)	-	(4)	-	(4)	-	(4)	-
<b>Total (incl NEPP)</b>	<b>(30,243)</b>	<b>2,230</b>	<b>1,701</b>	<b>1,961</b>	<b>(24,351)</b>	<b>(153)</b>	<b>60</b>	<b>(24,444)</b>	<b>200</b>	<b>(24,244)</b>	<b>200</b>	<b>(24,044)</b>	<b>-</b>	<b>(24,044)</b>	<b>-</b>

It should be noted that a detailed review of the Council's reserves position is ongoing by the Council's Section 151 Officer in preparations for 31st March 2024 Balance Sheet. It is too early to be precise as to the outcome of that review, but it is already known that there are sufficient available unallocated reserves to increase the General Fund Reserve (adding a greater risk contingency) and also to potentially redesignate a range of other surplus reserves (e.g. in the Pension Fund Deficit Reserve in the light of an emerging Pensions surplus) towards priorities including the "Fit for the Future" (Transformation) Programme.

#### **4) Treasury Management Strategy Statement (TMSS) 2024/25 (Abridged)**

##### **Background and Introduction**

For a range of reasons, including a national backlog in external audit work and local resourcing difficulties in terms of technical accounting staff, the Council has struggled in recent years to publish its annual Statement of Accounts in accordance with statutory deadlines. At the time of preparing this abridged Treasury Management Strategy Statement (TMSS) for 2024/25, as noted above, the Statement of Accounts for 2022/23 have not been published. It has been possible though, with the support of our Treasury Management advisors, to produce some early estimates as to the Council's Treasury Management position and its trajectory – on some key measures – based on the 2024/25 draft Budget and updated MTFP (2024/25 to 2028/29). More detail will follow in a full TMSS expected to be published in April 2024.

## Summary Treasury Position (12/02/24)

The Council's current Treasury position is summarised in the table below, which shows the position as of 12th February 2024, compared to the position on 31st March 2023.

TREASURY PORTFOLIO				
	actual	actual	current	current
	31.3.23	31.3.23	12.02.24	12.02.24
Treasury investments	£000	%	£000	%
Banks	7,500	23%	12,500	28%
Building societies - unrated	0	0%	0	0%
Building societies - rated	0	0%	0	0%
Local authorities	5,000	15%	10,000	23%
DMADF (H.M.Treasury)	0	0%	0	0%
Money Market Funds	20,000	62%	21,500	49%
Certificates of Deposit	0	0%	0	0%
<b>Total managed in house</b>	<b>32,500</b>	<b>100%</b>	<b>44,000</b>	<b>100%</b>
Bond Funds	0	0%	0	0%
Property Funds	0	0%	0	0%
<b>Total managed externally</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Total treasury investments</b>	<b>32,500</b>	<b>100%</b>	<b>44,000</b>	<b>100%</b>
<b>Treasury external borrowing</b>				
Local Authorities	5,000	3%	5,000	3%
PWLB	132,100	87%	132,100	89%
Market	14,500	10%	10,500	7%
<b>Total external borrowing</b>	<b>151,600</b>	<b>100%</b>	<b>147,600</b>	<b>100%</b>
<b>Net treasury investments / (borrowing)</b>	<b>-119,100</b>	<b>0</b>	<b>-103,600</b>	<b>0</b>

The Council's integrated Treasury Management position has been relatively constant. Investments are currently £44.0 million in total but are expected to reduce to circa £10.0 million by 31st March 2024. External borrowing is only subject to a further £5 million maturity before year end.

## Capital Programme Funding Projections 2024/25 to 2028/29

The Council's capital programme expenditure profile has been updated and includes a delay in delivering several schemes, impacting both the General Fund and HRA. The latest expenditure profile and projected funding is as follows.

<b>Capital Programme:</b>							
	24/25	25/26	26/27	27/28	28/29	Total 24/25 to 28/29	
	£	£	£	£	£		
<b>General Fund Estimated Capital Spend</b>	<b>39,257,583</b>	<b>7,942,691</b>	<b>3,567,305</b>	<b>3,452,105</b>	<b>3,452,105</b>	<b>57,671,789</b>	
<b>Financed By:</b>							
Grants	19,841,633	3,357,291	1,452,105	1,452,105	1,452,105	27,555,239	
S106 Contributions	3,162,991	1,130,000	-	-	-	4,292,991	
Capital Receipts	-	-	-	-	-	-	
Revenue	100,000	-	-	-	-	100,000	
<b>Borrowing</b>	<b>16,152,959</b>	<b>3,455,400</b>	<b>2,115,200</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>25,723,559</b>	
<b>Total GF Capital Programme</b>	<b>39,257,583</b>	<b>7,942,691</b>	<b>3,567,305</b>	<b>3,452,105</b>	<b>3,452,105</b>	<b>57,671,789</b>	
<b>HRA Estimated Capital Spend</b>	<b>43,655,000</b>	<b>52,399,000</b>	<b>49,259,000</b>	<b>28,243,000</b>	<b>31,809,000</b>	<b>205,365,000</b>	
<b>Financed By:</b>							
Major Repairs Reserve	6,000,000	6,190,000	6,447,000	6,684,000	6,818,000	32,139,000	
RCCO	2,459,000	3,405,000	2,887,000	3,286,000	3,635,000	15,672,000	
Grants	-	3,060,000	3,120,000	-	-	6,180,000	
RTB Receipts	5,894,000	3,658,000	1,998,000	2,038,000	2,078,000	15,666,000	
<b>Borrowing</b>	<b>29,302,000</b>	<b>36,086,000</b>	<b>34,807,000</b>	<b>16,235,000</b>	<b>19,278,000</b>	<b>135,708,000</b>	
<b>Total HRA Capital Programme</b>	<b>43,655,000</b>	<b>52,399,000</b>	<b>49,259,000</b>	<b>28,243,000</b>	<b>31,809,000</b>	<b>205,365,000</b>	
<b>Total Borrowing (HRA &amp; GF)</b>	<b>45,454,959</b>	<b>39,541,400</b>	<b>36,922,200</b>	<b>18,235,000</b>	<b>21,278,000</b>	<b>161,431,559</b>	
<b>Total Capital Programme (HRA &amp; GF)</b>	<b>82,912,583</b>	<b>60,341,691</b>	<b>52,826,305</b>	<b>31,695,105</b>	<b>35,261,105</b>	<b>263,036,789</b>	

For the period 2024/25 to 2028/29, total capital expenditure is projected to be £263.0 million, with £205.4 million of this sum projected to relate to the HRA with £135.7 million funded from new borrowing.

The General Fund capital programme over the same period is projected to be £57.6 million, with £25.7 million of this sum is projected to be funded from new borrowing.

### Capital Financing Requirement 2022/23 to 2032/33

The increase in the Council's projected borrowing requirement is set out in the estimates for the rise in the Capital Financing Requirement (CFR). This measures the Council's underlying borrowing requirement for those assets, past and future, funded from borrowing (both externally by taking loans, and internally by using the Council's cash backed reserves and balances as a temporary surrogate for long-term borrowing).

<b>CAPITAL FINANCING REQUIREMENT including PFI and finance leases</b>											
	Actual	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
HRA CFR	145.2	162.4	191.7	227.7	262.6	278.8	298.1	298.1	298.1	298.1	298.1
GF CFR	72.6	84.6	97.8	97.8	96.4	95.0	93.5	89.9	86.3	82.8	79.9
<b>Total CFR</b>	<b>217.8</b>	<b>246.9</b>	<b>289.5</b>	<b>325.6</b>	<b>359.0</b>	<b>373.8</b>	<b>391.5</b>	<b>387.9</b>	<b>384.3</b>	<b>380.9</b>	<b>378.0</b>
<b>External Borrowing</b>	<b>151.6</b>	<b>142.6</b>	<b>188.1</b>	<b>226.9</b>	<b>263.8</b>	<b>282.0</b>	<b>303.3</b>	<b>303.3</b>	<b>300.3</b>	<b>299.3</b>	<b>296.8</b>
Other long term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Debt</b>	<b>151.6</b>	<b>142.6</b>	<b>188.1</b>	<b>226.9</b>	<b>263.8</b>	<b>282.0</b>	<b>303.3</b>	<b>303.3</b>	<b>300.3</b>	<b>299.3</b>	<b>296.8</b>
<b>Authorised Limit</b>	405.0	405.0	415.0	425.0	425.0	425.0	425.0	425.0	425.0	425.0	425.0
<b>Operational Boundary</b>	375.0	375.0	390.0	400.0	400.0	400.0	400.0	400.0	400.0	400.0	400.0

In the table above, the Council's CFR is projected to rise from £217.8 million as of 31st March 2023 to £378.0 million by 31st March 2033. £161.4 million in new external borrowing is anticipated from 2024/25 to 2028/29, whilst maturities within the prevailing debt portfolio are minimal. However, with interest rates, both short and longer dated, remaining elevated at present, officers – with the advice of Link – will remain vigilant in respect of identifying the optimum timing for new borrowing, continuing to borrow internally (it is estimated internal borrowing totalled £66.2 million as of 31st March 2023) where prudent to do so, and looking to manage any future refinancing risk by taking a mix of short and longer dated loans, primarily from local authorities and the Public Works Loan Board (PWLB) respectively.

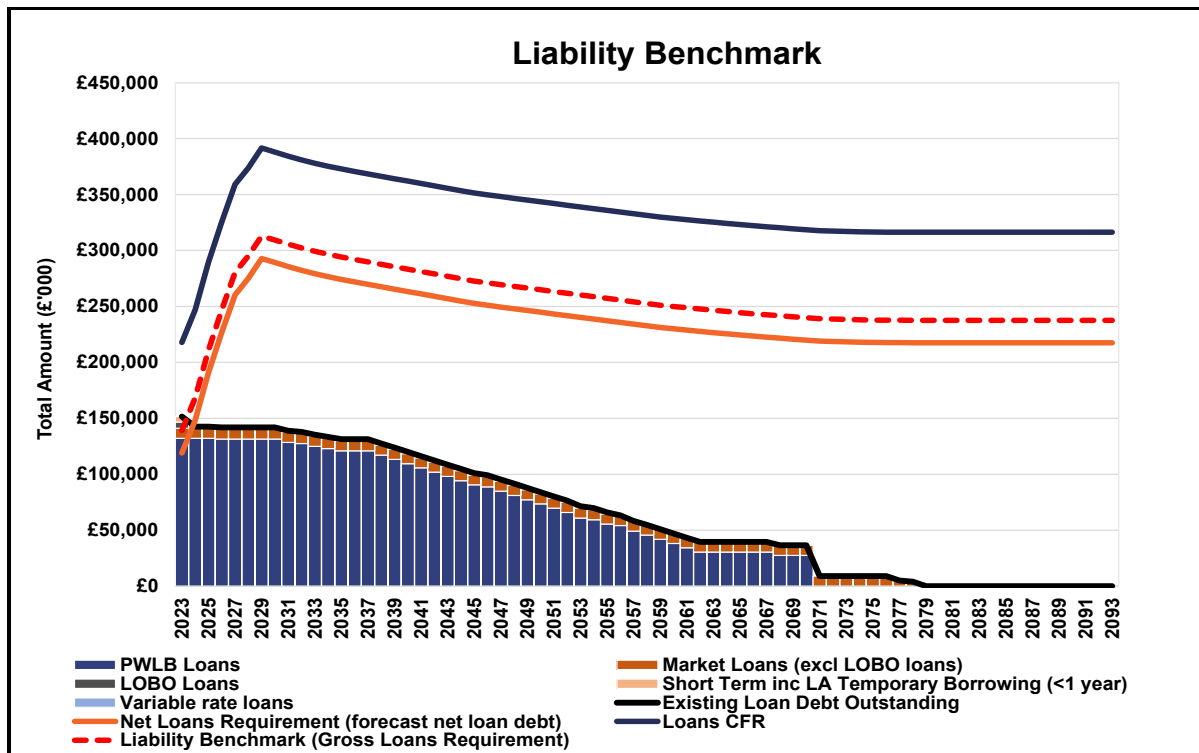
### Interest Rate Forecasts

Link and their colleagues at Capital Economics, have forecast that the Bank Rate will reduce from 5.25% to a low of 3.0%, whilst medium to long dated rates are expected to fall to a range of 3.5% to 4.1% over the next three years.

### Liability Benchmark

One of the key Prudential Indicators used by the Chartered Institute of Public Finance and Accountancy (CIPFA) to identify new borrowing pressures is the Liability Benchmark. The charts below illustrate the Council's net financing need in its entirety split between General Fund and the HRA. For the present, it assumes that the £66.2 million of internal borrowing can be maintained – subject to review. This is split £30.9 million General Fund/£35.3 million HRA. Where the HRA borrows from the General Fund an in-year recharge is made.

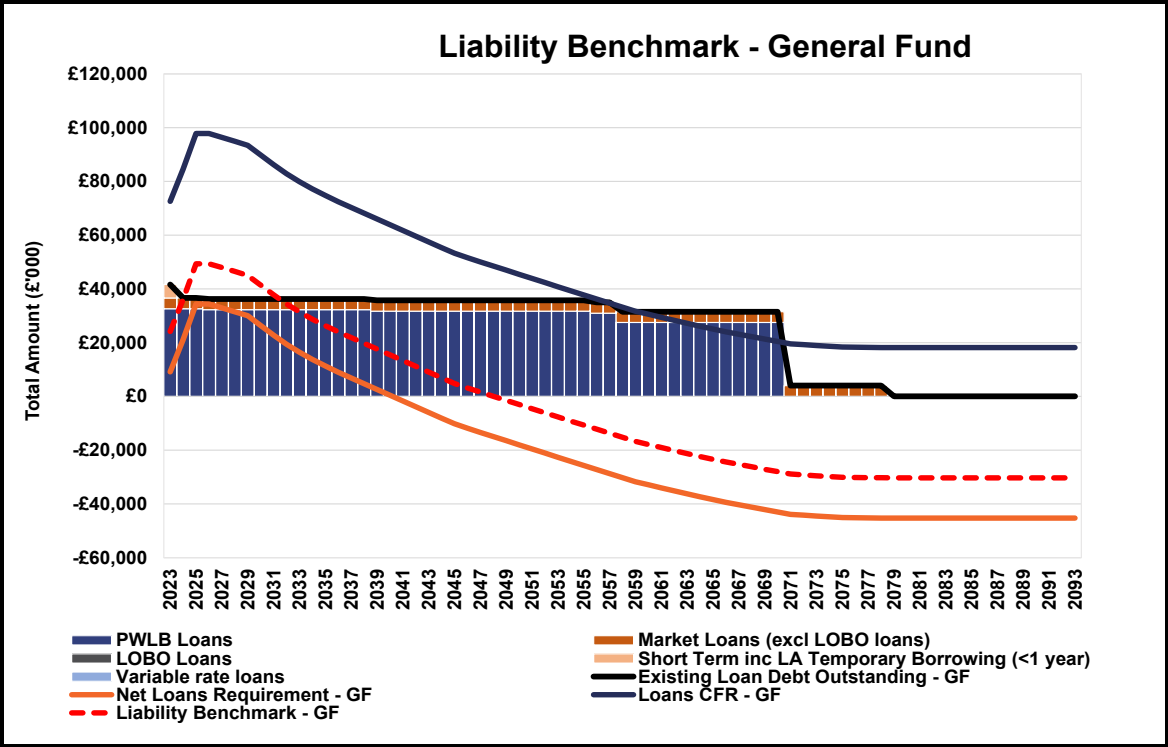




The chart above shows the potential level of external borrowing via the Loans CFR line (thick blue line). If capital schemes are deferred or delayed that line will be revised downwards. Moreover, because of the resilience of the Council's cash backed reserves and balances (further work is being undertaken to indicate how these may be reduced over future years) the Council is more likely to borrow up to the Liability Benchmark (the broken red line), which also assumes that the Council will maintain at least £20 million cash investments in the way of a liquidity buffer, split £15.0 million General Fund and £5.0 million HRA.

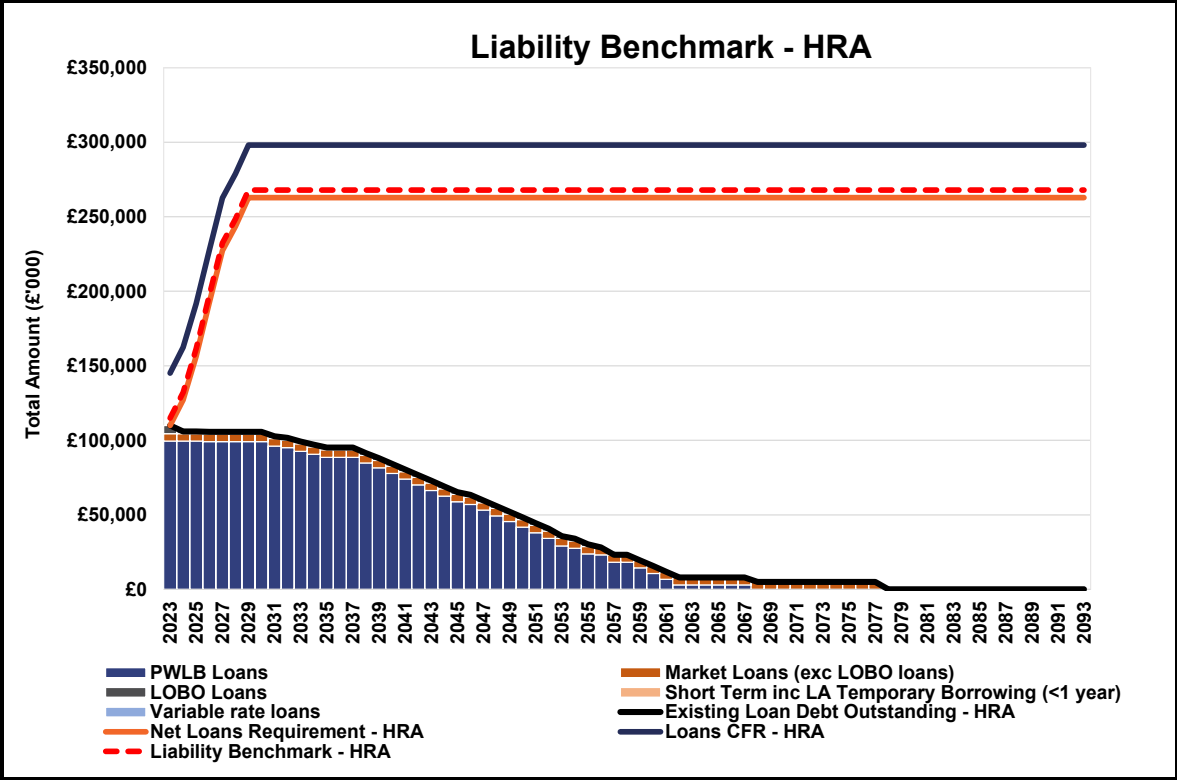
In the charts below, the Liability Benchmark is split between the General Fund and HRA. For ease of illustration, the underlying assumption is that the bulk of the Council's cash backed reserves and balances pertain to the General Fund. Accordingly, because the General Fund Capital Programme is relatively small at present, and because prudent Minimum Revenue Provision (MRP) is being made in each financial year, the CFR only increases marginally in the near-term to a peak of £97.8 million in 2024/25 and then drops back to £79.9 million by 2032/33, as the indicator only allows for the inclusion of approved schemes but requires the 50 year schedule of MRP charges to revenue (which reduces the CFR as applied in year) to be included over the full duration of the chart.

However, because of internal borrowing assumptions, actual General Fund borrowing is not expected to exceed £50 million as a maximum (GF Liability Benchmark, broken red line) even after providing for a liquidity buffer of £15 million.



Conversely, the HRA is subject to a considerable rise in its CFR from an estimate of £145.2 million as of March 2023 to a peak of £298.1 million. There is no requirement to provide MRP on the HRA.

With internal borrowing assumed to be a continuously circa £35.0 million (subject to review), the HRA Liability Benchmark peaks at £268.0 million, inclusive of a liquidity buffer of £5.0 million.



### Planned HRA Review 2024/25

A detailed review of the Council's 30-Year HRA Business Plan is scheduled for 2024/25. It will be a far-reaching review that will consider a wide range of factors potentially affecting the balance in investment between the current housing stock and future developments/acquisitions. Ultimately, the updated Business Plan will ensure the long-term viability of the HRA, including its capital investment plans. Although the outcome of that review is currently uncertain, it is possible to gain some assurance regarding the 2024/25 draft HRA Budget and updated MTFF through to 2028/29. In particular, the forecast Interest Rate Cover Ratios (ICRs) are as follows.

Financial Year	Forecast ICR	Benchmark
2024/25	1.21	1.25
2025/26	1.34	1.25
2026/27	1.27	1.25
2027/28	1.32	1.25
2028/29	1.34	1.25

A minimum ICR Benchmark of 1.25 is applied the table above, which effectively provides 100% cover for expected debt financing costs with an additional 25.0% contingency buffer to protect against the risk of reductions in the operating surplus. This level is consistent with similar local authority housing providers and registered social landlords, the latter of which uses the strength of this ratio to raise borrowing from market lenders.

### TMSS Conclusion

The Council has maintained a robust financial position over many years, and the strength of the Balance Sheet has ensured that prudent levels of internal borrowing can be undertaken. Nonetheless, the scale of the increase of borrowing, as identified in the current HRA Business Plan, and illustrated in the Liability Benchmark charts, confirms that the planned review of the HRA in 2024/25 is a prudent move, with a more in-depth review of long-term affordability and sustainability a high priority.



**Local Government Act 2003: Section 25  
Chief Financial Officer's Statutory Report**

**1. Introduction**

- 1.1. The Local Government Act 2003 (Section 25) requires that when a local authority is agreeing its annual budget and precept, the Council's Section 151 officer must report to it on the following matters:
  - the robustness of the estimates made for the purposes of the calculations; and
  - the adequacy of the proposed financial reserves.
- 1.2. CIPFA's Financial Management (FM) Code, published in October 2019 also makes this report a requirement.
- 1.3. The Council must have due regard to the report when making decisions on the budget and precept.
- 1.4. This document concentrates on the General Fund budget, the Housing Revenue Account and Capital Investment Programme, but in addition it also considers key medium-term issues faced by the Council as set out in the Medium-Term Financial Framework (MTFF).
- 1.5. In expressing this opinion, I have considered the financial management arrangements that are in place, the level of reserves the Council has available, the budget assumptions, the overall financial and economic environment, the financial risks facing the Council and its overall financial standing.

**2. Statement by the Council Chief Financial (S151) Officer**

- 2.1. There are always financial challenges facing the Council but those we are currently facing are exceptional by any measure. Interest rates, energy prices and inflation all rose rapidly and are falling much slower than expected. This has placed considerable additional strain of an already stretched Local Government sector and has required the identification of further savings from budgets. This follows years of similar savings exercises. The cumulative impact is now manifesting in unprecedented levels of councils warning of, or issuing, Section 114 notices.
- 2.2. Despite this challenge, the Council took a considered, comprehensive, and inclusive approach to addressing the forecast financial gap. The solution prioritised the continued delivery of core services, maintaining balances, and developing robust financial plans which incorporate the expected continuing financial uncertainty.
- 2.3. As a result, I am satisfied that a prudent and considered approach has been employed in formulating and developing these budget proposals and believe that the Council is presented with a robust set of estimates for consideration.

- 2.4. Delays in completing a backlog of final accounts has been an issue of real concern for the Council over the past year, particularly due to the lack of reassurance and the element of doubt created over the level and adequacy of the Council's reserves and balances. The issue is common in local government and pertains to wider problems with the Accounting and Auditing Framework. To provide reassurance, the Finance Team have undertaken considerable work to move our understanding forward. Whilst the issue of backlogged Audit remains unresolved a high degree of confidence over the level of balances now exists, which I consider sufficient to provide S151 reassurance to Council within this statement.
- 2.5. Using comparative tools produced by CIPFA and OFLOG's it can be determined that the Council's reserves are at an average level when compared with similar councils and whilst risks and uncertainties exist, the level of reserves held by the Council are deemed sufficient to provide against any reasonably foreseeable financial event. I am further satisfied that it has both robust mechanisms in place to monitor and manage spending and to anticipate and understand the financial risks facing the Council.
- 2.6. I am professionally obliged to have regards to CIPFA's Resilience Index in relation to Colchester City Council. Unfortunately, the delays in completing final accounts and the associated Government Returns have meant that this data could only partially be updated for 2023/34 by CIPFA. From the information that is available, together with a broad understanding of where the Council would sit within the comparative data and the benefit of information now provided by OFLOG, I am satisfied that the Budget presented here has been developed cognisant of the information contained therein and does not highlight any significant concerns. The Finance Team will continue to work with CIPFA and others as a priority to bring the information up to date.
- 2.7. In arriving at this opinion, I have taken due account of the following matters.

### **3. Financial Management Arrangements**

- 3.1. The Council's Accounts for 2020/21 remain unsigned by the Council's Auditors, thereby creating uncertainty as to the exact size of carried forward balances. The delayed conclusion of Audits is a sector wide issue and is associated with both Auditor capacity and the complexity of current accounting standards. I believe that there is no realistic prospect of the opinion on the Accounts for 2020/21 being issued anytime soon.
- 3.2. The delay remains a source of considerable frustration and we continue to push the Auditors and the Government for a conclusion to the backlog. A consultation has recently been launched which proposes setting a long stop date of 30 September 2024 for all Audits prior to 2023/24 to be concluded. Whilst this is unlikely to resolve all historic issues, nor provide the reassurance sought on the accuracy of accounts, it will at least draw a line under the delays and allow the sector to move forward. Balances and valuations will need to be determined for accuracy as at the current date, rather than on audited brought forward balances.

- 3.3. The Council has a sound system of budget monitoring and control, evidenced by the production of quarterly budget monitoring reports to Governance and Audit within a reasonable timeframe from the period end. Where over-spends or under-spends are reported, management actions have been identified to minimise the impact and to enable early corrective action to be put in place where necessary.
- 3.4. The Council has largely balanced its budgets in recent years through the generation of additional income. But over the last two years the size of the budget gap, created by volatile external economic factors, has meant the Council has also needed to identify significant efficiency savings, some services reductions and implement the maximum Council Tax increase for a district council. The Council has developed robust performance and project management arrangements to track the identification, delivery, and capture of efficiency savings from service areas and projects and these are overseen by members of the Council's Senior Leadership Team and reported to members. Budget reductions are now built into individual service budget allocations and not held centrally, so that there is clarity and ownership over delivery.
- 3.5. The Council's S151 officer sits at a level within the Council to have oversight on the Council's financial decision making and his views are appropriately sought.

#### **4. Budget Process**

- 4.1. The budget planning process for 2024/25 was again iterative but reflected newly identified financial pressures along with income generation and efficiency opportunities. The budget has also revisited core assumptions around future levels of Government Grant and the availability of Reserves to support spending plans. All budget holders and the Cabinet were fully engaged in the process. The financial impacts associated with higher inflation and costs of borrowing had the largest impact on budget development and in the understanding of the Council's long-term budgetary position. A resulting budget gap of £2.4 million was predicted and subsequently closed through a series of activities undertaken over the following 3 months. Acknowledging the size of the financial challenge faced by local authorities, the Government again provided additional support in its December 2023 announcement and then again in a separate announcement in January 2024 (amounts confirmed 5 February and proving too late to reflect in the budget proposals). When added to the £5 million savings target faced by the Council in 2023/24, the cumulative impact of closing a further budget gap of this size has represented the largest financial challenge faced by Colchester City Council in recent years.
- 4.2. In dealing with the financial challenges faced by the Council, it has recognised the importance of sustainably balancing its budget at a structural level, which equates (in financial terms) to ensuring that its regular income and expenditure match. To achieve this, it has developed a transformation programme with aim of reducing the Council's net expenditure whilst protecting or improving services.
- 4.3. A range of significant funding pressures and requests were identified. These have been assessed by officers and portfolio holders. Where these pressures are central to continued service delivery or the achievement of corporate objectives, they have been included in the proposals presented here.

- 4.4. The assumptions, calculations and proposals in this budget are the result of challenge and scrutiny by the Leader of the Council, Members of the Cabinet, and the Scrutiny Committee, all guided by advice from the Chief Executive, Deputy Chief Executive and Chief Operating Officer. The savings proposals have been developed iteratively over many months with considerable member engagement in multiple forums at various stages to help formulate the optimum budget solution.

### **5. Key Assumptions**

- 5.1. The largest assumptions are all associated with emerging cost pressures. These are primarily inflationary, pay, the partial delivery of savings targets, borrowing costs, energy prices and increased demand for core services, such as homelessness.
- 5.2. Energy supply instability associated with the Ukrainian conflict, together with supply chain issues and the Government's response, pushed up inflation unexpectedly and rapidly creating the largest budgetary pressure in 2023/24. This has also fed through to the wider economy and put pressure on household incomes. The Bank of England believe these drivers have now peaked and inflation has rapidly reduced over the past few months. It is expected that the cost of borrowing (and interest from investments) will eventually follow, but likely to fall far slower than inflation. Whilst Inflation is now decreasing, it has taken longer than originally predicted and this has created sustained pressure on the budget which was not allowed for last year. This consolidated increase in costs has an ongoing impact on 2024/25 and has driven much of the budget pressure needing to be accommodated. Whilst inflation is now much lower than it was at the equivalent point last year, it remains to be seen whether this reflects in lower wage settlements within this budget planning.
- 5.3. The budget includes provision for wage and contract inflation increases at 3% and 3.5% respectively. Services have been awarded contract inflation in-line with contract conditions and some indexation has been provided for services, but a general expectation remains that services will absorb elements of non-wage and non-contract inflationary pressures where they can. Inflationary provisions are based on advice and Bank of England projections that inflation will continue to fall through 2024/25.
- 5.4. The pressure on household incomes has manifested in a significant rise in homelessness and associated demand for temporary accommodation, placing unexpected pressure on the 2023/24 budget. This same pressure has been witnessed across the Country and the Council has been actively lobbying for additional Government support. The budget for 2024/25 includes additional provision for Homelessness costs, and assumes demand stays at the current elevated level.



- 5.5. The Government again provided only a one-year Finance Settlement for 2024/25 with additional support to assist councils struggling with inflationary and demand pressures. There remains no clarity over longer term funding prospects with the planned 'Fairer Funding' review having now been delayed for many years and seeming less and less deliverable within the current local government funding landscape. The Government's 2024/25 settlement again includes a range of additional, potentially temporary funding streams and the MTFF assumes these continue (at least in total) but that the amounts do not increase across the MTFF period. This assumption reflects the recent trend of some growth announced by Government, using Core Spending Power as the preferred measure. The Government has indicated that any change to current funding arrangements will come with more than 12 months' notice and with transitional arrangements and so the assumption used are considered reliable in the short to medium term.
- 5.6. The Finance Team have been working to establish a reliable position on Reserves. This entails working through each reserve to understand its purpose and future demands against it. It also requires a deeper understanding of all the current financial risks facing the Council to understand the adequacy of reserves in totality. This work is ongoing and needs to be annually updated and reviewed as part of financial planning. As part of this work specialist advice has been commissioned on technical reserves. Work on the Business Rates Retention Reserve has indicated that this reserve is expected to grow over the next few years as the Council benefits disproportionately from the recent national revaluation of Business Rates. This benefit is largely not reflected in the revenue budget because of the overdue 'reset' of the Business Rates system, which has the potential to remove all this gain. Revenue reliance on Business Rate gain would represent a significant risk to the Council and avoiding this justifies its exclusion. Instead, actual additionality will be added to the Business Rates Retention Reserve and will be available for one-off applications. This is likely to provide a considerable cushion against unplanned and unexpected risks which increases the overall confidence in these budget proposals.
- 5.7. The Council is required to charge repayments of sums borrowed to its General Fund in the form Minimum Revenue Provision (MRP). These sums are budgeted to increase as the Council's borrowing increases. The budget assumes that borrowing will be incurred in accordance with the investment plans set out in the Capital Programme. If spending is delayed this will also have a material effect on the MRP charge required in year. The budget includes a review of affordability and expected delivery of the capital programme, given revised market conditions, removing some of the under delivery which has been a feature of recent years.
- 5.8. The Council necessarily set ambitious savings targets for 2023/24 in the face of unprecedented budgetary pressures. Some of these proved challenging to deliver, creating pressure on in year budgets. To move away from reactionary annual savings to the Council has proposed a medium-term programme of transformation initiatives entitled 'Fit for the Future.' This programme is intended to reduce the Council's net expenditure, whilst maintaining or improving services. To ensure success and to provide capacity, funding has been identified through the review of reserves referred to earlier. The programme initially has financial targets set over 3 years and these are reflected in the budget proposals. As would be expected, higher certainty exists on the precise nature and deliverability of the savings in 2024/25, than in later years. Governance and project management arrangements are being put in place to ensure delivery. Progress will be reviewed and reflected in ongoing budget development.

## 6. Key Risks

- 6.1. The Council has a well-developed and robust risk identification and monitoring framework. Together with the budget monitoring arrangements, the risk management processes have ensured that all ongoing pressures and risks are explicit, understood and considered within the budget development process.
- 6.2. Throughout the development of the budget those responsible have been made aware of the current and future risks both on service income and expenditure, local taxation receipts and in the wider Local Government funding environment.
- 6.3. Key amongst the current and future risks are:
  - The unknown impact of economic factors and pressures, specifically inflation, pay and interest rates.
  - The contribution from the Council's trading company and the current unwinding of certain of these entities.
  - Government Funding - as it has yet to publish its distribution methodology for 2025/26 onwards. The Government has stated it remains committed to a review of the Grant distribution formula and it is speculated that this will see a redistribution at a national level consistent with its 'Levelling-Up' agenda should this happen. The Government has indicated that any review will not now be considered until after the next election. It is expected that temporary (one-year) arrangements will continue to apply through 2025/26, this still represents a key risk to the MTFP.
  - The performance of commercial transactions, such as Turnstone.
  - Delivery of the Council's transformation programme, 'Fit for the Future.'
  - I am satisfied on Short to Medium Term viability of the HRA but longer-term affordability of HRA plans, including Capital Spending, needs to be reviewed and reassessed through a planned full review of the HRA Business Plan during 2024/25.
- 6.4. The Council has agreed to the hibernation of certain trading companies. The full accounting entries required to complete this by the end of 2023/24 are being worked through with technical input from specialists in company law and commercial and local government accounting. These entities have incurred costs to date against the expectation of future profits. With no realistic prospect of delivering short term profits due to changes in market conditions and risk appetite, the Council will need to realise and write-off these costs. Based on current trading information it is expected that this cost will be in the range of £2 to £2.5 million but will only be fully understood once the technical work has been completed. These costs are unavoidable, but it is important to note that the Council has adequate reserves to cover expected maximum write-offs.
- 6.5. It is in the context of these, and the wider risks, facing the sector that it is recommended that the Council increases its minimum unallocated balances to £3 million. The budget contains provision to do this and has additional contingencies, reserves, and balances to ensure that the Council is adequately planning for and mitigating the impact of any such risks should they be realised. Risks associated with borrowing are hedged by ensuring repayment profiles are realistic and interest rates are fixed at lowest opportune levels, thereby giving certainty over future affordability.

## **7. Level of Reserves and Balances**

- 7.1. Reserves are defined in Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992. This requires local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating their budget requirement.
- 7.2. Reserves are an essential part of the Council's financial strategy and provide protection against the significant risks the Council faces and represent a funding resource for Council backed initiatives. The continued provision of adequate reserves is essential. Without these, the Council might need to reduce current spending to accommodate unexpected event.
- 7.3. Council reserves fall into two categories: Earmarked and Un-allocated. Earmarked are held aside for a specific purpose or against a general area of risk or opportunity. Un-allocated have no specific purpose other than general contingency, such as the General Fund Balance.
- 7.4. This report has explained in earlier sections the ongoing work to refine the Council's understanding of its reserves and the proposals to increase its unallocated balances against the wider risks facing council finances. Against this, I have high confidence that the combined earmarked and unallocated balances, when considered together and against the risk profile of the Council, are adequate.

## **8. Capital Plans and the Prudential Code**

- 8.1. The Council has complied with the requirements of the Prudential Code for Capital Finance in Local Authorities. Delays in producing final accounts have impacted on producing these reports. The Prudential Indicators are to be considered by the Council's Audit and Governance Committee.
- 8.2. That Council has an ambitious Capital Programme reflecting its priorities towards new Council House building and town centre regeneration. All plans have recently been reviewed for affordability and deliverability. Capital spending is largely dependent on borrowing and the revenue costs of this proposed borrowing have been factored into the Budget and the Medium-Term Financial Framework. The long-term costs of borrowing are now expected to decrease after the sharp rise experienced in the past couple of years. The Treasury Management Strategy will seek to fix borrowing costs at lower levels, and borrowing will predominantly be internalised or taken short term until rates are deemed to have fallen to their expected short-term minimum where the opportunity allows.

## **9. Financial Standing**

- 9.1. CIPFA's Financial Resilience Index is a comparative analytical tool that may be used by Chief Financial Officers to support good financial management and provide a common understanding of their financial position against those of others.

- 9.2. The Index shows a council's position on a range of measures associated with financial risk. The selection of indicators has been informed by extensive financial resilience work undertaken by CIPFA over the past seven years, public consultation, and technical stakeholder engagement.
- 9.3. The CIPFA Financial Resilience Index for Colchester City Council, (using 2022/23 data) is only partially available because of delays in completing the Accounts for 2022/23. As explained in paragraph 2.6 had it been available, I do not believe it would highlight any significant concerns.

**Andrew Small CPFA  
Section 151 Officer  
February 2024**



# Council

Item  
**7(i)**

21 February 2024

<b>Report of</b>	<b>The Section 151 Officer</b>	<b>Authors</b>	<b>Chris Hartgrove Diane Gentile</b>
<b>Title</b>	<b>Council Tax Setting 2024/25 (including proposed changes to premiums)</b>		
<b>Wards affected</b>	Not Applicable		

## 1 Executive Summary

- 1.1 This report sets out the Council Tax for 2024/25 in accordance with the requirements of the Local Government Finance Act 1992 (as amended by the Localism Act 2011). The level of the Council Tax is directly related to the Council's net expenditure after deducting central Government grants and other income sources. Council resolutions also have to adhere to the legislation and recommendations are therefore written in formal language.
- 1.2 The Council Tax for Colchester City Council reflects a Band D charge of £217.92 for 2024/25 (an increase of 2.99% compared to 2023/24). A total Tax Base of 66,132.0 results in an overall Council Tax requirement of £14,411,485.
- 1.3 Individual precepts for the major precepting authorities (County, Police and Fire) and local Town and Parish councils are also detailed, along with Council Tax charges for each band.
- 1.4 The average Band D Council Tax is summarised in the table below.

Element	2023/24 Charge	2024/25 Charge	Increase/(Decrease)	
	£'s	£'s	£'s	%
Colchester City Council	211.59	217.92	6.33	2.99
<b>District Council Tax</b>	<b>211.59</b>	<b>217.92</b>	<b>6.33</b>	<b>2.99</b>
Parish Councils*	35.91	37.81	1.90	5.29
<b>Local Council Tax (Average)</b>	<b>247.50</b>	<b>255.73</b>	<b>8.23</b>	<b>3.33</b>
Essex County Council (including Adult Social Care Precept)	1,450.17	1,522.53	72.36	4.99
Essex Police, Fire and Crime Commissioner (Police Authority)	233.46	246.42	12.96	5.55
Essex Police, Fire and Crime Commissioner (Fire and Rescue Authority)	80.28	82.62	2.34	2.91
<b>Total Council Tax (Average)</b>	<b>2,011.41</b>	<b>2,107.30</b>	<b>95.89</b>	<b>4.77</b>

*\*Parish council charges vary between parishes and are shown as average values in the table for illustration purposes*

- 1.5 This report also considers the impact of the Levelling Up and Regeneration Act 2023 and its potential impact on Council Tax premiums. Specific recommendations are made to extend existing premiums on empty homes with effect from 2024/25 and introduce premiums on second homes with effect from 2025/26.

## 2 Recommended Decisions

- 2.1 To note that under delegated authority, the Section 151 Officer, has calculated the Council Tax Base for 2024/25 for the whole Council area as 66,132.0 (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by the Localism Act 2011) and for dwellings in those parts of its area to which a Parish Precept relates as set out in **Appendix A**.
- 2.2 That the following amounts be calculated for the year 2024/25 in accordance with sections 31 to 36 of the Local Government Finance Act 1992, as amended by the Localism Act 2011:
- (a) £147,347,040 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking account of all precepts issued to it by the Parish Councils
  - (b) £130,435,215 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
  - (c) £16,911,825 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act)
  - (d) £255.73 being the amount at 2(c) above (Item R), all divided by Item T (the amount at (1) above, the tax base), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts)
  - (e) £2,500,340 being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act
  - (f) £217.92 being the amount at 2(c) above less the result given by dividing the amount at 2 (e) above by Item T (1) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates
  - (g) That it be noted that Essex County Council, Essex Police, Fire & Crime Commissioner and Essex Fire & Rescue Service have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the category of dwellings in the Council's area
  - (h) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts in **Appendix C** as the amounts of Council Tax for 2024/25 for each part of its area and for each of the categories of dwellings; and
  - (i) That in accordance with section 52ZB of the Local Government Finance Act 1992, the Council determines that the amount of Council Tax shown at 2(f) of £217.92 for 2024/25, representing an increase of £6.33 (2.99%) compared to 2023/24 is not excessive and therefore there is no requirement to hold a local referendum.

2.3 That, in accordance with the Levelling Up and Regeneration Act 2023, the Council introduces the following changes to Council Tax premiums:

- (a) With effect from 1st April 2024, extend the 100% Council Tax premium charged on Empty Dwellings to apply with effect from one year (compared to the current two years); and
- (b) With effect from 1st April 2025, introduce a 100% Council Tax premium charge on Second Homes.

### **3 Reason for Recommended Decision**

3.1 The Council is required, in accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011, to formally set the Council Tax for each band, which includes the shares of the precepting authorities.

### **4 Alternative Options**

- 4.1 The core Council Tax setting elements of the report are defined in statute and, as such, there are no alternative options.
- 4.2 The recommended changes to Council Tax premiums could be rejected, either partially or fully. This would result in the Council (and its preceptors) forgoing any additional Council Tax income generated from the scheme and potentially missing an opportunity to incentivise some homeowners into bringing more domestic dwellings back into full-time use.

## 5 Background and Introduction

5.1 As a district council, Colchester City Council is responsible for the billing and collection of all Council Tax due from local taxpayers. This means that the Council is required to collect Council Tax to cover not only its own services but also the precepts set by other authorities. The Council Tax levied therefore comprises five separate elements:

- Colchester City Council element
- Town and Parish Council precepts
- Essex County Council precept (including Adult Social Care Services)
- Essex Police, Fire and Crime Commissioner (Police Authority) precept; and
- Essex Police, Fire and Crime Commissioner (Fire and Rescue Authority) precept.

5.2 The setting of the Council Tax follows a prescribed timetable, commencing with the setting of the tax base in November, and ending with the formal setting of the Council Tax, which is required has to be completed by no later than 11th March prior to the start of the forthcoming financial year.

5.3 The procedure adheres to the requirements of the Local Government Finance Act 1992 (as amended by the Localism Act 2011) and the level of Council Tax is directly related to the net expenditure of the Council after deducting income from Government grants and other sources of income. Council resolutions also adhere to legislative requirements and recommendations are therefore written in very formal language.

## 6 Council Tax Base and Collection Fund Deficit

6.1 The Council Tax Base for 2024/25 is 66,132.0 and a breakdown of the calculation by parish can be seen in the first column in **Appendix A**.

6.2 After taking account of previous distributions and recoupments, the Council Tax element of the Collection Fund is predicted to have a total surplus of £118,209 at 31st March 2024. The surplus is shared amongst the major precepting authorities i.e., Essex County Council, Essex Police, Fire and Crime Commissioner (both Police and Fire & Rescue authorities) and this Council. The distribution of the surplus is made in proportion to the level of each authority's precept for the year. The Colchester City Council share of the 2023/24 surplus is £14,545.

## 7 Colchester City Council Tax

7.1 The Cabinet recommended a District Council Tax increase of £6.33 (2.99%) for 2024/25 at its meeting on 24th January 2024. This involved setting a General Fund net expenditure budget of £24,959,364.



7.2 The amount of Council Tax that Colchester City Council is to levy is £14,411,485 as presented in the table below.

Description	Value
	£'s
Budgeted Net Expenditure 2024/25	24,959,364
Add: Contribution to Reserves	153,400
Subtract: Collection Fund Deficit (Council Tax)	(14,545)
Subtract: Collection Fund Surplus (Business Rates)	(569,270)
<b>Net Expenditure (to be financed)</b>	<b>24,528,949</b>
Less: Retained Business Rates	(6,975,000)
Less: External Financing	(3,142,464)
<b>Council Tax Requirement</b>	<b>14,411,485</b>

7.3 The Colchester City Council Band D Council Tax is therefore £217.92 for 2024/25 (the Council Tax Requirement divided by the Tax Base of 66,132.0). This represents an increase of £6.33 (2.99%) when compared to the Council Tax levied in 2023/24.

## 8 Parish Precepts

8.1 Each parish has notified the Council with its precept requirement for the year. The total required by parishes for 2024/25 is £2,500,340, which produces an average Band D Council Tax of £37.81. The actual amount levied will vary from parish to parish. A detailed breakdown of the precept requirements and the Band D charge for each parish can be seen in the third and fourth columns in **Appendix A**.

## 9 Essex County Council Precept

9.1 The total precept demand issued by Essex County Council for 2024/25 is £100,687,954 which produces a Band D Council Tax of £1,522.53. This represents an increase of £72.36 (4.99%) when compared to the Council Tax levied in 2023/24.

## 10 Essex Police, Fire and Crime Commissioner (Police Authority) Precept

10.1 The precept demand issued by Essex Police, Fire and Crime Commissioner (Police Authority) for 2024/25 is £16,296,247, which produces a Band D Council Tax of £246.42. This represents an increase of £12.96 (5.55%) when compared to the Council Tax levied in 2023/24.

## 11 Essex Police, Fire and Crime Commissioner (Fire and Rescue Authority) Precept

11.1 The precept demand issued by Essex Police, Fire and Crime Commissioner (Fire and Rescue Authority) for 2024/25 is £5,463,826, which produces a Band D Council Tax of £82.62. This represents an increase of £2.34 (2.91%) when compared to the Council Tax levied in 2023/24.

## 12 Council Tax Premiums

- 12.1 The discretion to charge Council Tax premiums on Empty Homes was introduced by the Government in 2013. The current Colchester City Council policy entails a 100% charge after two years, rising to up to 300% for Dwellings that have remained unoccupied and substantially unfurnished for more than 10 years. The current policy is summarised the table below.

<b>Colchester City Council Policy Council Tax Premiums on Empty Homes</b>	
Dwellings which are unoccupied and substantially unfurnished <b>after 2 years and up to 5 years of becoming empty.</b>	100% premium
Dwellings which are unoccupied and substantially unfurnished <b>between 5 years and up to 10 years</b>	200% premium
Dwellings which are unoccupied and substantially unfurnished <b>for 10 years or more</b>	300% premium

- 12.2 There has been a rise nationally in the number of both empty and second homes, which is exacerbating the supply of affordable housing and homelessness. Inconsistencies in legislation have also been identified whereby premiums can be avoided (e.g. by a taxpayer furnishing empty premises, thereby turning it into a 'second home,' which currently attracts no premium).
- 12.3 The Government has introduced measures within the Levelling Up and Regeneration Act 2023 designed to incentivise homeowners to bring more homes into full-time use through giving local authorities greater discretion in charging Council Tax premiums on Empty and Second Homes. This includes the option to extend charging on Empty Homes with effect from 2024/25 and introduce (with 12-months' notice) premiums on Second Homes with effect from 2025/26.

### Empty Homes: Proposed Policy Change

- 12.4 It is proposed to change the Colchester City Council policy on Empty Homes by introducing a 100% Council Tax premium payable after one year (compared to the current policy of two years). The amended policy is presented in the table below.

<b>Colchester City Council Policy Amendment (draft) Council Tax Premiums on Empty Homes (effective from 1st April 2024)</b>	
Dwellings which are unoccupied and substantially unfurnished <b>after 1 years and up to 5 years of becoming empty.</b>	100% premium

### Second Homes: Proposed Policy Change

- 12.5 It is further proposed to change the Colchester City Council policy on Second Homes by introducing a (new) 100% Council Tax premium payable on Second Homes after one year (there are currently no premiums charged on Second Homes). The amended policy is presented in the table below.

<b>Colchester City Council Policy Amendment (draft) Council Tax Premiums on Second Homes (effective from 1st April 2024)</b>	
Premium of 100% charged in addition to 100% Council Tax charge.	100% premium

12.6 The additional Council Tax raised as a result of the policy changes is expected to be relatively modest for Empty Homes, although the introduction of a 100% premium on Second Homes is likely to result in a greater increase to the Council Tax yield. It is however not possible to prepare robust estimates at this stage and Revenues officers will be undertaking a detailed review of all of the City's potential Second Homes in 2024/25 with a view to ensuring that only genuine Second Homes would be subject to the 100% premium in 2025/26.

### **13 Strategic Plan References**

13.1 The objectives within the Strategic Plan have been used to guide the Budget setting process throughout, including the need to finance a balanced budget and protect core services through a wide range of income and funding sources, including Council Tax.

### **14 Publicity Considerations**

14.1 Arrangements will be made to publish the approved Council Tax charges for 2024/25 in the local press. In addition, a Council Tax Information Leaflet is prepared and distributed with the Council Tax bills in accordance with the legal requirements.

### **15 Financial Implications**

15.1 As set out in the report.

### **16 Consultation**

16.1 The Budget proposals, including the recommended Council Tax increase for 2024, was developed through engagement with all members of the Council and other stakeholders including a separate event for statutory Business Ratepayers held on 20th February 2024.

### **17 Environment and Sustainability Implications**

17.1 All budget measures are assessed for their likely environmental impact, reflecting the Council's commitment to be 'carbon neutral' by 2030. Environment and Climate Change is a core theme of the Strategic Plan.

### **18 Equality and Diversity Implications**

18.1 Consideration will be given to equality and diversity issues in respect of budget changes proposed as part of the budget process. This will be done in line with agreed policies and procedures including production of Equality Impact Assessments where appropriate.

### **19 Standard References**

19.1 There are no direct Human Rights, Community Safety or Health and Safety implications as a result of this report.

## **Appendices**

***Appendix 1: Town, Parish & Local Council Tax 2024/25***

***Appendix 2: Local Council Tax 2024/25: All Bands***

***Appendix 3: Total Council Tax 2024/25: All Bands***

## **Background Papers**

None.

## Town, Parish &amp; Local Council Tax 2024/25

Boxted	624.3	64,763.00	103.74	217.92	321.66
Chappel	221.6	17,850.00	80.55	217.92	298.47
Copford	686.4	55,862.00	81.38	217.92	299.30
Dedham	941.1	43,574.00	46.30	217.92	264.22
East Donyland	882.2	93,896.00	106.43	217.92	324.35
East Mersea	125.7	7,814.00	62.16	217.92	280.08
Eight Ash Green	720.2	40,129.00	55.72	217.92	273.64
Fingringhoe	343.6	13,136.00	38.23	217.92	256.15
Fordham	333.1	36,180.00	108.62	217.92	326.54
Great Horkesley	1,075.7	45,116.00	41.94	217.92	259.86
Great Tey	392.1	20,773.00	52.98	217.92	270.90
Langham	507.7	24,148.00	47.56	217.92	265.48
Layer Breton	134.0	0.00	0.00	217.92	217.92
Layer de la Haye	728.7	20,674.00	28.37	217.92	246.29
Layer Marney	98.1	0.00	0.00	217.92	217.92
Little Horkesley	88.4	5,803.00	65.64	217.92	283.56
Marks Tey	944.8	70,816.00	74.95	217.92	292.87
Messing cum Inworth	177.7	24,986.00	140.61	217.92	358.53
Mount Bures	109.0	3,409.00	31.28	217.92	249.20
Myland	6,389.5	121,212.00	18.97	217.92	236.89
Stanway	4,341.5	364,200.00	83.89	217.92	301.81
Tiptree	3,710.5	398,085.00	107.29	217.92	325.21
Wakes Colne	263.9	14,915.00	56.52	217.92	274.44
West Bergholt	1,394.1	120,932.00	86.75	217.92	304.67
West Mersea	3,196.8	373,287.00	116.77	217.92	334.69
Winstred Hundred	490.5	15,342.00	31.28	217.92	249.20
Wivenhoe	2,888.6	440,415.00	152.47	217.92	370.39
Wormingford	192.9	10,891.00	56.46	217.92	274.38
<b>Town, Parish &amp; Local Council Tax Totals</b>	<b>32,968.0</b>	<b>2,500,340</b>	<b>75.84</b>	<b>217.92</b>	<b>293.76</b>

Note – the Council's overall Taxbase is 66,132.0. 49.85% of the Taxbase (32,968.0) is liable for both District and Parish charges. The remaining 50.15% of the Taxbase (33,164.0) is liable for the District charge only.

## Local Council Tax 2024/25: All Bands

Parish	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
Abberton & Langenhoe	171.78	200.41	229.04	257.67	314.93	372.19	429.45	515.34
Aldham	197.49	230.41	263.33	296.24	362.07	427.90	493.73	592.48
Birch	183.81	214.45	245.09	275.72	336.99	398.26	459.53	551.44
Boxted	214.44	250.18	285.92	321.66	393.14	464.62	536.10	643.32
Chappel	198.98	232.14	265.31	298.47	364.80	431.12	497.45	596.94
Copford	199.53	232.79	266.05	299.30	365.81	432.32	498.83	598.60
Dedham	176.15	205.50	234.87	264.22	322.94	381.65	440.37	528.44
East Donyland	216.23	252.27	288.31	324.35	396.43	468.50	540.58	648.70
East Mersea	186.72	217.84	248.96	280.08	342.32	404.56	466.80	560.16
Eight Ash Green	182.43	212.83	243.24	273.64	334.45	395.25	456.07	547.28
Fingringhoe	170.77	199.22	227.69	256.15	313.08	369.99	426.92	512.30
Fordham	217.69	253.97	290.26	326.54	399.11	471.67	544.23	653.08
Great Horkesley	173.24	202.11	230.99	259.86	317.61	375.35	433.10	519.72
Great Tey	180.60	210.70	240.80	270.90	331.10	391.30	451.50	541.80
Langham	176.99	206.48	235.99	265.48	324.48	383.47	442.47	530.96
Laver Breton	145.28	169.49	193.71	217.92	266.35	314.77	363.20	435.84
Laver de la Haye	164.19	191.56	218.93	246.29	301.02	355.75	410.48	492.58
Laver Marney	145.28	169.49	193.71	217.92	266.35	314.77	363.20	435.84
Little Horkesley	189.04	220.54	252.06	283.56	346.58	409.58	472.60	567.12
Marks Tey	195.25	227.78	260.33	292.87	357.96	423.03	488.12	585.74
Messing cum Inworth	239.02	278.85	318.70	358.53	438.21	517.87	597.55	717.06
Mount Bures	166.13	193.82	221.51	249.20	304.58	359.95	415.33	498.40
Myland	157.93	184.24	210.57	236.89	289.54	342.17	394.82	473.78
Stanway	201.21	234.74	268.28	301.81	368.88	435.94	503.02	603.62
Tiptree	216.81	252.94	289.08	325.21	397.48	469.74	542.02	650.42
Wakes Colne	182.96	213.45	243.95	274.44	335.43	396.41	457.40	548.88
West Bergholt	203.11	236.96	270.82	304.67	372.38	440.08	507.78	609.34
West Mersea	223.13	260.31	297.51	334.69	409.07	483.44	557.82	669.38
Winstred Hundred	166.13	193.82	221.51	249.20	304.58	359.95	415.33	498.40
Wivenhoe	246.93	288.08	329.24	370.39	452.70	535.00	617.32	740.78
Wormingford	182.92	213.40	243.90	274.38	335.36	396.32	457.30	548.76
Other Areas (non parish)	145.28	169.49	193.71	217.92	266.35	314.77	363.20	435.84

## Total Council Tax 2024/25: All Bands

Parish	Reduced Band A £'s	Band A £'s	Band B £'s	Band C £'s	Band D £'s	Band E £'s	Band F £'s	Band G £'s	Band H £'s
Abberton & Langenhoe	1,171.80	1,406.16	1,640.52	1,874.88	2,109.24	2,577.96	3,046.68	3,515.40	4,218.48
Aldham	1,193.23	1,431.87	1,670.52	1,909.17	2,147.81	2,625.10	3,102.39	3,579.68	4,295.62
Birch	1,181.83	1,418.19	1,654.56	1,890.93	2,127.29	2,600.02	3,072.75	3,545.48	4,254.58
Boxted	1,207.35	1,448.82	1,690.29	1,931.76	2,173.23	2,656.17	3,139.11	3,622.05	4,346.46
Chappel	1,194.47	1,433.36	1,672.25	1,911.15	2,150.04	2,627.83	3,105.61	3,583.40	4,300.08
Copford	1,194.93	1,433.91	1,672.90	1,911.89	2,150.87	2,628.84	3,106.81	3,584.78	4,301.74
Dedham	1,175.44	1,410.53	1,645.61	1,880.71	2,115.79	2,585.97	3,056.14	3,526.32	4,231.58
East Donyland	1,208.85	1,450.61	1,692.38	1,934.15	2,175.92	2,659.46	3,142.99	3,626.53	4,351.84
East Mersea	1,184.25	1,421.10	1,657.95	1,894.80	2,131.65	2,605.35	3,079.05	3,552.75	4,263.30
Eight Ash Green	1,180.68	1,416.81	1,652.94	1,889.08	2,125.21	2,597.48	3,069.74	3,542.02	4,250.42
Fingringhoe	1,170.96	1,405.15	1,639.33	1,873.53	2,107.72	2,576.11	3,044.48	3,512.87	4,215.44
Fordham	1,210.06	1,452.07	1,694.08	1,936.10	2,178.11	2,662.14	3,146.16	3,630.18	4,356.22
Great Horkesley	1,173.02	1,407.62	1,642.22	1,876.83	2,111.43	2,580.64	3,049.84	3,519.05	4,222.86
Great Tey	1,179.15	1,414.98	1,650.81	1,886.64	2,122.47	2,594.13	3,065.79	3,537.45	4,244.94
Langham	1,176.14	1,411.37	1,646.59	1,881.83	2,117.05	2,587.51	3,057.96	3,528.42	4,234.10
Layer Breton	1,149.72	1,379.66	1,609.60	1,839.55	2,069.49	2,529.38	2,989.26	3,449.15	4,138.98
Layer de la Haye	1,165.48	1,398.57	1,631.67	1,864.77	2,097.86	2,564.05	3,030.24	3,496.43	4,195.72
Layer Marney	1,149.72	1,379.66	1,609.60	1,839.55	2,069.49	2,529.38	2,989.26	3,449.15	4,138.98
Little Horkesley	1,186.19	1,423.42	1,660.65	1,897.90	2,135.13	2,609.61	3,084.07	3,558.55	4,270.26
Marks Tey	1,191.36	1,429.63	1,667.89	1,906.17	2,144.44	2,620.99	3,097.52	3,574.07	4,288.88
Messing cum Inworth	1,227.84	1,473.40	1,718.96	1,964.54	2,210.10	2,701.24	3,192.36	3,683.50	4,420.20
Mount Bures	1,167.10	1,400.51	1,633.93	1,867.35	2,100.77	2,567.61	3,034.44	3,501.28	4,201.54
Myland	1,160.26	1,392.31	1,624.35	1,856.41	2,088.46	2,552.57	3,016.66	3,480.77	4,176.92
Stanway	1,196.33	1,435.59	1,674.85	1,914.12	2,153.38	2,631.91	3,110.43	3,588.97	4,306.76
Tiptree	1,209.33	1,451.19	1,693.05	1,934.92	2,176.78	2,660.51	3,144.23	3,627.97	4,353.56
Wakes Colne	1,181.12	1,417.34	1,653.56	1,889.79	2,126.01	2,598.46	3,070.90	3,543.35	4,252.02
West Bergholt	1,197.91	1,437.49	1,677.07	1,916.66	2,156.24	2,635.41	3,114.57	3,593.73	4,312.48
West Mersea	1,214.59	1,457.51	1,700.42	1,943.35	2,186.26	2,672.10	3,157.93	3,643.77	4,372.52
Winstred Hundred	1,167.10	1,400.51	1,633.93	1,867.35	2,100.77	2,567.61	3,034.44	3,501.28	4,201.54
Wivenhoe	1,234.43	1,481.31	1,728.19	1,975.08	2,221.96	2,715.73	3,209.49	3,703.27	4,443.92
Wormingford	1,181.09	1,417.30	1,653.51	1,889.74	2,125.95	2,598.39	3,070.81	3,543.25	4,251.90
Other Areas (non parish)	1,149.72	1,379.66	1,609.60	1,839.55	2,069.49	2,529.38	2,989.26	3,449.15	4,138.98





**Extract from the draft minutes of the Cabinet meeting of 23 January 2024**

**828. Draft Budget Proposals 2024/25 (including General Fund and Housing Revenue Account Revenue and Capital) and an updated Medium-Term Financial Forecast)**

The Section 151 Officer submitted a report a copy of which had been circulated to each Member together with the recommendation from the Scrutiny Panel meeting of 23 January 2024.

Christina Reed-Welham attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to express concerns that members of Leisure World had about the proposed closure of the café at Leisure World and to highlight the petition in support of keeping the café open. The Council should stop and reconsider and work with staff and members to enable it to remain part of the community. The Council 's Strategic Plan highlighted the importance of health, wellbeing and happiness, and the Council had received £3.5 million in health funding to address these issues. There was now greater awareness of the link between exercise and mental health. Social connections combined with exercise contributed to wellbeing. The café was uniquely placed to encourage both social connections and exercise for a wide demographic range and was a key part of the attraction of Leisure World. If the café was kept open for a further period of six months it would allow the talented staff to review the model and work towards a more profitable operation.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, expressed his thanks and reiterated the assurance he had given earlier that the decision to close the café had been paused and it would remain open whilst alternative options were explored. Councillor Cory, Portfolio Holder for Resources, explained that the decision had arisen in the context of the tough choices the administration faced. However, there had been some miscommunication about the nature of the proposal. Nevertheless the administration had listened to the concerns raised and would explore alternatives.

Councillor Law attended and with the consent of the Chair addressed Cabinet to express concern about how some of the proposals to reduce services would impact on Highwoods. Highwoods Country Park Visitor Centre provided key facilities to visitors to the Country Park, and staff from the visitor centre were important in helping with emergencies or countering anti-social behaviour. Less resources at the Visitor Centre could lead to increased anti-social behaviour and flytipping, which need further resource from elsewhere in the Council. Cuts were also proposed to Highwoods Sports Centre. This was an accessible site right at the heart of the community and made an important contribution to the health and wellbeing of the community. There were also cuts proposed to community facilities at St Marks, which helped provide important social connections contributing to health and wellbeing. The overall impression that would be given to residents would be that the Council did not care about providing good

accessible, community facilities, and were not supportive of their health and wellbeing, contrary to Strategic Plan priorities.

Councillor King responded that the scale of the challenge facing the Council meant hard choices. It would look to cause the least harm it could. He would ask officers to look at the points raised about the Visitor Centre and the impact the proposals could have on other areas of the Council. However Highwoods was well served with sporting and community facilities.

Councillor Dundas attended and with the consent of the Chair addressed Cabinet. Further funding for local government had been announced by the government today. It was noted that whilst it had been proposed to close the café at Leisure World, another café run by the Council was losing significantly more money and further information for the basis of that decision was sought. Further information on the position on the reserves was necessary in order to make a judgement on whether the budget was prudent. Further information was sought about an outstanding debt from Colchester Amphora Energy Ltd to the Council and whether this had been paid. The position on reserves was important as the Medium Term Financial Forecast showed an accumulated deficit of £7.35 million, which could only be met from reserves. Further detail was needed on the Fit for the Future programme as there was not enough information for Councillors to make a judgement on the impact of the programme. Without this information informed judgements could not be made about whether to support the budget or how to propose meaningful amendments.

Councillor King and Councillor Cory responded and emphasised the importance of Councillors having sufficient detail to make decisions. The administration had had to make a judgement on how much information to provide. The proposals had been informed by member briefings and Alumni meetings and had not come unexpectedly. The budget strategy was supported by a great deal of information and was clearer and went further than previous budgets. Further information about the Fit for the Future programme would be forthcoming in February. Advice would be sought on the point raised about the coffee shops. In terms of the point made about deficits and reserves the budget proposed putting funding back into reserves in 2024/25. A deficit was forecast in the following year but this would be addressed as the Council had a legal duty to set a balanced budget. It was not proposed to build up a deficit in the way that had been suggested. Reserves would be used in a limited way to provide a contingency in case there was slippage in the Fit for the Future programme. The administration was open to further suggestions and discussion in the run up to the Council meeting on 21 February 2024.

Councillor J Young attended and with the consent of the Chair addressed Cabinet to express thanks to officers for their work in bringing forward the budget proposals. The budget needed to be seen in the national context where many Councils were facing very difficult decisions. The Council had lost two-thirds of its direct funding grant from government since 2009. Added to this were issues of inflation, the cost of living crisis and increased homelessness demands. Did the Leader of the Council agree that the

funding from central government since 2010 had been inadequate to meet the needs of the community?

Councillor King indicated that he agreed and noted that the LGA estimated that one in five authorities privately believed that they may need to issue a section 114 letter.

Councillor Pearson attended and with the consent of the Chair addressed Cabinet and indicated Councils nationwide were faced with problems not of their own making. Whilst it was right that Councils should look for efficiencies and review the way services were run as part of the normal course of events, this was not what was happening now. The House of Commons Library showed that the National Audit Office had estimated in 2018 that local authority spending power had fallen by 29% in real terms between 2010-2018. Issues of inflation and the cost of addressing homelessness also needed to be taken into consideration. A further recommendation should be made that the Council should work collaboratively with other authorities nationwide to make representations to central government for fair funding for local authorities.

Councillor King indicated that this proposal would be considered. The Council was a part of a number of local authority networks that could be used to help push this message, and lobbying was always most effective when it was cross party.

Councillor Sunnucks attended and with the consent of the Chair addressed Cabinet. He supported the recommendation from the Scrutiny Panel for further information. He was concerned by the budget and considered that this was an opportunity to take the Council in a different direction. In view of the comments about the national context, it was important to focus internally and not blame others. The Council was an inefficient organisation and there was scope for cuts that would not impact on frontline services. Further funding from central government was forthcoming. The following questions were asked of Cabinet:-

- Did Cabinet believe that it could convert this year's deficit into a small surplus next year without doing anything specific?
- Did Cabinet believe that Fit for the Future would work within a year?
- Could the budget be properly evaluated without information about the reserves?
- Were Cabinet aware that by approving this budget it was approving doubling the debt, largely through spending on social housing, and the cost of running the deficit would be £3-5 million per annum?

Councillor King and Councillor Cory responded and stressed that the budget was properly constructed and was based on high quality work. Further information about the position on the reserves and on Fit for the Future was being provided. The administration was not seeking to blame others and accepted its responsibility to take the necessary decisions to set a balanced budget. Difficult decisions had already been taken, such as on garden waste, which had had an impact on staffing.

Andrew Small, Section 151 Officer made a presentation to Cabinet. The presentation set out:-

- The financial context of one of the most challenging years for local government finance and the actions taken to address the budget gap.
- The scale of the budget gap and how this had been identified and how this would be addressed.
- The Medium Term Financial Forecast.
- The savings anticipated through the Fit for the Future programme and the contribution they would make to balancing future budgets. This would require some investment and this would be done by creating a Fit for the Future reserve.
- General Fund balances and the proposal to increase the minimum level of general fund balance to £3 million in view of the heightened volatility.
- A summary of earmarked reserves. These were being reviewed and were now better understood. The position was generally healthy but there were many demands on them.
- The Capital Programme had been reviewed and updated. Several schemes had been removed but there were also some key additions such as the repair to the Moot Hall.
- Housing Revenue Account was balanced and proposed an increase in rents of 7.7%. The income generated would remain within the HRA. A detailed review of the HRA would be undertaken in 2024.
- The Section 151 Officer was reassured that the budget was robust with a clear ambition to address future challenges. A section 25 report on the robustness of the budget would accompany the budget when it was referred to Council.

Councillor Goss, Portfolio for Neighbourhood Services and Waste, sought clarification on the issues raised about the outstanding liabilities from the Heat Network project. The Section 151 Officer explained that these issues had been raised at Governance and audit Committee and it was recognised that there were risks around the ending of the project, particularly around the BEIS grant. This would be addressed as part of the closure of accounts but it was estimated that the level of potential loss was around £200,000.

In discussion Cabinet indicated that it accepted the recommendations made by the Scrutiny Panel, which it considered useful and fair. The requested further information would be addressed and some information on reserves had been part of the section 151 officer's presentation. In terms of the Treasury Management information, it was more likely this would be further information rather than the full Treasury Management Strategy Statement, in view of the timescales.

Cabinet noted that the issues raised by the budget had largely been discussed in response to the speakers. The advice of the section 151 officer on the robustness of the proposals was noted. It offered its thanks to those officers who had worked hard to bring the proposals forward and to those who would be implementing and impacted by the Fit for the Future programme and other cost savings. It was appreciated that the proposals would be challenging for both officers and residents.

Cabinet welcomed the proposal from Councillor Pearson that a further recommendation be made in respect of pushing collaboratively for a fair approach to local government finance.

*RESOLVED* that:-

- (a) The final revenue and capital budget proposals for 2024/25 as presented in Appendices A to D of the Section 151 Officer's report, be agreed, subject to a pause on the proposal for the closure of the Leisure World Coffee Shop set out in Appendix D, whilst alternative options were explored.
- (b) The recommendations from the Scrutiny Panel meeting on 23 January 2024 be agreed.

*RECOMMENDED TO COUNCIL:-*

- (a) The budget for 2024/25 (including Revenue and Capital in Appendices A, B and the confidential and not for publication Appendix D to the Section 151 Officer's report) subject to the removal of the proposal for the closure of the Leisure World Coffee Shop set out in Appendix D.
- (b) The updated Medium-Term Financial Forecast (MTFF) 2024/25 to 2028/29 (covering General Fund and Housing Revenue Account in Appendix C)
- (c) The level of Council Tax increase for 2024/25 (as set out in paragraph 2.6 of Appendix A of the Section 151 Officer's report)
- (d) The level of Housing Rent increase for 2024/25 (as set out in paragraph 3.3, of Appendix A of the Section 151 Officer's report); and
- (e) The Management Fee payable to Colchester Borough Homes (CBH) in 2024/25 (as set out in paragraph 3.4 of Appendix A of the Section 151 Officer's report).
- (f) The Council work collaboratively with other councils nationwide to make representations to central government for fair funding for local government.

*REASONS*

To enable Cabinet to recommend a final budget for 2024/25 to the Council in February 2024.

*ALTERNATIVE OPTIONS*

The proposals in the Section 151 Officer's report represent Cabinet's recommended position on the 2024/25 General Fund and Housing Revenue Account budgets (both Revenue and Capital).



**Extract from the minutes of the Cabinet meeting of 19 December 2023**

**814. Local Council Tax Support Scheme 2024-25**

The Head of Operational Finance submitted a report a copy of which had been circulated to each Member.

Councillor T. Young attended and with the consent of the Chair addressed Cabinet to express his support for the changes made to the scheme and in the move to a banded system. However, concern was expressed about the two child limit and that families of three or more children would not receive additional support. The Child Poverty Action Group had highlighted the impact this would have on larger families. Such a policy was regressive, discriminatory and would accentuate the impacts of the cost of living crisis on large families. This was contrary to national Liberal Democrat policy and should be reconsidered.

Councillor Cory, Portfolio Holder for Resources, and Samantha Preston, Head of Operational Finance, responded and explained that the policy was designed to be consistent with national rules set by government around Universal Credit. In addition, the scheme disregarded child benefit for existing claimants. The Council had an excellent record of supporting families and would look at how new families joining the scheme and were subject to the cap could be supported further. The scheme had been extensively modelled and was designed to be cost neutral.

A banded scheme would be simpler and more efficient to administer and would be more straightforward for recipients. Transitional arrangements would be put in place to protect families and to ensure no one lost out as they moved to the new system. It was suggested that as the scheme would be reviewed in a year's time this issue could be examined at that point.

Cabinet considered that the scheme should be adopted subject to further examination of the two child limit.

*RESOLVED* that a 'banded' Local Council Tax Support scheme be adopted for 2024/25 subject to further consideration of the two child limit.

*RECOMMENDED TO COUNCIL* that the Local Council Tax Support scheme 2024/25 be approved and adopted.

**REASONS**

The process of Universal Credit Managed Migration is now underway from July 2023 in East Anglia. This means more people will be moving over to Universal Credit from 2024/25 so it is vital processes are put in place to try and simplify Council Tax payments

for the most vulnerable residents.

Some key benefits of adopting a 'banded' LCTS scheme include, but are not limited to:

- Improved Council Tax recovery;
- Quicker decision(s) for our customers;
- Fewer bills sent to customers;
- Back-office admin savings;
- Cost neutral – overall level of support remains the same (£9.31m);
- Reallocating of resource to other areas to maximise savings and concentrate on generating revenue;
- Improved customer journey – simple application form, digitalisation;
- Improves possibilities for shared working;
- Reduced customer contact;
- Protection for those customers who will be worse off.

#### *ALTERNATIVE OPTIONS*

That no changes are made to the LCTS scheme for 2024/25.

**The draft Local Council Tax Support Scheme 2024-25 is attached.**





**Colchester City Council  
Council Tax Reduction Scheme  
S13A and Schedule 1a of the  
Local Government Finance Act 1992**

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## **1.0 Introduction to the Council Tax Reduction Scheme**

1.1 The following has been adopted by the Council and details the Council Tax Reduction scheme for the period from 1<sup>st</sup> April 2024.

1.2 This document details how the scheme will operate for both pension credit age and working age applicants and in accordance with Section 13A of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1<sup>st</sup> April 2024 for a period of one financial year.

1.3 The scheme in respect of pension age applicants is defined by Central Government within the following:

- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
- Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
- Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
- Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
- Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016;
- The Council Tax Reduction Schemes (England) (Amendment) Regulations 2017;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2018;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2020;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021;
- The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2022;
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2022;
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2023;
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2023;
- The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2024; and
- Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).

### **The scheme for pension age applicants – Central Government’s scheme as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012**

1.4 There are three main classes under the prescribed pension credit age scheme, for each of which there are a number of qualifying criteria. In all cases individuals must not be of a prescribed class excluded from reduction, such as a person subject to immigration control with limited leave to remain. The definition of a pension credit age person is a person who;

- (a) has attained the qualifying age for state pension credit; and
- (b) is not, or, if he has a partner, his partner is not;
  - i. a person on income support, on an income-based jobseeker’s allowance or on an income-related employment and support allowance; or

- ii. a person with an award of universal credit

The three prescribed classes are as follows;

**Class A: pensioners whose income is less than the applicable amount.**

On any day Class A consists of any person who is a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- (c) who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- (d) whose income (if any) for the relevant week does not exceed his applicable amount calculated in accordance with paragraph 9 and Schedule 2 of the Local Government Finance Act 1992;
- (e) not have capital savings above £16,000; and
- (f) who has made an application for a reduction under the authority's scheme.

**Class B: pensioners whose income is greater than the applicable amount.**

On any day class B consists of any person who is a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day; in respect of whom a maximum Council Tax Reduction amount can be calculated;
- (c) who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- (d) whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 9 and Schedule 2 to the Local Government Finance Act 1992;
- (e) in respect of whom amount A exceeds amount B where;
  - (i) amount A is the maximum Council Tax Reduction in respect of the day in the applicant's case; and
  - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount;
- (f) not have capital savings above £16,000; and
- (g) who has made an application for a reduction under the authority's scheme.

**Class C: alternative maximum Council Tax Reduction**

On any day class C consists of any person who is a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 5 of Schedule 1 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum Council Tax Reduction amount can be calculated;
- (d) who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act and excluded from the authority's scheme;
- (e) who has made an application for a reduction under the authority's scheme; and
- (f) in relation to whom the condition below is met.

The condition referred to in sub-paragraph (f) is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum Council

Tax Reduction in respect of the day in the case of that person which is derived from the income, or aggregate income, of one or more residents to whom this sub-paragraph applies.

The above applies to any other resident of the dwelling who:

- (a) is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
- (b) is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- (c) is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
  - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
  - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- (d) is not a person who, jointly with the applicant, falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
- (e) is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

#### **Disregard of certain incomes**

1.5 For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012 to disregard in full the following:

- (a) a war disablement pension;
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of His Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment;
- (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
- (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

**The provisions outlined above, enhance the Central Government's scheme.**

#### **THE SCHEME FOR WORKING AGE APPLICANTS – THE COUNCIL'S LOCAL SCHEME**

1.6 The adopted scheme for working age applicants is an income band scheme means test, which compares income against a range of discounts available. Full details of the working age scheme of the authority are contained within this document from section 2 onwards. The authority is required to specify a scheme for working age and therefore this scheme only applies to a person who;

- (a) has not attained the qualifying age for state pension credit; or
- (b) has attained the qualifying age for state pension credit if he, or his partner, is a person on income support, on an income-based jobseeker's allowance, on an income-related employment and support allowance or on universal credit.

- 1.7 The Council has resolved that there will be **one** class of persons who will receive a reduction in line with the adopted scheme. The scheme has qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction as specified within section 7 of this scheme.

**Class D**

To obtain a reduction the individual (or partner) must:

- (a) have not attained the qualifying age for state pension credit; or
- (b) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is a person on income support, on income-based jobseeker's allowance or an income-related employment and support allowance; or a person with an award of universal credit.
- (c) be liable to pay council tax in respect of a dwelling in which he is solely or mainly resident;
- (d) is not deemed to be absent from the dwelling;
- (e) not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the authority's scheme;
- (f) be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated;
- (g) not have capital savings of £6,000 or above;
- (h) not have income above the levels specified within the scheme at Schedule 1;
- (i) be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's *income* is within a range of incomes specified within Schedule 1; and
- (j) has made a valid application for reduction.

**Council Tax Reduction Scheme**

**Details of reduction to be given for working age applicants for the financial year 2024/25**



## **2.0 Interpretation – an explanation of the terms used within this policy.**

### **2.1** In this policy–

‘the 1992 Act’ means the Local Government Finance Act 1992;

‘the 2000 Act’ means the Electronic Communications Act 2000;

‘Abbeyfield Home’ means an establishment run by the Abbeyfield Society including all bodies corporate or incorporate which are affiliated to that Society;

‘adoption leave’ means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

‘an AFIP’ means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004

‘applicant’ means a person who the authority designates as able to claim Council tax reduction – for the purposes of this policy all references are in the masculine gender but apply equally to male and female;

‘application’ means an application for a reduction under this scheme:

‘attendance allowance’ means–

(a) an attendance allowance under Part 3 of the Act;

(b) an increase of disablement pension under section 104 or 105 of the Act;

(c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to the Act;

(d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to the Act;

(e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or

(f) any payment based on need for attendance which is paid as part of a war disablement pension;

‘the authority’ means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

‘basic rate’, where it relates to the rate of tax, has the same meaning as in the Income Tax Act 2007 (see section 989 of that Act).

‘board and lodging accommodation’ means accommodation provided to a family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;

‘care home’ has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services Quality Improvement and Regulation (Northern Ireland) Order 2003 or a residential care home, within the meaning of Article 10 of that Order;

‘the Caxton Foundation’ means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

‘child’ means a person under the age of 16;

‘child benefit’ has the meaning given by section 141 of the SSCBA as amended by The Child Benefit (General), Child Tax Credit (Amendment) Regulations 2014 and The Child Benefit (General) (Amendment) Regulations 2015;

‘child tax credit’ means a child tax credit under section 8 of the Tax Credits Act 2002;

‘the Children Order’ means the Children (Northern Ireland) Order 1995;

‘claim’ means a claim for council tax reduction;

‘close relative’ means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

‘contributory employment and support allowance’ means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance

and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

‘converted employment and support allowance’ means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations;

‘council tax reduction (or reduction)’ means council tax reduction as defined by S13a Local Government Finance Act 1992 (as amended);

‘couple’ means;

- (a) two people who are married to, or civil partners of, each other and are members of the same household; or
- (b) a man and a woman who are not married to each other but are living together as if they were a married couple or civil partners;

‘date of claim’ means the date on which the claim is made, or treated as made, for the purposes of this policy;

‘designated authority’ means any of the following;

the local authority; or a person providing services to, or authorised to exercise any function of, any such authority;

‘designated office’ means the office designated by the authority for the receipt of claims for council tax reduction;

- (a) by notice upon or with a form approved by it for the purpose of claiming council tax reduction; or
- (b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application; or
- (c) by any combination of the provisions set out in sub-paragraphs (a) and (b) above;

‘disability living allowance’ means a disability living allowance under section 71 of the Act;

‘dwelling’ has the same meaning in section 3 or 72 of the 1992 Act;

‘earnings’ has the meaning prescribed in section 25 or, as the case may be, 27;

‘the Eileen Trust’ means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

‘electronic communication’ has the same meaning as in section 15(1) of the 2000 Act;

‘employed earner’ is to be construed in accordance with section 2(1)(a) of the Act and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

‘Employment and Support Allowance Regulations’ means the Employment and Support Allowance Regulations 2008 and the Employment and Support Regulations 2013 as appropriate;

‘Employment and Support Allowance (Existing Awards) Regulations’ means the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) Regulations 2010;

‘family’ has the meaning assigned to it by section 137(1) of the Act and Section 9 of this scheme;

‘the Fund’ means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

‘a guaranteed income payment’ means a payment made under article 14(1)(b) or article 21(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005(b);

‘he, him, his’ also refers to the feminine within this policy;

‘housing benefit’ means housing benefit under Part 7 of the Act; ‘the Housing Benefit Regulations’ means the Housing Benefit Regulations 2006;

‘Immigration and Asylum Act’ means the Immigration and Asylum Act 1999;

‘an income-based jobseeker’s allowance’ and ‘a joint-claim jobseeker’s allowance’ have the same meaning as they have in the Jobseekers Act by virtue of section 1(4) of that Act;

‘income-related employment and support allowance’ means an income-related allowance under Part 1 of the Welfare Reform Act 2007;

‘Income Support Regulations’ means the Income Support (General) Regulations 1987(a);

‘independent hospital’–

- (a) in England, means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;
- (b) in Wales, has the meaning assigned to it by section 2 of the Care Standards Act 2000; and
- (c) in Scotland, means an independent health care service as defined in section 2(5)(a) and (b) of the Regulation of Care (Scotland) Act 2001;

‘the Independent Living Fund (2006)’ means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

‘invalid carriage or other vehicle’ means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

‘Jobseekers Act’ means the Jobseekers Act 1995; ‘Jobseeker’s Allowance Regulations’ means the Jobseeker’s Allowance Regulations 1996 and Jobseeker’s Allowance Regulations 2013 as appropriate; ‘limited capability for work’ has the meaning given in section 1(4) of the Welfare Reform Act;

‘limited capability for work-related activity’ has the meaning given in section 2(5) of the Welfare Reform Act 2007;

‘the London Bombing Relief Charitable Fund’ means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

‘lone parent’ means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

‘the Macfarlane (Special Payments) Trust’ means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

‘the Macfarlane (Special Payments) (No.2) Trust’ means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

‘the Macfarlane Trust’ means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

‘main phase employment and support allowance’ means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 except in Part 1 of Schedule 1;

‘maternity leave’ means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either under the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

‘member of a couple’ means a member of a married or unmarried couple;

‘member of the work-related activity group’ means a claimant who has or is treated as having limited capability for work;

‘MFET Limited’ means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

‘net earnings’ means such earnings as are calculated in accordance with this scheme;

‘net profit’ means such profit as is calculated in accordance with this scheme;

‘the New Deal options’ means the employment programmes specified in regulation 75(1)(a)(ii) of the Jobseeker’s Allowance Regulations and the training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

‘new dwelling’ means, for the purposes of the definition of ‘second authority’ and sections 60C, and 61C the dwelling to which an applicant has moved, or is about to move, in which the applicant is or will be resident;

‘occupational pension’ means any pension or other periodical payment under an occupational

pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

'ordinary clothing or footwear' means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;

'partner' means—

- (a) where an applicant is a member of a couple, the other member of that couple; or
- (b) where an applicant is polygamously married to two or more members of his household, any such member to whom he is married;

'paternity leave' means a period of absence from work on leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

'payment' includes part of a payment;

'pensionable age' has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995 as amended by the Public Services Pension Act 2013 and Pensions Act 2014;

'pension fund holder' means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers, or scheme administrators, as the case may be, of the scheme concerned;

'pensioner' a person who has attained the age at which pension credit can be claimed;

'person affected' shall be construed as a person to whom the authority decides is affected by any decision made by the council under this scheme;

'personal independence payment' has the meaning given by Part 4 of the Welfare Reform Act 2012 and the Social Security (Personal Independence Payments) 2013;

'person treated as not being in Great Britain' has the meaning given by section 7;

'person on income support means a person in receipt of income support;

'person on Universal Credit means a person in receipt of Universal Credit;

'personal pension scheme' means—

- (a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993 as amended by the Public Service Pension Act 2013;
- (b) an annuity contractor trust scheme approved under section 20 or 21 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) or that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 of the Finance Act 2004;
- (c) a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;

'policy of life insurance' means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

'polygamous marriage' means a marriage to which section 133(1) of the Act refers namely;

- (a) a person is a husband or wife by virtue of a marriage entered into under law which permits polygamy; and
- (b) either party to the marriage has for the time being any spouse additional to the other party.

'public authority' includes any person certain of whose functions are functions of a public nature;

'qualifying age for state pension credit' means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)—

- (a) in the case of a woman, pensionable age; or
- (b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

'qualifying contributory benefit' means;

- (a) severe disablement allowance;
- (b) incapacity benefit;
- (c) contributory employment and support allowance;

'qualifying course' means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker's Allowance Regulations 1996

‘qualifying income-related benefit’ means:

- (a) income support;
- (b) income-based jobseeker’s allowance;
- (c) income-related employment and support allowance;

‘qualifying person’ means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

‘reduction week’ means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

‘relative’ means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

‘relevant authority’ means an authority administering council tax reduction;

‘relevant week’ In relation to any particular day, means the week within which the day in question falls;

‘resident’ has the meaning it has in Part 1 or 2 of the 1992 Act;

‘self-employed earner’ is to be construed in accordance with section 2(1)(b) of the Act;

‘self-employment route’ means assistance in pursuing self-employed earner’s employment whilst participating in–

- (a) an employment zone programme;
- (b) a programme provided or other arrangements made pursuant to section 2 of the 1973 Act (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.);
- (c) the Employment, Skills, and Enterprise Scheme;
- (d) a scheme prescribed in regulation 3 of the Jobseeker’s Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013;
- (e) Back to Work scheme.

‘single applicant’ means an applicant who neither has a partner nor is a lone parent;

‘the Skipton Fund’ means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme’s provisions.

‘special account’ means an account as defined for the purposes of Chapter 4A of Part 8 of the Jobseeker’s Allowance Regulations or Chapter 5 of Part 10 of the Employment and Support Allowance Regulations;

‘sports award’ means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc. Act 1993 out of sums allocated to it for distribution under that section;

‘the SSCBA’ means the Social Security Contributions and Benefits Act 1992

‘State Pension Credit Act’ means the State Pension Credit Act 2002;

‘student’ has the meaning prescribed in section 43;

‘subsistence allowance’ means an allowance which an employment zone contractor has agreed to pay to a person who is participating in an employment zone programme;

‘reduction week’ means a period of 7 consecutive days commencing upon a Monday and ending on a Sunday;

‘the Tax Credits Act’ means the Tax Credits Act 2002;

‘tax year’ means a period beginning with 6th April in one year and ending with 5th April in the next;

‘training allowance’ means an allowance (whether by way of periodical grants or otherwise) payable–

- (a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Young People’s Learning Agency for England, the Chief Executive of Skills Funding or Welsh Ministers;
- (b) to a person for his maintenance or in respect of a member of his family; and
- (c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, the department or approved by the department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers.

It does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the 1973 Act or is training as a teacher;

‘the Trusts’ means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

‘Universal Credit’ means any payment of Universal Credit payable under the Welfare Reform Act 2012, the Universal Credit Regulations 2013, The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, Universal Credit (Miscellaneous Amendments) Regulations 2013 and the Universal Credit (Transitional Provisions) Regulations 2014;

‘Up-rating Act’ means the Welfare Benefit Up-rating Act 2013, the Welfare Benefits Up-rating Order 2014, and the Welfare Benefits Up-rating Order 2015;

‘voluntary organisation’ means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

‘war disablement pension’ means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

‘war pension’ means a war disablement pension, a war widow’s pension or a war widower’s pension;

‘war widow’s pension’ means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

‘war widower’s pension’ means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

‘water charges’ means;

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002, in so far as such charges are in respect of the dwelling which a person occupies as his home;

‘week’ means a period of seven days beginning with a Monday;

‘Welfare Reform Act’ means the Welfare Reform Act 2007;

‘Working Tax Credit Regulations’ means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 as amended.

2.2 In this policy, where an amount is to be rounded to the nearest penny, a fraction of a penny shall be disregarded if it is less than half a penny and shall otherwise be treated as a whole penny.

2.3 For the purpose of this policy, a person is on an income-based jobseeker’s allowance on any day in respect of which an income-based jobseeker’s allowance is payable to him and on any day;

(a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker’s allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker’s Allowance Regulations or section 19 or 20A or regulations made under section 17A of the Jobseekers Act (circumstances in which a jobseeker’s allowance is not payable); or

(b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker’s allowance is payable to him or would be payable to him but for regulation 27A of the Jobseeker’s Allowance Regulations or section 19 or 20A or regulations made under section 17A of that Act;

(c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act and no joint-claim jobseeker’s allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;

(d) in respect of which an income-based jobseeker’s allowance or a joint-claim jobseeker’s

allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).

- 2.4 For the purposes of this policy, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day;
- (a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act disqualification; or
  - (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act and which falls immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.

2.5 For the purposes of this policy, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

2.6 In this policy, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).

### **3.0 Requirement to provide a National Insurance Number**

3.1 No person shall be entitled to reduction unless the criteria below in 3.2 is satisfied in relation both to the person making the claim and to any other person in respect of whom he is claiming reduction.

- 3.2 This subsection is satisfied in relation to a person if–
- (a) the claim for reduction is accompanied by;
    - i. a statement of the person’s national insurance number and information or evidence establishing that that number has been allocated to the person; or
    - ii. information or evidence enabling the national insurance number that has been allocated to the person to be ascertained; or
  - (b) the person makes an application for a national insurance number to be allocated to him which is accompanied by information or evidence enabling such a number to be so allocated and the application for reduction is accompanied by evidence of the application and information to enable it to be allocated.

- 3.3 Paragraph 3.2 shall not apply–
- (a) in the case of a child or young person in respect of whom council tax reduction is claimed;
  - (b) to a person who;
    - i. is a person in respect of whom a claim for council tax reduction is made;
    - ii. is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act;
    - iii. is a person from abroad for the purposes of this scheme; and
    - iv. has not previously been allocated a national insurance number.

### **4.0 Persons who have attained the qualifying age for state pension credit.**

- 4.1 This scheme applies to a person if:
- (i) he has not attained the qualifying age for state pension credit; or
  - (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is;
    - (a) a person on income support, on income-based jobseeker’s allowance or an income-related employment and support allowance; or
    - (b) a person with an award of universal credit.

## **5.0 Persons treated as not being in Great Britain and Persons Subject to Immigration Control**

### **Persons treated as not being in Great Britain**

- 5.1 Persons treated as not being in Great Britain are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.
- 5.2 Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man, or the Republic of Ireland.
- 5.3 A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man, or the Republic of Ireland unless the person has a right to reside in one of those places.
- 5.4 For the purposes of paragraph (3), a right to reside does not include a right, which exists by virtue of, or in accordance with—
- (a) regulation 13 of the EEA Regulations;
  - (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—
    - (i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
    - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
  - (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (5) of that regulation of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).
- 5.4A For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—
- (a) (Removed by the Council Tax Reductions Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021
  - (b) Appendix EU to the immigration rules made under section 3(2) of that Act;
  - (c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act; or
  - (d) having arrived in the United Kingdom with an entry clearance that was granted under Appendix EU (Family Permit) to the immigration rules made under section 3(2) of that Act.
- 5.4B Paragraph (4A)(b) does not apply to a person who—
- (a) has a right to reside granted by virtue of being a family member of a relevant person of Northern Ireland; and
- would have a right to reside under the EEA Regulations if the relevant person of Northern Ireland were an EEA national, provided that the right to reside does not fall within paragraph (4)(a) or (b)
- 5.5 A person falls within this paragraph if the person is—
- (za) a person granted leave in accordance with the immigration rules made under section 3(2) of the Immigration Act 1971, where such leave is granted by virtue of—
    - (i) the Afghan Relocations and Assistance Policy; or
    - (ii) the previous scheme for locally employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);



- (zb) a person in Great Britain not coming within sub-paragraph (za) or (e) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021;
- (zc) a person in Great Britain who was residing in Ukraine immediately before 1st January 2022, left Ukraine in connection with the Russian invasion which took place on 24th February 2022 and—
  - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;
  - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or
  - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;
- (zd) a person who was residing in Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon immediately before 7th October 2023, left Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon in connection with the Hamas terrorist attack in Israel on 7th October 2023 or the violence which rapidly escalated in the region following the attack and—
  - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971,
  - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act, or
  - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;
- (ze) a person who was residing in Sudan before 15th April 2023, left Sudan in connection with the violence which rapidly escalated on 15th April 2023 in Khartoum and across Sudan and—
  - (i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;
  - (ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or
  - (iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act
- (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
- (b) a family member of a person referred to in sub-paragraph (a);
- (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
- (ca) a family member of a relevant person of Northern Ireland, with a right to reside which falls within paragraph (4A)(b), provided that the relevant person of Northern Ireland falls within paragraph (5)(a), or would do so but for the fact that they are not an EEA national;
- (cb) a frontier worker within the meaning of regulation 3 of the Citizens' Rights (Frontier Workers) (EU Exit) Regulations 2020;
- (cc) a family member of a person referred to in sub-paragraph (cb), who has been granted limited leave to enter, or remain in, the United Kingdom by virtue of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971
- (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971
- (f) a person who has humanitarian protection granted under those rules;
- (g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion, or other removal by compulsion of law from another country to the United Kingdom;

- (h) in receipt of income support or on an income-related employment and support allowance; or
- (ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4).

5.6 A person falls within this paragraph if the person is a Crown servant or member of His Majesty's forces posted overseas.

5.7 A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of His Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.

5.8 In this section —  
 "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;  
 "Crown servant" means a person holding an office or employment under the Crown;  
 "EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; and the Immigration (European Economic Area) (Amendment) (No. 2) Regulations 2014 and references to the EEA Regulations are to be read with Schedule 4 to the Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020 (Consequential, Saving, Transitional and Transitory Provisions) Regulations 2020  
 "EEA national" has the meaning given in regulation 2(1) of the EEA Regulations;  
 "family member" has the meaning given in regulation 7(1)(a), (b) or (c) of the EEA Regulations, except that regulation 7(4) of the EEA Regulations does not apply for the purposes of paragraphs (4B) and (5)(ca);  
 "relevant person of Northern Ireland" has the meaning given in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971; and  
 "His Majesty's forces" has the same meaning as in the Armed Forces Act 2006.

**Persons subject to immigration control**

5.9 Persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

5.10 A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph 5.9.

5.11 "Person subject to immigration control" has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

**6.0 Transitional provision**

6.1 The above does not apply to a person who, on 31st March 2015—

- (a) is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A (2) of the Act; and
- (b) is entitled to an income-based jobseeker's allowance, until the first of the events in paragraph 6.2 occurs.

6.2 The events are—

- (a) the person makes a new application for a reduction under an authority's scheme established under section 13A (2) of the Act; or

- (b) the person ceases to be entitled to an income-based jobseeker's allowance.
- 6.3 In this section "the Act" means the Local Government Finance Act 1992.
- 7.0 Temporary Absence (period of absence)**
- 7.1 Where a person is absent from the dwelling throughout any day then no reduction shall be payable.
- 7.2 A person shall not, in relation to any day, which falls within a period of temporary absence from that dwelling, be a prescribed person under paragraph 7.1.
- 7.3 In paragraph 7.2, a 'period of temporary absence' means–
- (a) a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation where and for so long as;
- i. the person resides in that accommodation;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
  - iii. that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,
- where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;
- (b) a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as;
- i. the person intends to return to the dwelling;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let; and
  - iii. that period is unlikely to exceed 13 weeks; and
- (c) a period of absence not exceeding 52 weeks, beginning with the first whole day of absence, where and for so long as
- i. the person intends to return to the dwelling;
  - ii. the part of the dwelling in which he usually resided is not let or sub-let;
  - iii. the person is a person to whom paragraph 7.4 applies; and
  - iv. the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.
- 7.4 This paragraph applies to a person who is;
- (a) detained in custody on remand pending trial or required, as a condition of bail, to reside;
    - i. in a dwelling, other than the dwelling referred to in paragraph 7.1, or
    - ii. in premises approved under section 13 of the Offender Management Act 2007 as amended by the Offender Rehabilitation Act 2014, or, detained in custody pending sentence upon conviction;
  - (b) resident in a hospital or similar institution as a patient;
  - (c) undergoing, or his partner or his dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
  - (d) following, in the United Kingdom or elsewhere, a training course;
  - (e) undertaking medically approved care of a person residing in the United Kingdom or elsewhere;
  - (f) undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care of medical treatment;
  - (g) in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;
  - (h) a student;
  - (i) receiving care provided in residential accommodation other than a person to whom paragraph 7.3a) applies; or
  - (j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

- 7.5 This paragraph applies to a person who is:
- (a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013); and
  - (b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952.

- 7.6 Where paragraph 7.5 applies to a person, then, for any day when he is on temporary release—
- (a) if such temporary release was immediately preceded by a period of temporary absence under paragraph 7.3 b) or c), he shall be treated, for the purposes of paragraph 7.1, as if he continues to be absent from the dwelling, despite any return to the dwelling;
  - (b) for the purposes of paragraph 7.4 a), he shall be treated as if he remains in detention;
  - (c) If he does not fall within sub-paragraph a), he is not considered to be a person who is liable to pay Council Tax in respect of a dwelling of which he is resident.

- 7.7 In this section;
- ‘medically approved’ means certified by a medical practitioner;
  - ‘patient’ means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution; ‘residential accommodation’ means accommodation which is provided;
    - (a) in a care home;
    - (b) in an independent hospital;
    - (c) in an Abbeyfield Home; or
    - (d) in an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;
  - ‘training course’ means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

## **8.0 Membership of a family**

- 8.1 Within the reduction scheme adopted by the Council ‘family’ means;
- (a) a married or unmarried couple;
  - (b) married or unmarried couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person;
  - (c) two people of the same sex who are civil partners of each other and are members of the same household (with or without children);
  - (d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners (with or without children),
  - (e) and for the purposes of sub-paragraph (d) two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex;
  - (f) except in prescribed circumstances, a person who is not a member of a married or unmarried couple and a member of the same household for whom that person is responsible and who is a child or a young person;

For the purposes of the scheme a child is further defined as a ‘child or young person’  
A ‘child’ means a person under the age of 16 and a ‘Young Person’ is someone aged 16 or over but under 20 and who satisfies other conditions. These conditions are:

- they are aged 16, have left 'relevant education' or training, and 31 August following the sixteenth birthday has not yet been passed;
- they are aged 16 or 17, have left education or training, are registered for work, education or training, are not in remunerative work and are still within their

'extension period';

- they are on a course of full-time non-advanced education, or are doing 'approved training', and they began that education or training before reaching the age of 19;
- they have finished a course of full-time non-advanced education, but are enrolled on another such course (other than one provided as a result of their employment);
- they have left 'relevant education' or 'approved training' but have not yet passed their 'terminal date'.

- 8.2 Paragraph 8.1 the definition of child or young person shall not apply to a person who is;
- (a) on income support;
  - (b) an income-based jobseeker's allowance or an income related employment and support allowance; or be entitled to an award of Universal Credit; or
  - (c) a person to whom section 6 of the Children (Leaving Care) Act 2000 applies.

- 8.3 The definition also includes a child or young person in respect of whom there is an entitlement to child benefit but only for the period that Child Benefit is payable.

**9.0 Circumstances in which a person is to be treated as responsible (or not responsible) for a child or young person.**

- 9.1 Subject to the following paragraphs a person shall be treated as responsible for a child or young person who is normally living with him, and this includes a child or young person.

- 9.2 Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person shall be treated for the purposes of paragraph 9.1 as normally living with;
- a. the person who is receiving child benefit in respect of him; or
  - b. if there is no such person;
    - i. where only one claim for child benefit has been made in respect of him, the person who made that claim; or
    - ii. in any other case the person who has the primary responsibility for him.

- 9.3 For the purposes of this scheme a child or young person shall be the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this section shall be treated as not so responsible.

**10.0 Circumstances in which a child or young person is to be treated as being or not being a member of the household.**

- 10.1 Subject to paragraphs 10.2 and 10.3, the applicant and any partner and, where the applicant or his partner is treated as responsible for a child or young person, that child or young person and any child of that child or young person, shall be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

- 10.2 A child or young person shall not be treated as a member of the applicant's household where he is;
- (a) placed with the applicant or his partner by a local authority under section 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
  - (b) placed with the applicant or his partner prior to adoption; or
  - (c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002.

- 10.3 Subject to paragraph (4), paragraph (1) shall not apply to a child or young person who is not living with the applicant and he—

- (a) is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
- (b) has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
- (c) has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009; or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes).

10.4 The authority shall treat a child or young person to whom paragraph (3a) applies as being a member of the applicant's household in any reduction week where;

- (a) that child or young person lives with the applicant for part or all of that reduction week; and
- (b) the authority considers that it is responsible to do so taking into account the nature and frequency of that child's or young person's visits.

10.5 In this paragraph 'relevant enactment' means the Army Act 1955, the Air Force Act 1955, the Naval Discipline Act 1957, the Matrimonial Proceedings (Children) Act 1958, the Social Work (Scotland) Act 1968, the Family Law Reform Act 1969, the Children and Young Persons Act 1969, the Matrimonial Causes Act 1973, the Children Act 1975, the Domestic Proceedings and Magistrates' Courts Act 1978, the Adoption and Children (Scotland) Act 1978, the Family Law Act 1986, the Children Act 1989, the Children (Scotland) Act 1995 and the Legal Aid, Sentencing and Punishment of Offenders Act 2012 as amended.

**11.0 Calculation of income and capital of members of applicant's family and of a polygamous marriage**

11.1 The income and capital of an applicant's partner within this scheme and for the purposes of claiming council tax reduction is to be treated as income and capital of the applicant and shall be calculated or estimated in accordance with the following provisions in like manner as for the applicant; and any reference to the 'applicant' shall, except where the context otherwise requires be construed for the purposes of this scheme as if it were a reference to his partner.

11.2 Where an applicant or the partner of is married polygamously to two or more members of his household–

- (a) the applicant shall be treated as possessing capital and income belonging to each such member; and
- (b) the income and capital of that member shall be calculated in accordance with the following provisions of this scheme in like manner as for the applicant.

11.3 The income and capital of a child or young person shall not be treated as the income and capital of the applicant.

**12.0 Calculation of income and capital: persons who have an award of universal credit.**

12.1 Any universal credit data or notification received by the authority may be used as a claim for reduction or in the assessment of council tax reduction including data received from the Secretary of State where the applicant no longer qualifies for a universal credit award.

12.2 In determining the income of an applicant:

- (a) who has, or
- (b) who (jointly with his partner) has,

an award of universal credit the authority may use the calculation or estimate of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit. The authority may use any other assessment based on the information provided by the Secretary of State.

- 12.3 The authority may adjust the amount referred to in sub-paragraph (2) to take account of
- (a) income consisting of the award of universal credit;
  - (b) any sum to be disregarded in the calculation of earnings ;
  - (c) any sum to be disregarded in the calculation of income other than earnings; and
  - (d) any sum which may be disregarded as the following elements:
    - (i) Housing Element;
    - (ii) Limited Capability for Work Element and the Limited Capability for Work Related Activity Element;
    - (iii) Disabled Child Element;
    - (iv) Carer Element; and
    - (v) Childcare Costs Element.

12.4 The amount for the award of universal credit is to be determined by multiplying the amount of the award by 12 and dividing the product by 52.

12.5 In determining the capital of an applicant;

- (a) who has, or
- (b) who (jointly with his partner) has,

an award of universal credit, the authority may use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award.

12.6 When considering any award of universal credit, the authority may amend elements within the universal credit award where there is evidence which supports that the universal credit award is incorrect.

### **13.0 Calculation of income on a weekly basis**

13.1 For the purposes of this scheme the income of an applicant shall be calculated on a weekly basis by estimating the amount which is likely to be his average weekly income.

### **14.0 Average weekly earnings of employed earners.**

14.1 Where an applicant's income consists of earnings from employment as an employed earner his average weekly earnings shall be estimated by the authority by reference to his actual earnings over a period determined by the authority as reasonable.

14.2 Where the applicant is recently employed and cannot furnish the appropriate evidence, the authority may require the applicant's employer to furnish an estimate of the applicant's likely weekly earnings over such period as the authority may require and the applicant's average weekly earnings shall be estimated by reference to that estimate.

14.3 Where the amount of an applicant's earnings changes during an award the authority shall estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately.

### **15.0 Average weekly earnings of self-employed earners**

15.1 Where an applicant's income consists of earnings from employment as a self-employed earner his average weekly earnings shall be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately.

### **16.0 Average weekly income other than earnings**

16.1 An applicant's income which does not consist of earnings shall be estimated over such period

as is appropriate in order that his average weekly income may be estimated accurately.

#### **17.0 Calculation of average weekly income from tax credits**

17.1 Where this section applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph (2)

17.2 Where the instalment in respect of which payment of a tax credit is made is;

- (a) a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
- (b) a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
- (c) a two-weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
- (d) a four-weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

17.3 For the purposes of this section 'tax credit' means child tax credit or working tax credit.

#### **18.0 Calculation of weekly income**

18.1 For the purposes of this scheme where the period in respect of which a payment is made;

- (a) does not exceed a week, the weekly amount shall be the amount of that payment;
- (b) exceeds a week, the weekly amount shall be determined—
  - i. in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
  - ii. in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the quotient by 7.

18.2 The weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the quotient by 7.

#### **19.0 Earnings of employed earners.**

19.1 Earnings means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes—

- (a) any bonus or commission;
- (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- (c) any payment in lieu of notice, or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- (d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- (e) any payment by way of a retainer;
- (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
  - (g) (i) travelling expenses incurred by the applicant between his home and his place of employment;
  - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
- (h) any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
- (i) any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);



- (j) any such sum as is referred to in section 112 of the Act (certain sums to be earnings for social security purposes);
- (k) any statutory sick pay, statutory maternity pay, statutory paternity pay, or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- (l) any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is ill;
- (m) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001 as amended.

**19.2 Earnings shall not include–**

- (a) any payment in kind;
- (b) any payment in respect of expenses wholly, exclusively, and necessarily incurred in the performance of the duties of employment;
- (c) any occupational pension

**20.0 Calculation of net earnings of employed earners.**

20.1 For the purposes of this scheme, the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account shall be his net earnings.

20.2 There shall be disregarded from an applicant's (or their partner's) net earnings, amounts as specified in Schedule 4 of this scheme. This shall apply irrespective of the applicant's household and only one disregard shall be applied per claim.

20.3 Net earnings shall be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less;

- (a) any amount deducted from those earnings by way of
  - i) income tax;
  - ii) primary Class 1 National Insurance contributions
- (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
- (c) one-half of the amount calculated in accordance with paragraph 26.5 in respect of any qualifying contribution payable by the applicant; and

20.4 In this section 'qualifying contribution' means any sum which is payable periodically as a contribution towards a personal pension scheme.

20.5 The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying contribution shall be determined–

- (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
- (b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

20.6 Where the earnings of an applicant are estimated an appropriate estimate of net earnings shall be determined in line with paragraph (3) above.

**21.0 Earnings of self-employed earners**

21.1 'Earnings', in the case of employment as a self-employed earner, means the gross income of the employment

21.2 'Earnings' shall not include any payment in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care nor shall it include any sports award.

21.3 This paragraph applies to–

- (a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trademark; or
- (b) any payment in respect of any–
  - (i) book registered under the Public Lending Right Scheme 1982; or
  - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trademark, or an original contributor to the book of work concerned.

## **22.0 Calculation of net profit of self-employed earners**

22.1 For the purposes of this scheme the earnings of an applicant to be taken into account shall be:

- (a) in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- (b) in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less–
  - i. an amount in respect of income tax and of national insurance contributions payable under this scheme; and
  - ii. one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.

22.2 There shall be disregarded from an applicant's (or their partner's) net earnings, amounts as specified in Schedule 4 of this scheme. This shall apply irrespective of the applicant's household and only one disregard shall be applied per claim.

22.3 The net profit of the employment must be calculated by taking into account the earnings for the employment over the assessment period less;

- (a) any expenses wholly and exclusively incurred in that period for the purposes of that employment;
- (b) an amount in respect of;
  - i. income tax, and
  - ii. national insurance contributions payable calculated in accordance with section 23; and
  - iii. one-half of the amount calculated in accordance with paragraph (11) in respect of any qualifying premium.

22.4 For the purposes of paragraph (1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, any expenses wholly and exclusively incurred in that period for the purposes of the employment.

22.5 No deduction shall be made under paragraph (3 a) or (4), in respect of–

- (a) any capital expenditure;
- (b) the depreciation of any capital asset;
- (c) any sum employed or intended to be employed in the setting up or expansion of the employment;
- (d) any loss incurred before the beginning of the assessment period;
- (e) the repayment of capital on any loan taken out for the purposes of the employment;
- (f) any expenses incurred in providing business entertainment, and
- (g) any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.

- 22.6 A deduction shall be made under paragraph (3 a) or (4) in respect of the repayment of capital on any loan used for–
- (a) the replacement in the course of business of equipment or machinery; and
  - (b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- 22.7 The authority shall refuse to make deduction in respect of any expenses where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- 22.8 For the avoidance of doubt–
- (a) deduction shall not be made in respect of any sum unless it has been expended for the purposes of the business;
  - (b) a deduction shall be made thereunder in respect of–
    - i. the excess of any value added tax paid over value added tax received in the assessment period;
    - ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
    - iii. any payment of interest on a loan taken out for the purposes of the employment
- 22.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of
- (a) income tax; and
  - (b) national insurance contributions calculated in accordance with section 23 (and
  - (c) one-half of the amount any qualifying pension contribution in accordance with (11).
- 22.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner, and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.
- 22.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined:
- (a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
  - (b) in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.
- 22.12 In this section, ‘qualifying premium’ means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.
- 23.0 Deduction of tax and contributions of self-employed earners**
- 23.1 The amount to be deducted in respect of income tax under section 22 shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988(personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.
- 23.2 The amount to be deducted in respect of national insurance contributions under section shall be the total of–
- (a) the amount of Class 2 National Insurance contributions payable at the rate applicable

to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and

- (b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

23.3 In this section 'chargeable income' means—

- (a) the earnings derived from the employment less any expenses deducted under section 22;
- (b) in the case of employment as a child minder, one-third of the earnings of that employment.

#### **24.0 Calculation of income other than earnings**

24.1 For the purposes of this scheme, the income of an applicant which does not consist of earnings to be taken into account shall be his gross income and any capital treated as income under section 25.

24.2 There shall be disregarded from the calculation of an applicant's gross income any sum, where applicable, specified in Schedule 2.

24.3 Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account shall be the gross amount payable.

24.4 Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations, the amount of that benefit to be taken into account is the amount as if it had not been reduced.

24.5 Where an award of any working tax credit or child tax credit under the Tax Credits Act is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

24.6 'Tax year' means a period beginning with 6th April in one year and ending with 5th April in the next.

24.7 Paragraphs (7),(8), (9) and (10) apply to any applicant who is a student. Paragraph (8) and (9) apply where a relevant payment has been made to a person in an academic year; and that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

24.8 Where a relevant payment is made quarterly, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (7) applies, shall be calculated by applying the formula—

$$\frac{A - (B \times C)}{D}$$

D

Where:

A = the total amount of the relevant payment which that person would have received had he remained a student until he last day of the academic term in which he abandoned, or was dismissed from, his course;

B = the number of reduction weeks from the reduction week immediately following that which

includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;

C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to council tax reduction immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;

D = the number of reduction weeks in the assessment period.

24.9 Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (8) applies, shall be calculated by applying the formula in paragraph (8) but as if—

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course or was dismissed from it.

24.10 In this section— ‘academic year’ and ‘student loan’ shall have the same meanings as for the purposes of this scheme, ‘assessment period’ means—

(a) in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;

(b) in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes—

- i. the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
- ii. the last day of the last quarter for which an instalment of the relevant payment was payable to that person.

whichever of those date is earlier.

‘quarter’ in relation to an assessment period means a period in that year beginning on;

- (a) 1st January and ending on 31st March;
- (b) 1st April and ending on 30th June;
- (c) 1st July and ending on 31st August; or
- (d) 1st September and ending on 31st December;

‘relevant payment’ means either a student loan or an amount intended for the maintenance of dependants.

## **25.0 Capital treated as income and Notional Income**

25.1 Any payment received under an annuity shall be treated as income.

25.2 Any earnings to the extent that they are not a payment of income shall be treated as income.

25.3 Any Career Development Loan paid pursuant to section 2 of the 1973 Act shall be treated as income.

25.4 Where an agreement or court order provides that payments shall be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital), shall be treated as income.

25.6 An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement of reduction or increasing the amount of that reduction.

25.7 Except in the case of–

- (a) a discretionary trust;
- (b) a trust derived from a payment made in consequence of a personal injury;
- (c) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
- (d) rehabilitation allowance made under section 2 of the 1973 Act;
- (e) child tax credit; or
- (f) working tax credit,

any income which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

25.8 Any payment of income made–

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under or by a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in sub-paragraph a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

25.9 This section shall not apply in respect of a payment of income made–

- (a) under the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
- (b) pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
- (c) pursuant to section 2 of the 1973 Act in respect of a person's participation–
  - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
  - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
  - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
  - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations or;
  - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (d) in respect of a previous participation in the Mandatory Work Activity Scheme;
- (e) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where–
  - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration, or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
  - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
  - (iii) the person referred to in (i) and any member of his family does not possess, or is not

treated as possessing, any other income apart from that payment.

25.10 Where an applicant is in receipt of any benefit (other than council tax reduction) under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority shall treat the applicant as possessing such benefit at the altered rate from 1st April in that year.

25.11 Where—

- (a) applicant performs a service for another person; and
- (b) that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority shall treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

25.12 Paragraph (11) shall not apply—

- (a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
- (b) in a case where the service is performed in connection with—
  - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or
  - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme ; or
- (c) to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.

25.13 'Work placement' means practical work experience which is not undertaken in expectation of payment.

25.14 Where an applicant is treated as possessing any income under this section, the foregoing provisions of this scheme shall apply for the purposes of calculating the amount of that income as if a payment has actually been made and as if it were actual income which he does possess.

25.15 Where an applicant is treated as possessing any earnings under this section his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less;

- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the starting rate or, as the case may be, the starting rate and the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the starting rate of tax is to be applied and the amount of the personal relief deductible under this subparagraph shall be calculated on a pro rate basis;
- (b) an amount equivalent to the amount of the primary Class 1 National Insurance contributions that would be payable by him in respect of those earnings if such contributions were payable; and
- (c) one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

## **26.0 Capital limit**

26.1 For the purposes of this scheme, the prescribed amount is £6,000 and no reduction shall be granted when the applicant has an amount of £6,000 or greater.

## **27.0 Calculation of capital**

27.1 For the purposes of this scheme, the capital of an applicant to be taken into account shall, subject to paragraph (2), be the whole of his capital calculated in accordance with this scheme and any income treated as capital under this scheme.

27.2 There shall be disregarded from the calculation of an applicant's capital under paragraph (1), any capital, where applicable, specified in Schedule 3.

## **28.0 Disregard of capital of child and young person**

28.1 The capital of a child or young person who is a member of the applicant's family shall not be treated as capital of the applicant.

## **29.0 Income treated as capital.**

29.1 Any bounty derived from employment and paid at intervals of at least one year shall be treated as capital.

29.2 Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.

29.3 Any holiday pay which is not earnings shall be treated as capital.

29.4 Any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the applicant's account.

29.5 In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer shall be treated as capital.

29.6 Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, shall be treated as capital.

29.7 There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.

29.8 Any arrears of subsistence allowance which are paid to an applicant as a lump sum shall be treated as capital.

29.9 Any arrears of working tax credit or child tax credit shall be treated as capital.

## **30.0 Calculation of capital in the United Kingdom**

30.1 Capital which an applicant possesses in the United Kingdom shall be calculated at its current market or surrender value less—

- a. where there would be expenses attributable to the sale, 10 per cent.; and
- b. the amount of any encumbrance secured on it;



### **31.0 Calculation of capital outside the United Kingdom**

31.1 Capital which an applicant possesses in a country outside the United Kingdom shall be calculated:

(a) in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value.

(b) in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,

less, where there would be expenses attributable to sale, 10 per cent. and the amount of any encumbrances secured on it.

### **32.0 Notional capital**

32.1 An applicant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to council tax reduction or increasing the amount of that reduction except to the extent that that capital is reduced in accordance with section 33.

32.2 Except in the case of

(a) a discretionary trust; or

(b) a trust derived from a payment made in consequence of a personal injury; or

(c) any loan which would be obtained only if secured against capital disregarded under Schedule 3; or

(d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or

(e) any sum to Schedule 3 refers; or

(f) child tax credit; or

(g) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, shall be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

32.3 Any payment of capital, other than a payment of capital specified in paragraph (4), made:

(a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) shall, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;

(b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) shall, where it is not a payment referred to in subparagraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

(c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) shall be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

32.4 Paragraph 32.3 shall not apply in respect of a payment of capital made:

(a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation, or the London Bombings Relief Charitable Fund;

(b) pursuant to section 2 of the 1973 Act in respect of a person's participation:

i. in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;

- ii. in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
- iii. in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
- iv. in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
- v. in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (c) in respect of a person's participation in the Mandatory Work Activity Scheme;
- (d) Enterprise Scheme;
- (e) in respect of an applicant's participation in the Employment, Skills, and Enterprise Scheme or Back to Work Scheme;
- (f) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
  - vi. a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
  - vii. the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
  - viii. the person referred to in (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

32.5 Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case:

- (a) the value of his holding in that company shall be disregarded; and
- (b) he shall be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Section shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.

32.6 For so long as the applicant undertakes activities in the course of the business of the company, the amount which, he is treated as possessing under paragraph (5) shall be disregarded.

32.7 Where an applicant is treated as possessing capital under any of paragraphs (1) and (2) the foregoing provisions of this Section shall apply for the purposes of calculating its amount as if it were actual capital, which he does possess.

### **33.0 Diminishing notional capital rule.**

33.1 Where an applicant is treated as possessing notional capital the amount which he is treated as possessing shall be reduced by the amount calculated by the authority as the weekly amount of council tax reduction lost due to the inclusion of the notional capital within the calculation.

33.1 The authority shall determine the frequency by which the notional capital is reduced.

### **34.0 Capital jointly held.**

34.1 Where an applicant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Section shall apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess.

### **35.0 Students - Student related definitions**

35.1 In this scheme the following definitions apply;  
 'academic year' means the period of twelve months beginning on 1st January, 1st April, 1st July

or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;

**'access funds'** means;

- (a) grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;
- (b) grants made under section 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- (c) grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;
- (d) discretionary payments, known as "learner support funds", which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or
- (e) Financial Contingency Funds made available by the Welsh Ministers;

**'college of further education'** means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

**'contribution'** means;

- (a) any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student's grant or student loan; or
- (b) any sums, which in determining the amount of a student's allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following person to contribute towards the holder's expenses;
  - (i) the holder of the allowance or bursary;
  - (ii) the holder's parents;
  - (iii) the holder's parent's spouse, civil partner or a person ordinarily living with the holder's parent as if he or she were the spouse or civil partner of that parent; or
  - (iv) the holder's spouse or civil partner;

**'course of study'** means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

**'covenant income'** means the gross income payable to a full-time student under a Deed of Covenant by his parent;

**'education authority'** means a government department, a local education authority as defined in section 12 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973 an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body of the Channel Island, Isle of Man or any other country outside Great Britain;

**'full-time course of study'** means a full-time course of study which;

- (a) is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;
- (b) is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—

(i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student's learning agreement signed on behalf of the establishment which is funded by either of those persons for the delivery of that course; or

(ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or

(c) is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—

(i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or

(ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

**'full-time student'** means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

**'grant'** means any kind of educational grant or award and includes any scholarship, studentship, exhibition allowance or bursary;

**'grant income'** means:

(a) any income by way of a grant;

(b) any contribution whether or not it is paid;

**'higher education'** means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992; 'last day of the course' means;

(a) in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;

(b) in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

**'period of study'** means—

(a) in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;

(b) in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, the year's start and ending with either—

(i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year, or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or

(ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;

(c) in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;

**'periods of experience'** means periods of work experience which form part of a sandwich course;

**'qualifying course'** means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations;

**'modular course'** means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

**'sandwich course'** has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans), (Scotland), Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

**‘standard maintenance grant’** means–

- (a) except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (‘the 2003 Regulations’) for such a student;
- (b) except where paragraph (c) applies, in the case of a student residing at his parent’s home, the amount specified in paragraph 3 thereof;
- (c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as ‘standard maintenance allowance’ for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
- (d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

**‘student’** means a person, other than a person in receipt of a training allowance, who is attending or undertaking–

- (a) a course of study at an educational establishment; or
- (b) a qualifying course;

**‘student’ loan’** means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and shall include, in Scotland, a young student’s bursary paid under regulation 4(1)(c) of the Student’s Allowances (Scotland) Regulations 2007

35.2 For the purposes of the definition of ‘full-time student’, a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course:

- (a) in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending:
  - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
  - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- (b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

35.3 For the purposes of sub-paragraph (a) of paragraph 43.2, the period referred to in that sub-paragraph shall include;

- (a) where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
- (b) any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

### **36.0 Students who are excluded from entitlement to council tax reduction.**

36.1 Students except those define in paragraph (3) are not able to claim Council tax reduction under Classes D of the authority’s reduction scheme.

36.2 To be eligible for reduction, the student must be liable for Council Tax under Section 6 of the Local Government Finance Act 1992, and they must not be deemed to be a full-time student or

a person from abroad within the meaning of section 7 of this scheme (persons from aboard).

36.3 Paragraph 36.2 shall not apply to a student:

- (a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;
- (b) who is a lone parent;
- (c) who is in receipt of a Personal Independence Payment;
- (d) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;
- (e) (who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989,
- (f) who is;
  - (i) aged under 21 and whose course of study is not a course of higher education, or
  - (ii) a qualifying young person or child within the meaning of section 142 of the Act (child and qualifying young person);
- (g) in respect of whom
  - i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
  - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) or regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
  - (iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue of regulations made under the Teaching and Higher Education Act 1998;
  - (iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or
  - (v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

36.4 For the purposes of paragraph (3)(f)(i) the student must have begun or been enrolled or accepted onto the course before attaining the age of 19.

36.5 The reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.

36.6 An intercalating student may be eligible for a reduction if the following circumstances are met:

- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is;
  - (i) engaged in caring for another person; or
  - (ii) ill;
- (b) he has subsequently ceased to be engaged in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
- (c) he is not eligible for a grant or a student loan in respect of the period specified in paragraph (7).

36.7 The period specified for the purposes of paragraph (6) is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before;

- (a) the day on which he resumes attending or undertaking the course; or

- (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course, which shall first occur.

**37.0 Students - Calculation of grant income**

37.1 The amount of a student's grant income to be taken into account shall, subject to paragraphs (2) and (3), be the whole of his grant income.

37.2 There shall be excluded from a student's grant income any payment;

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
- (e) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;
- (f) intended to meet the cost of books and equipment;
- (g) intended to meet travel expenses incurred as a result of his attendance on the course;
- (h) intended for the childcare costs of a child dependant.
- (i) of higher education bursary for care leavers made under Part III of the Children Act 1989.

37.3 Where a student does not have a student loan and is not treated as possessing such a loan, there shall be excluded from the student's grant income;

- (a) the sum of £303 per academic year in respect of travel costs; and
- (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.

37.4 There shall also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.

37.5 Subject to paragraphs (6) and (7), a student's grant income shall be apportioned;

- (a) subject to paragraph (8), in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
- (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.

37.6 Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2004 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.

37.7 In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants shall be apportioned over the same period as the student's loan is

apportioned or, as the case may be, would have been apportioned.

37.8 In the case if a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

**38.0 Students- Calculation of covenant income where a contribution is assessed.**

38.1 Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following shall be the whole amount of the covenant income less, subject to paragraph (3), the amount of the contribution.

38.2 The weekly amount of the student's covenant shall be determined—

- (a) by dividing the amount of income which falls to be taken into account under paragraph (1) by 52 or 53, whichever is reasonable in the circumstances; and
- (b) by disregarding from the resulting amount, £5.

**39.0 Students - Covenant income where no grant income or no contribution is assessed.**

39.1 Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows;

- (a) any sums intended for any expenditure specified in the calculation of grant income necessary as a result of his attendance on the course shall be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study;
- (c) there shall be disregarded from the amount so apportioned the amount which would have been disregarded in the calculation of grant income had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, shall be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 shall be disregarded.

39.2 Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income shall be calculated in accordance with sub-paragraphs (a) to (d) of paragraph (1).

**40.0 Students - Covenant Income and Grant income – non-disregard**

40.1 No part of a student's covenant income or grant income shall be disregarded under this scheme.

**41.0 Treatment of student loans**

41.1 A student loan shall be treated as income.

41.2 In calculating the weekly amount of the loan to be taken into account as income;

- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with;
  - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
  - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes with last day of the course,



- (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year and ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, 'quarter' shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
- (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with;
  - (i) except in a case where (ii) applies, the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year;
  - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincide with, or immediately follows, the earlier of 1st September or the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
- (d) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of;
  - (i) the first day of the first reduction week in September; or
  - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

41.3 A student shall be treated as possessing a student loan in respect of an academic year where;

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

41.4 Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5).

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to
  - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
  - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if;
  - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
  - (ii) no deduction in that loan was made by virtue of the application of a means test.

41.5 There shall be deducted from the amount of income taken into account under paragraph (4)

- (a) the sum of £303 per academic year in respect of travel costs; and
- (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.

#### **42.0 Students - Treatment of fee loans**

42.1 A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

#### **43.0 Students - Treatment of payments from access funds**

43.1 A payment from access funds, other than a payment to which paragraph 43.2 applies, shall be disregarded as income.

43.2 a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family and  
b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable, shall be disregarded as income to the extent of £20 per week.

43.3 Where a payment from access funds is made—  
(a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or  
(b) before the first day of the course to a person in anticipation of that person becoming a student,  
that payment shall be disregarded as income.

#### **44.0 Students - Disregard of contribution**

44.1 Where the applicant or his partner is a student and for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.

#### **45.0 Further disregard of student's income**

45.1 Where any part of a student's income has already been taken into account for the purpose of assessing his entitlement to a grant or student loan, the amount taken into account shall be disregarded in assessing that student's income.

#### **46.0 Students - Income treated as capital.**

46.1 Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.

46.2 Any amount paid from access funds as a single lump sum shall be treated as capital.

46.3 An amount paid from access fund as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

#### **47.0 Students - Disregard of changes occurring during summer vacation.**

47.1 In calculating a student's income the authority shall disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's

course if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

#### **48.0 Maximum Council Tax Reduction**

48.1 Subject to paragraphs (2) to (4), the amount of a person's maximum council tax support in respect of a day for which he is liable to pay council tax, shall be 80 per cent, of the amount A divided by B where;

(a) A is the **lower** of either;

- amount set by the appropriate authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; or
- the amount set by the appropriate authority as the council tax for the relevant financial year in respect of a dwelling within Band D subject to any discount which may be appropriate to the person's circumstances; and;

(b) B is the number of days in that financial year.

48.2 In calculating a person's maximum Council Tax Reduction any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act, shall be taken into account.

48.3 Subject to paragraph (4), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons but excepting any person so residing with the applicant who is a student who is excluded from entitlement to Council Tax Reduction applies, in determining the maximum Council Tax Reduction in his case in accordance with paragraph (1), the amount A shall be divided by the number of persons who are jointly and severally liable for that tax.

48.4 Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph (3) shall not apply in his case.

#### **49.0 Date on which entitlement is to begin.**

49.1 Subject to paragraph (2), any person to whom or in respect of whom a claim for council tax reduction is made and who is otherwise entitled to that reduction shall be so entitled from the date on which that claim is made or is treated as made.

49.2 Where a person is otherwise entitled to council tax reduction and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his claim is made or is treated as made, he shall be so entitled from the date of claim.

#### **50.0 Date on which change of circumstances is to take effect.**

50.1 A change of circumstances which affects entitlement to, or the amount of, a reduction under the authority's scheme ("change of circumstances"), takes effect from date on which the change actually occurs.

50.2 Subject to paragraph (3), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

50.3 Where the change of circumstances is that income, or an increase in the amount of income, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances shall take effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

50.4 Where there is a change to DWP benefits due to annual uprating, the change shall take effect on 1<sup>st</sup> April of the financial year to which the increase applies.

**51.0 Making an application.**

51.1 In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.

51.2 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and;

- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
- (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or
- (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985, or the Mental Capacity Act 2005 or otherwise,

that deputy, judicial factor, guardian, or attorney, as the case may be, may make an application on behalf of that person.

51.3 Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under the authority's scheme and to receive and deal on his behalf with any sums payable to him.

51.4 Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

51.5 Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4);

- (a) it may at any time revoke the appointment;
- (b) the person appointed may resign his office after having given 4 weeks' notice in writing to the authority of his intention to do so;
- (c) any such appointment terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

51.6 Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

51.7 The authority must;

- (a) inform any person making an application of the duty imposed on them
- (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

## **52.0 Procedure by which a person may apply for a reduction under the authority's scheme<sup>1</sup>**

52.1. Paragraphs 2 to 7 apply to an application made under the authority's scheme.

52.2. An application may be made;

- (a) in writing,
- (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- (d) a notification of Universal Credit or any legacy benefit from DWP, may be treated by the authority as a claim for reduction.

52.3 An application which is made in writing must be made to the designated office on a properly completed form. The form must be provided free of charge by the authority for the purpose.

52.4 Where an application made in writing is defective because—

- (a) it was made on the form supplied for the purpose, but that form is not accepted by the authority as being properly completed; or
- (b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,

the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

52.5 An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

52.6 If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect. An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

52.7 In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

52.8 If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect. An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

52.9 Notwithstanding other paragraphs within this section, the authority will determine the method by which claims are to be made as well as where claims should be sent or delivered.

52.10 Where an applicant makes a claim which includes (or which the applicant subsequently requests should include) a period before the claim is made, the authority may, at its discretion, treat the claim as made on an earlier date where the applicant would have been continuously eligible for support if they had applied at the time. **The period of backdate will be at the discretion of the Council.**

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<sup>1</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

**53.0 Date on which an application is made<sup>2</sup>**

53.1 Subject to sub-paragraph (7), the date on which an application is made is;

(a) in a case where;

(i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and

(ii) the application for a reduction is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,

the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;

(b) in a case where

(i) an applicant or his partner is a person in receipt of a guarantee credit,

(ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling he occupies as his home, and

(iii) the application is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(c) in a case where;

(i) an award of income support, an income-based jobseeker's allowance, or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and

(ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;

(d) in a case where;

(i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,

(ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and

(iii) the application is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(e) in a case where;

(i) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and

(ii) the applicant makes an application for a reduction under that scheme within one month of the date of the death or the separation,

the date of the death or separation;

(f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;

(g) in any other case, the date on which an application is received at the designated office.

53.2 For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under;

(a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the

<sup>2</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

Jobseekers Act 1995 (waiting days); or  
(b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),  
have been entitled to that allowance.

- 53.3 Where there is a defect in an application by telephone;  
(a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;  
(b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide the application.
- 53.4 The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.
- 53.5 The conditions are that—  
(a) where the authority receives the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or  
(b) where an application is not on approved form or further information requested by authority applies;  
(i) the approved form sent to the applicant is received at the offices of the authority properly completed within one month of it having been sent to him; or, as the case may be;  
(ii) the applicant supplies whatever information or evidence was requested within one month of the request; or,  
in either case, within such longer period as the authority may consider reasonable; or  
(c) where the authority has requested further information, the authority receives at its offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.
- 53.6 Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.
- 53.7 Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under the authority's scheme in the reduction week immediately following the date of his application, but the authority is of the opinion that unless there is a change of circumstances, he will be entitled to a reduction under its scheme for a period beginning not later than;  
(a) in the case of an application made by;  
(i) a pensioner, or  
(ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit,  
the seventeenth reduction week following the date on which the application is made, or  
(b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made,  
the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

53.8 In this paragraph “appropriate DWP office” means an office of the Department for Work and Pensions.

**54.0 Submission of evidence electronically**

54.1 The authority may accept such evidence, documents, and certificates to support the claim electronically where it feels that this would be acceptable given the nature of the claim.

**55.0 Use of telephone provided evidence**

55.1 The authority may accept such evidence to support the claim by telephone where it feels that this would be acceptable given the nature of the claim.

**56.0 Information and evidence<sup>3</sup>**

56.1 Subject to sub-paragraph (3), a person who makes an application for a reduction under an authority’s scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

56.2 This sub-paragraph is satisfied in relation to a person if—

- (a) the application is accompanied by;
  - (i) a statement of the person’s national insurance number and information or evidence establishing that that number has been allocated to the person; or
  - (ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
- (b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by;
  - (i) evidence of the application for a national insurance number to be so allocated; and
  - (ii) the information or evidence enabling it to be so allocated.

56.3 Sub-paragraph (2) does not apply;

- (a) in the case of a child or young person in respect of whom an application for a reduction is made;
- (b) to a person who;
  - (i) is a person treated as not being in Great Britain for the purposes of this scheme;
  - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
  - (iii) has not previously been allocated a national insurance number.

56.4 Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under the authority’s scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person’s entitlement to, or continuing entitlement to a reduction under its scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

56.5 Nothing in this paragraph requires a person who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

56.6 Where the authority makes a request under sub-paragraph (4), it must;

- (a) inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under paragraph 9 of Schedule 8 of the Council Tax Reduction Schemes

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<sup>3</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012



(Prescribed Requirements) (England) Regulations 2012 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and  
(b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which must be notified.

56.7 This sub-paragraph applies to any of the following payments;  
(a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund; and  
(b) a payment which is disregarded under paragraph 24 of Schedule 5, other than a payment under the Independent Living Fund (2006);

56.8 Where an applicant or a person to whom a reduction under the authority's scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information;  
(a) the name and address of the pension fund holder;  
(b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

#### **57.0 Amendment and withdrawal of application<sup>4</sup>**

57.1 A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

57.2 Where the application was made by telephone the amendment may also be made by telephone.

57.3 Any application amended is to be treated as if it had been amended in the first instance.

57.4 A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.

57.5 Where the application was made by telephone, the withdrawal may also be made by telephone.

57.6 Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.

57.7 Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

#### **58.0 Duty to notify changes of circumstances<sup>5</sup>**

58.1 Subject to sub-paragraphs (3), (6) and (7), an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time;  
(a) between the making of an application and a decision being made on it, or  
(b) after the decision is made (where the decision is that the applicant is entitled to a reduction under the authority's scheme) including at any time while the applicant is in receipt of such a reduction.

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<sup>4</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>5</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 58.2 The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority;
- (a) in writing; or
  - (b) by telephone—
    - (i) where the authority has published a telephone number for that purpose unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
    - (ii) in any case or class of case where the authority determines that notice may be given by telephone; or
  - (c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.
- 58.3 The duty imposed on a person by sub-paragraph (1) does not extend to notifying;
- (a) changes in the amount of council tax payable to the authority;
  - (b) changes in the age of the applicant or that of any member of his family;
  - (c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under the authority's scheme to which he is entitled, other than the cessation of that entitlement to the benefit.
- 58.4 For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.
- 58.5 Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.
- 58.6 Not used.
- 58.7 All changes in circumstances should be notified to the authority in writing (or by whatever format agreed by the authority) within 21 days of the happening of the event or change in circumstance. This timescale may be extended at the discretion of the authority. Where such a change is not received within that timescale and where the change would increase the level of reduction payable, the authority may use a date later than the actual change of circumstances.
- 59.0 Decisions by the authority<sup>6</sup>**
- 59.1 The authority must make a decision on an application under its scheme within 14 days or as soon as reasonably practicable thereafter.
- 60.0 Notification of decision<sup>7</sup>**
- 60.1 The authority must notify in writing any person affected by a decision made by it under its scheme;
- (a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
  - (b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

<sup>6</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>7</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

- 60.2 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement;
- (a) informing the person affected of the duty imposed by paragraph 9(1);
  - (b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and
  - (c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.
- 60.3 Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.
- 60.4 In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in the authority's scheme relating to the procedure for making an appeal.
- 60.5 A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.
- 60.6 The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.
- 60.7 For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under its scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).
- 60.8 This sub-paragraph applies to—
- (a) the applicant;
  - (b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act;
    - (i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
    - (ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on the person's behalf; or
    - (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
  - (c) a person appointed by the authority to act for a person unable to act.

**61.0 Time and manner of granting council tax reduction<sup>8</sup>**

- 61.1 Where a person is entitled to a reduction under this authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year ("the chargeable year"), the authority must discharge his entitlement;
- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
  - (b) where;
    - (i) such a reduction is not possible; or
    - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under the authority's scheme; or
    - (iii) the person entitled to the reduction is jointly and severally liable for the council tax

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<sup>8</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

and the authority determines that such a reduction would be inappropriate, by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

61.2 The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of paragraph (1).

61.3 In a case to which paragraph (1)(b) refers;

- (a) if the amount of the council tax for which he remains liable in respect of the chargeable year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under the authority's scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction;
  - (i) must be paid to that person if he so requires; or
  - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
- (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under the authority's scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
- (c) in any other case, the reduction under the authority's scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

61.4 For the purposes of this paragraph "instalment" means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

## **62.0 Persons to whom reduction is to be paid<sup>9</sup>**

62.1 Subject to paragraph (2), any payment of the amount of a reduction must be made to that person.

62.2 Where a person other than a person who is entitled to a reduction under this authority's scheme made the application for the reduction and that first person is a person acting pursuant to an appointment or is treated as having been so appointed, the amount of the reduction may be paid to that person.

## **63.0 Shortfall in reduction<sup>10</sup>**

63.1 Where, on the revision of a decision allowing a reduction under the authority's scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either;

- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the chargeable financial year until that shortfall is made good; or
- (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonably practicable, as soon as possible afterwards.

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<sup>9</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>10</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

#### **64.0 Payment on the death of the person entitled<sup>11</sup>**

64.1 Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992.

#### **65.0 Offsetting**

65.1 Where a person has been allowed or paid a sum of council tax reduction under a decision which is subsequently revised or further revised, any sum allowed or paid in respect of a period covered by the subsequent decision shall be offset against arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and shall be treated as properly awarded or paid on account of them.

#### **66.0 Payment where there is joint and several liability<sup>12</sup>**

66.1 Where;

- (a) a person is entitled to a reduction under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
- (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
- (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992(7) refers would be inappropriate,

it may make a payment to him of the amount of the reduction to which he is entitled, rounded where necessary to the nearest penny.

66.2 Subject to sub-paragraph (3) any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

66.3 Where a person other than a person who is entitled to a reduction under the authority's scheme made the application and that first person is a person acting pursuant to an appointment this scheme or is treated as having been so appointed, the amount of the reduction may be paid to that person.

#### **67.0 Use of information from and to the Department of Work and Pensions (DWP) and His Majesty's Revenues and Customs (HMRC)**

67.1 The authority will use information provided by the DWP and HMRC for the purposes of Council Tax Reduction, council tax liability, billing, administration and enforcement as outlined within Schedule 2 of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012 and the Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013

67.2 Where required by the relevant department and where required by law, the authority will share information obtained for Council Tax Reduction with the DWP or HMRC as appropriate and in accordance with Data Protections requirements<sup>13</sup>.

#### **68.0 Collection of information**

68.1 The authority may receive and obtain information and evidence relating to claims for council tax reduction, the council may receive or obtain the information or evidence from—

<sup>11</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>12</sup> Inserted by Schedule 8 of the Council Tax Reductions Scheme (Prescribed Requirements) (England) Regulations 2012

<sup>13</sup> Data Retention and Investigatory Powers Act 2014 and Data Retention Regulations 2014

- (a) persons making claims for council tax reduction;
- (b) other persons in connection with such claims;
- (c) other local authorities; or
- (d) central government departments including the DWP and HMRC

68.2 The authority may verify relevant information supplied to or obtained.

#### **69.0 Recording and holding information.**

69.1 The authority:

- (a) may make a record of such information; and
- (b) may hold that information, whether as supplied or obtained or recorded, for the purpose of forwarding it to the person or authority for the time being administering council tax reduction.

#### **70.0 Forwarding of information.**

70.1 The authority may forward the information to the person or authority for the time being administering claims to or awards of council tax reduction to which the relevant information relates, being:

- (i) a local authority;
- (ii) a person providing services to a local authority; or
- (iii) a person authorised to exercise any function of a local authority relating to council tax reduction.

#### **71.0 Persons affected by Decisions.**

71.1 A person is to be treated as a person affected by a relevant decision of the authority where that person is;

- (a) an applicant;
- (b) in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act
  - (i) a Deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit or reduction on his behalf,
  - (ii) in Scotland, a tutor, curator, judicial factor or other guardian acting or appointed in terms of law administering that person's estate, or
  - (iii) an attorney with a general power or a power to receive benefit or reduction appointed by the person liable to make those payments under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise;
- (c) a person appointed by the authority under this scheme;

#### **72.0 Terminations**

72.1 The authority may terminate reduction in whole or in part the Council tax reduction where it appears to the authority that an issue arises whether;

- (a) the conditions for entitlement to Council tax reduction are or were fulfilled; or
- (b) a decision as to an award of such a reduction should be revised or superseded.

72.2 The authority may terminate, in whole or in part the Council tax reduction where it appears to the authority that an issue arises whether;

- (a) the conditions for entitlement to Council tax reduction are or were fulfilled; or
- (b) a decision as to an award of such a reduction should be revised or superseded.

Where the person fails to provide information to the authority as requested in relation to any matter relating to their liability for Council Tax

**73.0 Procedure by which a person may make an appeal against certain decisions of the authority<sup>14</sup>**

73.1 A person who is aggrieved by a decision of the authority, which affects;  
(a) the person's entitlement to a reduction under its scheme, or  
(b) the amount of any reduction to which that person is entitled,  
may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.

73.2 The authority must  
(a) consider the matter to which the notice relates;  
(b) notify the aggrieved person in writing;  
(i) that the ground is not well founded, giving reasons for that belief; or  
(ii) that steps have been taken to deal with the grievance, stating the steps taken.

73.3 Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to the valuation tribunal under section 16 of the 1992 Act<sup>15</sup>.

**74.0 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act<sup>16</sup>**

74.1 An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made;  
(a) in writing,  
(b) by means of an electronic communication in accordance this scheme or  
(c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

74.2 Where;  
(a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and  
(b) a person in that class would otherwise be entitled to a reduction under its scheme, that person's application for a reduction under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).

**75.0 Exceptional Hardship Scheme and transitional protection for 2024/25 only.**

75.1 The authority may provide additional help to an applicant who is entitled to reduction under its Exceptional Hardship Scheme.

75.2 Such payments shall be deemed to be made under S13A (1)(a) of the 1992 Act.

75.3 For 2024/25 **only** any applicant who received an amount of Council Tax Reduction at 31st March 2024n and no longer entitled to reduction under the 2024/25 scheme, will receive a 'one-off' reduction to their Council Tax liability based on their 2023/24 Council Tax reduction at 31st March 2024. This will be shown directly on their Council Tax account.

**76.0 Interpretation for the use of electronic communication**

76.1 In this Part;  
"information" includes an application, a certificate, notice or other evidence; and  
"official computer system" means a computer system maintained by or on behalf of an

<sup>14</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

<sup>15</sup> As amended by the Tribunal Procedure (Amendment No 3 ) Rules 2014

<sup>16</sup> Inserted by Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012

authority for sending, receiving, processing or storing of any information.

#### **77.0 Conditions for the use of electronic communication**

- 77.1 The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.
- 77.2 A person other than the authority may use an electronic communication in connection with the matters referred to in sub-paragraph (1) if the conditions specified in sub-paragraphs (3) to (6) are satisfied.
- 77.3 The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.
- 77.4 The second condition is that the person uses an approved method of;
- (a) authenticating the identity of the sender of the communication;
  - (b) electronic communication;
  - (c) authenticating any application or notice delivered by means of an electronic communication; and
  - (d) subject to sub-paragraph (7), submitting to the authority any information.
- 77.5 The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes.
- 77.6 The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.
- 77.7 Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.
- 77.8 In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this section.

#### **78.0 Use of intermediaries**

- 78.1 The authority may use intermediaries in connection with;
- (a) the delivery of any information by means of an electronic communication; and
  - (b) the authentication or security of anything transmitted by such means,
- and may require other persons to use intermediaries in connection with those matters.

#### **79.0 Effect of delivering information by means of electronic communication.**

- 79.1 Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of an authority’s scheme on the day the conditions imposed;
- (a) by this section; and
  - (b) by or under an enactment,
- are satisfied.
- 79.2 The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).
- 79.3 Information may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.



## **80.0 Proof of identity of sender or recipient of information**

- 80.1 If it is necessary to prove, for the purpose of any legal proceedings, the identity of—
- (a) the sender of any information delivered by means of an electronic communication to an official computer system; or
  - (b) the recipient of any such information delivered by means of an electronic communication from an official computer system,
- the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

## **81.0 Proof of delivery of information**

- 81.1 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this is presumed to have been the case where;
- (a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or
  - (b) any such information has been delivered by the relevant authority if the delivery of that information has been recorded on an official computer system.
- 81.2 If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this is presumed not to be the case if that information delivered to the relevant authority has not been recorded on an official computer system.
- 81.3 If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt is presumed to be that recorded on an official computer system.

## **82.0 Proof of content of information**

- 82.1 If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

## **83.0 Counter Fraud and compliance**

- 83.1 In order to protect the finances of the authority and also in the interests of all council taxpayers, the authority will undertake such actions as allowed by law to;
- (a) Prevent and detect fraudulent claims and actions in respect of Council tax reduction;
  - (b) Carry out investigations fairly, professionally and in accordance with the law; and
  - (c) Ensure that sanctions are applied in appropriate cases.
- 83.2 The authority believes that it is important to minimise the opportunity for fraud and;
- (a) will implement rigorous procedures for the verification of claims for council tax reduction;
  - (b) will employ sufficient Officers to fulfil the authority's commitment to combat fraud;
  - (c) will actively tackle fraud where it occurs in accordance with this scheme;
  - (d) will co-operate with the Department for Work and Pensions (DWP), His Majesty's Revenues and Customs and take part in joint working including prosecutions; and
  - (e) will in all cases seek to recover all outstanding council tax.
- 83.3 The authority shall put into place such administrative policies, procedures and processes as are necessary to ensure that the actions outlined within paragraph (1) and (2) can be carried out successfully. In particular the authority shall undertake actions provided by the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

**Schedule 1**

**Calculation of the amount of Council Tax Reduction in accordance with the Reduction Scheme.**

- 1 The authority's Council Tax Reduction scheme from 2024/25 shall be calculated on the basis of the following Banded Discount Scheme:

Group	Weekly Income and Discount (%) Band					
	£0-100	£100.01 to £200.00	£200.01 to £275.00	£275.01 to £350.00	£350.01 to £400.00	£400.01 to £450.00
<b>A Single (no children)</b>	80%	60%	40%	20%	0%	0%
<b>B Couple (no children)</b>	80%	60%	40%	20%	0%	0%
<b>C Single (1 child)</b>	80%	80%	60%	40%	20%	0%
<b>D Couple (1 child)</b>	80%	80%	60%	40%	20%	0%
<b>E Single (2 or more children)</b>	80%	80%	80%	60%	40%	20%
<b>F Couple (2 or more children)</b>	80%	80%	80%	60%	40%	20%
<b>G Protected Group</b>	80%					

- 2 The amount of discount to be granted is to be based on the following factors:

- (a) The maximum Council Tax Reduction as defined within this scheme;
- (b) The Council Tax family as defined within this scheme;
- (c) The income of the applicant and partner as defined within this scheme;
- (d) The capital of the applicant and partner as defined within this scheme.

- 3 Where any applicant, their partner or any dependant their household receives any of the following benefits (or elements), support will be granted at 80%:

- Employment Support Allowance (Income Related);
- Job Seekers Allowance (Income Based);
- Income Support;
- Personal Independence Payments;
- Disability Living Allowance;
- Employment Support Allowance with Support Component or Work Related Activity Component;
- Armed Forces Independence Payments;
- Working Tax Credit with a disability element;
- Severe Disablement Allowance;
- Universal Credit with Limited Capability for Work element;
- Universal Credit with Limited Capability for Work Related Activity element;
- Be certified or registered as blind;
- Constance Attendance Allowance;
- War Pension Mobility Supplement; or
- Severe Disablement Pension.

4. For the sake of clarity all incomes shown within the table above are weekly in accordance with the scheme requirements and definitions.
5. Discount bands vary depending on both weekly income and the household (family as defined within this scheme).
6. Any applicant whose capital is £6,000 or above shall not be entitled to any Council Tax Reductions whatsoever.
7. The authority **may** increase the level of incomes within the grid specified in paragraph 1 on an annual basis by the appropriate level of inflation decided by the Council.

**Schedule 2**

**Sums to be disregarded in the calculation of income other than earnings.**

1. Any amount paid by way of tax on income.
2. Any payment made to the claimant and in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme, but only for 52 weeks beginning with the date of receipt of the payment.
3. Any payment in respect of any expenses incurred or to be incurred by an applicant who is–
  - (a) engaged by a charitable or voluntary organisation, or
  - (b) volunteer,
 if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under section 32.0 (notional income).
4. Any payment in respect of expenses arising out of the applicant’s participation in a service user group.
5. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
6. Where an applicant is on income support, an income-based jobseeker’s allowance or an income-related employment and support allowance the whole of his income.
7. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker’s allowance, the whole of the applicant’s income.
8. Where the applicant, or the person who was the partner of the applicant on 31<sup>st</sup> March 2003, was entitled on that date to income support or an income-based jobseeker’s allowance but ceased to be so entitled on or before 5<sup>th</sup> April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
9. Any disability living allowance or personal independence payment or AFIP
10. Any concessionary payment made to compensate for the non-payment of;
  - (a) income support;
  - (b) an income-based jobseeker’s allowance.
  - (c) an income-related employment and support allowance.
11. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.
12. Any attendance allowance.
13. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.
14. (1) Any payment–
  - (a) by way of an education maintenance allowance made pursuant to;
  - (b) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc.);
  - (c) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to

- assist persons to take advantage of educational facilities);
- (d) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)I of the Further and Higher Education (Scotland) Act 1992
  - (e) corresponding to such an education maintenance allowance, made pursuant to;
  - (f) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
  - (g) regulations made under section 181 of that Act; or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
  - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
  - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)I of the Further and Higher Education (Scotland) Act 1992,
- in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
15. Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.
16. (1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment;
- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
  - (b) of an allowance referred to in section 2(3) of the 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
  - (c) intended to meet the cost-of-living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.
- (2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
17. (1) Subject to sub-paragraph (2), any of the following payments;
- (a) a charitable payment;
  - (b) a voluntary payment;
  - (c) a payment (not falling within sub-paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
  - (d) a payment under an annuity purchased;
    - (i) pursuant to any agreement or court order to make payments to the applicant; or
    - (ii) from funds derived from a payment made,
    - (iii) in consequence of any personal injury to the applicant; or
    - (iv) a payment (not falling within sub-paragraphs (a) to (d) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.
- (2) Sub-paragraph (1) shall not apply to a payment, which is made or due to be made by—
- (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
  - (b) the parent of a child or young person where that child or young person is a member of the applicant's family.

18. 100% of any of the following, namely
- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 9 or 10);
  - (b) a war widow's pension or war widower's pension;
  - (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of His Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
  - (d) a guaranteed income payment;
  - (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
  - (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
  - (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.
19. £15 of any;
- (a) widowed mother's allowance paid pursuant to section 37 of the Act;
  - (b) widowed parent's allowance paid pursuant to section 39A of the Act.
20. (1) Any income derived from capital to which the applicant is or is treated as beneficially entitled.
21. Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating—
- (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998, that student's award;
  - (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
  - (c) the student's student loan,
- an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.
22. (1) Where the applicant is the parent of a student aged under 25 in advanced education who either;
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
  - (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,
- and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution defined within this scheme.
- (2) For the purposes of sub-paragraph (1), the amount shall be equal to—
- (a) the weekly amount of the payments; or
  - (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),
- whichever is less.
23. Any payment made to the applicant by a child or young person.



24. Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family–
- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
  - (b) where the aggregate of any such payments is £20 or more per week, £20.
25. (1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to–
- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20.00, 100 per cent. Of such payments;
  - (b) where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. Of the excess over £20.00.
- (2) In this paragraph, 'board and lodging accommodation' means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.
26. (1) Any income in kind, except where regulation 30(11)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to 'income in kind' does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.
27. Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.
28. (1) Any payment made to the applicant in respect of a person who is a member of his family–
- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(b) (schemes for payments of allowances to adopters); or in accordance with an Adoption Allowance Scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (Adoption Allowances Schemes)
  - (b) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
  - (c) which is a payment made by an authority, as defined in Article 2 of the Children Order, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);
    - (a) in accordance with regulations made pursuant to section 14F of the Children Act 1989(c) (special guardianship support services);
- (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
29. Any payment made to the applicant with whom a person is accommodated by virtue of

arrangements made

- (a) by a local authority under–
  - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
  - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
  - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
  - (iv) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
  
- 30. Any payment made to the applicant or his partner for a person ('the person concerned'), who is not normally a member of the applicant's household but is temporarily in his care, by–
  - (a) a health authority;
  - (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
  - (c) a voluntary organisation;
  - (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
  - (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2) of the National Health Service Act 2006; or
  - (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006
  
- 31. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
  
- 32. (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.  
(2) Sub-paragraph (1) applies only where A;
  - (a) was formerly in the applicant's care, and
  - (b) is aged 18 or over, andcontinues to live with the applicant.
  
- 33. (1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments;
  - (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
  - (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.(2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to–
  - (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
  - (b) meet any amount due by way of premiums on–
    - (i) that policy; or
    - (ii) in a case to which sub-paragraph(1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home, and which is required as a condition of the loan referred to in sub-

paragraph (1)(a).

34. Any payment of income which is to be treated as capital.
35. Any social fund payment made pursuant to Part 8 of the Act (the Social Fund), or any local welfare provision as defined by the Social Security (Miscellaneous Amendments) Regulations 2013
36. Any payment under Part 10 of the Act (Christmas bonus for pensioners).
37. Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
38.
  - (1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
  - (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
    - (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
    - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
    - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
  - (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of;
    - (a) the person who is suffering from haemophilia or who is a qualifying person;
    - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
    - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
  - (4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where;
    - (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
    - (b) the payment is made either;
      - (i) to that person's parent or step-parent, or
      - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,  
but only for a period from the date of the payment until the end of two years from that person's death.
  - (5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-

paragraph (1) refers, where;

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either

(i) to that person's parent or step-parent, or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

39. Any Housing Benefit;
40. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
41. Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.
42. Any payment in consequence of a reduction of council tax under section 13 or section 80 of the 1992 Act (reduction of liability for council tax).
43. (1) Any payment or repayment made—
- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
- (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
- (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).
- (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment or repayment, mentioned in sub-paragraph (1).
44. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).
45. Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.
46. (1) Where an applicant's family includes at least one child or young person, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.
- (2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to

be taken into account in any week, all such payments such be aggregated and treated as if they were a single payment.

(3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).

47. (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.

(2) In paragraph (1)

'child maintenance' means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under;

(a) the Child Support Act 1991;

(b) the Child Support (Northern Ireland) Order 1991;

(c) a court order;

(d) a consent order;

(e) a maintenance agreement registered for execution in the Books of Council and Session, or the sheriff court books;

'liable relative' means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

48. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

49. Any guardian's allowance.

50. (1) If the applicant is in receipt of any benefit under Parts 2, 3 or 5 of the Act, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of the Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

(2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

51. Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

52. In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983(a) (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

53 (1) Any payment which is

(a) made under any of the Dispensing Instruments to a widow, widower or

(b) surviving civil partner of a person;

(i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and

(ii) whose service in such capacity terminated before 31<sup>st</sup> March 1973; and equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph 'the Dispensing Instruments' means the Order in Council of 19<sup>th</sup> December 1881, the Royal Warrant of 27<sup>th</sup> October 1884 and the Order by His Majesty of 14<sup>th</sup> January 1922

(exceptional grants of pay, non-effective pay and allowances).

54. Any council tax reduction or council tax benefit to which the applicant is entitled.
55. Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).
56. (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—
  - (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
  - (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity, in respect of which such assistance is or was received.(2) Sub-paragraph (1) shall apply only in respect of payments, which are paid to that person from the special account
57. (1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).  
(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.  
(3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.
58. Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.
59. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.
60. Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001 as amended by the Welfare Reform Act 2012 (Consequential Amendments) Regulations 2013.
61. (1) Any payment made by a local authority or by the Welsh Ministers to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.  
(2) For the purposes of sub-paragraph (1) 'local authority' includes, in England, a county council.
62. Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments)
63. Any payment of child benefit.
64. Any Windrush compensation payment.
65. Any payment made under the We Love Manchester Emergency Fund.
66. Any payment made under the London Emergency Trust.
67. Carers Allowance.

68. The support component of Employment and Support Allowance.
69. An amount the authority determines relates to the following elements of Universal Credit;
- (a) Housing Element;
  - (b) Limited Capability for Work Element and the Limited Capability for Work Related Activity Element;
  - (c) Disabled Child Element;
  - (d) Carer Element; and
  - (e) Childcare Costs Element
70. Any payment deemed to be made by the authority under a local welfare provision.
71. Any increase in national welfare benefits made in relation to a crisis by Government which would result in a reduction in support.
72. Where, the applicant (or any member of the household) is in receipt of a Personal Independence Payment, Armed Forces Independence Payment, Employment and Support Allowance (Support Component) or Disability Living Allowance , a further disregard of £50 shall be a made from their income.
73. Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:
- (a) an applicant’s entitlement to a reduction under the scheme; or
  - (b) the amount of any reduction to which the applicant is entitled.
- “The Energy Rebate Scheme 2022” means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022.
74. Any payment made under by Government to compensate or redress for the victims of infected Blood.
75. Any bereavement payment.
76. **Provision for all applicants: Homes for Ukraine scheme**
- (1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—
- (a) an applicant’s entitlement to a reduction under the scheme; or
  - (b) the amount of any reduction to which the applicant is entitled.
- (2) In this regulation—
- “the Homes for Ukraine scheme” means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022.

**Schedule 3**  
**Capital to be disregarded.**



1. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular 5, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding section 15 (calculation of income and capital of members of applicant's family and of polygamous marriage), only one dwelling shall be disregarded under this paragraph.
2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
3. Any payment made to the applicant in respect of any travel or other expenses incurred or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme or Back to Work Scheme but only for 52 weeks beginning with the date of receipt of the payment but only for 52 weeks beginning with the date of receipt of payment.
4. Any premises acquired for occupation by the applicant, which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.
5. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.
6. Any premises occupied in whole or in part—
  - (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
  - (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.
7. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital provided that it is no more than £6,000.
8. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of his capital provided that it is no more than £6,000.
9. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.
10. (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.  
 (2) The assets of any business owned in whole or in part by the applicant where—
  - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
  - (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business;

for a period of 26 weeks from the date on which the claim for council tax reduction is

made, or is treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

(3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(3) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

11. (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of;

- (a) an income-related benefit;
- (b) an income-based jobseeker's allowance;
- (c) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
- (d) disability living allowance or personal independence payment;
- (e) working tax credit and child tax credit
- (f) an income-related employment and reduction allowance

(2) but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

12. Any sum

- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
- (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home, which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired, or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

12. Any sum—

- (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
- (b) which was so deposited, and which is to be used for the purchase of another home,

for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

13. Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to council tax reduction or to increase the amount of that reduction.

14. The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.

15. Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.

16. (1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.

(2) But sub-paragraph (1)

(a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;

(b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);

(c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;

(d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.

(3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.

(4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).

17. The value of the right to receive any income under a life interest or from a life rent.
18. The surrender value of any policy of life insurance.
19. Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
20. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
21. (1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ('A') which A passes on to the applicant.  
  
(2) Sub-paragraph (1) applies only where A;
  - (a) was formerly in the applicant's care, and
  - (b) is aged 18 or over, and
  - (c) continues to live with the applicant.
22. Any social fund payment.
23. Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.
24. Any capital which, by virtue of sections 31 or 51 (capital treated as income, treatment of student loans) is to be treated as income.
25. Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
27. Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the Charitable Fund.

28. Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of–
- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
  - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
  - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts and which is made to or for the benefit of–
- (a) the person who is suffering from haemophilia or who is a qualifying person;
  - (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
  - (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts where–
- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
  - (b) the payment is made either;
    - (i) to that person's parent or step-parent; or
    - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian, but only for a period from the date of the payment until the end of two years from that person's death.
- (5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or any of the Trusts where
- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and
  - (b) the payment is made either;
    - (i) to that person's parent or step-parent; or
    - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian, but only for a period of two years from the relevant date.
- (6) In the case of a person to whom or for whose support payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.
- (7) Any reference to the Trusts shall be construed as including a reference to the Fund, the

Eileen Trust, MFET Limited the Skipton Fund , the Caxton Foundation, and the London Bombings Relief Charitable Fund.

28. (1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.
- (2) In this paragraph 'dwelling' includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.
29. Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.
30. Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.
31. Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.
32. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
33. The value of the right to receive an occupational or personal pension.
34. The value of any funds held under a personal pension scheme
35. The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.
36. Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).
37. Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.
38. Any payment in consequence of a reduction of council tax under section 13 or, as the case may be, section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.
39. Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—
- (a) to purchase premises intended for occupation as his home; or
  - (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,

for a period of 26 weeks from the date on which he received such a grant, or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.

40. Any arrears of supplementary pension which is disregarded under this scheme but only for a period of 52 weeks from the date of receipt of the arrears.
41. (1) Any payment or repayment made—  
(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);  
(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);  
(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),  
but only for a period of 52 weeks from the date of receipt of the payment or repayment.  
(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers, which is analogous to a payment, or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of the receipt of the payment or repayment.
42. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.
43. Any payment made under Part 8A of the Act (entitlement to health in pregnancy grant).
44. Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.
45. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.
46. Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.
47. (1) Subject to sub-paragraph (2), where an applicant satisfies the conditions in section 131(3) and (6) of the Act (entitlement to alternative maximum council tax reduction), the whole of his capital.  
(2) Where in addition to satisfying the conditions in section 131(3) and (6) of the Act the applicant also satisfies the conditions in section 131(4) and (5) of the Act (entitlement to the maximum council tax reduction), sub-paragraph (1) shall not have effect.
48. (1) Any sum of capital to which sub-paragraph (2) applies and  
(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 or by the Court of Protection;  
(b) which can only be disposed of by order or direction of any such court; or  
(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.  
(2) This sub-paragraph applies to a sum of capital which is derived from;  
(a) an award of damages for a personal injury to that person; or

(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

49. Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from
- (a) award of damages for a personal injury to that person; or
  - (b) compensation for the death of one or both parents where the person concerned is under the age of 18.
50. Any payment to the applicant as holder of the Victoria Cross or George Cross.
51. In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.
52. (1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).
- (2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.
- (3) For the purposes of sub-paragraph (2) 'food' does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.
53. (1) Any payment;
- (a) by way of an education maintenance allowance made pursuant to—
    - (i) regulations made under section 518 of the Education Act 1996;
    - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
    - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
  - (b) corresponding to such an education maintenance allowance, made pursuant to;
    - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
    - (ii) regulations made under section 181 of that Act ;
- or in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to;
- (a) regulations made under section 518 of the Education Act 1996;
  - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
  - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).
54. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

55. Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.
56. Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of–
- (a) the applicant;
  - (b) the applicant's partner;
  - (c) the applicant's deceased spouse or deceased civil partner; or
  - (d) the applicant's partner's deceased spouse or deceased civil partner,
- by the Japanese during the Second World War, £10,000.
57. (1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is
- (a) a diagnosed person;
  - (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
  - (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
  - (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.
- (2) Where a trust payment is made to;
- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
  - (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date;
  - (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending–
    - (i) two years after that date; or
    - (ii) on the day before the day on which that person–
      - (aa) ceases receiving full-time education; or
      - (bb) attains the age of 20,
- whichever is the latest.
- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is–
- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
  - (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
  - (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death, but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.
- (4) Where a payment as referred to in sub-paragraph (3) is made to–
- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
  - (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply



- for the period beginning on the date on which that payment is made and ending two years after that date; or
- (c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending–
- (i) two years after that date; or
  - (ii) on the day before the day on which that person
    - (aa) ceases receiving full-time education; or
    - (bb) attains the age of 20,
 whichever is the latest.
- (5) In this paragraph, a reference to a person–
- (a) being the diagnosed person’s partner;
  - (b) being a member of a diagnosed person’s family;
  - (c) acting in place of the diagnosed person’s parents,
- at the date of the diagnosed person’s death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.
- (6) In this paragraph– ‘diagnosed person’ means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld- Jakob disease;
- ‘relevant trust’ means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
- ‘trust payment’ means a payment under a relevant trust.
58. The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant’s partner, the applicant’s deceased spouse or deceased civil partner or the applicant’s partner’s deceased spouse or deceased civil partner
- (a) was a slave labourer or a forced labourer;
  - (b) had suffered property loss or had suffered personal injury; or
  - (c) was a parent of a child who had died,
- during the Second World War.
59. (1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service, which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.
- (2) For the purposes of sub-paragraph (1) ‘local authority’ includes in England a county council.
60. Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under section 12A to 12D of the National Health Service Act 2006 (direct payments for health care).
61. Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
62. Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).
63. Any payments to a claimant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments),
64. Any Windrush compensation payment.
65. Any payment made under the We Love Manchester Emergency Fund.

66. Any payment made under the London Emergency Trust.
67. Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:  
(a) an applicant's entitlement to a reduction under the scheme; or  
(b) the amount of any reduction to which the applicant is entitled.  
"The Energy Rebate Scheme 2022" means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022
68. Any payment made under by Government to compensate or redress for the victims of infected Blood.
69. **Provision for all applicants: Homes for Ukraine scheme**  
(1) Any payment made in connection with the Homes for Ukraine scheme is to be disregarded in determining—  
(c) an applicant's entitlement to a reduction under the scheme; or  
(d) the amount of any reduction to which the applicant is entitled.  
(2) In this regulation—  
"the Homes for Ukraine scheme" means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022

**Schedule 4**  
**Amounts to be disregarded from earnings.**

### **The Standard Earnings Disregard**

1. There shall be a single disregard applied of up to £25 per week for the applicant where they (or their partner) work and have earnings as defined within this scheme.
2. The disregard will apply against earnings only and will not be affected by the number of hours worked.
3. For the sake of clarity only one disregard will apply per claim.

### **Treatment of child care charges**

- 4 This section applies where an applicant is incurring relevant child-care charges and;
  - (a) is a lone parent and is engaged in remunerative work;
  - (b) is a member of a couple both of whom are engaged in remunerative work; or
  - (c) is a member of a couple where one member is engaged in remunerative work and the other;
    - (i) is incapacitated;
    - (ii) is an in-patient in hospital; or
    - (iii) is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
5. For the purposes of paragraph 4 and subject to paragraph 7, a person to whom paragraph 6 applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
  - (a) is paid statutory sick pay;
  - (b) is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Act;
  - (c) is paid an employment and support allowance;
  - (d) is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations 1987; or
  - (e) is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
6. This paragraph applies to a person who was engaged in remunerative work immediately before
  - (a) the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
  - (b) the first day of the period in respect of which earnings are credited, as the case may be.
7. In a case to which paragraph 5d) or e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- 8 Relevant child care charges are those charges for care to which paragraphs 9 and 10 apply and shall be calculated on a weekly basis in accordance with paragraph 13.
- 9 The charges are paid by the applicant for care, which is provided:
  - (a) in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
  - (b) in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- 10 The charges are paid for care, which is provided by one, or more of the care providers listed in paragraph 11 and are not paid—

- (a) in respect of the child's compulsory education;
  - (b) by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible; or
  - (c) in respect of care provided by a relative of the child wholly or mainly in the child's home.
- 11 The care to which paragraph 10 refers may be provided;
- (a) out of school hours, by a school on school premises or by a local authority;
    - i. for children who are not disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
    - ii. for children who are disabled in respect of the period beginning on their eight birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
  - (b) by a child care provider approved in accordance with the Tax Credit (New Category of Child Care Provider) Regulations 1999;
  - (c) by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
  - (d) by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) order 2010; or
  - (e) by;
    - i. persons registered under section 59(1) of the Public Services Reform Scotland Act 2010; or
    - ii. local authorities registered under section 8(1) of that Act, where the care provided is child minding or daycare within the meaning of that Act; or
  - (f) by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002 or
  - (g) by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
  - (h) by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
  - (i) by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
  - (j) by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of 'childcare' for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
  - (k) by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering, or kinship carer is looking after; or
  - (l) by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or
  - (m) by a person who is not a relative of the child wholly or mainly in the child's home.
- 12 'The first Monday in September' means the Monday which first occurs in the month of September in any year.
- 13 Relevant child care charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.
- 14 For the purposes of paragraph 4 (c) the other member of a couple is incapacitated where:

- (a) the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the work-related activity component on account of his having limited capability for work;
- (b) the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulation made under section 171E of the Act;
- (c) the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or 2013 as appropriate;
- (d) the applicant (within the meaning of this scheme) is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the Act (incapacity for work) for a continuous period of not less than 196 days; and for this purpose, any two or more separate periods separated by a break of not more than 56 days shall be treated as one continuous period;
- (e) the applicant (within the meaning of this scheme) has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
- (f) there is payable in respect of him one or more of the following pensions or allowances—
  - i. long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Act;
  - ii. attendance allowance under section 64 of the Act;
  - iii. severe disablement allowance under section 68 of the Act;
  - iv. disability living allowance under section 71 of the Act;
  - v. personal independence payment under the Welfare Reform Act 2012;
  - vi. an AFIP;
  - vii. increase of disablement pension under section 104 of the Act;
  - viii. a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (ii), (iv) or (v) above;
  - ix. main phase employment and support allowance;
- (g) a pension or allowance to which head (ii), (iv), (v) or (vi) of sub-paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this section shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of social security (Hospital In-Patients) Regulations 2005.
- (h) an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
- (i) paragraphs (f) or (g) would apply to him if the legislative provisions referred to in those sub-paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
- (j) he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

- 15 For the purposes of paragraph 14 once paragraph 14(d) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.
- 16 For the purposes of paragraph 14, once paragraph 14(e) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.
- 17 For the purposes of paragraphs 9 and 11( a), a person is disabled if he is a person–
- (a) in respect of whom disability living allowance or personal independence payment is payable, or has ceased to be payable solely because he is a patient;
  - (b) who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
  - (c) who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person’s fifteenth birthday and ending on the day preceding that person’s sixteenth birthday.
- 18 For the purposes of paragraph 4 a woman on maternity leave, paternity leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in paragraph 18 (‘the relevant period’) provided that–
- (a) in the week before the period of maternity leave, paternity leave or adoption leave began she was in remunerative work;
  - (b) the applicant is incurring relevant child care charges within the meaning of paragraph 18.5; and
  - (c) she is entitled to either statutory maternity pay under section 164 of the Act, statutory paternity pay by virtue of section 171ZA or 171ZB of the Act statutory adoption pay by of section 171ZL of the Act, maternity allowance under section 35 of the Act or qualifying support.
- 19 For the purposes of paragraph 18 the relevant period shall begin on the day on which the person’s maternity, paternity leave or adoption leave commences and shall end on–
- (a) the date that leave ends;
  - (b) if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
  - (c) if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credits ends.
- whichever shall occur first.
- 20 In these paragraphs:
- (a) **‘qualifying support’** means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations 1987;
  - (b) **‘child care element’** of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (child care element) 2002;
  - (c) **‘relevant child care costs ’** means an amount;
    - (i) where the applicant’s family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week;
    - (ii) where the applicant’s family includes more than one child in respect of whom relevant child care charges are paid, £300.00 per week; and

(d) **'remunerative work'** means an average of 16 hours per week or more undertaken by the applicants or partner.

- 21 In this section 'applicant' does not include an applicant;
- a. who has, or
  - b. who (jointly with his partner) has,  
an award of universal credit



**Extract from the minutes of the Cabinet meeting of 24 January 2024**

**830. Officer Pay Policy Statement 2024-25**

The Head of People submitted a report a copy of which had been circulated to each Member.

Councillor Cory, Portfolio Holder for Resources, introduced the report and highlighted the Council's commitment to the Living Wage and the positive gender pay gap.

*RECOMMENDED TO COUNCIL* that the Officer Pay Policy Statement for 2024/25 be approved and adopted.

*REASONS*

The Localism Act requires “authorities to prepare, approve and publish pay policy statements articulating their policies towards a range of issues relating to the pay of its workforce, which must be approved by full Council annually. An authority’s pay policy statement must be approved by a resolution of that authority before it comes into force”.

*ALTERNATIVE OPTIONS*

The only alternative would be to not recommend the approval of the Pay Policy Statement, but that would be contrary to the requirements of the Localism Act.



**Extract from the minutes of the Governance and Audit Committee meeting of 13 December 2023**

**396. Review of the Council's Ethical Governance Policies**

The Committee considered a report requesting it to review the Council's updated Ethical Governance policies. These were the key policies which set out the standards of conduct and integrity that the Council expected of Councillors, staff, partners, suppliers and customers when conducting Council business.

Andrew Weavers, Head of Governance and Monitoring Officer, attended the meeting to present the report and assist the Committee with its enquiries. The Committee was requested to review the Council's suite of Ethical Governance Policies, which were presented to it on an annual basis to ensure that these 11 Policies remained fit for purpose. During the year the Policies had been reviewed, and they had been considered adequate to cover all circumstances and were fit for purpose. No substantial changes had been made to any of the Policies, and the only changes which had been made were minor and reflected changes in the Council's structure which had taken place during the preceding year, such as changes in job titles etc.

The Covert Surveillance Policy had been the subject of an external inspection by the Investigatory Powers Commissioner's Office which had taken place in March 2023. This inspection had confirmed that the Council had demonstrated compliance with the necessary legislative requirements, and that the Policy was fit for purpose. In addition to this, key officers had also received refresher training.

An annual email was written to all Councillors and Officers by the Monitoring Officer reminding them of the Council's Anti-Fraud and Whistleblowing Policies.

The Council's Income and Debt Policy had been reviewed by the Operational Finance Team and no changes had been proposed to it.

There were no significant changes to draw the Committee's attention to, and all the Policies had been reviewed and were now recommended as fit for purpose. The Committee was asked to commend the Policies to Full Council for inclusion in the Council's Policy Framework.

A Committee member noted that the Council owned a covert closed circuit television (CCTV) camera, and sought confirmation that the use of this camera would be covered by the Covert Surveillance Policy. The Head of Governance and Monitoring Officer advised the Committee that the use of this camera was not classed as covert

surveillance as it would be made clear to people that an area was under surveillance, and therefore use of the camera would qualify as overt surveillance.

The Committee considered that the Policies which had been presented to it were essential to the good governance of the Council, and it was important that the Committee spend time ensuring that they remained fit for purpose. To aid the review of the Policies in the future, it was requested that any changes which had been made be highlighted in the Policies themselves.

A Committee member considered that the use of the Council's Information and Communication Technology (ICT) services was a struggle for some Councillors, and the Council's system was quite an invasive system which could cause issues for Councillors who attempted to use it on their own work or personal computers. Although the Committee accepted that the system could be difficult to use, it was also aware that the Council had experienced some issues around ICT security in recent months which had impacted on Councillor colleagues. It was suggested that it may be appropriate for the Political Group Leaders of the Council to meet to discuss overcoming some of the issues which some Councillors faced, and a briefing session on Councillor use of ICT could be appropriate in the future.

A Committee member thought that the proposed Acceptable Use Policy was unduly complicated, and he was forced to forward emails that he received via the Council's email system to his own personal email address to make the system workable. In the past, emails between Councillors had been significantly delayed, and it was estimated that approximately 50% of emails received from constituents had to be retrieved from the spam filter. It was requested that consideration be given to relaxing the security features which were present in the Council system to counteract these issues. In discussion, the Committee noted that a failure to deliver emails to Councillors from their constituents would serve to reduce confidence in elected Members, and give the impression that Councillors were uninterested in resident's concerns, which could be difficult to overcome. Although some Committee members were able to retrieve emails from a spam filter, others simply did not receive emails which had been sent to them at all, which was a great concern.

The Committee offered its support for the proposed Policies, but it was suggested that some of the Policies were overly long and contained some duplication. It was felt that longer Policies could put pressure on staff to comply with all their complicated requirements, and consideration should be given to trying to simplify the Policies in the future, potentially by making reference to national policies and including additional details which were relevant to Colchester where appropriate. The Retention Policy in particular was considered to be overly complex with the potential to put pressure on staff to comply with it. The Policies needed to be as simple and user-friendly as it was possible to make them.

*RECOMMENDED TO FULL COUNCIL that:*

- The following revised policies:
  - Anti-Fraud and Corruption Policy
  - Whistleblowing Policy
  - Anti-Money Laundering Policy
  - Covert Surveillance Policy
  - Data Protection Policy
  - Acceptable Use Policy
  - Information Security Policy
  - Retention Policy
  - Processing of Special Category & Criminal Convictions Personal Data Policy
  - Password Policy
  - Income and Debt Policy

be included in the Council's Policy Framework.



**Extract from the minutes of the Governance and Audit Committee meeting of 13 December 2023**

**398. Review of the Local Code of Corporate Governance**

The Committee considered a report requesting that it review the Local Code of Corporate Governance for 2023/24. The Local Code of Corporate Governance was how the Council demonstrated that its structures complied with the recognised principles of good governance.

Hayley Mcrath, Corporate Governance Manager, attended the meeting to present the report and assist the Committee with its enquires. The Local Code of Corporate Governance (the Code) was referred to the Committee every year, and set out the principles which the Council abided by, and which were set by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). The Code set out how the Council demonstrated its compliance with the 6 principles of good governance through the management of appropriate systems and processes. The Code was reviewed every year and no significant changes were proposed this year. The Code had been updated to provide hyperlinks to supporting documents which it referenced, including the 2023/2026 Strategic Plan, and contained details of work which had been carried out over the preceding year. The Committee was requested to review the Code to ensure that it was appropriate and that it confirmed that the Council did comply with the 6 principles of good governance, and to recommend to Full Council that the Code was incorporated into the Council's Policy Framework.

*RECOMMENDED TO FULL COUNCIL* that:

- The Local Code of Corporate Governance be included in the Council's Policy Framework.





<b>Report of</b>	<b>Head of Governance and Monitoring Officer</b>	<b>Author</b>	<b>Richard Clifford</b> ☎ 507832
<b>Title</b>	<b>Increase in Members Allowances 2023-24</b>		
<b>Wards affected</b>	<b>Not applicable</b>		

## 1. Executive Summary

1.1 This report concerns the annual increase in the Members Basic Allowance and the Special Responsibility Allowance. The Members Allowances Scheme provides for members allowances to be increased annually in line with the percentage rise applied to Council officers. However in this financial year the pay rise applied to officers has been a fixed sum across all pay grades rather than a percentage increase. The Members Allowances Scheme does not address what should happen in these circumstances, so the report proposes an increase in the allowances which is linked to the nationally set increase in staff allowances. It also proposes a revision to the Members Allowances Scheme to address how this situation should be addressed in future.

## 2. Recommended Decisions

2.1 The increase in the Members Basic Allowance and Special Responsibility Allowances for 2023/24 be set at 3.88%

2.2 The Members Allowances Scheme be amended as set out at paragraph 5.3 to provide clarity on the position when a non-percentage increase to staff salaries is made.

## 3. Reason for Recommended Decision

3.1 There is a need to determine the level of increase in the Members Basic Allowance and Special Responsibility Allowances, as the Members Allowances Scheme is silent on what should happen when a non-percentage increase is agreed for officers.

## 4. Alternative Options

4.1 Alternative options would be to increase members allowances by an average of the award to officers or to link the rise to a national public sector index. These options are explored in more detail in section 5 of the report.

## 5. Background Information

5.1 The current Members Allowances Scheme provides that members allowances shall be increased annually with effect from the Annual General Meeting of the Council by the same percentage as that applied to the Council's officers' salary scale.

5.2 This financial year the pay rise for officers has not been settled on the basis of a percentage increase. Colchester City Council negotiates its pay locally rather than through the national local government framework. As Council will be aware, the pay award that was agreed was an increase of £1925 across all spinal points. This was in line with the national pay award agreed by the National Joint Council.

5.3 In order to determine what level of increase should be applied to members allowances the Council has looked at how a number of the authorities in a similar position have addressed this issue and consulted with the Independent Remuneration Panel. A number of approaches have been taken by other authorities as set out below:-

- As well as setting the increase in staff salaries, the National Joint Council award also sets an increase in staff allowances. This was set at 3.88% this year. A number of authorities have taken the decision to apply this award to member allowances also. Amongst the authorities the Council looked at this was the most common approach.
- Some authorities have sought to increase members allowances by the average pay award to their staff. Of the authorities the Council looked at this worked out at rises of 5.44% and 4.9%.
- One authority had applied the Office for National Statistics Public Sector Pay Index which would lead to an increase of 5.6%.

5.4 Following consultation with Independent Remuneration Panel it is proposed to adopt the first of these options and increase the Members Basic Allowance and Special Responsibility Allowances by 3.88%. Members of the Independent Remuneration Panel have indicated they support this approach.

5.5 If agreed the increase in allowances will be backdated to the date of the Annual General Meeting. A breakdown of the revised allowances is at Appendix 1

5.6 To address this situation should it arise again in future it is proposed to amend paragraph 1 of the Members Allowances Schemes as follows (new text in bold):-

*Each Councillor shall be paid a Basic Allowance, and those Councillors who undertake special responsibilities shall be paid a Special Responsibility Allowance. Allowances and Co-opted members' allowances shall be increased annually with effect from the Annual General Meeting of the Council by the same percentage as that applied to the Council's officers' salary scale. **Where the pay award is determined as a fixed amount then members and co-opted allowances will increase by the same amount as the increase in staff allowances agreed by the National Joint Council.***

## 6. Equality, Diversity and Human Rights implications

6.1 Ensuring the Members Basic Allowance and the Special Responsibility Allowances maintain their value is an important commitment to the support of Councillors. The proposals in the report will provide clarity to Councillors and candidates about their entitlement in these circumstances and ensuring that the allowances are set at a realistic and reasonable level may help attract a more diverse range of candidates in terms of gender, age and experience.

## **7. Consultation**

7.1 The Independent Remuneration Panel have been consulted on the proposals.

## **8. Financial implications**

8.1 The budget for 2023-24 contained made provision for a 4% increase in members allowances for 2023-24 and therefore there is budgetary provision for the proposed level of increase.

## **9. Standard References**

9.1 There are no particular references to the Strategic Plan; publicity considerations; community safety; health and safety or risk management implications.

## Appendix 1

### Allowances Paid to Councillors from 24 May 2023 if increase of 3.88% agreed

<b>Members Allowances</b>	<b>£</b>
Basic Allowance	7576.54
<b>Special Responsibility Allowances</b>	<b>£</b>
Leader of the Council	22,729.42
Deputy Leader of the Council	14,319.67
Cabinet Member	13,637.81
Chairman, Scrutiny Panel	7955.38
Chairman, Planning	7,955.38
Chairman, Licensing	6819.01
Chairman, Other Panel/Committee/Board	4545.93
Group Leader (Conservative)*	7071.51
Group Leader (Liberal Democrats)*	6268.11
Group Leader (Labour)*	5768.51
Group Leader (Green)*	2770.91
Member, Planning	1193.32
Member, Licensing	511.42

\*amount equates to = £2271.31 & 249.80 per member

**NB. Each Councillor will qualify for only one Special Responsibility Allowance (the highest) regardless of the number of positions of responsibility.**

**Record of Decisions taken under Scheme of Delegation to Cabinet Members  
27 November 2023 – 13 February 2024**

<b>Portfolio – Communities</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
Wednesday 6 December 2023.	COM-003-23	Rural England Prosperity Fund – Community Round 1	Victoria Hanley	It is recommended that, following the proposals made by the CCC REPF Community Panel on 28 November 2023, the seven projects outlined in the attached Decision Report are approved for funding.	Decision implemented Wednesday 13 December 2023.
Thursday 25 January 2024	COM-004-23	Headstone Safety Testing	Russell Gadsby	To award a contract to the Recommended Bidder, The CDS Group, to carry out Headstone Safety Testing within the Cemetery on Mersea Road. If the Recommended Bidder cannot fulfil their obligations under the contract, to award a contract to the next highest ranked bidder.	Decision implemented Thursday 1 February 2024

<b>Portfolio – Economy, Transformation and Performance</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
Wednesday 3 January 2024.	ECO-006-23	AVC Wise	Jessica Douglas	To approve the amendment to the Council's LGPS Discretionary Policy to permit a Shared Cost Additional Voluntary Contribution arrangement and award a contract to AVC Wise for the provision of this service via a direct award through the Salary Sacrifice AVC framework which	Decision implemented Wednesday 10 January 2024

**Agenda item 10**

**Record of Decisions taken under Scheme of Delegation to Cabinet Members  
27 November 2023 – 13 February 2024**

				enables UK local government and wider public sector customers to enter a contract with AVC Wise. This is a single supplier framework which allows the council to award a calloff contract without competition.	
Tuesday 23 January 2024.	ECO-007-23	Built Environment and Regulatory System Award of Contract	Jane Goodenough	To direct award a contract under G-Cloud 13 (a government-run procurement framework) terms to NEC Software Solutions for the ASSURE Public Protection system.	Decision implemented Tuesday 30 January 2024

<b>Portfolio – Housing</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
Thursday 7 December 2023	HOU-010-23	Award of Contract for General Building	Martin Norgett	To award a contract to Breyer Ltd for the completion of general building work throughout the district.	Decision implemented Thursday 21 December 2023
Thursday 7 December 2023	HOU-011-23	Acquisition of family homes from Developer within the Chesterwell development	Terri Hamilton	To agree to Colchester City Council being able to acquire 11 family home units from the developer within the Chesterwell development. To agree to the appointment of Colchester Borough Homes as a “Clerk of Works” and “Employers Agent” to supervise the quality of the construction of the homes to be acquired.	Decision implemented Thursday 21 December 2023
Monday 8	HOU-012-23	Housing Revenue Account Fees and Charges 2024-25	Suzanne Norton	Approval of the Housing Revenue Account Fees and Charges 2024-25	Decision implemented

**Agenda item 10**

**Record of Decisions taken under Scheme of Delegation to Cabinet Members  
27 November 2023 – 13 February 2024**

January 2024					Monday 18 December
Thursday 04 January 2024	HOU-013-23	Award of Contract for Communal Cleaning to 2 and 3 storey Blocks – Ref:0344	Martin Norgett	To award a three (3) year contract, with the option of a 12-month extension, subject to performance, to Accuro Ltd for the communal cleaning of all 2 and 3 storey flats within the HRA portfolio.	Decision implemented Thursday 11 January 2024
Tuesday 9 January 2024	HOU-014-23	Thyme Road Play Area Tiptree – HRA Land Asset Transfer	Suzanne Norton	To agree to the transfer of the land known as Thyme Road Play Area, Tiptree to Tiptree Parish Council, see Appendix A. area outlined in blue. • Transfer documents to include a clawback to ensure the land is protected against any change of use in future years, no development of the land, and that the land be held in perpetuity for the benefit local residents.	Decision implemented Tuesday 16 January 2024
Thursday 18 January 2024	HOU-015-23	Award of Design and Build construction contract for “Phase 3 Garage Site” of the “New Council Housing Programme” at Wheeler Close	Terri Hamilton	To award a contract to Rose Builders Ltd for the Design and Build Construction works required on the 6 units at Wheeler Close within the Greenstead ward in Colchester. In the event that that the recommended bidder cannot fulfil their obligations in commencing the work and contract, to award a contract to the next highest ranked bidder. To agree to the use of £300,000 affordable housing commuted sums towards the	Decision implemented Thursday 1 February 2024

**Agenda item 10**

**Record of Decisions taken under Scheme of Delegation to Cabinet Members  
27 November 2023 – 13 February 2024**

				development, allowing the units to be viably delivered at social rent.	
Monday 22 January 2024	HOU-016-23	Chelmsford City Council to join the Gateway to Homechoice Partnership	Karen Paton	To allow Chelmsford City Council to join the Gateway to Homechoice partnership and participate in choice-based lettings across the Gateway local area of operation • All the Gateway to Homechoice Local Authority areas that are signed up to the Partnership agreement. Therefore, each Gateway local authority needs to decide on whether to allow Chelmsford to join the Partnership or not. • In accordance with the Gateway to Homechoice Partnership agreement, the decision to permit Chelmsford to join must be unanimous across all authorities.	Decision implemented Monday 5 February 2024
Tuesday 13 February 2024	HOU-017-23	Award of Contract for Surveying Consultancy	Martin Norgett	To award a contract to Gateway Partnerships Ltd for the completion of Surveying Consultancy work throughout the district.	Decision to be implemented Tuesday 27 February 2024
Tuesday 13 February 2024	HOU-018-23	Award of Contract for Gas Servicing and Maintenance to HRA Properties – Ref:0357	Martin Norgett	To award a 4-year contract with the option of a 2-year extension to Aaron Services Ltd for the Gas Servicing and Maintenance in HRA properties.	Decision to be implemented Tuesday 27 February 2024



**Record of Decisions taken under Scheme of Delegation to Cabinet Members  
27 November 2023 – 13 February 2024**

<b>Portfolio – Leisure, Culture and Heritage</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
No decisions in this period.					

<b>Portfolio – Neighbourhood Services and Waste</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
No decisions in this period.					

<b>Portfolio – Planning, Environment and Sustainability</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
Monday 4 December 2023	ENV-003-23	Consultation on Parking Guidance for Essex	Rachel Forkin	To submit the proposed response to the EPOA Parking Guidance for Essex Consultation by the agreed deadline.	Decision implemented Monday 11 December 2023.
Thursday 18 January 2024	ENV-004-23	Air Quality Management Areas (AQMA)s Revocation and Amendments	Leigh Newman	To revoke AQMA 2 - East Street and Ipswich Road • To revoke AQMA 4 - Lucy Lane North, Stanway • To amend AQMA 1 to include only those areas which do not comply with the DEFRA guidance these are Brook Street, Osborne Street and St Johns Street, Mersea Road.	Decision implemented Thursday 11 January 2024

**Record of Decisions taken under Scheme of Delegation to Cabinet Members  
27 November 2023 – 13 February 2024**

Portfolio – Resources					
Date	Number	Report Title	Author	Decision	Result
No decisions in this period.					

Portfolio – Strategy					
Date	Number	Report Title	Author	Decision	Result
Tuesday 23 January 2024	STR-006-23	Internal scaffold birdcage to Moot Hall at Colchester Town Hall	Rod Richardson	To award a contract to the Recommended Bidder QFS Scaffolding Ltd to undertake the works to build a scaffolding Birdcage in the Moot Hall of the Town Hall, to enable essential works to be undertaken to the ceiling of the hall and the Town Halls roof structure. If the Recommended Bidder cannot fulfil their obligations under the contract, to award a contract to the next highest ranked bidder.	Decision implemented Tuesday 30 January 2024



# Cabinet

Item  
**8(i)**

19 December 2023

<b>Report of</b>	<b>Head of Operational Finance</b>	<b>Author:</b> Adam Wood
<b>Title</b>	<b>Local Council Tax Support Scheme 2024/25</b>	
<b>Wards affected</b>	All wards	

## 1.0 Executive Summary

1.1 Local Council Tax Support (LCTS) is one of the largest financial support mechanisms for Colchester residents on a low income. Currently, Colchester operates a ‘means-tested’ LCTS scheme which means for every £1 of income a customer receives, this will impact their award and subsequent Council Tax payments.

This is particularly an issue with our customers who are in receipt of Universal Credit (UC). UC is assessed monthly and any small change in their award must be accounted for within their LCTS entitlement. This means a customer's LCTS entitlement could change every month. On average, we revise a customer's LCTS entitlement 8 times per year where they are in receipt of UC.

The frequent changes in Council Tax payments are extremely administratively intense and this also causes confusion for customers. Even a very minor change in a person's income leads to numerous letters being posted, increased customer contact and having a negative impact on our Council Tax recovery.

We are proposing the introduction of a simplified LCTS ‘banded’ scheme for 2024/25 which will assist in combatting these issues. This includes making the scheme easier to understand for residents, giving them more stability in their award whilst significantly reducing back-office administration.

## 2.0 Recommended Decision

2.1 Adopting a ‘banded’ Local Council Tax Support scheme for 2024/25.

2.2 The Local Council Tax Support scheme 2024/25 be referred to Full Council for approval and adoption.

## 3.0 Reason for Recommended Decision

3.1 The process of UC managed migration is now underway from July 2023 in East Anglia. This means more people will be moving over to UC from 2024/25 so it is vital processes are put in place to try and simplify Council Tax payments for our most vulnerable residents.

3.2 Some key benefits of adopting a ‘banded’ LCTS scheme include, but are not limited to:

- Improved Council Tax recovery
- Quicker decision(s) for our customers

- Fewer bills sent to customers.
- Back-office admin savings
- Cost neutral – overall level of support remains the same (£9.31m)
- Reallocating of resource to other areas to maximise savings and concentrate on generating revenue
- Improved customer journey – simple application form, digitalisation
- Improves possibilities for shared working
- Reduced customer contact
- Protection for those customers who will be worse-off

#### **4.0 Alternative Options**

4.1 No changes are made to the LCTS scheme for 2024/25.

## 5.0 Background Information

### 5.1 What is Local Council Tax Support (LCTS)?

- LCTS is a means-tested Benefit that supports around 8,800 households throughout Colchester. Nearly 5,500 of these households are working age.
- LCTS for working age residents is a locally designed scheme which Colchester City Council (CCC) has full influence over. LCTS for pension age residents is set by Central Government using Prescribed Regulations – CCC has no influence over this scheme design.
- Any changes proposed in this scheme will impact only working age residents. Pension age residents will remain on the current scheme, set by Government.

### 5.2 Colchester City Council's Current Scheme (2023/24) – working age only

5.3 The scheme has remained relatively static since 2018. The key features of the working age scheme include:

- Means-tested benefit
- A maximum entitlement of 85% for low-income residents (implemented for 2023/24 due to the cost of living crisis – previously 80%)
- Capped at Council Tax Band D
- A minimum entitlement of £2.00 per week needed to qualify
- Capital limit of £6,000
- A £12.00 flat-rate non-dependant deduction (a non-dependant is another adult who lives in the property, but not a partner).

### 5.4 Financial Considerations

5.5 The current cost of the LCTS scheme is £9.31m and the cost of the scheme is shared between the preceptors as follows:

Essex County Council	-	73.52%	-	£6.84m
Essex Police	-	11.43%	-	£1.06m
<b>Colchester City Council</b>	-	<b>11%</b>	-	<b>£1.02m</b>
Essex Fire and Rescue	-	4.05%	-	£0.38m

As shown above, the scheme currently costs CCC around £1m per year.

Generally, the cost of the scheme increases by around 5% each year due to the increase in Council Tax charges and the growing Council Tax base. This increase in cost is offset by the increase in Council Tax revenue year-on-year.

### 5.6 Caseload

5.7 Between 2013 and 2020, LCTS caseload decreased year-on-year. Due to the pandemic, caseloads increased in 2021 but have now settled to pre-covid levels and are falling year-on-year.

The current caseload is 8822 with nearly 5500 of those cases being working age.

We anticipate caseloads to follow the trend of recent years and decrease between 1-2% for 2024/25.

See Appendix item A for an overview of the caseload since 2013.

## **6.0 What is a 'banded' LCTS scheme?**

6.1 The scheme works by placing a customer's weekly income into a corresponding 'band' based on their household make-up.

The amount of support a customer receives will only change if their income or household changes significantly to move them into a different 'band'.

The 'award' is applied as a discount directly onto their Council Tax bill. The discount will be applied and highlighted on the Council Tax bill similarly to how a Single Person's Discount or other similar discount would be shown.

We are also proposing a 'protected' group which means Colchester's most vulnerable households will receive maximum support towards their Council Tax (80%).

The support will be restricted to 2 children, these are the same rules applied within Universal Credit. As such, any customer with 3+ children will not qualify for any additional support.

See Appendix item B for our proposed 'matrix' and further details.

## **7.0 Rochford Case Study**

7.1 We have been working closely with Braintree and Epping District Council as they are on a similar path to us and are also proposing a change to a 'banded' scheme for 2024/25. Epping's scheme has recently been granted Cabinet approval and Braintree's scheme is expected to be granted approval in December.

We have also been in frequent contact with Rochford Council as they successfully moved over to a banded scheme in 2022/23.

Since moving over to a banded scheme, Rochford have:

- Seen an improvement in their speed of processing – customers are receiving their decision's faster (previously averaged 30 days – now 2)
- Carried out a customer satisfaction survey – 4.6 out of 5 for the application process as a whole
- Reskilled 15% of their Benefits staff in different areas to increase income and maximise back-office savings
- Estimated to have saved £41k in admin FYE 2022/23
- Had no negative impact on Council Tax recovery
- Reviewed 10% of their cases in year one

Brentwood and Castlepoint have also successfully moved across to a 'banded' scheme and the expectation is more authorities will follow suit this year and next.

## **8.0 Why change to a 'banded' LCTS scheme?**

- 8.1 As more people continue to move across to Universal Credit (UC), their income is assessed each month and any small change in their income subsequently changes their Council Tax instalments. This causes confusion for residents, increased customer contact, resetting of direct debits and negatively impacting Council Tax recovery. On average a UC customer will receive 8 bills per year.
- 8.2 The process of UC managed migration started in July 2023 in East Anglia. This means more people will be moving over to UC from 2024/25 so it is important processes are put in place to try and simplify Council Tax payments for our most vulnerable residents and give them stability where possible.
- 8.3 Advantages of a 'banded' scheme include:
- Savings in back-office admin due to fewer customer changes to process
  - Customers have stability as their award will not fluctuate with every change in their income
  - Customers will receive a decision faster
  - Maximum support for vulnerable households via the 'protected' group
  - Reskilling of staff to assist in other areas of Revenues and Benefits to maximise income and back-office savings
  - Reduced customer contact allowing resource to be focused on more complex cases
  - Emphasis is on the customer to notify us of any changes
  - Easy for customers to understand their 'band' based on their household and weekly net income
  - Improved recovery of Council Tax
  - Reduced postage costs
  - Cost neutral – overall level of support remains at £9.31m per year
  - Easier to train staff (new and existing)
  - Allows prioritisation of other areas of work which can bring an additional income to the Council e.g., Housing Benefit overpayments, Council Tax arrears
  - Allows for more possibilities for shared working/services
  - Shorter and simplified application form (2-3 pages)

## **8.4 Consistency and Equitable**

The Government are moving more and more households over to Universal Credit. Calculations for Council Tax Support are different for those who receive Universal Credit than they are for those who do not. To ensure consistency with non-Universal Credit assessments the Council is proposing to introduce a banded scheme before the migration to Universal Credit is complete. The Council believes this will help to simplify the transition for those in receipt of such benefits.

## **9.0 Additional changes to the scheme**

- 9.1 As well as introducing the 'bands' as per appendix item B, we are also proposing some additional changes to assist in simplifying the scheme for our residents and maximise support where possible:
- Introduction of a 'protected' group to maximise support to those who need it most
  - Removal of the non-dependant deduction (£12 p/week)
  - Removal of the band D cap

- Removal of the £2.00 minimum entitlement
- Child Benefit to be disregarded
- Discretionary backdating allowing staff to backdate further than 1 calendar month to give additional support to those who need it most
- £25 per week earnings disregard for any working household
- Capital limit to remain at £6,000

## **10.0 Protected Group**

10.1 We are proposing a 'protected' group is introduced which allows those who are eligible to receive maximum support (80%). This group maximises the support for those who need it most.

10.2 To be classed as 'protected', a household member must receive at least one of the following:

- Employment Support Allowance Income Related
- Job Seekers Allowance Income Based
- Income Support
- Personal Independence Payments
- Disability Living Allowance
- Employment Support Allowance with Support Component or Work-Related Activity Component
- Armed Forces Independence Payments
- Working Tax Credit with disability element
- Severe Disablement Allowance
- Universal Credit with Limited Capability for Work element
- Universal Credit with Limited Capability for Work Related Activity element
- Constance Attendance Allowance
- War Pension Mobility Supplement
- Severe Disablement Pension
- Legally certified as blind

10.3 These customers will not be exempt from the £6,000 capital limit rule.

## **11.0 Transitional Protection for those worse-off**

11.1 We have introduced measures to try and minimise the number of customers who will either see a decrease in their entitlement when moving across to the new scheme, or not be entitled at all. However, inevitably, due to the nature of a 'banded' scheme there will be customers who will receive less support.

11.2 We are proposing any small savings that are made by changing to 'banded' scheme are re-invested back into the scheme to ensure those who need it most are supported.

11.3 For any customer who is not entitled to any support under the new scheme, we are proposing a one-off payment to be made directly towards their Council Tax. The amount will be equivalent to what they would have received in support based on the current scheme in place today. Our modelling estimates 6 households will not be entitled to any support under the new scheme, they will be supported with the one-off payment for 2024/25, totalling £5.9k in support.

11.4 Similarly, any customer who will be worse-off by £2.00 per week (£104 per year) or higher, following them transitioning across to the new scheme from 1 April 2024, will also



receive a one-off payment towards their Council Tax. The amount will be equivalent to what they would have received in support based on the current scheme in place today.

- 11.5 Our modelling estimates there are 144 households who will be worse-off by more than £2.00 per week. It will cost an estimated £43k to support these households for 2024/25.
- 11.6 This means the total cost for supporting the 150 households will be £49.7k. Any agreed transitional protection payments will be shared across the preceptors so Colchester will be liable for 11% of the cost (£5,500). It is important to note that this additional cost will not take the overall cost of the LCTS scheme above its budgeted £9.3m.
- 11.7 All 150 cases will be reviewed prior to changing scheme, this is to ensure the level of support is correct and any transitional protection payment is correctly administered.
- 11.8 Please see appendix item C for a detailed breakdown of the transitional protection.

## **12.0 Reviews**

- 12.1 By moving over to a 'banded' LCTS scheme, the emphasis is put back on the customer to notify us of any changes to their entitlement (band). Changes may include, but are not limited to:
- Income going up or down.
  - Someone moving in or out of the property.
  - Capital increasing.

A review process will be put in place to ensure a customer's 'band' is correct based on the information they have provided.

Checks will be carried out annually and, in most cases, will be against claims that are more likely to see a change in their circumstances e.g., self-employed, larger families, people with more than one employment.

Customers who are sampled for a review will be asked to re-confirm their circumstances and a new 'band' will be applied if necessary.

We anticipate we will be able to review at least 10% of our caseload in year 1, with this increasing in year two as processes become more efficient.

We are currently carrying out some research into penalties and fines for customers who we suspect have deliberately not told us about a positive change in the circumstances.

Unfortunately, we were not able to include this in this year's scheme as it's a larger piece of work surrounding Council Tax billing, and not just LCTS. However, it is something we are looking at for 2025/26. This would not only act as a deterrent, but also a way to generate additional income to the Council.

Overall, with this being a new scheme and a new way of working, we will constantly be reviewing processes and adjusting if necessary.

## **13.0 Other options – no changes to the scheme**

- 13.1 The scheme for 2024/25 could remain static which may give residents some certainty but will not help combat the problems faced with administering a 'means tested' LCTS scheme.

13.2 LCTS awards and Council Tax bills will continue to fluctuate month-by-month and the benefits of changing to a 'banded' scheme will not be seen.

#### **14.0 Equality, Diversity and Human Rights implications**

14.1 An EIA has been completed in line with the policy/change being proposed to the Local Council Tax Support scheme for 2024/25.

14.2 A link to the completed EIA can be found [here](#).

#### **15.0 Standard References**

15.1 There are no references to the community safety; health and safety or risk management implications.

#### **16.0 Strategic Plan References**

16.1 There are no references to the Strategic Plan, however, it is in line with cabinets new priorities regarding addressing the "cost of living" crisis.

#### **17.0 Consultation**

17.1 A change to the LCTS scheme for 2024/25 required a 6-week public consultation. The survey was published on our website, and we contacted a sample of our customers directly to ask them for their feedback on the proposed changes.

The full results can be found alongside this report (item D), but the key findings are as follows:

- 76.67% in favour of a banded LCTS scheme for 2024/25.
- 74.7% in favour of removal of non-dependant deductions .
- 81% in favour of disregarding certain elements of Universal Credit.
- 76.92% in favour of a flat-rate £25 per week earnings disregard.
- 86.84% in favour of amending the backdating regulation to allow us to go back further than 1 month.
- 84.21% in favour of disregarding Child Benefit and Child Maintenance.
- 93.42% in favour of continuing to disregard War Pensions in full.
- 82.89% in favour of capital limit remaining at £6,000.
- 81.33% in favour of introducing transitional protection to support those customers who may lose out.

#### **18.0 Publicity Considerations**

18.1 A communications plan would be key in publicising the proposed changes to the scheme for 2024/25. The CCC website and social media channels would be key methods of publicising the proposed changes.

We will also be working with third-party organisations, such as the Citizens Advice Bureau, Social Landlords, and charities to help publicise the changes and obtain feedback on the scheme.

The use of phone-line messaging and direct mailings would also play a key role in promoting the new scheme.

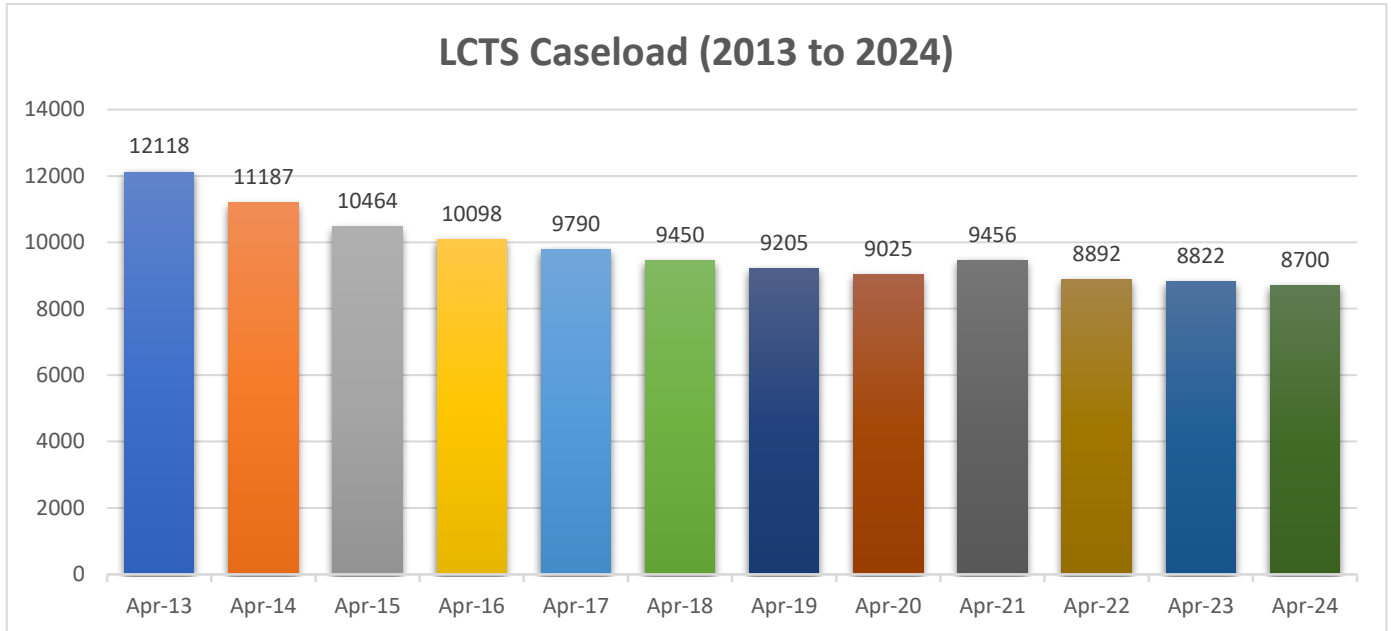
A comms plan is well underway and will be ready by January 2024.

## **19.0 Financial implications**

- 19.1 Changing to a 'banded' LCTS scheme will not increase the overall cost of the scheme (£9.31m).
- 19.2 Protecting those customers who will be worse-off by more than £2.00 per week, or those who will not qualify at all from 2024/25 under the new scheme, is estimated to cost around £49.7k.
- 19.3 The cost of the £49.7k protection will be shared amongst the preceptors so the true cost to CCC will be around £5,500 (11%). This will still bring the cost of the overall scheme in-line with the cost of the current scheme (£9.31m). We intend to invest any small potential savings back into the scheme to maximise awards where possible and assist those people who need it most.
- 19.4 Ultimately, the true cost of the overall scheme is unknown as when making any changes to the scheme, you potentially bring more people into entitlement who are not currently claiming. This can inflate the cost of the scheme if those people make an application.

# Local Council Tax Support 2024/25 – Appendices

**Item A** – total LCTS caseload since 2013 with 2024/25 estimate



**Item B** – proposed income ‘matrix’ for the banded Local Council Tax Support Scheme 2024/25

Group	Weekly Income and Discount (%) Band					
	£0-100	£100.01 to £200.00	£200.01 to £275.00	£275.01 to £350.00	£350.01 to £400.00	£400.01 to £450.00
<b>A</b> Single (no children)	80%	60%	40%	20%	0%	0%
<b>B</b> Couple (no children)	80%	60%	40%	20%	0%	0%
<b>C</b> Single (1 child)	80%	80%	60%	40%	20%	0%
<b>D</b> Couple (1 child)	80%	80%	60%	40%	20%	0%
<b>E</b> Single (2 or more children)	80%	80%	80%	60%	40%	20%
<b>F</b> Couple (2 or more children)	80%	80%	80%	60%	40%	20%
<b>G</b> Protected Group	80%					

**Item C** – Transitional Protection – customers who we estimate will be significantly worse-off and will receive protection for 2024/25.

	<b>Amount</b>	<b>Cost to protect for 2024/25</b>
Number of households worse-off by £2.00 per week or higher	144	£43,804.67
Number of households who are no longer entitled	6	£5,883.52
	<b>150</b>	<b>£49,688.19</b>



The below gives more detail of the 6 households who will no longer be entitled under the new scheme but will receive a one-off payment based on their current levels of LCTS for 2023/24:

<b>Household</b>	<b>Current LCTS Award</b>	<b>Net Income (weekly)</b>	<b>2024/25 LCTS Award</b>	<b>Reason</b>
Couple & 4 Children	£644.00	£471.32	£0.00	Income too high
Couple & 5 Children	£1,470.61	£471.56	£0.00	Income too high
Couple & 7 Children	£1,608.97	£601.40	£0.00	Income too high
Couple & 6 Children	£1,298.89	£470.45	£0.00	Income too high
Couple & 6 Children	£649.55	£491.02	£0.00	Income too high
Couple & 7 Children	£211.50	£719.77	£0.00	Income too high




**Item D** – Public Consultation results – attached separately

# Colchester City Council - Council Tax Support Scheme 2024/25 Consultation

## 2. Background to the Council Tax Support Scheme consultation

1. I have read the background information about the Council Tax Support Scheme: This question must be answered before you can continue.				
Answer Choices			Response Percent	Response Total
1	Yes		98.25%	112
2	No		1.75%	2
			answered	114
			skipped	50

## 3. Part 1 - Introducing an income banded scheme for all working age applicants which will provide up to 80% support

2. Do you agree with introducing an income-based banded discount scheme as shown above?				
Answer Choices			Response Percent	Response Total
1	Yes		76.67%	69
2	No		13.33%	12
3	Don't Know		10.00%	9
			answered	90
			skipped	74



3. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.				
Answer Choices			Response Percent	Response Total
1	Open-Ended Question		100.00%	13
1	I am single parent with one child and a non dependant. With the cost of living, no matter what my earnings are I am still struggling with paying all of my bills and trying to keep a roof over my head. I really need help with paying council tax etc but there is nothing out there to help me financially			
2	I am concerned about the high cost of living and feel this scheme may put further pressure on people in paid employment on a low income. This raises the risk that CTX will not be paid and people will be subject to debt recovery measures			
3	However, I have concerns that couples on lower incomes are at a disadvantage.			
4	No support for pensioners			

**3. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**


5	Why is it just people receiving all these benefit that have to pay less. What about single female pensioners, with no benefits, because they are stupid enough to have savings. They have less income than those on all these benefits.		
6	For Working people I agree, for people who don't work but who can should have their venefirts reviewed and removed/reduced as appropriate. Its the tax bands and costs that need to be more fair overall.		
7	Such reductions put blockages ( like fair rent does ) in the market and either trap people in poverty or give others unfair advantages.		
8	In these times of 'cost of living crisis' I don't feel that expecting anyone who is vulnerable and on a low income should be squeezed even more by reducing their support from the current 85% to 80%. I think perhaps councils should seriously considering their own internal operating costs and introduce some costs cutting changes by way of reducing fact finding missions abroad by senior staff members.		
9	I think it is a good idea to have bands similar to this as I hate the fact that as my universal credit fluctuates through the year (purely due to fluctuating childcare costs) my council tax benefit entitlement changes month to month. One month I may pay £30, the next £140 and so it is impossible to budget properly for		
10	Protection has to be linked to consumption. If all the apples is eaten or and the meat soup protection assures repetition of this dangerous error by the reaction of other memebtrs of the communtiy signed to protect . Life is not possuble to protect if the week are not open to you will die by this action they stay week. Nature then cant help just illness fpr all . And fpr the vulnerabke no life quality and normally handed to medicak teams to see if this works or that new implant nano item sends a heat to.initiae the nueron clump to stay outspde snd emter fpr hee sex act or children . Remkve the laws that would allow a peeson to eat with no feedback to say stop .The comminty will not find the abpve crimes as a practise and accepted work role . Death is a very important tax on stupid		
11	Far to many people see benefits as a way of living, with no intention or inclination to find a job, or support their selves. The maximum amount of benefit should be capped at a rate of less than the NMW for a 40 hour week. The council should not be encouraging people to remain on benefits by providing such big discount incentives, they should be reducing the levels of support to encourage people into work. This would also reduce the burden on hard working families who have to pay 100%, it would also help balance the councils books, so that they do not have to reduce other service levels.		
12	Will the Single Persons discount of 25% still be available? If not, the proposed new Council Tax Support Scheme discount of 80% will add substantially to the bill of (for example) a single person on Universal Credit with either of the Limited Capabilities for Work. Those people have already cut their budgets beyond the bone.		
13	It seems to me that while on Universal Credit until 31/03/2024 the discount will be 25%. After that date the discount will be 20%. Meaning those with the lowest incomes will have to pay 5% extra. Where on Earth will those low incomes find the extra money. Everything is cut to the bone already. Surely the extra 5% can be cut from the top end earners who will have more financial headroom.		
		answered	13
		skipped	151

**4. Part 2 - Removing Non Dependant Deductions**

**4. Do you agree with this proposal?**

Answer Choices		Response Percent	Response Total
1	Yes 	74.70%	62
2	No 	13.25%	11

#### 4. Do you agree with this proposal?

3	Don't Know		12.05%	10
			answered	83
			skipped	81




#### 5. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.

Answer Choices		Response Percent	Response Total	
1	Open-Ended Question	100.00%	10	
1	I feel the income of all non-dependants living in a property should be taken in to account			
2	If a non dependent with their own income is living in a property I think it's only fair that they contribute towards the household expenses and cover the non dep deduction. If the non dep was living on their own they would have a ctax liability which they would have to cover.			
3	I can see that it's easier for the claimant and CCC administratively but you don't say if the non-dependant is working (they could be receiving benefits themselves). If they're working, they should be contributing to household costs, which ups the household income.			
4	The same confusion as usual			
5	This is too intrusive, you are trapping people in poverty and not helping them into work.			
6	If there is more than 1 adult in a house that are non dependent and of working age, then they do have the chance to work to pay council tax, if you give discount it will only make them think they don't need to find work as it would be easier to just claim discount.			
7	should pay something toward the household			
8	The excess money if any is not for this expression. That miney goes to the national treasure and they pay the owed internaional debts which thoeer governements realsee to its or thwier citezens in holdidays abroad . O6her rewards . And the toruist cpumminty more often than not relaise that the inciming tourist are coreecting the no wrk syndrome that many areas are better suited to. Using green agendas or.policy thoughts that is mite sustainabme and a ship. Exprted with our deserving teams of wprkers realises another ballance with out which wrtillery weapon is this? No no yes ohhhhhh. Can kill children too delivery it			
9	the whole households income should be taken into account, and everything should be done to reduce the levels of support, to encourage people back into paid employment.			
10	Excuse my cynicism (perhaps it could be not understanding the proposal clearly enough) but this seems to good to be true. "The negatives are: Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Support Scheme." The council is prepared to take a financial hit concerning Non Dependant Deductions?			
			answered	10
			skipped	154

#### 5. Part 3 - Disregarding certain elements of Universal Credit



### 6. Do you agree with this proposal?


Answer Choices		Response Percent	Response Total
1	Yes		81.01% 64
2	No		10.13% 8
3	Don't Know		8.86% 7
		answered	79
		skipped	85

### 7. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	6
1	Yet again more rise in council tax again		
2	Refer to first point. People who can work should work. All support going to people who already gets lots of support (whether genuine or not).		
3	Again, these schemes will trap people into poverty in the long run.		
4	The alter in azetc society was driven by lets offer the well this cohort for , see what that cohirt do with this cohirt.? So no evrryone has pains fair dustrubution abd access for all . The potential energy to all in tge community and if a certain few say above are left strugglibg tge communtiy bows by uts survival not by you must. Oft in equality of pain and happiness, empathy the abswers come from monds we see as mentally distant.		
5	People are already getting to much support, and need to learn that they have a duty to provide for their families. Why should hard working families have to continually pay for those who are work shy or decide to have loads of children? If you cant afford to support you children don't have them. It is not up to the state or hard working tax payers to provide for those who wont help them selves.		
6	"The negatives are: Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Support Scheme and are in receipt of Universal Credit." See answer on previous page.		
		answered	6
		skipped	158

6. Part 4 - Where applicants or their partner (if they have one) are working, a standard disregard of up to £25 per week will be applied.


### 8. Do you agree with this proposal?

Answer Choices		Response Percent	Response Total
1	Yes		76.92% 60

8. Do you agree with this proposal?				
2	No		10.26%	8
3	Don't Know		12.82%	10
			answered	78
			skipped	86

9. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.				
Answer Choices			Response Percent	Response Total
1	Open-Ended Question		100.00%	7
1	If people are working then they pay council tax, we can't subsidise everyone. Unless I have misunderstood?			
2	Another excuse to raise the council tax bill			
3	Take all earnings into account.			
4	Obvious, I'm not going to be agreeing with anything here.			
5	These rules if access ca1bt be exolained. And that opens to this cohort and supporting staff , worjers and families affexted who are related abd friendly to to finicial sex ual abuses tske all tge abuse list and these crimes are commited in thus . The i sugn but i dont know is not a rd yo follow. I have less is often tge answer or is. To access rewards cannot be constant or assured. Returement is identical			
6	People should work to provide for themselves and their dependants, No discounts need to be provided.			
7	"The negatives are: Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Support Scheme." See answer on previous page.			
			answered	7
			skipped	157

7. Part 5 - Backdating support for longer than the current 1 month limit, where circumstances show that the applicant would have been continuously eligible had they applied at that time.

10. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		86.84%	66
2	No		7.89%	6
3	Don't Know		5.26%	4
			answered	76

### 10. Do you agree with this proposal?




	skipped	88
--	---------	----

### 11. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	6
1	STRONGLY AGREE!!!		
2	Another excuse to raise the council tax		
3	Where will this money come from... Increasesfrom hard working peole.		
4	If people cannot afford to live somewhere they should seek somewhere more affordable. Everyone complaining about high rents in London don't consider the rents are high because demand is high, they could always live elsewhere ... since they won't the rents will remain high. All your measures will trap people into poverty.		
5	The words suggest tgat otger famikies ti dsy wealtgy will not access tge time to help them . Protect. Nothing can be prtected here ssy hunger. Not strvation , the right to access paqin of a hard dsy at work. To recognise a sexuality. To point out tax avoidabce , terms used that are describung smiking criminals		
6	to many people already play the system. only pay them from the date of the application if they can prove they are entitled. Better still provide better support to get them working.		
		answered	6
		skipped	158

### 8. Part 6 - Continuing to protect families by disregarding Child Benefit and Child Maintenance

### 12. Do you agree with this proposal?

Answer Choices		Response Percent	Response Total
1	Yes 	84.21%	64
2	No 	11.84%	9
3	Don't Know 	3.95%	3
		answered	76
		skipped	88




### 13. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.

Answer Choices	Response Percent	Response Total
----------------	------------------	----------------

**13. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

1	Open-Ended Question	100.00%	8
1	Child maintenance payments can vary, especially when arranged privately between parents - there may be a few cases where these payments may be large but due to the single parent having a low income, they may/would still be entitled to Council Tax benefits - is there a way to check the child maintenance payments are fair and reasonable ?		
2	I think child maintenance should be taken into account where the maintenance paid is over a certain amount, say £50pw		
3	Another excuse for the council tax to raise		
4	It encourages them to have more children.		
5	"Continuing to protect families by disregarding Child Benefit and Child Maintenance" .... you release people will just game the system right?		
6	I don't believe that not counting child maintenance as income is appropriate, as child maintenance IS income and should be considered as such.		
7	Again weathky families are tgen perceived as a template fir a siciety to be a familiy this reward tgat resource thus time assures success. It is as is gravity the oppposite remainig in wealtg is no , i recall the huge paun on an operatibg table. Paying all taxes fue and wirking with hmrc to pay unpauad taxes saay fir ne a wirk time is an answer. The daataa on better heakth . Walking safely in our communtiy. Of course the rd to unballabces is lobg as is ibstant rds nit possible . But for highky rewarded and badky rewarded communities rds sre taken moderation and simetimes deserts of nothing to tge keader often over weught or adduct ni cannabus or alcholic no drnjs no access to illness a heavens reward. Nothung . Thebaccess to im.hungry and families dinner whike many options of time . Not cinstant but as the pritextion is not possdble by time, its your turn to guard and correct . I musy shiwer chinzano bianco. Glinttz nit realky any beed for the hearty fure 50000 feet in tge sky, the staff skeeping im showerung gifts of space		
8	They chose to have children that benefit should not be disregarded as part of their income. Why would the council increase costs when it is already cutting other services to hard working families?		
		answered	8
		skipped	156

**9. Part 7 - Protecting War Pensioners by continuing to disregard War Pensions or War Disablement pensions in full**




<b>14. Do you agree with this proposal?</b>			
<b>Answer Choices</b>		<b>Response Percent</b>	<b>Response Total</b>
1	Yes 	93.42%	71
2	No 	2.63%	2
3	Don't know 	3.95%	3
		answered	76
		skipped	88

15. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	5
1	Another excuse to raise the council tax bill		
2	Theses are people who have worked hard andikely for all their lives, given their lives for us and the country so totally deserved. Their pensions are likely to be less than a family on benefits.		
3	I lost hpnour and valour by the retun if my beed to eat. It cant be done removing to the outside the answers fir improverisged humanity. le war is not an option that is your wrapins tgesse are the reasibs you ssid , vited to war yee fue by that or tge nexcernary atrive by jet ftom who is the war to be gought against. , sur salutes . We will war here. Point if consimpion , super.		
4	Disabled War veteran still sat in temp housing now for 11 months, full of drug addicts, alcoholics, police raids most Thursdays to arrest offenders. Do much for the military covenant. Still treated like shit since 1995, by Colchester. Cellis36@hotmail.com		
5	These people have represented their country and deserve proper support.		
		answered	5
		skipped	159

#### 10. Part 8 - Maintaining the current capital limit of £6,000

16. Do you agree with this proposal?

Answer Choices		Response Percent	Response Total
1	Yes 	82.89%	63
2	No 	11.84%	9
3	Don't know 	5.26%	4
		answered	76
		skipped	88

17. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.




Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	9
1	Why should those that had made the effort to save for any future issues be penalised.		
2	The capital should be reduced		
3	Another excuse to raise the council tax bill		
4	£6000 is a very low figure if you look at how much a funeral now costs or cremation, and the costs when a person dies that have to be paid off regarding rent, utility bills, that they leave behind to be paid off		

**17. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

5	Unless the money is going towards are deposit, but even then, who are the government to enquire as to how a private individual should use their savings. I find all this giving away money that the other group ( not getting benefits ) ultimately are paying for ... wrong.		
6	Thé £6,000 limit has been in place for many years. In light of the recent hike in the cost of goods and services across the board I feel this limit should be increased to at least £10,000.		
7	Allow Applicants to have savings above £6000 but reduce the reduction in Council Tax for savings above by £1 for every £500 above £6000		
8	Dont stress, perceived danger is propaganda. The feedback is better . It is impossible to remain fat and be happy,. Hunger for longer. Water investnent or outcome assures this outcome abd sexy been a essential. No one will starve , listen your honour i knocked on ger door she abswered stoid in frint and said hi june. She is alieve and well. Perhaps healthy emotions not unhealthy funance to ignore a person , coventry , or too dirty or hes or she is mad. Mufgt answer throw money at it. The mirror can or if you truthfully ask not lie.		
9	Reduce the amount of savings to lessen the burden on all of the other hard working people.		
		answered	9
		skipped	155

**11. Part 9 - Removing the Extended Payment provision.**

**18. Do you agree with this proposal?**

Answer Choices		Response Percent	Response Total
1	Yes		72.37% 55
2	No		13.16% 10
3	Don't know		14.47% 11
		answered	76
		skipped	88

**19. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**




Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	9
1	The transition between benefits to receiving a wage is often difficult and at a time where people get into debt. If anything, you should be have the extended payment provision for UC claimants as well as legacy benefits. Yes it will cost the scheme more but will prevent people getting into debt at a crucial time. If people feel that they aren't benefited from working and were better off on benefits, they will soon give up work and start claiming again.		
2	Helping people who can't manage their money well		
3	Should be as soon as they have an income.		

**19. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

4	More poverty traps.	
5	Even with the roll over or extended 4 week payment, it can be a very stressful time going from benefits to work, where because you waiting for first pay check it makes all bills late, ie your rent normal day to day living. To remove this extended payment period would cause a lot of mental health distress that would affect children in low income families and we don't want to push parents or single parents to think there is only one way out of this situation and children losing parents to suicide.	
6	The weathy if finanxe abd or the middle.inxoem areas of society will realky become unwell vy weggregation . It is the ability to stop see and respond to issues by she is un troubke i have miney or he is unwell thqt ibe not him. Th3 4esoources ar3 there so we must relook at how we see resource and what is better a plan that people accept that is the best for me if the fww cant find that they mive away. To a plqce where that can be found for them. Freedom Use water to hunger and walk. Take 6 months . This data is easier to process	
7	because they may be didnot get the letter it should make an appoitment for every person so he/she will have fully understand the process	
8	reduce the burden on the taxpayer. encourage more people to work.	
9	This looks complicated but perhaps it's the change from legacy benefits to Universal Credit that is the problem. What are the expected numbers of those who may lose out?	
	answered	9
	skipped	155

**12. Part 9 - Providing a Transitional Protection Scheme for those applicants who may lose support or who may have a reduced award due to the change**

**20. Do you agree with this proposal?**

Answer Choices		Response Percent	Response Total
1	Yes 	81.33%	61
2	No 	5.33%	4
3	Don't know 	13.33%	10
		answered	75
		skipped	89

**21. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	5
	1 Another excuse to raise the council tax bill		
	2 Why?		





**22. Please use this space to make any other comments on the proposed scheme or any alternative suggestions you have.**

	Laughing. The reason i am .		
12	It is a good move to allow backdating in certain circumstances as the link between Benefits and Council Tax can be misleading in many ways and people are NOT ALWAYS aware that if a Benefit changes i.e. ESA to UC that they need to inform you as they already may have a discounted CTC entitlement		
13	It should be capped at a much lower rate to encourage people into paid employment.		
14	If the scheme is indeed "... easier for people to understand and less complicated to manage" at some point it will be better for all if the scheme is made less complicated every year. Universal Credit was supposed to simplify the Benefits system but seems to have caused knock on effects for all other Benefits. Was it integrated properly or was it difficult to integrate? Is it any wonder there are huge amounts of funds not claimed by those who need it? Benefits have always seemed designed to make claimants give up in exasperation. It seems - despite your noble efforts - that this fact has not changed.		
15	Is there any support/tax reduction for a person of working age living with a second adult(e.g older parent) who claims no benefits and has no income either?		
		answered	15
		skipped	149

**14. About you**

**23. Are you completing this form on behalf of an organisation or group?**



Answer Choices		Response Percent	Response Total
1	Yes	4.23%	3
2	No	95.77%	68
		answered	71
		skipped	93

**If yes, please tell us the name of the organisation/group and add any other comments you wish to make.**



Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	2
1	Colchester Borough Homes		
2	For myself		
		answered	2
		skipped	162

**15. Questions for Individuals**



### 24. Do you live in the Colchester area?

Answer Choices		Response Percent	Response Total
1	Yes		94.12% 64
2	No		5.88% 4
		answered	68
		skipped	96





### 25. Do you pay Council Tax?

Answer Choices		Response Percent	Response Total
1	Yes		95.59% 65
2	No		4.41% 3
		answered	68
		skipped	96








### 26. Are you currently receiving Council Tax Support?

Answer Choices		Response Percent	Response Total
1	Yes		29.41% 20
2	No		70.59% 48
		answered	68
		skipped	96





### 27. How would you describe your gender?

Answer Choices		Response Percent	Response Total
1	I prefer not to say		4.48% 3
2	Female		70.15% 47
3	Male		23.88% 16
4	I describe myself in another way		1.49% 1
		answered	67
		skipped	97




## 28. Which of the following age ranges do you fall into?

Answer Choices			Response Percent	Response Total
1	Prefer not to say		2.94%	2
2	16-24		4.41%	3
3	25-34		7.35%	5
4	35-44		25.00%	17
5	45-59		38.24%	26
6	60-74		17.65%	12
7	75 or over		0.00%	0
8	75-84		4.41%	3
9	85+		0.00%	0
			answered	68
			skipped	96







## 29. Which of the following best describes your ethnic group?

Answer Choices			Response Percent	Response Total
1	Prefer not to say		13.43%	9
2	Arab		1.49%	1
3	Asian or Asian British: Indian		0.00%	0
4	Asian or Asian British: Pakistani		0.00%	0
5	Asian or Asian British: Bangladeshi		1.49%	1
6	Asian or Asian British: Chinese		0.00%	0
7	Any other Asian Background		0.00%	0
8	Black or Black British: Caribbean		1.49%	1
9	Black or Black British: African		0.00%	0
10	Any other Black Background		0.00%	0
11	Mixed Heritage: White and Black Caribbean		0.00%	0
12	Mixed Heritage: White and Black African		0.00%	0


### 29. Which of the following best describes your ethnic group?

13	Mixed Heritage: White and Asian		0.00%	0
14	Any other Mixed Background		1.49%	1
15	White British		74.63%	50
16	White Irish		0.00%	0
17	Any other White Background		7.46%	5
			answered	67
			skipped	97


### 30. What is your religion/belief?

Answer Choices		Response Percent	Response Total
1	Prefer not to say		18.18%
2	Buddhist		1.52%
3	Christian (includes Church of England, Catholic, Protestant and all other Christian Denominations)		45.45%
4	Sikh		0.00%
5	Jewish		0.00%
6	Muslim		1.52%
7	Hindu		0.00%
8	Other		4.55%
9	No religion		30.30%
		answered	66
		skipped	98

### 31. Which of the following best describes your sexual orientation?

Answer Choices		Response Percent	Response Total
1	Prefer not to say		12.12%
2	Bisexual		0.00%
3	Gay or lesbian		0.00%
4	Straight/Heterosexual		84.85%

31. Which of the following best describes your sexual orientation?

5	Other		3.03%	2
			answered	66
			skipped	98





## Cabinet

Item  
**8(ii)**

24 January 2024

<b>Report of</b>	<b>Head of People</b>	<b>Author</b>	<b>Jessica Douglas</b> ☎ 282239
<b>Title</b>	<b>Officer Pay Policy Statement for 2024/25</b>		
<b>Wards affected</b>	Not applicable		

### 1. Executive Summary

- 1.1 Local authorities must publish an officer pay policy statement each year. The statement must be approved by Full Council.
- 1.2 The statement covers all pay and benefits for all Colchester City Council employees.
- 1.3 The draft statement for 2024/25 is attached, with the detailed rates in the appendix.

### 2. Recommended Decision

- 2.1 To recommend the approval and adoption of the Officer Pay Statement for 2024/25 by Full Council.

### 3. Reason for Recommended Decision

- 3.1 The Localism Act requires “authorities to prepare, approve and publish pay policy statements articulating their policies towards a range of issues relating to the pay of its workforce, which must be approved by full Council annually. An authority’s pay policy statement must be approved by a resolution of that authority before it comes into force”.

### 4. Alternative Options

- 4.1 The only alternative would be to not recommend the approval of the Pay Policy Statement, but that would be contrary to the requirements of the Localism Act.

### 5. Background Information

- 5.1 Local authorities must publish a pay policy statement for the financial year. The Officer Pay Policy for 2023/24 was approved by [Full Council on 1 December 2022](#).

The Localism Act specifies items that must be covered by the statement including the level and elements of remuneration for each chief officer, remuneration of chief officers on recruitment, increases and additions to remuneration for each chief officer, the use of performance-related pay and bonuses for chief officers, the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and the publication of and access to information relating to remuneration of chief officers.

- 5.2 The Council’s pay policy statement extends beyond the statutory requirements relating to chief officers as shown in 5.1 above to include all officers employed by the Council, in the interests of openness and transparency.

- 5.3 Please see the attached Officer Pay Policy. Appendix 1 of the policy contains the mostly numerical data which sits behind it, and the definitions of terms such as 'chief officer'. These two documents form the Council's officer pay policy statement.
- 5.4 The statement covers all pay and benefits for every employee of Colchester City Council. There are no financial allowances or bonuses other than those mentioned.
- 5.5 The Colchester Commercial (Holdings) Ltd holding company (CCH) and Amphora trading companies set up in January 2018 are not covered by this statement.
- 5.6 Mandatory requirements for data publication under the [Local government transparency code 2015](#), and for the Council's [Statement of Accounts](#) under the [Accounts and Audit Regulations 2015](#) have also been taken into account when preparing this year's update of the pay policy to ensure that the published data is complete and consistent.

## **6. Living Wage**

- 6.1 The Council has chosen to pay the [Living Wage](#), set independently by the [Living Wage Foundation](#), since 2013 as part of its commitment to being a good employer, and its approach to [Social Value](#). The Council will continue to pay the Living Wage as a minimum standard for all its employees. Around 400 permanent/casual Council staff and 60 third-party contracted employees receive the Living Wage.
- 6.2 The Living Wage is calculated annually according to the basic cost of living in the UK. The new Living Wage rate is usually announced each November but was brought forward this year due to the cost-of-living situation. The increase from £10.90 an hour to £12.00 (10.1%) was announced by the Living Wage Foundation on 24 October 2023. The Council implemented the new rate from 1 November 2023. For staff on the national living wage, the new rate means £1.10 an hour/£177 a month/£2,122 a year more if full-time. Updated pay scales are shown in the policy's appendix, and on the [Council's website](#).
- 6.3 This Living Wage hourly rate, paid by the Council and set by the Living Wage Foundation, is higher than the statutory [National Living Wage](#) set by central government for workers who are 23 years or over (currently £10.42) or the [National Minimum Wage](#) (£10.18 if 21-22, £7.49 if 18-20, £5.28 if under 18 or an apprentice).
- 6.4 The Council signed a 'Living Wage Employer' licence with the Living Wage Foundation in February 2016. This means that as well as paying the Living Wage Foundation's recommended hourly rate to staff, this requirement has been included in new third-party contracts from that date for contracted staff and suppliers working on Council business.
- 6.5 The Living Wage uplift is included in the overall budget setting process each year, and is part of the budget set aside for the annual pay award.

## **7. Changes since the last report and looking ahead to 2024/25**

- 7.1 The 2023-24 pay deal was agreed by Cabinet on 22 November 2023 which represented an increase of £1925 on the 2022-23 pay scales, on all spinal column points for permanent and fixed term employees. This will be paid in January 2024 and backdated to April 2023.
- 7.2 The agreement was reached and agreed by Cabinet in December. The £1925 increase matches the National Joint Council (NJC) 2023-24 pay award. This is the second year the council has aligned the pay award with the NJC. Included in section 2.3 of the Pay Policy is a new commitment to aim to match future NJC pay awards.



- 7.3 The £12 per hour Living Wage uplift announced on 24 October was implemented on the 1 November 2023. Staff who received the living wage increase on 1 November will receive the £1925 per annum uplift backdated from 1 April 2023 up to 31 October and then receive the living wage increase from 1 November.
- 7.4 New Senior Management arrangements have been implemented with the appointment of the Senior Leadership Board and new Heads of Service. The revised pay is within the current grading system.
- 7.5 Included in section 10.2 is the requirement for any redundancy or severance package of £100,000 to be approved by Full Council. This is not a new requirement but has been included in the Officer Pay Policy to reflect the position.
- 8. Equality, Diversity and Human Rights implications**
- 8.1 The Equality Impact Assessment is on the Council's website [here](#) or by following the path: [www.colchester.gov.uk](http://www.colchester.gov.uk) > Equality and Diversity > Equality Impact Assessments
- 9. Strategic Plan References**
- 9.1 The performance, remuneration and motivation of employees are key to delivering effective, efficient public services and the Strategic Plan's aspirations and priorities.
- 10. Publicity Considerations**
- 10.1 The statistical data within the Officer Pay Policy is publicly available on the Council's [Council Data](#) web resource so that it is all in one place, helping to improve openness and transparency. Employee benefits including pay scales are also published on the website [here](#). Gender pay gap information is published [here](#), including our supporting narrative and a link to the Government's [gender pay gap portal](#) where the results can be compared with those of other organisations.
- 11. Financial implications**
- 11.1 The pay policy statement provides transparency about the Council's pay and benefits.
- 12. Other Implications**
- 12.1 There are no particular consultation; health, wellbeing and community safety; health and safety; risk management or environmental and sustainability implications.



Colchester  
City Council

# Officer Pay Policy

[www.colchester.gov.uk](http://www.colchester.gov.uk)

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## Introduction

The purpose of this policy is to provide an open and transparent framework that ensures clarity, fairness and consistency in the remuneration of officers.

The Council will comply with this policy which covers all officers. It ensures that employees are paid on a fair and equitable basis in accordance with equality legislation.

Colchester City Council recognises the importance of administering pay in a way that:

- attracts, motivates and retains appropriately talented people needed to maintain and improve the Council's performance and meet future challenges
- reflects the market for comparable jobs, with skills and competencies required to meet agreed delivery and performance outcomes
- allows for a proportion of remuneration to be at risk, depending upon the delivery of agreed outcomes and results
- delivers the required levels of competence within an overall workforce strategy within approved budget parameters
- is affordable and transparent.

## 1. Pay strategy and framework

- 1.1 The Council determines the level of annual salary for employees, including chief officers, using an established job evaluation scheme. Jobs are independently evaluated, using this scheme, by experienced Human Resources staff and all employees have the right of appeal against their pay grade.
- 1.2 The pay grades and salary spinal points are shown on the Council's website [here](#), and in Appendix 1 along with other definitions such 'chief officer'. Each pay grade has a number of incremental points and employees normally progress up their pay grade by one increment on an annual basis, subject to satisfactory levels of performance (see also section 5 - rewarding performance).
- 1.3 The exception to this principle is where employees have transferred their employment to the Council and salary protection exists under the Transfer of Undertakings (Protection of Employment) legislation commonly known as TUPE.
- 1.4 The pay policy incorporates the Council's Equality and Diversity policy (website link [Equality and Diversity in employment - Colchester City Council](#)), and periodic equal pay audits will be conducted.
- 1.5 From April 2017, [Equality Act regulations](#) require public organisations with more than 250 employees to publish a range of gender pay gap figures to show whether there are any differences in pay between male and female employees. The annual gender pay 'snapshot' is published on the Council's website [here](#), with a link to the Government's website where figures from other public and private organisations can also be seen/searched to help with openness and transparency.
- 1.6 The Council implemented the '[Living Wage](#)', which is independently calculated by the [Living Wage Foundation](#), from April 2013 and became an accredited Living Wage Employer in February 2016.

### **2. Pay review and annual increases**

- 2.1 The Council supports the principle of collective bargaining and has a recognition agreement with the trade union 'Unison'. Negotiation and consultation are conducted at a local level in relation to levels of pay and benefits for all employees including Chief / Senior Officers (see definitions in Appendix 1) using 'Colchester Managed Grades' (CMG) pay grades. The Council is therefore not part of any national terms and conditions for local government employees.
- 2.2 Local negotiations around a pay review are conducted on an annual basis, and any increase is agreed taking into account inflationary factors, local salary levels and affordability.
- 2.3 Although the pay award is negotiated locally, the council will aim to match the National Joint Council (NJC) pay award.
- 2.4 Any decision to increase salary levels for all employees has to be approved by the Portfolio Holder under delegated powers set in the Council's [Constitution](#).
- 2.5 The Council publishes its pay multiple (the ratio between the highest and lowest paid employees) and does not currently set a target for this.

### **3. Remuneration of Chief Officers**

- 3.1 The remuneration of all officers is determined using the Council's job evaluation and performance management schemes.
- 3.2 The median average value of Chief Officers' pay is shown in Appendix 1 together with the relationship to the lowest paid staff and other staff (referred to in the legislation as "the pay multiple").
- 3.3 The remuneration of all Chief Officers and Senior Officers is published in the Council's [Annual Statement of Accounts](#), which also includes a wide range of financial information.

### **4. Other items in addition to salary**

The Council pays the following additions to annual salary:

- 4.1 **Overtime:**  
This is paid to employees who are required to work in excess of their contracted weekly hours. All overtime is paid at plain-time rate derived from annual salary, and enhancements are not normally paid for working at weekends or public holidays. Employees on pay grade CMG5 or above do not receive overtime pay.
- 4.2 **Unsocial hours working:**  
The Council pays an allowance to employees who work unsocial hours which cover 24-hour shift working. Allowances are also paid to employees who undertake standby and call out duties. A small payment can also be made to 'front-line' employees who are required to work over the Christmas and New Year period.

## **OFFICER PAY POLICY**

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### 4.3 **Maternity, paternity and shared parental arrangements:**

The Council has a policy that supports parents and provides some enhancement to the statutory maternity, paternity and shared parental provisions. These enhancements are shown in Appendix 1.

### 4.4 **Recruitment and retention payments:**

Where the Council is faced with difficulties in recruitment to and retention of specific jobs, as a result of market pressures and skills shortages, the Chief Operating Officer is able to sanction the use of a temporary recruitment/retention supplement, reviewed on a regular basis. This may include a non-consolidated payment on appointment and/or a retention payment to reflect the employment market and the needs of the business. Any such payment is to be authorised by the Chief Operating Officer. If the employee leaves the Council voluntarily within a year, they will be required to pay back this non-consolidated payment.

Where an individual is being recruited and has significant experience or skills in the role for which they are being employed, Heads of Service and above have discretion to appoint at any scale point (within the grade) above the lowest level.

Where an employee is upgraded using the Council's job evaluation scheme, the employee will move to the lowest point of the new pay grade such that they receive at least one increment. Any proposal to move the employee to a higher point on the pay grade has to be authorised by Heads of Service and above.

### 4.5 **Market Supplements:**

Market supplements are an additional method of tackling recruitment and retention issues by temporarily increasing pay awarded to specific post(s) without altering the job evaluation determined grade for the role.

A market supplement may be agreed when it can be shown that the salary attached to the grade for the 'hard-to-fill' role is significantly lower than the salary offered elsewhere and that this is having an adverse impact on the ability to recruit and retain staff in specific post(s).

A 'hard-to-fill' post is one where there are proven recruitment and/or retention difficulties and/or there are known significant national shortages. The value of any market supplement is determined by a comparison of the remuneration for a council role against relevant market rates for similar roles.

A market supplement will be applied to all employees undertaking the role.

Market supplements have to be authorised by the Chief Operating Officer.

### 4.6 **Increases in responsibility:**

Temporary or permanent payments can be paid at the discretion of the Heads of Service and above to reflect operational needs, the level of additional responsibility and the Council's increment/acting-up policies.

### 4.7 **Other items:**

The Council only reimburses reasonable business expenses actually incurred and in line with the Council's travel and subsistence policy.

## **OFFICER PAY POLICY**

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Professional membership fees are reimbursed to employees at the rate of 50% of fees incurred and only one membership per employee is reimbursed.

External training costs are paid where they form part of agreed learning and development, and in line with the post-entry training policy.

There are no expense allowances or bonuses other than those mentioned within this pay policy.

### **5. Rewarding performance**

- 5.1 The Council uses a performance management scheme to appraise the performance of all employees, including Chief / Senior Officers. Issues of poor performance can result in any annual increment being withheld.
- 5.3 The Council also recognises the need to incentivise specific jobs whose role involves a proportion of sales or income generation. In such cases a reward package will be developed, which needs approval by Senior Leadership Team. The annual salary and incentive payment will be determined outside of the job evaluation scheme and will be risk-assured in relation to equal pay.
- 5.4 The Council incentivises and recognises employees for their individual contribution towards its organisational goals through a non-salary rewards scheme. Where an employee's contribution is deemed to be excellent, they can be nominated for a non-consolidated payment up to the maximum value if authorised by the Deputy Chief Executive or Chief Operating Officer. See Appendix 1 for the value of these incentives.

### **6. Pension**

- 6.1 In accordance with statutory provisions, employees are offered membership of the Local Government Pension Scheme. The Council has a published pension policy, and this policy applies to all employees including Chief / Senior Officers. It sets out the Council's decisions relating to discretionary powers allowed within the scheme. The pension contribution rates are shown in Appendix 1.
- 6.2 The Council also supports the principle of flexible retirement whereby employees are able to gain access to their pension whilst continuing in employment, subject to the restrictions laid down within the scheme and in the Council's Pension policy. This approach allows the Council to retain skilled employees and to assist individuals in managing the transition to retirement.

### **7. Other financial benefits**

The Council currently offers the following financial benefits to employees, with the value of these charges and benefits shown in Appendix 1:

- 7.1 [Travel Plan incentives/charges:](#)  
In order to encourage employees to use 'greener' travel modes, which also help to reduce town centre congestion, the Council has developed a package of travel plan measures. These measures include a charge for car parking for employees based in the town centre, and discounts for 'home to work' use of bus and rail travel.

## OFFICER PAY POLICY

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### 7.2 Salary sacrifice schemes:

The Council has adopted approved government salary sacrifice schemes which enable employees to have deductions from pay to purchase childcare vouchers (closed to new applicants in October 2018) cycles for travel to work and AVC for the LGPS pension. These schemes are tax efficient for the employee and are cost-neutral to the Council.

### 7.3 Long Service Awards:

The Council recognises the commitment of employees to public service and provides a gift to employees for 25 years' service with the Council.

### 7.4 Other allowances:

An allowance is paid for employees who volunteer to be designated First Aiders in the workplace.

## 8. Recruitment

8.1 In accordance with the Council's [Constitution](#), appointments to Head of Paid Service (Chief Executive), Deputy Chief Executive, Chief Operating Officer, Strategic Directors, Section 151 Officer and Monitoring Officer are required to be approved by the Full Council.

8.2 All appointments are made in line with this Pay Policy.

8.3 The appointment of other Chief Officers and starting salaries within the grade must be approved by the Chief Executive.

8.4 The appointment of employees other than Chief Officers is delegated to the appropriate management level, relevant to the vacant job. The starting salary within the pay grade range is determined taking into account the skills and experience of the applicant and market pressures.

8.5 The Council does not restrict the re-employment of employees previously made redundant by either the Council or other Local Government. All applicants for vacancies are considered equally, based on their knowledge, skills and experience.

8.6 Full Council will be offered the opportunity to vote before large salary packages are offered in respect of new appointments. This level is set out in statutory guidance, and the current level is shown at Appendix 1 along with definitions of roles/posts.

## 9. Sick Pay

The Council applies the following sick pay scheme for all employees.

Service (years)	Full Pay (months)	Half Pay (months)
During first year	1	*2
During second year	2	2
During third year	4	4
During fourth/fifth years	5	5
After five years	6	6

\* After completing 4 months' service



### **10. Payments when employment status changes**

#### **10.1 Redundancy:**

The Council operates a redundancy payment scheme which applies to all employees including Chief / Senior Officers. The scheme is based on the employee's rate of pay and on the number of weeks paid under the statutory scheme, with an enhancement of 50% subject to a maximum of 45 weeks' pay.

10.2 Any redundancy or severance packages of £100,000 or more will be approved by Full Council. In presenting the information to Full Council the components of any such severance package will be set out including salary paid in lieu; redundancy compensation; pension entitlements; holiday pay; and fees or allowances paid.

#### **10.3 Pay Protection:**

The Council operates pay protection for a limited time period, within the terms of its change management and redundancy policy. This applies when staff have their pay reduced as part of a process of re-deployment or job evaluation.

#### **10.4 Agreements:**

Where the Council is in dispute with an employee, the Council will make use of legally binding agreements to settle disputes in appropriate circumstances. The use of these agreements and the value of any settlement will be determined by a consideration of factors such as the potential costs of litigation, the degree of risk at employment tribunal adjudications and any reputational impact. The decision to agree a legally binding agreement will rest with the Chief Executive or, in the case of the Chief Executive, will rest with the Cabinet.

### **11. Election duties**

11.1 The Council has determined that the Returning Officer is the Chief Executive, and the remuneration is separate from the Chief Executive's salary. Remuneration levels for employees who assist with election duties on a secondary employment basis are set by Colchester City Council for City Council elections, Essex County Council for County Council elections and by central government for national elections.

11.2 The amount paid for election duties will vary depending on the number and type of elections which take place. The amount paid to the Returning Officer in the previous year is shown in Appendix 1.

### **12. Temporary staff and interim arrangements**

12.1 The Council occasionally uses temporary agency or interim staff where it meets specific business needs and delivers best value. Levels of reward are determined by market rates. However, the Council will not use payment arrangements that could be perceived to be designed to deliberately avoid personal taxation.

### **13. Supporting Information**

The following references have been used in producing this Pay Policy, along with the Council's existing Human Resource policies:

# OFFICER PAY POLICY

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## Legislation and best practice guidelines

- The Localism Act 2011 - [chapter 8 - pay accountability](#).
- The Equality Act 2010
- Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006
- Local Government Pension Scheme Regulations 2008
- [Accounts and Audit Regulations 2015](#).

Home Office and the Ministry of Housing, Communities and Local Government:

- [Openness and accountability in local pay: Guidance under section 40 of the Localism Act](#) and [Local government transparency code](#)
- [Openness and accountability in local pay: Supplementary Guidance \(publishing.service.gov.uk\)](#)

The Chartered Institute of Public Finance and Accountancy:

- [Code of Practice in Local Authority Accounting](#)

Local Government Association

- [Pay Policy Statements - guidance](#).

## Our website

The Council's website [www.colchester.gov.uk](http://www.colchester.gov.uk) has a [section with more information about employment](#) and [gender pay gap statistics](#) for Colchester City Council.

The following policies and forms should be taken into account alongside this document:

<b>Policies</b>	
Equality and Diversity policy	Increment policy
Maternity and Paternity policies	Acting up policy
Pensions policy	Overtime policy/Standby and Call-out Policy
Local Government Pension Scheme (Administration) Regulations 2013 Discretionary Decisions by Colchester City Council	Performance management scheme
Post-entry training policy	Change Management and Redundancy policy
Travel and subsistence policy	Travel Plan

The policies are on the Intranet in the HR section: [A to Z of HR Policies and Procedures](#)

## Document Information

<b>Title :</b>	<b>Officer Pay Policy</b>
<b>Status :</b>	<b>Annual update of existing policy</b>
<b>Version :</b>	<b>Draft for Cabinet/Council approval</b>
<b>Consultation :</b>	<b>Cabinet 24 January 2024</b>
<b>Approved By :</b>	<b>Full Council</b>
<b>Approval Date :</b>	<b>21 February 2024</b>
<b>EQIA :</b>	<a href="#">click here</a>
<b>Review Frequency :</b>	<b>Annual</b>
<b>Next Review :</b>	<b>November / December 2024</b>

This policy applies to you if you are working under the Terms and Conditions of Colchester City Council.

## OFFICER PAY POLICY

### Pay Data – Appendix 1

1. [Annual Salary scales](#). The last pay award increase was in April 2023 – £1925 on all spinal column points.
2. The pay scales include the Real Living Wage uplift applied from 1 November 2023.

#### Salary spine

point	Annual salary (£.p)	point	Annual salary (£.p)
4*	23,151.49	32	40,918.75
5*	23,151.49	33	41,384.03
6*	23,151.49	34	42,742.42
7*	23,151.49	35	44,100.82
8*	23,151.49	36	45,459.21
9*	23,151.49	37	46,871.64
10*	23,151.49	38	48,284.09
11*	23,151.49	39	49,696.49
12*	23,151.49	40	53,207.84
13*	23,151.49	41	56,719.21
14*	23,151.49	42	60,230.55
15	23,499.45	43	64,909.00
16	23,902.73	44	69,587.39
17	24,305.99	45	74,265.83
18	24,703.60	46	78,944.21
19	25,307.78	47	83,622.63
20	25,912.01	48	88,108.23
21	26,516.18	49	92,593.86
22	27,120.38	50	97,079.43
23	27,724.58	51	101,565.06
24	28,377.24	52	106,050.64
25	30,322.38	53	110,536.27
26	32,315.96	54	115,578.94
27	34,309.55	55	120,617.57
28	35,560.73	56	125,658.22
29	36,811.89	57	130,698.85
30	38,063.04	58	135,739.51
31	39,490.89	59	138,444.59

\* these salary points are 'Living Wage'.

The Living Wage rate, as set independently/annually by the Living Wage Foundation, was uplifted to £12 an hour/£23,151.49 a year on 1 November 2023. (previously £10.90 / £21,029.27 – so increase of 10.1%/£2,122 a year, and uplifted pay for SCP 4-18).

#### Pay Grade range – Colchester Managed Grades (CMG)

Pay Grade (CMG)	Salary spinal column point (SCP) range	Pay Grade (CMG)	Salary spinal column point (SCP) range
14	4 to 7	6	35 to 39
13	7 to 12	5	38 to 42
12	11 to 18	5 GMT	38 to 45
11	18 to 24	4 CCC	42 to 46
10	23 to 27	4 + 1	42 to 47
9	26 to 30	3	46 to 50
8	29 to 33	2	51 to 55
7	32 to 36	1	54 to 59

#### [Apprentices](#)

## OFFICER PAY POLICY

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The national Apprenticeship Levy was introduced from April 2017. Employers operating in the UK with a pay bill over £3 million each year are required to invest in apprenticeships via an apprenticeship levy charged at a rate of 0.5% of the annual pay bill.

The Council's first intake of apprentices joined in September 2017. The Council agreed that its apprenticeship pay rate would be the [National Minimum Wage \(NMW\) by age](#) - this is more than the NMW rate for apprentices which is £4.81 an hour, and Council apprentices get the [NMW for their age](#) straight away without having to complete the first year of an apprenticeship or be 19.

### 2. [Pay relationship for Chief Officers](#)

	<b>2023/24</b>
Median average pay for Chief Officers	£95,154.43
Median average pay for staff other than Chief Officers	£26,452.24
Median average pay for lowest paid staff	£21,029.27
Pay multiple of Chief Officer (Chief Executive) pay to staff other than this Chief Officer	5.16
Pay multiple of Chief Officers' pay to staff other than Chief Officers	3.6
Pay multiple of Chief Officers' pay to lowest paid staff	4.52 <sup>1</sup>

Notes – please also see definitions of officers at section 8 below:

- Median average pay is based on full-time equivalent annual salary plus additional payments for Chief Officers. It excludes election fees.
- 'Lowest paid staff' is defined as those paid the 'Living Wage' - see chart of 'Colchester Managed Grades (CMG) pay grades on page 8.
- <sup>1</sup>The ratio would be 4.72 if the definition included apprentices.
- Pay multiple - the ratio between the highest and lowest paid staff.

### 3. Additional payments for Chief Officers

#### [Returning Officer election fees paid to the Chief Executive](#)

<b>Elections held</b>	<b>Amount paid</b>	<b>Year</b>
City and Parish	£11,888	2023/24

### 4. Other pay additions and allowances – see pages 2 and 4 for eligibility

#### [Unsocial hours working:](#)

Where an employee is required to be on call "out of hours" as part of their duties:

Standby allowance from 1 April 2023:

- higher rate – immediate response must be made – day rate £20.20
- standard rate - non-immediate response – day rate £10.10

Call-out from 1 April 2023: £50.37.

#### [Maternity, Paternity and Shared Parental pay:](#)

In addition to the statutory provisions, the Council pays 20 weeks at half-pay for mothers who go on maternity leave and subsequently return to work. Up to two weeks' paid paternity leave is granted to eligible employees.

## OFFICER PAY POLICY

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### Non-salary rewards scheme:

Quarterly – 1,500 loyalty points (£15 in value) can be redeemed on activities or products within Colchester Leisure World. Maximum of 42 staff across all services each quarter.  
Annually – incentive is sourced via reciprocal marketing and voucher schemes.

### Exceptional performance:

Non-consolidated payment/honorarium to a maximum of £1,000 if authorised by an Executive Director.

## 6. Pension contribution rate

Employer rate is 21.2% for 2023/24 (increased from 19% for 2022/23). Employee rates are:

<b>LGPS Contribution Bands April 2023</b>		
<b>Actual Pay</b> (includes overtime, additional hours and so on)	<b>Main section rate</b>	<b>50/50 section rate</b>
Up to £15,000	5.5%	2.75%
£15,001 - £23,600	5.8%	2.90%
£23,601 - £38,300	6.5%	3.25%
£38,301 - £48,500	6.8%	3.40%
<b>£48,501 - £67,900</b>	8.5%	4.25%
£67,901 - £96,200	9.9%	4.95%
£96,201 - £113,400	10.5%	5.25%
£113,401 - £170,100	11.4%	5.70%
More than £170,101	12.5%	6.25%

## 7. Other financial benefits – see page 5 for eligibility

Travel Plan benefits and charges:

**Car parking charge** – for employees using designated Council car parks whilst at work:

- £2.50 per day.

**Home to work travel**, in line with Travel Plan policy:

- Bus season ticket discount 50% / train season ticket or 'bulk buy' discount 35%.

**Long Service award:**

- Maximum value of £250 for 25 years' service with the Council.

**First Aid allowance** - for employees designated as First Aiders in the workplace:

- £173.88 a year (pro rata for part-time staff).

## 8. Definition of terms used in the Officer Pay Policy and Pay Data documents

- Chief Officers – posts requiring appointment by councillors - designated as Chief Executive, Deputy Chief Executive, Chief Operating Officer and Strategic Directors within the Council's constitutional arrangements. It also includes the Head of Paid Service, Section 151 Officer and the Monitoring Officer where those roles are not performed by the Chief Executive, Deputy Chief Executive, Chief Operating Officer and Strategic Directors. These posts meet the Chief Officer definition in section 43 of the Localism Act 2011.
- Senior Officers – any post with a salary of £50,000 and above ([Accounts and Audit Regulations 2015](#))
- Senior Leadership Team – Chief Executive, Deputy Chief Executive, Chief Operating Officer, Strategic Directors and Heads of Service.

## **OFFICER PAY POLICY**

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- Large salary package – this is defined in statutory guidance and the current threshold is £100,000 ([section 14 Localism Act guidance](#)).

13 December 2023

Report of	<b>Head of Governance and Monitoring Officer</b>	Author	<b>Andrew Weavers</b> ☎ 282213
Title	<b>Review of the Council's Ethical Governance Policies</b>		
Wards affected	Not applicable		

**1. Executive Summary**

- 1.1 This report requests the Committee to review the Council's updated Ethical Governance policies. These are the key policies which set out the standards of conduct and integrity that the Council expects of councillors, staff, partners, suppliers and customers when conducting Council business. They contain procedures for dealing with breaches of the policies and processes to be followed.
- 1.2 The report also requests the Committee to recommend to Full Council to include the updated policies in the Policy Framework which comprises all the Authority's key policies.

**2. Recommended Decisions**

2.1 To review the following revised policies:

- Anti-Fraud and Corruption Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy
- Covert Surveillance Policy
- Data Protection Policy
- Acceptable Use Policy
- Information Security Policy
- Retention Policy
- Processing of Special Category & Criminal Convictions Personal Data Policy
- Password Policy
- Income and Debt Policy

and to recommend to Full Council that they be approved for inclusion in the Council's Policy Framework.

**3. Background**

- 3.1 The Council is committed to maintaining the highest standards of governance including the elimination of fraud and corruption and to ensuring that all activities are conducted ethically, honestly, openly and accountably in order to protect public safety and public money.
- 3.2 A varied range of policies and procedures form the Corporate Governance framework and a selection of these relate to Ethical Governance - those specifically regarding conduct and integrity.
- 3.3 The Ethical Governance policies set out the standards of conduct and integrity that it expects from staff, elected members, suppliers, partners, volunteers and the public. Breaches of the policies will be pursued in accordance with procedures have been introduced to enable

any person to raise genuine concerns they may have about the conduct of anybody acting for or on behalf of the Council.

- 3.4 At its meeting on 1 December 2022 Full Council adopted a statement of intent in relation to both Ethical and Corporate Governance which gave a high organisational commitment to zero tolerance of fraud, corruption and bribery. The statement of intent is attached at Appendix 1.

#### 4. Review of Ethical Governance Policies

- 4.1 The Anti-Fraud and Corruption, Whistleblowing, Anti-Money Laundering, Covert Surveillance, Information Security, Data Protection, Acceptable Use, Data Retention, Processing of Special Category & Criminal Convictions Personal Data, ICT Password and Income and Debt policies were last reviewed by this Committee at its meeting on 22 November 2022. The Ethical Governance policies were subsequently adopted as part of the Council's Policy Framework by Full Council.

The following table indicates the number of times a policy was invoked in the past year and where appropriate whether it was effective.

Policy	No. of times invoked during 2021/22	No. of times invoked during 2022/23	Whether procedures effective
Anti-Fraud and Corruption	None	None	n/a
Whistleblowing	None	2	yes
Anti-Money Laundering	None	None	n/a
Covert Surveillance	None	None	n/a
Information Security	None	None	n/a
Data Protection	21	23	yes
Acceptable Use	None	None	n/a
Data Retention	None	None	n/a
Special Data Policy	None	None	n/a
Password Policy	-	None	n/a

- 4.2 The Anti-Fraud and Corruption, Whistleblowing, Anti-Money Laundering, Covert Surveillance, Information Security, Data Protection, Acceptable Use, Data Retention and Processing of Special Category & Criminal Convictions Personal Data, ICT Password and Income and Debt policies have all been reviewed to ensure that they remain fit for purpose and no changes are proposed to these policies which are appended to this report.
- 4.3 The Council's Covert Surveillance Policy and procedures were the subject of a recent inspection by the Investigatory Powers Commission Office. Local Authorities are subject to a triennial review of their procedures. The Inspection concluded that the Investigatory Powers Commissioner was satisfied that the Council satisfactorily demonstrated compliance with the legislative requirements. The opportunity was also taken to provide refresher training for key officers.
- 4.4 The Monitoring Officer writes an annually to both Members and Officers reminding them of their obligations regarding the Anti-Fraud and Corruption and Whistleblowing policies. Councillors and staff have recently received updated data protection and cyber security training from the Council's IT team.
- 4.5 The Income and Debt Policy has been reviewed and there are no proposed changes. The processes are still relevant and meet legislative requirements, whilst supporting strong collection rates.



- 4.6 The Council continues to achieve high collection rates for Council Tax and Business Rates. The teams are working to support customers through the cost of living crisis and are adapting processes where necessary to do this.
- 4.7 The Council will continue to improve processes, making payment options simple for residents and businesses and encouraging customers to contact as soon as possible if they are suffering financial difficulties.

## **5. Strategic Plan References**

- 5.1 The Council's governance arrangements form part of the Council's commitment to delivering modern services for a modern city which underpins the Council's Strategic Plan vision.

## **6. Publicity Considerations**

- 6.1 The Council's ethical governance policies will be published on the Council's website.

## **7. Financial, Equality, Diversity and Human Rights, Consultation, Health, Wellbeing and Community Safety, Health and Safety, Risk Management and Environmental and Sustainability Implications**

- 7.1 None.

Colchester City Council will not tolerate breaches of its ethical governance policies.

The Council is committed to maintaining the highest standards of governance including the elimination of fraud and corruption and to ensuring that all activities are conducted ethically, honestly, openly and accountably so as to protect public safety and public money.

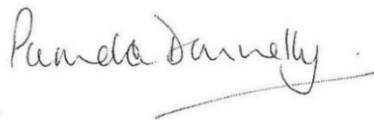
The Council expects the highest standards of conduct and integrity from all that have dealings with it including staff, elected members, suppliers, partners, volunteers and the public. Therefore, policies have been put in place to outline the standards required and procedures have been introduced to enable any person to raise genuine concerns they may have about the conduct of anybody acting for or on behalf of the Council.

The Ethical Governance policies form part of the Council's overall Corporate Governance framework and details of all the policies have been published on the Council's website at [www.colchester.gov.uk](http://www.colchester.gov.uk).

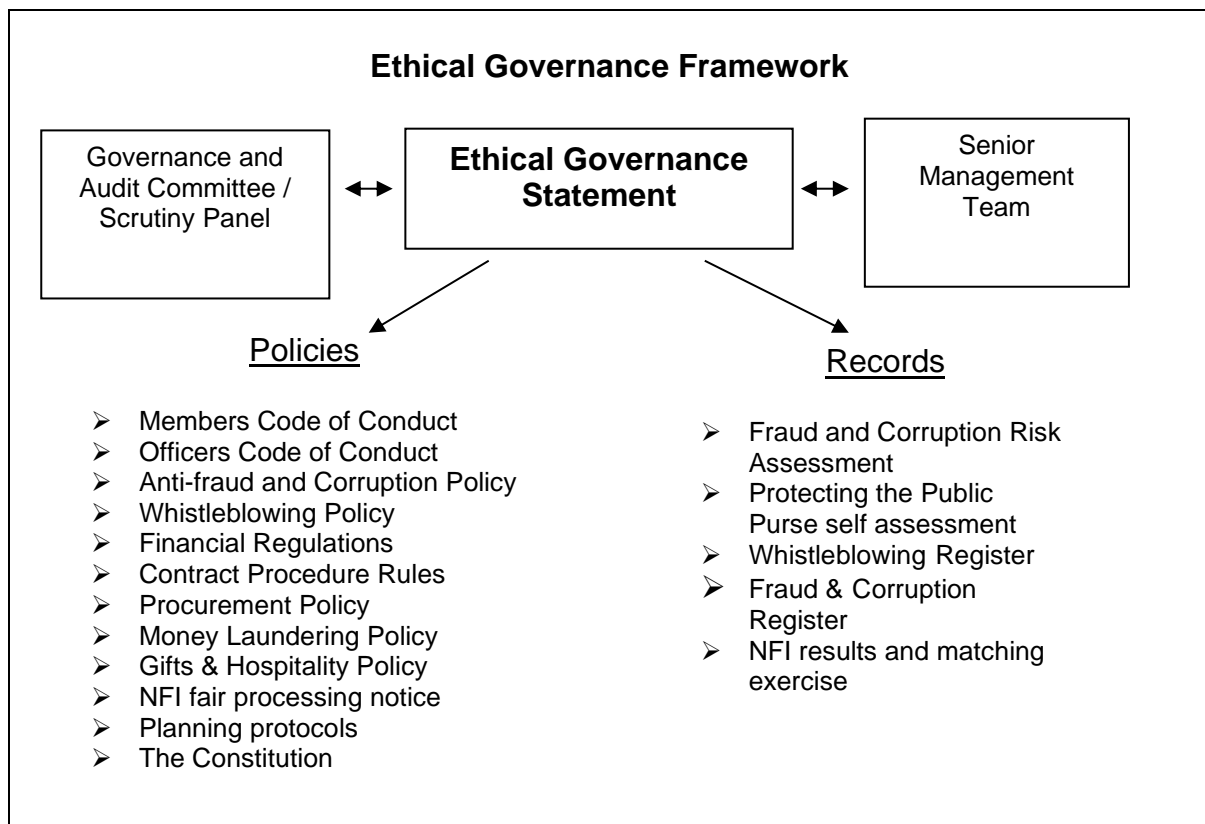
We will take all reasonable steps to ensure that concerns are investigated, and appropriate action taken where necessary. There will be no distinction made in investigation between cases that generate financial benefits and those that do not.



David King  
Leader of the Council



Pamela Donnelly  
Chief Executive





Colchester  
City Council

# Anti-Fraud and Corruption Policy

## 2023/24

A guide to the Council's approach to preventing fraud and corruption and managing any suspected cases

[www.colchester.gov.uk](http://www.colchester.gov.uk)

November 2023

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# ANTI-FRAUD AND CORRUPTION POLICY

## 1.0 INTRODUCTION

Colchester City Council, like every Local Authority, has a duty to ensure that it safeguards the public money that it is responsible for.

The Council expects the highest standards of conduct and integrity from all that have dealings with it including staff, members, contractors, volunteers and the public. It is committed to the elimination of fraud and corruption and to ensuring that all activities are conducted ethically, honestly and to the highest possible standard of openness and accountability so as to protect public safety and public money.

All suspicions or concerns of fraudulent or corrupt practise will be investigated. There will be no distinction made in investigation and action between cases that generate financial benefits and those that do not. Any investigations will not compromise the Council's commitment to Equal Opportunities or the requirements of the Human Rights Act or any other relevant statutory provision.

This policy has been created with due regard to the CIPFA better Governance Forum's Red Book 2 'Managing the Risk of Fraud' and the CIPFA 2014 Code of Practice on Managing the Risk of Fraud and Corruption.

## 2.0 OVERVIEW

This policy provides an overview of the measures designed to combat any attempted fraudulent or corrupt act. For ease of understanding it is separated into four areas as below:

- Culture
- Responsibilities and Prevention
- Detection and Investigation
- Awareness and Monitoring.

Fraud and corruption are defined as:

Fraud – “the intentional distortion of financial statements or other records by persons internal or external to the Council, which is carried out to conceal the misappropriation of assets or otherwise for gain”.

In addition, fraud can also be defined as “the intentional distortion of financial statements or other records by persons internal or external to the authority, which is carried out to mislead or misrepresent”.

Corruption – “the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person”.

The Council also abides by the Bribery Act 2010 which covers, amongst other things, the offences of bribing another person, of allowing to be bribed and organisational responsibility. Such offences include:

- The offer, promise or giving of financial or other advantage to another person in return for the person improperly performing a relevant function or activity
- Requesting, agreeing to receive or accepting a financial or other advantage intending that, in consequence a relevant function or activity should be performed improperly.
- Commercial organisation responsibility for a person, associated with the organisation, bribing another person for the purpose of obtaining or retaining business for the organisation.

In addition, this policy also covers “the failure to disclose an interest in order to gain financial or other pecuniary benefit.”

### 3.0 CULTURE

The prevention/detection of fraud/corruption and the protection of public money are responsibilities of everyone, both internal and external to the organisation. The Council's elected members and employees play an important role in creating and maintaining this culture. They are positively encouraged to raise concerns regarding fraud and corruption, immaterial of seniority, rank or status, in the knowledge that such concerns will, wherever possible, be treated in confidence. The public also has a role to play in this process and should inform the Council if they feel that fraud/corruption may have occurred.

Concerns must be raised when members, employees or the public reasonably believe that one or more of the following has occurred, is in the process of occurring or is likely to occur:

- A criminal offence
- A failure to comply with a statutory or legal obligation
- Improper or unauthorised use of public or other official funds
- A miscarriage of justice
- Maladministration, misconduct or malpractice
- Endangering an individual's health and/or safety
- Damage to the environment
- Deliberate concealment of any of the above.

The Council will ensure that any allegations received in any way, including by anonymous letter or telephone call, will be taken seriously and investigated in an appropriate manner. The Council has a whistle blowing policy that sets out the approach to these types of allegations in more detail.

The Council will deal firmly with those who defraud the Council or who are corrupt, or where there has been financial malpractice. There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse (such as employees/members raising malicious allegations) may be dealt with as a disciplinary matter (employees) or through Group procedures (Members).

When fraud or corruption has occurred due to a breakdown in the Council's systems or procedures, Directors will ensure that appropriate improvements in systems of control are implemented in order to prevent a re-occurrence.

## **4.0 RESPONSIBILITIES AND PREVENTION**

### **4.1 Responsibilities of Elected Members**

As elected representatives, all members of the Council have a duty to protect the Council and public money from any acts of fraud and corruption. This is done through existing practice, compliance with the Council's Members' Code of Conduct, the Council's Constitution including Financial Regulations and Procedure Rules and relevant legislation. Conduct and ethical matters are specifically brought to the attention of members during induction and include the declaration and registration of interests. Officers advise members of new legislative or procedural requirements.

### **4.2 Responsibilities of the Monitoring Officer**

The Monitoring Officer is responsible for ensuring that all decisions made by the Council are within the law. The Monitoring Officer's key role is to promote and maintain high standards of conduct throughout the Council by developing, enforcing and reporting appropriate governance arrangements including codes of conduct and other standards policies.

All suspected instances of fraud or corruption (apart from benefit claim issues) should be reported to the Monitoring Officer.

### **4.3 Responsibilities of the Section 151 Officer**

The Finance Director has been designated with the statutory responsibilities of the Finance Director as defined by s151 of the Local Government Act 1972. These responsibilities outline that every local authority in England and Wales should: "make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has the responsibility or the administration of those affairs"

'Proper administration' encompasses all aspects of local authority financial management including:

- Compliance with the statutory requirements for accounting and internal audit;
- Managing the financial affairs of the Council
- The proper exercise of a wide range of delegated powers both formal and informal;
- The recognition of the fiduciary responsibility owed to local taxpayers.

Under these statutory responsibilities the Section 151 Officer contributes to the anti-fraud and corruption framework of the Council.

#### **4.4 Responsibilities of the Senior Leadership Team**

Managers at all levels are responsible for the communication and implementation of this policy. They are also responsible for ensuring that their employees are aware of the Council's personnel policies and procedures, the Council's Financial Regulations and Procedure Rules and that the requirements of each are being met. Managers are expected to create an environment in which their staff feel able to approach them with any concerns they may have about suspected irregularities. Special arrangements may be applied from time to time for example where employees are responsible for cash handling or are in charge of financial systems and systems that generate payments, for example payroll or the Revenues and Benefits IT systems. These procedures will be supported by relevant training.

The Council recognises that a key preventative measure in dealing with fraud and corruption is for managers to take effective steps at the recruitment stage to establish, as far as possible, the honesty and integrity of potential employees, whether for permanent, temporary or casual posts and agency staff. The Council's formal recruitment procedure contains appropriate safeguards in the form of written references, the verification of qualifications held and employment history. Disclosure and Barring Service (DBS) checks are undertaken for employees working with or who may have contact with children or vulnerable adults.

#### **4.5 Responsibilities of Employees**

Each employee is governed in their work by the Council's Financial Regulations, Procedure Rules and other policies on conduct and IT usage. Included in the Council policies are guidelines on Gifts and Hospitality, and codes of conduct associated with professional and personal conduct and conflict of interest. These are issued to all employees when they join the Council. In addition, employees are responsible for ensuring that they follow any instructions given to them, particularly in relation to the safekeeping of the assets of the Council. Employees are expected always to be aware of the possibility that fraud, corruption and theft may exist in the workplace and be able to share their concerns with management.

#### **4.6 Role of Internal Audit**

Internal Audit plays a preventative role in trying to ensure that systems and procedures are in place to prevent and deter fraud and corruption. Internal Audit may be requested to investigate cases of suspected financial irregularity, fraud or corruption, except Benefit Fraud investigations, in accordance with agreed procedures. Within the Financial Regulations in the Constitution, representatives of Internal Audit are empowered to:

- enter at all reasonable times any Council premises or land
- have access to all records, documentation and correspondence relating to any financial and other transactions as considered necessary
- have access to records belonging to third parties such as contractors when required
- require and receive such explanations as are regarded necessary concerning any matter under examination



- require any employee of the Council to account for cash, stores or any other Council property under their control or possession

Internal Audit liaises with management to recommend changes in procedures to reduce risks and prevent losses to the Authority.

#### **4.7 Role of the Benefits Investigation**

Any allegations of benefit fraud are to be referred to the Department of Work and Pensions for investigation.

#### **4.8 Role of the Corporate Governance Team**

The team consists of various officers whose roles include governance issues and the objective is to promote and embed a governance culture throughout the organisation by implementing policies, reviewing issues, providing training and sharing information.

#### **4.9 Role of the External Auditors**

Independent external audit is an essential safeguard of the stewardship of public money. This is currently carried out by BDO UK LLP through specific reviews that are designed to test (amongst other things) the adequacy of the Council's financial systems and arrangements for preventing and detecting fraud and corruption. It is not the external auditors' function to prevent fraud and irregularities, but the integrity of public funds is at all times a matter of general concern. External auditors are always alert to the possibility of fraud and irregularity and will act without undue delay if grounds for suspicion come to their notice. The Council contributes to the bi-annual National Fraud Initiative which is designed to cross-match customers across authorities to highlight areas where there are potential fraudulent claims.

#### **4.10 Role of the Public**

This policy, although primarily aimed at those within or associated with the Council, enables concerns raised by the public to be investigated, as appropriate, by the relevant person in a proper manner.

#### **4.11 Conflicts of Interest**

Both elected members and employees must ensure that they avoid situations where there is a potential for a conflict of interest. Such situations can arise with externalisation of services, internal tendering, planning and land issues etc. Effective role separation will ensure decisions made are seen to be based upon impartial advice and avoid questions about improper disclosure of confidential information.

#### **4.12 Official Guidance**

In addition to Financial Regulations and Procedure Rules, due regard will be had to external and inspectorate recommendations.

The Council is aware of the high degree of external scrutiny of its affairs by a variety of bodies such as Government Inspection bodies, the Local Government and Social Care Ombudsman, HM Customs and Excise and the Inland Revenue. These bodies are important in highlighting any areas where improvements can be made.

## **5.0 DETECTION AND INVESTIGATION**

Internal Audit plays an important role in the detection of fraud and corruption. Included within the audit plans are reviews of system controls including financial controls and specific fraud and corruption tests, spot checks and unannounced visits.

In addition to Internal Audit, there are numerous systems and management controls in place to deter fraud and corruption, but it is often the vigilance of employees and members of the public that aids detection. In some cases, frauds are discovered by chance or “tip-off” and the Council will ensure that such information is properly dealt with in accordance with its whistleblowing policy.

Detailed guidance on the investigation process is available separately.

### **5.1 Disciplinary Action**

The Council’s Disciplinary Procedures will be used to facilitate a thorough investigation of any allegations of improper behaviour by employees. Theft, fraud and corruption are serious offences which may constitute gross misconduct against the Council and employees will face disciplinary action if there is evidence that they have been involved in these activities, including Benefit fraud. Disciplinary action will be taken in addition to, or instead of, criminal proceedings depending on the circumstances of each individual case.

Members will face appropriate action under this policy if they are found to have been involved in theft, fraud and corruption against the Council. Action will be taken in addition to, or instead of criminal proceedings, depending on the circumstances of each individual case but in a consistent manner. If the matter is a breach of the Members’ Code of Conduct, then it will be dealt with in accordance with the Arrangements agreed by the Council in accordance with the Localism Act 2011.

### **5.2 Prosecution**

In terms of proceedings the Council will endeavour to take action in relevant cases to deter others from committing offences against the Council.

### **5.3 Publicity**

The Council will optimise the publicity opportunities associated with anti-fraud and corruption activity within the Council. Wherever possible, where the Council has suffered a financial loss action will be taken to pursue the recovery of the loss.

All anti-fraud and corruption activities, including the update of this policy, will be publicised.

## **6.0 AWARENESS AND MONITORING**

The Council recognises that the continuing success of this policy and its general credibility will depend in part on the effectiveness of training and awareness for members and employees and will therefore take appropriate action to raise awareness levels.

The Monitoring Officer will provide an annual report to senior management and members outlining investigations undertaken during the year.

This policy and associated procedures will be reviewed at least annually and will be reported to senior management and the Governance and Audit Committee.



# Whistleblowing Policy

## 2023/24

A guide for employees and  
Councillors on how to raise  
concerns about conduct within the  
Council

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## WHISTLEBLOWING POLICY

### 1.0 Introduction

Employees or Councillors are often the first to realise that there may be some form of inappropriate conduct within the Council. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may just be a suspicion of misconduct, but this can have serious consequences if wrongdoing goes undetected.

The Council is committed to the highest possible standards of openness, probity, accountability and honesty. In line with that commitment, we expect employees, councillors and others that we deal with who have serious concerns, about any aspect of the Council's work, to come forward and voice those concerns.

This policy document makes it clear that employees and councillors can do so without fear of victimisation, subsequent discrimination or disadvantage. This Whistleblowing Policy and Procedure is intended to encourage and enable employees and councillors to raise serious concerns within the Council rather than overlooking a problem or 'blowing the whistle' outside. With the exception of employment related grievances, this policy will apply to any act of Whistleblowing, as defined by the charity Public Concern at Work to mean; "A disclosure of confidential information which relates to some danger, fraud or other illegal or unethical conduct connected with the workplace, be it of the employer or of its employees."

This policy and procedure applies to all employees, councillors, partners, volunteers and contractors. It also covers suppliers and members of the public.

These procedures are in addition to the Council's complaints procedures and other statutory reporting procedures. Officers are responsible for making customers aware of the existence of these procedures.

This policy has been discussed with the relevant trade unions and has their support.

### 2.0 Aims and Scope of the Whistleblowing Policy

This policy aims to:

- Encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice without fear of recrimination.
- Provide avenues for you to raise those concerns and receive feedback on any action taken.
- Ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied.

- Reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made any disclosure in good faith.
- Advise you of the support that the Council will provide if you raise concerns in good faith.

There are existing procedures in place to enable you to lodge a grievance relating to your own employment. This Whistleblowing Policy and Procedure is intended to cover major concerns that fall outside the scope of other procedures. These include:

- conduct which is an offence or a breach of law
- disclosures related to miscarriages of justice
- health and safety risks, including risks to the public as well as other employees
- damages to the environment
- the unauthorised use of public funds
- possible fraud and corruption
- other unethical conduct
- unacceptable business risks.

This concern may be about something that:

- makes you feel uncomfortable in terms of known standards, your experience or the standards you believe the Council subscribes to; or
- is against the Council's Procedure Rules and policies; or
- falls below established standards of practice; or
- amounts to improper conduct.

### **3.0 Safeguards**

#### **3.1 Harassment or Victimisation**

The Council is committed to good practice and high standards and wants to be supportive of employees and councillors.

The Council recognises that the decision to report a concern can be a difficult one to make. If what you are saying is true, you should have nothing to fear because you will be doing your duty to the Council and those for whom you are providing a service. In these situations, you are a witness and not a complainant.

The Council will not tolerate the harassment or victimisation of any person who raises a concern. The Council's disciplinary procedures will be used against any employee who is found to be harassing or victimising the person raising the concern and such behaviour by a councillor will be reported under the Members' Code of Conduct.

Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy procedures that already affect you if you are an employee.

### **3.2 Confidentiality**

All concerns will be treated in confidence and the Council will do its best to protect your identity if you do not want your name to be disclosed. If investigation of a concern discloses a situation that is sufficiently serious to warrant disciplinary action or police involvement, then your evidence may be important. Your name will not however be released as a possible witness until the reason for its disclosure, at this stage, has been fully discussed with you.

### **3.3 Anonymous Allegations**

This policy encourages you to put your name to your allegation whenever possible. Concerns expressed anonymously are much less powerful but will be considered at the discretion of the Council.

In exercising this discretion, the factors to be taken into account would include the:

- seriousness of the issues raised;
- credibility of the concern; and
- likelihood of confirming the allegation from attributable sources.

### **3.4 Untrue Allegations**

If you make an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against you. If however, you make an allegation maliciously or for personal gain, disciplinary action may be taken against you, or if you are a councillor a complaint may be made under the Members' Code of Conduct.

### **4.0 How to raise a concern**

You should normally raise concerns with the Monitoring Officer or the Section 151 Officer. However, if your concern relates to one of these officers you should raise your concerns with the Chief Executive.

Concerns may be raised verbally or in writing. Employees or councillors who wish to make a written report are invited to use the following format:

- the background and history of the concern (giving relevant dates);  
and
- the reason why you are particularly concerned about the situation.

The earlier you express the concern the easier it is to take action.

Although you are not expected to prove beyond doubt the truth of an allegation, you will need to demonstrate to the person contacted that there are reasonable grounds for your concern.



Advice and guidance on how matters of concern may be pursued can be obtained from:

Chief Executive, Pamela Donnelly ☎ 282211  
Monitoring Officer, Andrew Weavers ☎282213  
Section 151 Officer, Andrew Small ☎ 505861  
Deputy Monitoring Officer, Hayley McGrath ☎508902  
Deputy Monitoring Officer, Julian Wilkins ☎282257.

You may wish to consider discussing your concern with a colleague first and you may find it easier to raise the matter if there are two (or more) of you who have had the same experience or concerns.

If you are an employee, you may invite your trade union or a friend to be present during any meetings or interviews in connection with the concerns you have raised. If you are a councillor, you may be accompanied by your group leader.

The Council has a dedicated email address [whistleblowing@colchester.gov.uk](mailto:whistleblowing@colchester.gov.uk)

Further guidance on protection for anyone raising a concern can be found in the Public Interests Disclosure Act 1998.

## 5.0 How the Council will respond

The Council will respond to your concerns. Do not forget that testing out your concerns is not the same as rejecting them.

Where appropriate, the matters raised may be:

- investigated by management, Internal Audit, or through the disciplinary process
- referred to the police
- referred to the Council's external auditor
- the subject of an independent inquiry.

In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle, which the Council will have in mind, is the public interest.

Some concerns may be resolved by agreed action without the need for investigation.

Within **five** working days of a concern being raised, one of the named Officers will write to you:

- acknowledging that the concern has been received
- indicating how it is proposed to deal with the matter
- giving an estimate of how long it will take to provide a final response
- informing you whether any initial enquiries have been made
- supplying you with information on staff support mechanisms, and

- informing you whether further investigations will take place and if not, why not.

The amount of contact between the officers considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved, and the clarity of the information provided. If necessary, the Council will seek further information from you.

Where any meeting is arranged, off-site where appropriate, if you so wish, you can be accompanied by a union or professional association representative or a friend, or the group leader if you are a councillor.

The Council will take steps to minimise any difficulties, which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings the Council will arrange for you to receive advice about the procedure and will help you with the preparation of statements.

The Council accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, you will receive information about the outcomes of any investigation.

## 6.0 The Responsible Officer

The Monitoring Officer has overall responsibility for the maintenance and operation of this policy. That officer maintains a record of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will provide an annual report on the operation of the policy to the Governance and Audit Committee.

## 7.0 How the matter can be taken further

This policy is intended to provide you with an avenue to raise concerns within the Council. The Council hopes you will be satisfied with any action taken. If you are not, and if you feel it is right to take the matter outside the Council, the following are possible contact points:

- (a) Citizens Advice Bureau
- (b) relevant professional bodies or regulatory organisations
- (c) the police
- (d) Local Government and Social Care Ombudsman
- (e) the Council's Governance and Audit Committee.

If you are considering taking the matter outside of the Council, you should ensure that you are entitled to do so and that you do not disclose confidential information.

An independent charity, Protect, can offer independent and confidential advice. Protect can be contacted via their advice line on ☎ 020 3117 2520 or their website: <https://protect-advice.org.uk>

**8.0 Questions regarding this policy**

Any questions should, in the first instance, be referred to the Monitoring Officer.

**9.0 Review**

This policy will be reviewed annually.



Colchester  
City Council

# Anti-Money Laundering Policy

## 2023/24

A guide to the Council's anti-money  
laundering safeguards and reporting  
arrangements

[www.colchester.gov.uk](http://www.colchester.gov.uk)

November 2023

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## ANTI-MONEY LAUNDERING POLICY

### 1. Introduction

Although local authorities are not directly covered by the requirements of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, guidance from CIPFA indicates that they should comply with the underlying spirit of the legislation and regulations.

Colchester City Council is committed to the highest possible standards of conduct and has, therefore, put in place appropriate and proportionate anti-money laundering safeguards and reporting arrangements.

### 2. Scope of the Policy

This policy applies to all employees, whether permanent or temporary, and Members of the Council.

Its aim is to enable employees and Members to respond to a concern they have in the course of their dealings for the Council. Individuals who have a concern relating to a matter outside work should contact the Police.

### 3. Definition of Money Laundering

Money laundering describes offences involving the integration of the proceeds of crime, or terrorist funds, into the mainstream economy. Such offences are defined under the Proceeds of Crime Act 2002 ("the Act") as the following 'prohibited acts':

- Concealing, disguising, converting, transferring or removing criminal property from the UK
- Becoming involved in an arrangement which an individual knows or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person
- Acquiring, using or possessing criminal property
- Doing something that might prejudice an investigation e.g. falsifying a document
- Failure to disclose one of the offences listed in a) to c) above, where there are reasonable grounds for knowledge or suspicion
- Tipping off a person(s) who is or is suspected of being involved in money laundering in such a way as to reduce the likelihood of or prejudice an investigation.

Provided the Council does not undertake activities regulated under the Financial Services and Markets Act 2000, the offences of failure to disclose and tipping off do not apply. However, the Council and its employees and Members remain subject to the remainder of the offences and the full provisions of the Terrorism Act 2000.

The Terrorism Act 2000 made it an offence of money laundering to become concerned in an arrangement relating to the retention or control of property likely to be used for the purposes of terrorism or resulting from acts of terrorism.

Although the term ‘money laundering’ is generally used to describe the activities of organised crime, for most people it will involve a suspicion that someone they know, or know of, is benefiting financially from dishonest activities.

Potentially very heavy penalties (unlimited fines and imprisonment up to fourteen years) can be handed down to those who are convicted of one of the offences above.

#### **4. Requirements of the Money Laundering Legislation**

The main requirements of the legislation are:

- To appoint a money laundering reporting officer
- Maintain client identification procedures in certain circumstances
- Implement a procedure to enable the reporting of suspicions of money laundering
- Maintain record keeping procedures.

#### **5. The Money Laundering Reporting Officer (MLRO)**

The Council has designated the Monitoring Officer as the Money Laundering Reporting Officer (MLRO) who can be contacted at [andrew.weavers@colchester.gov.uk](mailto:andrew.weavers@colchester.gov.uk) or on 01206 282213.

In the absence of the MLRO or in instances where it is suspected that the MLRO themselves are involved in suspicious transactions, concerns should be raised with the Council’s Section 151 Officer, Andrew Small.

#### **6. Client Identification Procedures**

Although not a legal requirement, the Council has developed formal client identification procedures which must be followed when Council land or property is being sold. These procedures require individuals and if appropriate, companies to provide proof of identity and current address.

If satisfactory evidence is not obtained at the outset of a matter, then the transaction must not be progressed and a disclosure report, available on the Council’s intranet (COLIN), must be submitted to the Money Laundering Reporting Officer.

All personal data collected must be kept in compliance with the Data Protection Act 2018.

#### **7. Reporting Procedure for Suspicions of Money Laundering**

Where you know or suspect that money laundering activity is taking/has taken place or become concerned that your involvement in a matter may amount to a prohibited act under the Act, you must disclose this as soon as practicable to the MLRO. The disclosure should be within “hours” of the information coming to your attention, not weeks or months later.

Your disclosure should be made to the MLRO using the disclosure report, attached at Appendix 1 to this policy. The report must include as much detail as possible including

- Full details of the people involved
- Full details of the nature of their/your involvement.

- The types of money laundering activity involved
- The dates of such activities
- Whether the transactions have happened, are ongoing or are imminent
- Where they took place
- How they were undertaken
- The (likely) amount of money/assets involved
- Why, exactly, you are suspicious.

Along with any other available information to enable the MLRO to make a sound judgment as to whether there are reasonable grounds for knowledge or suspicion of money laundering and to enable him to prepare his report to the National Crime Agency (NCA), where appropriate. You should also enclose copies of any relevant supporting documentation.

If you are concerned that your involvement in the transaction would amount to a prohibited act under sections 327 – 329 of the Act, then your report must include all relevant details, as you will need consent from the NCA, via the MLRO, to take any further part in the transaction - this is the case even if the client gives instructions for the matter to proceed before such consent is given. You should therefore make it clear in the report if such consent is required and clarify whether there are any deadlines for giving such consent e.g. a completion date or court deadline.

Once you have reported the matter to the MLRO you must follow any given directions. You must NOT make any further enquiries into the matter yourself: any necessary investigation will be undertaken by the NCA. Simply report your suspicions to the MLRO who will refer the matter on to the NCA if appropriate. All members of staff will be required to co-operate with the MLRO and the authorities during any subsequent money laundering investigation.

Similarly, at no time and under no circumstances should you voice any suspicions to the person(s) whom you suspect of money laundering, even if the NCA has given consent to a particular transaction proceeding, without the specific consent of the MLRO; otherwise, you may commit a criminal offence of “tipping off”.

Do not, therefore, make any reference on a client file to a report having been made to the MLRO – should the client exercise their right to see the file, then such a note will obviously tip them off to the report having been made and may render you liable to prosecution. The MLRO will keep the appropriate records in a confidential manner.

## **8. Consideration of the disclosure by the Money Laundering Reporting Officer**

Upon receipt of a disclosure report, the MLRO must note the date of receipt on his section of the report and acknowledge receipt of it. He should also advise you of the timescale within which he expects to respond to you.

The MLRO will consider the report and any other available internal information he thinks relevant, for example:

- reviewing other transaction patterns and volumes
- the length of any business relationship involved
- the number of any one-off transactions and linked one-off transactions



- any identification evidence held.

The MLRO will undertake such other reasonable inquiries he thinks appropriate in order to ensure that all available information is taken into account in deciding whether a report to the NCA is required (such enquiries being made in such a way as to avoid any appearance of tipping off those involved). The MLRO may also need to discuss the report with you.

Once the MLRO has evaluated the disclosure report and any other relevant information, he must make a timely determination as to whether:

- there is actual or suspected money laundering taking place; or
- there are reasonable grounds to know or suspect that is the case; and
- whether he needs to seek consent from the NCA for a particular transaction to proceed.

Where the MLRO does so conclude, then he must disclose the matter as soon as practicable to the NCA on their standard report form and in the prescribed manner, unless he has a reasonable excuse for non-disclosure to the NCA (for example, if you are a lawyer and you wish to claim legal professional privilege for not disclosing the information).

Where the MLRO suspects money laundering but has a reasonable excuse for non-disclosure, then the MLRO must note the report accordingly; he can then immediately give his consent for any ongoing or imminent transactions to proceed.

In cases where legal professional privilege may apply, the MLRO must liaise with the Council's Section 151 Officer to decide whether there is a reasonable excuse for not reporting the matter to the NCA.

Where consent is required from the NCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until the NCA has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from the NCA.

Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then he shall mark the report accordingly and give his consent for any ongoing or imminent transaction(s) to proceed.

All disclosure reports referred to the MLRO and reports made by him to the NCA must be retained by the MLRO in a confidential file kept for that purpose, for a minimum of five years.

The MLRO commits a criminal offence if he knows or suspects, or has reasonable grounds to do so, through a disclosure being made to him, that another person is engaged in money laundering, and he does not disclose this as soon as practicable to the NCA.

## 9. Training

Officers considered likely to be exposed to suspicious situations, will be made aware of these by their senior officer and provided with appropriate training.

Additionally, all employees and Members will be familiarised with the legal and regulatory requirements relating to money laundering and how they affect both the Council and them.

Notwithstanding the paragraphs above, it is the duty of officers and Members to report all suspicious transactions whether they have received their training or not.

## **10. Conclusion**

Given a local authority's legal position with regard to the legislative requirements governing money laundering, the Council believes that this Policy represents a proportionate response to the level of risk it faces of money laundering offences.

## **11. Review**

This policy will be reviewed annually.

CONFIDENTIAL

Appendix 1

**REPORT TO MONEY LAUNDERING REPORTING OFFICER  
RE: SUSPECTED MONEY LAUNDERING ACTIVITY**

**To:** Monitoring Officer, Money Laundering Reporting Officer  
**From:** ..... *[Name of employee]*  
**Department:** ..... *[Post title and Service Area]*  
**Ext / Tel No:** .....

**DETAILS OF SUSPECTED OFFENCE:**

**Name(s) and address(es) of person(s) involved:**

*[If a company / public body please include details of nature of business]*

**Nature, value and timing of activity involved:**

*[Please include full details e.g. what, where, how. Continue on a separate sheet if necessary]*

**Nature of suspicions regarding such activity:**

*[Please continue on a separate sheet if necessary]*

---

**Has any investigation been undertaken (as far as you are aware)?** *[Please tick relevant box]*      Yes       No

**If yes, please include details below:**

**Have you discussed your suspicions with anyone else?**      Yes       No   
*[Please tick relevant box]*

**If yes, please provide details of who the discussions took place with and explain why such discussion was necessary:**

**Have you consulted any supervisory body guidance re: money laundering (e.g. the Law Society)** *[Please tick relevant box]*    Yes     No

**If yes, please specify below:**

**Do you feel you have a reasonable justification for not disclosing the matter to the NCA? (e.g. are you a lawyer and wish claim legal privilege?)** *[Please tick relevant box]*    Yes     No  **to**

**If yes, please set out full details below:**

Are you involved in a transaction which might be a prohibited act under sections 327-329 of the Act and which requires appropriate consent from the NCA Yes  No

*[Please tick relevant box]*

If yes, please include details below:

Please set out below any other information you feel is relevant:

***Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a tipping off offence, which carries a maximum penalty of 5 years imprisonment.***

**Signed:** .....

**Dated:** .....

CONFIDENTIAL

Appendix 1

**REPORT TO MONEY LAUNDERING REPORTING OFFICER**

**RE: SUSPECTED MONEY LAUNDERING ACTIVITY**

**To:** Monitoring Officer, Money Laundering Reporting Officer

**From:** ..... *[Name of employee]*

**Department:** ..... *[Post title and Service Area]*

**Tel No:** .....

**Email:**

**DETAILS OF SUSPECTED OFFENCE:**

**Name(s) and address(es) of person(s) involved:**

*[If a company / public body please include details of nature of business]*

**Nature, value and timing of activity involved:**

*[Please include full details e.g. what, where, how. Continue on a separate sheet if necessary]*

**Nature of suspicions regarding such activity:**

*[Please continue on a separate sheet if necessary]*

---

**Has any investigation been undertaken (as far as you are aware)?** *[Please tick relevant box]*      Yes       No

**If yes, please include details below:**

**Have you discussed your suspicions with anyone else?**      Yes       No   
*[Please tick relevant box]*

**If yes, please provide details of who the discussions took place with and explain why such discussion was necessary:**



---

**Have you consulted any supervisory body guidance re: money laundering (e.g. the Law Society)** *[Please tick relevant box]*    Yes     No

**If yes, please specify below:**

**Do you feel you have a reasonable justification for not disclosing the matter to the NCA? (e.g. are you a lawyer and wish claim legal privilege?)** *[Please tick relevant box]*    Yes     No  **to**

**If yes, please set out full details below:**

**Are you involved in a transaction which might be a prohibited act under sections 327-329 of the Act and which requires appropriate consent from the NCA**      Yes       No

*[Please tick relevant box]*

**If yes, please include details below:**

**Please set out below any other information you feel is relevant:**

***Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a tipping off offence, which carries a maximum penalty of 5 years imprisonment.***

**Signed:** .....

**Dated:** .....



# Code of Practice on Covert Surveillance 2023/24

A guide to the Council's approach to the  
Regulation of Investigatory Powers Act  
2000

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# CODE OF PRACTICE ON COVERT SURVEILLANCE

## 1.0 INTRODUCTION

The Council enforces the law in a number of areas. As part of this enforcement there will be occasions where surveillance of individuals or property is necessary to ensure that the law is being complied with. When the Council does decide to undertake surveillance, it is important that it remains within the law which is contained in the Regulation of Investigatory Powers Act 2000 (“the Act”) as amended by the Protection of Freedoms Act 2012 and the Investigatory Powers Act 2016.

The GOV website provides an overview of the Act and procedures:

<http://www.homeoffice.gov.uk/counter-terrorism/regulation-investigatory-powers/>

The Act sets out certain criteria that the Council has to comply with before it undertakes surveillance and those are also reflected in the Home Office Code of Practice on Covert Surveillance and Property Interference (“the Code of Practice”) which is available on its website:

[CHIS Code \(publishing.service.gov.uk\)](http://publishing.service.gov.uk)

The Home Office has also issued guidance on the judicial approval process for the Regulation of Investigatory Powers (RIPA) Act 2000 and the crime threshold for directed surveillance. This is available on the Home Office website:

<http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/local-authority-ripa-guidance/local-authority-england-wales?view=Binary>

Officers will need to familiarise themselves with the contents of the Code of Practice and the Code.

The Investigatory Powers Commissioner’s Office has responsibility for oversight of investigatory powers.

<https://www.ipco.org.uk/>

The Council will comply with the Code when carrying out directed surveillance and officers should be aware of its provisions. Failure to observe the provisions of the Act may result in the protection of the Act not being available. This may mean that the evidence gathered:

- *is not admissible in court proceedings.*
- *is a breach of an individual's human rights.*

This policy sets out how Colchester City Council (including Colchester Borough Homes) will comply with the Act, the Code and the Code of Practice. It also clarifies the circumstances in which officers will be able to use covert surveillance and the internal requirements that will need to be observed when conducting that surveillance.

The Policy Statement should be read in conjunction with the Council's Data Protection Policy.

The Policy Statement will be made available for inspection at Council offices.

Any officer considering an application under the Act should first seek the advice of the Senior Responsible Officer in Legal Services.

## **2.0 What does the Act and the Code cover?**

The Act and the Code cover covert surveillance, which is defined in the Act as being surveillance which *“is carried out in manner calculated to ensure that the persons subject to the surveillance are unaware that it is or may be taking place”*.

### **2.1 Directed surveillance**

Local authorities can only use a form of covert surveillance called “directed surveillance”. This is defined in the Act as where the surveillance is covert but not intrusive and is undertaken:

- for the purposes of a specific investigation or operation
- in such a manner as is likely to result in the obtaining of private information about a person (whether or not specifically identified for the purposes of the investigation) and
- otherwise, than by way of an immediate response to events or circumstances, the nature of which is such that it would not be reasonably practicable for an authorisation under the Act to be sought.

“Private Information” in relation to a person includes any information relating to their private or family life.

Surveillance is not covert if notification has been sent to the intended subject of the surveillance. For example, in a noise nuisance case a letter notifying a subject that the noise will be monitored by officers visiting will make the surveillance overt. However, as a matter of good practice, surveillance should be considered covert if the notification to the subject is over 3 months old. All communications of this nature should be sent by Registered Post or delivered by hand.

### **2.2 General observations**

General observations by officers in the course of their duties are not covered by the Act

Directed surveillance will not include surveillance that is undertaken as an immediate response to events or circumstances which, by their nature could not have been foreseen. This will include situations where officers are out in the normal course of their duties and happen to witness an activity, for example a housing officer visiting tenants and witnessing anti-social behaviour by an individual. *In other words, where there is no systematic surveillance.*

If there is any doubt as to whether a RIPA authorisation is required, you must seek advice from the Council's Legal Services.

### 2.3 Intrusive surveillance

"Intrusive Surveillance" is surveillance that is:

- carried out in relation to anything taking place on any residential premises or in any private vehicle; and
- involves the presence of an individual on the premises or in the vehicle or is carried out by means of a surveillance device.

***Intrusive Surveillance cannot be authorised by local authority officers and all officers are strictly prohibited from engaging in Intrusive Surveillance.***

### 2.4 Covert Human Intelligence Sources

The Council is also permitted to use Covert Human Intelligence Sources under the Act. A Covert Human Intelligence Source is someone who establishes or maintains a personal or other relationship for the covert purpose of helping the covert use of the relationship to obtain information. However, at the current time the Council does not consider this necessary and will not use Covert Human Intelligence Sources.

All officers are strictly prohibited from using Covert Human Intelligence Sources.

Unlike directed surveillance, which relates specifically to private information, authorisations for the use or conduct of a Covert Human Intelligence Source do not relate specifically to private information, but to the covert manipulation of a relationship to gain any information. European Court of Human Rights case law makes it clear that Article 8 of the European Convention on Human Rights includes the right to establish and develop relationships. Accordingly, any manipulation of a relationship by a public authority (e.g., one party having a covert purpose on behalf of a public authority) is likely to engage Article 8, regardless of whether or not the public authority intends to acquire private information.

Not all human source activity will meet the definition of a Covert Human Intelligence Source. For example, a source may be a public volunteer who discloses information out of professional or statutory duty or has been tasked to obtain information other than by way of a relationship.

Certain individuals will be required to provide information to public authorities or designated bodies out of professional or statutory duty. For example, employees within organisations regulated by the money laundering provisions of the Proceeds of Crime Act 2002 will be required to comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and report suspicious transactions. Similarly, financial officials, accountants or company administrators may have a duty to provide information that they have obtained by virtue of their position to the Serious Fraud Office.

Any such regulatory or professional disclosures should not result in these individuals meeting the definition of a Covert Human Intelligence Source, as the business or

professional relationships from which the information derives will not have been established or maintained for the covert purpose of disclosing such information.

Individuals or members of organisations (e.g. travel agents, housing associations and taxi companies) who, because of their work or role have access to personal information, may voluntarily provide information to the police on a repeated basis and need to be managed appropriately. Public authorities must keep such human sources under constant review to ensure that they are managed with an appropriate level of sensitivity and confidentiality, and to establish whether, at any given stage, they could be regarded as a Covert Human Intelligence Source.

Any officer concerned must seek urgent advice from the Senior Responsible Officer.

### 3.0 Areas of operation

The Council has examined its functions and considers that the following areas may use directed surveillance from time to time. The following is not meant to be an exhaustive list but covers areas where directed surveillance may be necessary in the course of the Council's business.

- Neighbour nuisance and anti-social behaviour
- Protection of Council property
- Licensing enforcement
- Fraud against the Council (including benefit fraud)
- Misuse of Council property, facilities and services
- Enforcement of the planning regime
- Environmental monitoring and control
- Food Safety enforcement.
- CCTV, but more on this later (see 8.2).

However, this is subject to the crime threshold referred to at 5.0 below.

### 4.0 AUTHORISATION AND AUTHORISING OFFICERS

If directed surveillance is proposed to be carried out, then **authorisation must be sought**.

Under the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2003 as amended by the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 and the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2015, the Council considers that the following officers can authorise directed surveillance ("Authorising Officer"):

Chief Executive;  
Deputy Chief Executive and Executive Director Place; and  
Chief Operating Officer.



Any case involving Confidential Information must be authorised by the Chief Executive.

An Authorising Officer when being requested to authorise directed surveillance must be satisfied that the request is necessary and meets the criteria set down in the Act, the Code and the Code of Practice. An Authorising Officer must not authorise directed surveillance connected with an investigation in which they are directly involved.

Any application to extend or cancel surveillance must also be approved by an Authorising Officer.

Once any application is approved by the Authorising Officer it must be referred to Legal Services who will make an application for approval by a Magistrate.

No directed surveillance may be undertaken by the Council without the prior approval of a Magistrate.

## 5.0 CRIME THRESHOLD

The Code of Practice states that the Council:

- **can** only grant an authorisation under RIPA for the use of directed surveillance where it is investigating criminal offences which attract a maximum custodial sentence of six months or more or criminal offences relating to the underage sale of alcohol or tobacco.
- **cannot** authorise directed surveillance for the purpose of preventing disorder unless this involves a criminal offence(s) punishable (whether on summary conviction or indictment) by a maximum term of at least 6 months' imprisonment.
- **can** authorise use of directed surveillance in more serious cases as long as the other tests are met – i.e., that it is necessary and proportionate and where prior approval from a Magistrate has been granted. Examples of cases where the offence being investigated attracts a maximum custodial sentence of six months or more could include more serious criminal damage, dangerous waste dumping and serious or serial benefit fraud.
- **can** authorise the use of directed surveillance for the purpose of preventing or detecting specified criminal offences relating to the underage sale of alcohol and tobacco where the necessity and proportionality test is met and prior approval from a Magistrate has been granted.
- **cannot** authorise the use of directed surveillance under RIPA to investigate disorder that does not involve criminal offences or to investigate low-level offences which include, for example, littering, dog control and fly-posting.

## 6.0 GROUNDS FOR GRANTING AN AUTHORISATION

An authorisation for directed surveillance may only be granted if the Authorising Officer believes that authorisation is necessary:

**for the purposes of preventing or detecting crime or of preventing disorder and it meets the crime threshold mentioned in 5.0 above.**

AND the Authorising Officer must also be satisfied and believe that the surveillance is proportionate to what it seeks to achieve.

The Code advises that following elements of proportionality should be fully considered:

- balancing the size and scope of the proposed activity against the gravity and extent of the perceived mischief;
- explaining how and why the methods to be adopted will cause the least possible intrusion on the target and others;
- that the activity is an appropriate use of the legislation and the only reasonable way, having considered all others, of obtaining the necessary result; and
- providing evidence of other methods considered and why they were not implemented.

Covert surveillance will only be used for one of the legitimate purposes where sufficient evidence exists to justify the surveillance and the surveillance is the least intrusive method of meeting that purpose. The surveillance itself must be a proportionate response to the issue it is seeking to address. Consideration should be given to alternative methods of resolving the situation or obtaining the evidence sought and this should be documented.

Particular attention should be paid to the effect of the surveillance on the privacy of other persons ("collateral intrusion"). Measures should be taken to avoid or minimise intrusion. Any collateral intrusion should be taken into account when an Authorising Officer is assessing proportionality.

## 7.0 PROCEDURE FOR AUTHORISATIONS, CANCELLATIONS AND RENEWALS

### 7.1 Authorisations

An authorisation must be granted by those persons authorised at 4 above. No other person is permitted to authorise directed surveillance.

Authorisations must be in writing on the form attached.

Authorisation cannot be given to operations after they have commenced. Failure to obtain correct authorisation may mean that evidence is not admissible in legal proceedings and may breach a subject's human rights.

The authorisation form must be kept on the relevant case papers and held securely. A copy of the authorisation must be passed to Legal Services to be held on a central file and monitored for consistency of approach of Authorising Officers and validity.

An authorisation period begins on the date and time the authorisation is approved by a magistrate and will cease to have effect (unless renewed) at the end of a period of *three months* beginning with the day on which it took effect.

## 7.2 Magistrates' Approval

Once an authorisation form has been completed Legal Services will:

- contact the Magistrates' Court to arrange for a hearing
- supply the court with a partially completed judicial application/order form
- supply the court with a copy of the authorisation and any supporting documents setting out the Council's case
- the hearing will be in private and be heard by a single Justice of the Peace.

The Justice of the Peace may decide to either:

- (i) approve the grant (or renewal) of an authorisation; or
- (ii) refuse to approve the grant (or renewal) of an authorisation.

It is preferable for the Authorising Officer also to attend the hearing to give the Bench assistance if necessary.

## 7.3 Review

Officers should, as a matter of good practice, review authorisations on a regular basis during the course of that surveillance to ensure that the authorisation still meets the criteria. If it does not, the authorisation should be cancelled using the procedure described below. A review form is attached. Officers in charge of investigations will be required to keep a record of these reviews and will submit a record of that review (normally by email) to the Monitoring Officer to be held centrally.

## 7.4 Renewals

A renewal of an authorisation can be made shortly before it expires and must be done on the form attached. The original should be kept on the case file and a copy passed to the Monitoring Officer for retention centrally. When considering whether to grant a renewal of an authorisation the Authorising Officer will consider the same factors outlined at 5 above. All renewals must be subject of an application to the Magistrates' Court in line with the procedure at 7.2 above.

## 7.5 Cancellations

The Authorising Officer who last granted or renewed the authorisation must cancel it if s/he is satisfied that the directed surveillance no longer meets the criteria for authorisation. A

cancellation should be made on the form attached. The original should be retained on the case file and a copy passed to Legal Services for retention centrally.

Authorisations, renewals and cancellations are subject to monitoring on an annual basis by the Monitoring Officer as to validity under the Act and the Code.

## 7.6 Audit

At the end of each calendar year each of the Authorising Officers referred to at 4 must provide the Monitoring Officer with a list of all directed surveillance authorised by them throughout that year or provide written and signed confirmation that no such surveillance has been authorised by them

## 8.0 MISCELLANEOUS POINTS

### 8.1 Material obtained from covert surveillance ("product")

Material produced as a result of covert surveillance will be secured and transported securely. Where the product obtained is to be used in criminal proceedings the Council must comply with the provisions of the Police and Criminal Evidence Act 1984. In all other cases the treatment of product must follow Council's guidelines on access, retention and storage as set out in the Data Protection Policy.

### 8.2 CCTV

The Act and the Code will not usually apply to use of an overt CCTV system because the public are aware that the system is in use. However there are circumstances where the system is used for the purposes of a *specific operation or investigation* and in these circumstances an authorisation will be required. If the police assume operational control of the system an authorisation complying with their own procedures must be supplied to the Council. Further information in respect of these procedures can be found in the Council's CCTV Code of Practice, which has been produced in conjunction with Essex Police.

## 9.0 SOCIAL MEDIA

With the increasing use of social media there is a significant amount of information on an individual's social networking pages. This information might be relevant to an investigation being undertaken by the Council. However, unguided research into the sites of suspects could fall within the remit of RIPA and therefore require authorisation prior to it being undertaken. **You should therefore seek advice from Legal Services prior to undertaking any investigation using social networking sites.**

Where privacy settings are available but not applied the data available on Social Networking Sites may be considered 'open source' and an authorisation is not usually required. However, privacy implications may still apply even if the subject has not applied privacy settings (section 3.13 of the Code).

Repeat viewing of 'open source' sites, however, may constitute directed surveillance on a case by case basis and this should be borne in mind e.g. if someone is being monitored

through, for example, their Facebook profile for a period of time and a record of the information is kept for later analysis, this is likely to require a RIPA authorisation for directed surveillance.

To avoid the potential for inadvertent or inappropriate use of social network sites in investigative and enforcement roles, Officers should be mindful of any relevant guidance and the Council's separate Use of Social Media in Investigations Policy and Procedure attached at Annex 1 of this Policy.

## **10.0 TRAINING**

The Council will ensure that the Officers who are authorising directed surveillance are appropriately trained.

All Authorising Officers and those routinely engaged in directed surveillance have been provided with this guidance, have access to the Code and the standard forms.

This Code of Practice and the standard forms are available in electronic format on the Council's intranet, COLIN.

## **11.0 GENERAL BEST PRACTICES**

The following guidelines are considered as best working practices by all public authorities with regard to all applications for authorisations covered by the Code:

- applications should avoid any repetition of information;
- information contained in applications should be limited to that required by the relevant legislation;
- an application should not require the sanction of any person in the Council other than the Authorising Officer;
- where it is foreseen, that other agencies will be involved in carrying out the surveillance, these agencies should be detailed in the application;
- authorisations should not generally be sought for activities already authorised following an application by the same or a different public authority.

## **12.0 SENIOR RESPONSIBLE OFFICER**

The Council's nominated Senior Responsible Officer in accordance with the Code is Andrew Weavers, Head of Governance and Monitoring Officer who will be responsible for:

- the integrity of the process in place within the Council to authorise directed surveillance
- compliance with Part II of the Act, the Code and the Code of Practice
- engagement with the Investigatory Powers Commissioner's Office and inspectors when they conduct their inspections, and where necessary, overseeing the

- implementation of any post inspection action plans recommended or approved by a Commissioner
- assurance that all authorising officers are of an appropriate standard in light of any recommendations in the inspection reports prepared by the Investigatory Powers Commissioner's Office
- supervising the maintenance of records.

## 13.0 COMMUNICATIONS DATA

**Before considering submitting an application for the acquisition of communications data, all officers must first refer the matter to the Senior Responsible Officer.**

Communications Data is the 'who', 'when' and 'where' of a communication, but not the 'what' (i.e. the content of what was said or written). Local Authorities are not permitted to intercept the content of any person's communications.

Part 3 of the Investigatory Powers Act 2016 (IPA) replaced part 1 chapter 2 of the Act in relation to the acquisition of communications data and puts local authorities on the same standing as the police and law enforcement agencies. Previously local authorities have been limited to obtaining subscriber details (known now as "entity" data) such as the registered user of a telephone number or email address. Under the IPA, local authorities can now also obtain details of in and out call data, and cell site location. This information identifies who a criminal suspect is in communication with and whereabouts the suspect was when they made or received a call, or the location from which they were using an Internet service. This additional data is defined as "events" data.

A new threshold for which communications data "events" data can be sought has been introduced under the IPA as "applicable crime". Defined in section 86(2A) of the IPA this means: an offence for which an adult is capable of being sentenced to one year or more in prison; any offence involving violence, resulting in substantial financial gain or involving conduct by a large group of persons in pursuit of a common goal; any offence committed by a body corporate; any offence which involves the sending of a communication or a breach of privacy; or an offence which involves, as an integral part of it, or the sending of a communication or breach of a person's privacy.

Further guidance can be found in paragraphs 3.3 to 3.13 of the Communications Data Code of Practice published on the Home Office website:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/757850/Communications\\_Data\\_Code\\_of\\_Practice.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/757850/Communications_Data_Code_of_Practice.pdf)

The IPA has also removed the necessity for local authorities to seek the endorsement of a Justice of the Peace when seeking to acquire communications data. All such applications must now be processed through the National Anti-Fraud Network ("NAFN") and will be considered for approval by the independent Office of Communication Data Authorisation ("OCDA"). The transfer of applications between local authorities, NAFN and OCDA is all conducted electronically and will therefore reduce what can be a protracted process of securing an appearance before a Magistrate or District Judge (see local authority procedures set out in paragraphs 8.1 to 8.7 of the Communications Data Code of Practice).

## 14.0 COMPLAINTS

The Act, the Code and the Code of Practice are subject to monitoring by the Investigatory Powers Commissioner's Office. Any complaints regarding use of surveillance powers should be dealt with initially through the Council's Complaints and Compliments Procedure. If this does not result in a satisfactory outcome for the complainant then they should be referred to:

The Investigatory Powers Tribunal  
PO Box 33220  
London SW1V 9QZ  
Tel: 0207 035 3711  
Website : [www.ipt-uk.com](http://www.ipt-uk.com)

## 15.0 QUERIES ABOUT THIS CODE OF PRACTICE

Any queries regarding this Code of Practice should be referred to the Monitoring Officer, Andrew Weavers by email at [andrew.weavers@colchester.gov.uk](mailto:andrew.weavers@colchester.gov.uk) or ☎ 01206 282213

## 16.0 REVIEW

This Code of Practice will be reviewed annually.



# Use of Social Media in Investigations Policy and Procedure

2023/24

A guide to the Council's approach to the use of social media in relation to Regulation of Investigatory Powers Act 2000 investigations.

[www.colchester.gov.uk](http://www.colchester.gov.uk)



**USE OF SOCIAL MEDIA IN INVESTIGATIONS**  
**POLICY AND PROCEDURES**  
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## **1.0 INTRODUCTION & BACKGROUND**

- 1.1 Social Media has become a significant part of many people's lives. By its very nature, Social Media accumulates a sizable amount of information about a person's life, from daily routines to specific events. Their accessibility on mobile devices can also mean that a person's precise location at a given time may also be recorded whenever they interact with a form of Social Media on their devices. All of this means that incredibly detailed information can be obtained about a person and their activities.
- 1.2 Social Media can therefore be a very useful tool when investigating alleged offences with a view to bringing a prosecution in the courts. The use of information gathered from the various different forms of Social Media available can go some way to proving or disproving such things as whether a statement made by a defendant, or an allegation made by a complainant, is truthful or not. However, there is a danger that the use of Social Media can be abused, which would have an adverse effect, damaging potential prosecutions and even leave the Council open to complaints or criminal charges itself.
- 1.3 This Policy sets the framework on which the Council may utilise Social Media when conducting investigations into alleged offences. Whilst the use of Social Media to investigate is not automatically considered covert surveillance, its misuse when conducting investigations can mean that it crosses over into the realms of covert and/or targeted surveillance, even when that misuse is inadvertent. It is therefore crucial that the provisions of the Regulation of Investigatory Powers Act 2000 (RIPA), as it relates to covert and directed surveillance, are followed at all times when using Social Media information in investigations.
- 1.4 It is possible for the Council's use of Social Media in investigating potential offences to cross over into becoming unauthorised surveillance, and in so doing, breach a person's right to privacy under Article 8 of the Human Rights Act. Even if surveillance without due authorisation in a particular instance is not illegal, if authorisation is not obtained, the surveillance carried out will not have the protection that RIPA affords and may mean it is rendered inadmissible.
- 1.5 It is the aim of this Procedure to ensure that investigations involving the use of Social Media are done so lawfully and correctly so as not to interfere with an accused's human rights, nor to require authorisation under RIPA, whilst ensuring that evidence gathered from Social Media is captured and presented to court in the correct manner.
- 1.6 Officers who are involved in investigations, into both individuals and business they suspect to have committed an offence, should consult Legal Services if they are unsure about any part of this Policy and how it affects their investigative practices.

## **2.0 REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)**

- 2.1 With the increasing use of smartphones and personal devices, there is a significant amount of information on an individual's Social Media pages. This information might be relevant to an investigation being undertaken by

the Council. However, unguided research into the sites of suspects could fall within the remit of RIPA and therefore require authorisation prior to it being undertaken. Officers should therefore seek advice from Legal Services prior to undertaking any investigation using Social Media sites.

- 2.2 Officers embarking on any form of investigatory action should always do so with RIPA in mind. Whilst RIPA will not always be relevant to every investigation, it is vital that officers involved in investigative practices against individuals, regularly review their conduct with respect to investigatory actions. Any investigation is capable of evolving from being one that does not require RIPA authorisation, to one that does, at any point.
- 2.3 Accordingly, this Policy should be read in conjunction with the Council's current Code of Practice on Covert Surveillance, as well as the statutory codes of practice issued by the Secretary of State and the Office of Surveillance Commissioners' Guidance.
- 2.4 Instances of repeated and/or regular monitoring of Social Media accounts, as opposed to one-off viewing, may require RIPA authorisation. Advice should be sought from Legal Services where it is envisaged that this level of monitoring will be required in relation to a particular investigation. See paragraph 6.2 below.

### **3.0 WHAT IS MEANT BY 'SOCIAL MEDIA' FOR THE PURPOSES OF THIS POLICY**

- 3.1 Social Media, sometimes also referred to as a Social Network, can take many forms. This makes defining Social Media, for the purposes of this policy, difficult, however there are some facets which will be common to all forms of Social Media.
- 3.2 Social Media will always be a web-based service that allows individuals and/or businesses to construct a public or semi-public profile. Beyond this, Social Media can be very diverse, but will often have some, or all, of the following characteristics;
  - The ability to show a list of other users with whom they share a connection; often termed "friends" or "followers",
  - The ability to view and browse their list of connections and those made by others within the system
  - Hosting capabilities allowing users to post audio, photographs and/or video content that is viewable by others

Social Media can include community-based web sites, online discussions forums, chatrooms and other social spaces online as well.

- 3.3 Current examples of the most popular forms of Social Media, and therefore the most likely to be of use when conducting investigations into alleged offences, include:

Facebook	Twitter or X	Instagram
LinkedIn	Pintrest	Tumblr
Reddit	Flickr	Google+

3.4 The number and type of Social Media available to the public is fluid. In a given year, many new sites can open whilst some of the more established names can wain in popularity. This Policy will concentrate on Social Media generally and will not make reference to specific sites or services.

#### **4.0 PRIVACY SETTINGS**

4.1 The majority of Social Media services will allow its users to decide who can view their activity, and to what degree, through the use of privacy settings. Whilst some users are happy, or otherwise indifferent about who is able to view their information, others prefer to maintain a level of privacy.

4.2 Depending on their intentions, many users will purposely use Social Media with no privacy setting applied whatsoever. This could be due to the fact that they are actively promoting something, such as a business or event, and therefore require as many people as possible to be able to view their Social Media profile at all times; others may do so for reasons of self-promotion or even vanity. The information publicly available is known as an individual's public profile.

4.3 Those individuals with public profiles who operate on Social Media without any, or only limited, forms of privacy settings being activated do so at their own risk. Often, Social Media sites will advise its users through its terms and conditions of the implications of not activating privacy controls, namely that all content they publish or share will be viewable by everyone, including sometimes people who, themselves, do not have an account with that provider.

4.4 Whilst the content or information shared by individuals on Social Media remains the property of that individual, it is nonetheless considered to be in the public domain. Publishing content or information using a public, rather than a private setting, means that the individual publishing it is allowing everyone to access and use that information, and to associate it with them.

4.5 The opposite of a public profile is a private profile. Some users of Social Media will not wish for their content, information or interactions to be viewable to anyone outside of a very small number of people, if any. In these instances, users will normally set a level of privacy on their Social Media profiles that reflects what they are comfortable with being made available, meaning that, for example, only friends, family and other pre-approved users are able to view their content or contact them through that site.

4.6 By setting their profile to private, a user does not allow everyone to access and use their content, and respect should be shown to that person's right to privacy under Article 8 of the Human Rights Act. This does not, however, extend to instances where a third party takes it upon themselves to share information which originated on a private profile on their own

Social Media profile. For example, Person A publicises on their *private* Social Media page that they intend to throw a party, at which they will be selling alcohol and providing other forms of licensable activities, despite not having a licence from the Council to do so. Person B, who “follows” Person A’s Social Media page, re-publishes this information on their *public* Social Media page. The information on Person A’s profile cannot be used, however the same information on Person B’s profile, can.

## **5.0 WHAT IS PERMITTED UNDER THIS POLICY**

- 5.1 Whether or not Social Media can be used in the course of investigating an offence, or potential offence, will depend on a number of things, not least of which is whether the suspect has a Social Media presence at all. Investigating offences will always be a multi-layered exercise utilising all manner of techniques, and it is important not to place too high an emphasis on the use of Social Media in place of more traditional investigative approaches.
- 5.2 Further to this, a lack of information on an individual’s Social Media profile should not be taken as evidence that something is or is not true. For example, a lack of evidence corroborating an individual’s assertions that they were at a particular location on a specific day does not prove that they are being misleading and it is important to consider it only as part of a well-rounded investigation.
- 5.3 For those individuals who do have a presence on Social Media, a lot of what is permitted under this policy for use in investigations will depend on whether they have a public or private profile. As outlined in 4.4 above, where a person publishes content on a public profile, they allow everyone, including those not on that particular Social Media platform, to access and use that information whilst also allowing it to be associated with them.
- 5.4 In practice, this means that things such as photographs, video content or any other relevant information posted by individuals and businesses to a public profile on any given Social Media platform can be viewed, recorded and ultimately used as evidence against them should the matter end in legal proceedings, subject to the usual rules of evidence.
- 5.5 When considering what is available on an individual’s public Social Media profile, those investigating an offence, or potential offence, should always keep in mind what relevance it has to that investigation. Only information that is relevant to the investigation at hand, and goes some way toward proving the offence, should be gathered. If there is any doubt as to whether something is relevant, then advice should be sought from Legal Services.

## **6.0 WHAT IS NOT PERMITTED UNDER THIS POLICY**

- 6.1 When it is discovered that an individual under investigation has set their Social Media account to private, Officers should not attempt to circumvent those settings under any circumstances. Such attempts would include, but are not limited to;
  - sending “friend” or “follow” requests to the individual,

- setting up or using bogus Social Media profiles in an attempt to gain access to the individual's private profile,
- contacting the individual through any form of instant messaging or chat function requesting access or information,
- asking family, friends, colleagues or any other third party to gain access on their behalf, or otherwise using the Social Media accounts of such people to gain access, or
- any other method which relies on the use of subterfuge or deception.

Officers should keep in mind that simply using profiles belonging to others, or indeed fake profiles, in order to carry out investigations does not provide them with any form of true anonymity. The location and identity of an officer carrying out a search can be easily traced through tracking of IP Addresses, and other electronic identifying markers.

6.2 A distinction is made between one-off and repeated visits to an individual's Social Media profile. As outlined at paragraph 2 above, a RIPA authorisation must be sought in order to carry out directed surveillance against an individual. Whilst one-off visits, or otherwise infrequent visits spread out over time, cannot be considered "directed surveillance" for the purposes of RIPA, repeated or frequent visits may cross over into becoming "directed surveillance" requiring RIPA authorisation. A person's Social Media profile should not, for example, be routinely monitored on a daily or weekly basis in search of updates, as this will require RIPA authorisation, the absence of which is an offence. For further guidance on this point, officers should contact Legal Services.

6.3 Regardless of whether the Social Media profile belonging to a suspected offender is set to public or private, it should only ever be used for the purposes of evidence gathering. Interaction or conversation of any kind should be avoided at all costs, and at no stage should a Council Officer seek to make contact with the individual through the medium of social media. Any contact that is made may lead to accusations of harassment or, where a level of deception is employed by the Officer, entrapment, either of which would be detrimental and potentially fatal to any future prosecution that may be considered.

## **7.0 CAPTURING EVIDENCE**

7.1 Once content available from an individual's Social Media profile has been identified as being relevant to the investigation being undertaken, it needs to be recorded and captured for the purposes of producing as evidence at any potential prosecution. Depending on the nature of the evidence, there are a number of ways in which this may be done.

7.2 Where evidence takes the form of a readable or otherwise observable content, such as text, status updates or photographs, it is acceptable for this to be copied directly from the site, or captured via a screenshot, onto a hard drive or some other form of storage device, and subsequently printed to a hard copy. The hard copy evidence should then be exhibited to a suitably prepared witness statement in the normal way.

- 7.3 Where evidence takes the form of audio or video content, then efforts should be made to download that content onto a hard drive or some other form of storage device such as a CD or DVD. Those CD's and/or DVD's should then be exhibited to a suitably prepared witness statement in the normal way. Any difficulties in downloading this kind of evidence should be brought to the attention of the Council's IT Team who will be able to assist in capturing it.
- 7.4 When capturing evidence from an individual's public Social Media profile, steps should be taken to ensure that all relevant aspects of that evidence are recorded effectively. For example, when taking a screenshot of a person's Social Media profile, the Council Officer doing so should make sure that the time and date are visible on the screenshot in order to prove when the evidence was captured. Likewise, if the evidence being captured is a specific status update or post published on the suspected offender's profile, steps should be taken to make sure that the date and time of that status update or post is visible within the screenshot. Without this information, the effectiveness of the evidence is potentially lost as it may not be admissible in court.
- 7.5 Due to the nature of Social Media, there is a significant risk of collateral damage in the form of other, innocent parties' information being inadvertently captured alongside that of the suspected offenders. When capturing evidence from a Social Media profile, steps should be taken to minimise this collateral damage either before capturing the evidence, or subsequently through redaction. This might be particularly prevalent on Social Media profiles promoting certain events, where users are encouraged to interact with each other by posting messages or on photographs where other users may be making comments.

## **8.0 OTHER INFORMATION TECHNOLOGY TOOLS AVAILABLE FOR INVESTIGATIVE PURPOSES**

- 8.1 Whilst Social Media can be a useful and fruitful means of investigating offences and potential offences, it is by no means the only tool available within the realm of Information Technology. A vast array of other, mostly web-based tools are also at the disposal of those conducting investigations. For example, where there is a website advertising the services of a local business, and there is evidence that this business is engaging in illegal activity, there are IT tools available that can track who is responsible for setting up that website, and so can be a good starting point when trying to link potential offenders to the offending business.
- 8.2 For assistance in identifying which tools may be appropriate, and how best to utilise them, advice should be sought from the Legal Services and or the Council's IT team.

## **9.0 RETENTION AND DESTRUCTION OF INFORMATION**

- 9.1 Where recorded material (in any form or media) is obtained during the course of an investigation which might be relevant to that investigation, or another investigation, or to pending or future civil or criminal proceedings, then it should **not** be destroyed, but retained in accordance with the requirements of the Data Protection Act 2018 , the Freedom of Information

Act 2000, and any other legal requirements, including those of confidentiality, and the Council's policies and procedures regarding document retention. Advice should be sought from the Data Protection Officer or the Monitoring Officer.

9.2 Personal data gathered by the Council is subject to the Data Protection Act 2018. When considering whether to retain the data, the Council should:

- review the length of time it keeps personal data;
- consider the purpose or purposes it holds the information for in deciding whether (and for how long) to retain it;
- ensure that there is a lawful basis for processing the personal data
- securely delete information that is no longer needed for this purpose or these purposes; and
- update, archive or securely delete information if it goes out of date
- ensure that whilst data is held it is kept secure at all times

9.3 Due to the nature of Social Media, it is important to remember that when information produced as a hard copy is destroyed in line with this paragraph, that all digital copies of that evidence is likewise destroyed.

## **10.0 REVIEW**

10.1 This Policy will be reviewed annually in line with the Council's Code of Practice on Covert Surveillance to ensure that both documents remain current and compliant with relevant legal requirements and best practice guidance.





Colchester  
City Council

# Data Protection Policy

August 2023

[www.colchester.gov.uk](http://www.colchester.gov.uk)

# Data Protection Policy

## CONTEXT

Colchester City Council needs to collect and use information about the people with whom it works; members of the public; current, past and prospective employees; customers; suppliers and others in order to carry out its duties. This Data Protection Policy sets out the organisation's commitment and approach to data protection and provides a clear frame of reference for employees to determine the organisation's standards, aims, and ideals in respect of data protection compliance.

The processing of personal data in the United Kingdom is regulated by law. The principle statutory instrument setting out the legal obligations of those handling personal data is the Data Protection Act 2018 (DPA 2018). Other laws inter-relate with the DPA 2018 including, but not limited to, the UK General Data Protection Regulation (GDPR), the Privacy and Electronic Communications Regulations (2003) and the Freedom of Information Act (2000). These laws are collectively referred to in this Policy as Data Protection Legislation.

## POLICY STATEMENT

Colchester City Council is committed to compliance with all relevant Data Protection Legislation and will formally delegate appropriate powers and responsibilities to its personnel to ensure that it is fully able to comply with Data Protection Legislation and its own defined standards in the field of data protection and information governance.

The Council will ensure that sufficient and appropriate resources are available to ensure that it meets both its legal obligations in respect of Data Protection Legislation and the standards that it sets through its policies. The Council will ensure that the organisation works within the 7 data protection principles and that it will implement sufficient controls to ensure that it is able to demonstrate compliance with the Data Protection Legislation including the keeping of sufficient records, risk assessments and decisions relating to personal data processing activities.

The Council will uphold the rights and freedoms of people conferred on them by the Data Protection Legislation. It will ensure that those rights and freedoms are appropriately taken into account in the decisions it takes which may affect people. The Council will ensure that data subjects have appropriate access, upon written request, to personal information relating to them (via Subject Access Requests) and will ensure the data subjects' rights to rectification, erasure, restriction, portability and object are adhered to.

This policy applies to all Council activities and operations which involve the processing of personal data. This policy applies to anyone who is engaged to process personal data for, or on behalf of the Council including: employees, volunteers, casual and temporary staff, directors and officers, Councillors and third-parties such as sub-contractors and suppliers, and anyone who the Council shares or discloses personal data with/to.

The Council will ensure that all personal data is handled properly and with confidentiality, at all times, irrespective of whether it is held on paper or by electronic means. This includes:

- The obtaining of personal data
- The storage and security of personal data
- The use and processing of personal data
- The disposal of or destruction of personal data.

## DEFINITION OF PERSONAL DATA

Personal data includes information relating to persons who can be identified or who are identifiable, directly from the information in question or who can be indirectly identified from that information in combination with other information. This will include any expression of opinion about the individual and any indication of the intentions of the data controller or any other person in respect of the individual.

## THE PRINCIPLES OF DATA PROTECTION

Whenever collecting or handling information about people the Council will ensure that:

- Personal data is processed, lawfully, fairly and in a transparent manner
  - No data collection or processing activities will be undertaken or commissioned without an appropriate privacy notice being provided to the person about whom data is being collected
  - No data collection or processing activities will be undertaken or commissioned without there being a lawful ground for the data processing activities intended to be applied to the personal data
- The purposes for which personal data is obtained and processed are specified and that personal data is not used for any other purpose (unless permitted within data protection legislation)
- Processing of personal data is adequate, relevant and limited to what is necessary
- It uses reasonable endeavours to maintain data as accurate and up-to-date as possible
- Personal data is retained only for as long as necessary
- **THE COUNCIL WILL MAINTAIN A DATA RETENTION SCHEDULE SETTING OUT RETENTION PERIODS FOR EACH SERVICE** Data is disposed of properly
- All personal data is processed in accordance with the rights of the individual(s) concerned
- Personal data is processed in an appropriate manner to maintain security
- The movement of personal data is done in a lawful way, both inside and outside the Council, and that suitable safeguards exist
- A Data Breach Reporting Procedure is maintained

- All employees and those with access to personal data are aware of it
- The Council will log all personal data breaches and will investigate each incident without delay
- Appropriate remedial action will be taken as soon as possible to isolate and contain the breach, evaluate and minimise its impact, and to recover from the effects of the breach (including identifying actions to prevent such a breach re-occurring)
- If a breach is assessed as meeting the threshold for reporting to the Information Commissioner's Office, a report will be made without delay
- If a breach is assessed as meeting the threshold for notification to data subjects, notification will be made without undue delay
- It strives to foster a culture of data protection by design and by default in all data processing activities
- The Council's Chief Executive Officer is the Accountable Officer ultimately responsible for ensuring that all information is appropriately protected.

## DEFINITION OF SPECIAL CATEGORY DATA

The legislation makes a distinction between 'personal data' and 'special category data':

Special category data is defined as personal data consisting of information as to:

- Racial or ethnic origin
- Political opinion
- Religious or other beliefs
- Trade union membership
- Physical or mental health or condition
- Sexual life or sexual orientation
- Criminal proceedings or convictions
- Philosophical
- Genetic data
- Biometric data.

## ROLES AND RESPONSIBILITIES

Colchester City Council will ensure that:

- A member of staff, the Data Protection Officer (DPO), is appointed who has specific responsibility for data protection within the Council

- Any disclosure of personal data is in compliance with the legislation and is disclosed via approved procedures
- Anyone managing and handling personal information understands that they are legally bound to follow good data protection practice
- Anyone managing and handling personal information is appropriately trained
- Staff have access only to personal information relevant to their roles
- Appropriate advice and guidance is available to anyone wanting to make enquiries about personal information processing by the Council
- Enquiries and requests regarding personal information are handled courteously and within the time limits set out in law
- All staff and councillors are fully aware of this policy and of their duties and responsibilities under Data Protection Legislation
- Where personal data may need to be shared with third parties in order to deliver services or perform our duties, the Council will only share personal data when a lawful basis can justify that sharing, where it is necessary to achieve a clear purpose and, with that purpose in mind, it is fair and proportionate to do so
- Data Protection Impact Assessments (DPIAs) are conducted, and approved by the Data Protection Officer
- A record of personal data processing is kept and maintained.

Everyone will ensure that:

- All data processing operations under their control or sphere of responsibility or commissioned by them are undertaken in compliance with this policy, related policies and Data Protection Legislation
  - Ensuring processing is lawful, fair and transparent
  - Ensuring personal data is only collected and processed for specific explicit purposes
- Paper files and other records or documents containing personal and or special category data are kept securely and destroyed securely
- Personal data held electronically is protected by the use of secure passwords and/or access controls, is kept and destroyed securely
- All users must choose passwords which meet the security criteria specified by the Council in its Password Policy
- Staff working remotely from home or elsewhere must keep any Council owned equipment they use secure and prevent systems and data for which the Council is responsible being used or seen by members of their family or any other unauthorised person
- No personal data is disclosed either verbally or in writing, accidentally or otherwise, to any unauthorised third party
- Personal data is not stored on non CCC devices or forwarded to personal email accounts
- Personal data is not to be left where it can be accessed by persons not authorised to see it
- Personal data is kept up to date and accurate
- Personal data is kept in accordance with the Council's retention schedule
- Any data protection breaches are swiftly brought to the attention of the Data Protection Officer and that they support the Data Protection Officer in investigating and resolving breaches
- They assist the Data Protection Officer with any remedial actions required following a personal data breach

- Where there is uncertainty around a data protection matter advice is sought from the data protection team
- Appropriate disciplinary action will be taken against staff held responsible for repeated personal data breaches.

The Council reserves the right to contract out data processing activities or operations involving the processing of personal data to third parties, in the interests of business efficiency and effectiveness. No third-party data processors will be appointed who are unable to provide satisfactory assurances that they will handle personal data in accordance with the Data Protection Legislation. All processors, contractors, consultants, and partners must:

- Confirm in writing that they will abide by the requirements of Data Protection legislation with regard to any personal data obtained from the Council or held on its behalf
- Provide assurance relating to their compliant handling of personal data and when requested allow the Council to audit the protection of data held on its behalf
- Ensure that they and all persons appointed by them who have access to personal data held or processed for or on behalf of the Council are fully trained in their duties and responsibilities under Data Protection legislation
- Ensure that the Council receives prior notification of any disclosure of personal data to any other organisation or any person who is not a direct employee of the contractor
- Indemnify the Council without limitation against any prosecutions, claims, proceedings, actions or payments of compensation or damages arising from the loss or misuse of data. Any breach of any provision of Data Protection Act 2018 (DPA 2018) or the UK General Data Protection Regulations (GDPR) will be deemed as being a breach of any contract between the Council and that individual, company, partner or firm.

The Council's Data Protection Officer is responsible for:

- Ensuring that staff are aware of this policy
- Advising the Council and its staff of its obligations under Data Protection legislation
- Assessing the impact of any personal data breaches and identifying remedial actions
- Ensuring the provision of Data Protection training, for staff within the Council
- The development of best practice guidelines
- Ensuring compliance checks are undertaken to ensure adherence, throughout the authority, with Data Protection Legislation
- Providing advice on Data Protection Impact Assessments
- To co-operate with and act as the contact point for the Information Commissioner's Office (ICO)
- Conducting an annual review of this Data Protection Policy and the practices and procedures pertaining to it to ensure continuing compliance with all relevant statutory provisions.

The Council's Senior Information Risk Owner, is responsible for:

- Ensuring appropriate mechanisms are in place to support service delivery and continuity
- Being the organisation's leader and Champion for Information Risk Management and Assurance
- Advocating good information management and security practices
- Acting in an arbitrary role – to challenge risk mitigation
- Ensuring others are undertaking risk assessments and assurance activities
- Is the senior manager with accountability for data protection and information risk and provides a link to the Council's Senior Leadership Board

## DATA SUBJECT RIGHTS

The Council recognises the legal rights of those whose data it is processing and will ensure that appropriate information is provided to them advising them of their rights, and that policies and procedures are maintained to ensure that the organisation is able to recognise information rights requests and handle them appropriately when they are exercised. These rights include:

- Right to information about data processing operations
- Right of access to personal data
- Right to portability of personal data
- Right of rectification of personal data
- Right of erasure of personal data
- Right to restriction of processing
- Right to object to direct marketing
- Right to object to data processing operations under some circumstances
- Right not to be subject to decisions made by automated processing under some circumstances
- Right of complaint about the organisation's processing of personal data and the right to a judicial remedy and compensation

## THE INFORMATION COMMISSIONER

Colchester City Council is registered with The Information Commissioner as a data controller. The DPA 2018 requires every data controller who is processing personal data to notify and renew their notification on an annual basis.

## POLICY REVIEW

The policy will be reviewed on an annual basis and updated as necessary at these reviews.

### FURTHER INFORMATION

For further information about Colchester City Council’s compliance with Data Protection Legislation, please visit [www.colchester.gov.uk/privacy](http://www.colchester.gov.uk/privacy) or email [dpo@colchester.gov.uk](mailto:dpo@colchester.gov.uk).

### VERSION CONTROL

Purpose:	To specify how the Council complies with Data Protection Legislation
Status:	Draft
Final date:	
To be reviewed:	August 2024





Colchester  
City Council

# Acceptable Use Policy

August 2023

[www.colchester.gov.uk](http://www.colchester.gov.uk)

# Acceptable Use Policy

## CONTEXT

We must act appropriately with the information we obtain and hold, and with the systems we use and access. How our systems, devices, telephony, email and intranet is used is important for our reputation and the trust of our customers. This Acceptable Usage Policy covers the security and use of all IT equipment. This policy applies to all employees, Councillors, voluntary workers, agency staff and contractors.

## APPLICATION OF POLICY

Everyone who uses information and communications technology provided by Colchester City Council (CCC) must be aware of these policy statements and the obligations it places upon them.

Colchester City Council commits to informing all employees, members, voluntary workers, agency staff, contractors, Councillors and other third parties of their obligations. Other organisations, and their users, granted access to technology managed by the Colchester City Council must abide by this policy.

It is the responsibility of all employees to ensure that access to systems, the Council's network and documents are secured. Passwords must be kept safe and personal to the specific user. In addition we all have a responsibility to ensure that devices and applications are used appropriately and that the behaviour of any persons use of ICT solutions does not call the Council into disrepute. These measures should be upheld regardless of work location.

## ACCESS TO IT SYSTEMS

- You must not leave user accounts logged in at an unattended and unlocked computer.
- You must not attempt to access data or systems that you are not authorised to use or access.
- You must not install, access or modify applications, systems or data without authorisation.
- You must maintain the security of information as defined in the Information Security and Data Protection Policies.
- You must not access other people's email without their permission.
- You must not forward CCC emails to personal email accounts.
- If you receive or view email or other content not intended for you, you must protect its confidentiality.
- You must take care when replying or forwarding emails to ensure that only authorised individuals are included and any history in the chain or attachments are suitable to share with that individual(s).

## PASSWORDS

- You must not allow anyone else to use your user username and password for any IT system.

- You must not disclose your password to anyone or ask anyone else for their password. If you suspect your password has become known to anyone else, change it immediately and report it to the ICT team.
- You must not use someone else's username and password to access any IT systems.
- You must not leave your password unprotected (for example writing it down or sharing it with another person).
- Passwords must meet the requirements of the Council's Password Policy.
- All CCC devices must be password protected (or alternately protected by other appropriate ICT approved means such as Fingerprint and PIN).

## BEHAVIOUR

- You must not participate in unlawful, libellous, immoral or offensive activities, including accessing, downloading, storing, creating, copying or disseminating offensive material. This includes, but is not limited to, material of a pornographic, sexual, violent, criminal, racist, sexist or otherwise discriminatory nature. Further, you must not use the systems to perpetrate any form of fraud or piracy.
- You must not publish a website, or any content on a website, that could bring the Council into disrepute. This includes publishing defamatory or knowingly false material about the organisation, colleagues or customers in any online publishing format.
- When representing the Council only subscribe to services with your Colchester City Council email address.
- Colchester City Council facilities and identity must not be used for commercial purposes outside the authority or remit of the Council, or for personal financial gain.
- You must not use the internet or email to make personal gains or conduct a personal business.
- You must not use the internet or email to gamble.
- You must not bring the Council into disrepute through use of online 'social networking' activities.
- You must report faults with information and communications technology to the ICT team and co-operate with fault diagnosis and resolution.
- If you use CCC technology or CCC internet provision for personal use, the Council takes no responsibility for the security of your personal information. It is recommended you do not carry out personal financial transactions.

## DEVICES

- You must not connect any non-authorized device to your CCC computer, the corporate network or corporate IT systems
- You must not store data on any non-authorized equipment.
- In order to comply with Data Protection Legislation, all Council communications must only be made using Council approved applications and devices.

## STORAGE

- You must not give or transfer data or software to any person or organisation, without following the Information Security and Data Protection Policies

- Documents must not be stored locally (for example on c drive) on a desktop computer, laptop or mobile phone, as information may be irretrievable if the device fails or is stolen. This includes synchronising SharePoint and OneDrive to a local device without ICT authorisation.
- The use of mobile devices such as memory sticks, CDs, DVDs and removable hard drives must be authorised by the Information Services Manager. Devices will only be authorised if they can be secured through a password or similar encryption. Personal data must not be stored on mobile devices, unless approved by the Information Services Manager.

## SECURITY AND LICENSING

- You must not attempt to disable or bypass anti-virus, malware or other information security controls, and you should take care not to introduce viruses or malware. If you discover a virus or malware, you must notify ICT immediately.
- You must not expose the Council to risk by clicking on links or opening suspicious attachments to phishing or scam emails.
- You must not use the email systems in a way that could affect its reliability or effectiveness, for example distributing chain letters or spam.
- You must only use software that is appropriately licensed and materials which are not copyrighted, or for which you have been granted use.

## WORKING REMOTELY

- Working away from the office must be in line with Colchester City Council's remote working policy.
- Equipment and media taken off-site must not be left unattended in public places and not left in clear view in a vehicle.
- Laptops must be carried as hand luggage when travelling.
- Information and equipment must be protected against loss or compromise when working remotely.
- Do not connect to untrusted/public networks such as cafes, hotels etc. as these are presumed to be more vulnerable to hacking. Thethering to a corporate mobile phone should be used in the first instance.

## USE OF SHAREPOINT

- You must not purposely engage in activity that may deprive an authorised user access to a SharePoint resource.
- You must not attempt to access content for which you have no legitimate business need.
- You must not circumvent SharePoint security measures.
- All staff must maintain the supported infrastructure setup by filing documents via Adding Properties or via the Details menu and not creating folders within folders.
- Site owners are responsible for managing the use of SharePoint in their area and are accountable for their actions.
- Site owners are responsible for the custody or operation of their SharePoint sites and are responsible for proper authorisation of user access.
- Confidential or potentially sensitive data stored on SharePoint must be kept confidential and secure by the user.

- You must ensure that permissions to document libraries are appropriately set and maintained to ensure the security of information.
- Site owners should review the permissions set on their sites at least annually.
- You must ensure that private or personal documents are secured to ensure the security of information.
- Data can be shared with external people/organisations using the 'External sharing' SharePoint site where there is a justified business need. All documents shared must be removed once the need to share has expired. Any special category data shared in this way must be done with the appropriate set up of SharePoint permissions to ensure the security of that data.

## USE OF ONEDRIVE

- OneDrive must not be used as a replacement for corporate shared document management, SharePoint.
- OneDrive documents must not be kept for longer than necessary.
- If you share a OneDrive document with another user it's your responsibility to ensure that this is done securely and appropriately and ideally only for a limited duration to permit its use.

## USE OF TEAMS

- Personal data should not be shared via teams messaging.
- Where possible, work documents should be stored on SharePoint function sites, not Files tabs on Teams channels. Where it is not possible, make sure the permissions for the Teams channel are set appropriately to ensure files are only accessible by authorised users.
- All users should ensure that permissions for documents are set appropriately.
- All users should ensure that only permitted participants are added to Teams channels, chats, meeting chats and meetings
- Care should be taken when screen sharing and/or recording a meeting to make sure that personal data is not disclosed inappropriately. Permission should be sought from all attendees before recording starts.
- Ensure that when making video calls the environment you are calling from and any backgrounds you are using are appropriate for business use.

## MOBILE PHONES

- Requests for a mobile phone will be subject to a valid business case being made and management authorisation.
- In order to prevent unauthorised access, devices must be password protected using the features of the device and a strong password is required to access the network (please refer to the Password Policy).
- The primary reason for being given a work mobile phone is for business purposes. Using the phone for personal calls should not interfere with daily business and wherever possible be made outside of working hours.

- Employees are expected to use the internet responsibly and productively. Excessive personal internet browsing, including social media use, is not permitted.
- Mobile phones should be connected to secure wi-fi networks where available to prevent excessive use of data. Use of the mobile phone to create a hotspot to work from should be used in exceptional circumstances only. Mobile data usage will be monitored and consistent excessive use may lead to suspension of service.
- Calls to premium rate numbers and overseas are not permitted, unless there is a real business need and authorisation has been provided by the relevant member of the Senior Leadership Team.
- You must not use Colchester City Council mobile devices for conducting private business.
- Mobile devices may not be used at any time to, store or transmit illicit materials or harass others.
- When driving, staff are expected to comply with the Council's Vehicle User Handbook and the Road Vehicles (Construction and Use) (Amendment) (No4) Regulations 2003, which prohibit the use of handheld mobile devices at all times when driving.
- If your device use is deemed unacceptable, we may cancel your plan and ask for the return of the device.
- If you lose your device or it is stolen this must be reported to the ICT team without delay.

## WHEN AN EMPLOYEE LEAVES

- All Line managers must notify the ICT team of any leavers or changes to staff roles (permanent, temporary or casuals) so that access can be terminated or amended as appropriate.
- All IT equipment and data, for example laptops and mobile devices including telephones, smartphones, USB memory devices and CDs/DVDs, must be returned to the ICT team.

## MONITORING

The Council maintains the right to examine any system or device used in the course of its business, and to inspect any data held there.

To ensure compliance with this policy, the volume of internet and network traffic, and the use and content of emails and visited internet sites, may be monitored. Specific content will not be monitored unless there is suspicion of improper use.

It is the employee's responsibility to report suspected breaches of this policy without delay to their line management and to the ICT team.

All breaches of this policy will be investigated. Where investigations reveal misconduct, disciplinary action may follow in line with the Council's disciplinary procedures.

ICT reserve the right to withdraw a users' access to any computer systems and communication services, including internet services without notice.

## POLICY REVIEW

The policy will be reviewed on an annual basis and updated as necessary at these reviews.

## FURTHER INFORMATION

For further information contact [ict@colchester.gov.uk](mailto:ict@colchester.gov.uk)

## VERSION CONTROL

Purpose:	To specify how the Council maintains security
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Final date:	
To be reviewed:	August 2024



Colchester  
City Council

# Information Security Policy

August 2023

[www.colchester.gov.uk](http://www.colchester.gov.uk)



# Information Security Policy

## CONTEXT

Information is essential to delivering services to citizens and businesses. Information security refers to the defence of information or information systems from unauthorised or unintended access, destruction, disruption or tampering. It is important that the Council acts appropriately with the information we obtain, store and process. Confidentiality, integrity and availability of information must be proportional and appropriate to maintain services, comply with relevant legislation and provide trust to our customers and partners.

## APPLICATION OF POLICY

Everyone who accesses information the Council holds must be aware of these policy statements and their responsibilities in relation to information security.

Colchester City Council commits to informing all employees, voluntary workers, agency staff, contractors, Councillors and other third parties of their obligations before they are authorised to access systems and information and subsequently at regular intervals. Other organisations, and their users, granted access to information held by Colchester City Council must abide by this policy.

This policy should be read in conjunction with the Acceptable Use policy and Data Protection policy.

All those who access information may be held personally responsible for any breach or misuse. For advice and support please contact ICT.

## INFORMATION SECURITY PRINCIPLES

Information security is the preservation of:

- Confidentiality – ensuring that information is accessible only to those authorised to have access. To accomplish this, access to information must be controlled to prevent the unauthorised sharing of data, whether intentional or accidental. A key component of maintaining confidentiality is making sure that people without proper authorisation are prevented from accessing assets important to the Council. Conversely, an effective system also ensures that those who need to have access have the necessary privileges.
- Integrity – safeguarding the accuracy and completeness of information and processing methods. Integrity includes making sure data is trustworthy and free from tampering. The integrity of data is maintained only if the data is authentic, accurate, and reliable.
- Availability – ensuring that authorised users have access to information and associated assets when required. This means that systems, networks, and applications must be functioning as they should and when they should. Also, individuals with access to specific information must be able to consume it when they need to, and getting to the data should not take an inordinate amount of time.

## ROLES AND RESPONSIBILITIES

### The Organisation

- Ensures compliance with laws governing the processing and use of information

### The Chief Executive

- Acts as Accountable Officer ensuring that all information is appropriately protected

### Senior Information Risk Owner

- Promotes information security at senior management level

### Technology Delivery Services Team

- Assures information security within the organisation
- Provides a central point of contact for information security
- Manages the investigation and mitigation of information security breaches
- Supports Information Asset Owners to assess risks and implement information security controls
- Ensures that staff are not able to gain unauthorised access to Council IT systems
- Ensures the security of the Council's IT systems, ensuring that access is restricted to staff with specific job functions
- Ensures that information security is assessed for all new systems and existing system developments including those provided by third party suppliers
- Ensures that a third-party specialist routinely reviews network security
- Ensures that no external agencies are given access to any of the Council's networks unless that body has been formally authorised to have access. All external agencies will be required to sign security and confidentiality agreements with the Council
- Ensure systems are protected, as far as reasonably possible, from external threat.

### System Owners

- Ensures that appropriate information security controls are in place for each system under their control
- Ensure they delete or disable all identification codes and passwords relating to members of staff who leave the employment of the Council on their last working day
- Ensure that all new systems and changes to existing systems include the provision of appropriate information security controls (including those provided by third party) suppliers)
- Ensure that information security controls for each system under their control are documented

- Ensure that written backup instructions for each system under their management are produced. Backup copies should be held securely. Procedures should be in place to recover to a useable point after restart of any back-up
- Ensure that all systems are adequately documented and are kept up to date so that it matches the state of the system at all times.
- Ensure that a Privacy Impact Assessment (PIA) is completed for the use of any new systems or changes to existing systems
- Ensure that access to systems is limited only to those roles requiring access
- Ensure systems are protected as far as reasonably possible, from external threat
- No computer software (including cloud services) may be purchased by system owners without prior recorded authorisation from ICT.

#### Information Asset Owners

- Assess the risks to the information they are responsible for
- Help define the information security controls of the information they are responsible for, taking consideration of the sensitivity and value of the information
- Communicate the information security controls to authorised users and ensure controls are followed
- Ensure that a Privacy Impact Assessment (PIA) is completed when system changes involve data processing changes or before new personal data is collected or processed

#### All Managers must:

- Ensure their employees are fully conversant with this policy and all associated standards, procedures, guidelines and relevant legislation; and are aware of the consequences of non-compliance
- Develop procedures, processes and practices which comply with this policy for use in their service areas
- Determine which individuals are given authority to access specific systems. The level of access to specific systems should be on a job function need, irrespective of status
- Ensure that the relevant system administrators are advised immediately about staff changes affecting access (for example job function changes, leaving service or organisation) so that access may be withdrawn or changed as appropriate
- Ensure that staff are not able to gain unauthorised access to Council ICT systems or manual data
- Ensure all contractors and other third parties to which this policy may apply are aware of their requirement to comply
- Ensure that those users who have access to any part of the Council's Cash Receipting systems whereby they are taking payments either in person or over the phone should only enter card numbers into the relevant Capita payment screens and **under no circumstances** should Card Holder data such

as card numbers be written down or copied by anybody as this would breach The Payment Card Industry Data Security Standard (PCI DSS) compliance

- Ensure that where they cease using a third party hosted application that any data held by the supplier on behalf of the Council is either securely destroyed by the supplier or returned to the Council
- Ensure that if the Council vacates any of its premises, the manager of the service area occupying the premises must undertake appropriate checks of all areas, including locked rooms, basements and other storage areas, to ensure all Council information is removed or securely destroyed.
- Ensure that service contracts adhere to Information Security policy standards.

Everyone must:

- Conduct their business in accordance with this policy
- Only access systems and information for which they are authorised
- Only use systems and information for the purposes authorised
- Comply with all applicable legislation and regulations
- Comply with information security controls communicated by the Information Asset Owner
- Not disclose confidential or sensitive information to anyone without the permission of the Information Asset Owner
- Ensure confidential, personal or special category information is protected from view or access by unauthorised individuals
- Not copy, transmit or store information to devices or locations (physical or digital) where unauthorised individuals may gain access to it; the security of devices and locations you use are the responsibility of the individual
- Protect information from unauthorised access, disclosure, modification, destruction or interference
- Ensure that unattended workstations are locked or logged out
- Keep passwords secret and do not allow anyone else to use their access to systems and accounts
- Notify the Technology Delivery Services Team of any actual or suspected breach of information security policy and assist with resolution
- Co-operate with compliance, monitoring, investigatory or audit activities in relation to information security
- Take responsibility for familiarising themselves with this policy and understanding the obligations it places on them
- Assist in protecting Council systems as far as reasonably possible from external threat e.g. phishing attempts and hacking attempts
- When disclosing personal or special category information to customers, particularly over the phone or in person, ensure that they verify their identity. Service areas dealing with customers on a daily basis should have suitable verification methods in place which must always be used
- Always secure laptops and handheld equipment and lock equipment away when leaving the office. Users of portable computing equipment are responsible for the security of the hardware and the information it holds at all times on or off Council property

- Physical security to all office areas is provided through the access control system. Staff should challenge strangers in the office areas without an ID badge. No one should allow anyone not wearing a valid ID badge to tailgate through security doors
- Staff working from home must ensure appropriate security is in place to protect Council equipment or information. This will include physical security measures to prevent unauthorised entry to the home and ensuring Council equipment and information is kept out of sight. Council issued equipment must not be used by non-Council staff.
- Non CCC issued devices used to access Colchester Council systems will be treated as untrusted devices
- Access to systems from abroad is not permitted unless approved by the Data Protection Officer. Any access must be via a Council approved device.
- Users must not disclose any information related to ICT systems or security to any third party without the prior approval of ICT.
- Software and data purchased or licensed from external sources must only be used in accordance with the terms of the acquisition, licence, or other procurement documents.

ICT is responsible for maintaining the security and integrity of the Council's infrastructure and network by:

- Ensuring all parts of the network, at entry points and internally including wi-fi connections, are secured appropriately, following industry standards
- Ensuring that all user accounts are secured by the use of Multi Factor Authentication (MFA)
- Ensuring that all infrastructure components are secured to industry standards through managed permissions, firewalls and regular security, application and operating system patching
- Ensuring all infrastructure component, server and network devices, have up to date anti-virus application and tools installed
- Maintaining, patching, upgrading and updating via managed ITIL Change Control procedures
- Regularly conducting internal and external penetration tests and ensuring that outcomes are acted on appropriately and within required timeframes
- Ensuring that Global Administration and Administrator accounts are closely monitored and reviewed
- Enforcing security policies and taking appropriate action when any breach is detected or reported.

## MONITORING

The organisation maintains the right to examine any system or device used in the course of our business, and to inspect any data held there.

To ensure compliance with this policy, the volume of internet and network traffic, and the use and content of emails and visited internet sites, may be monitored. Specific content will not be monitored unless there is suspicion of improper use.

It is the employee’s responsibility to report suspected breaches of security policy without delay to their line manager and to the ICT team. If you are unsure, please contact ICT.

All breaches of this policy will be investigated. Where investigations reveal misconduct, disciplinary action may follow in line with the Council’s disciplinary procedures.

### POLICY REVIEW

The policy will be reviewed on an annual basis and updated as necessary at these reviews.

### FURTHER INFORMATION

For further information contact [ict@colchester.gov.uk](mailto:ict@colchester.gov.uk)

### VERSION CONTROL

Purpose:	To specify how the Council maintains information security
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Colchester  
City Council

# Retention Policy

August 2023

[www.colchester.gov.uk](http://www.colchester.gov.uk)

# Retention Policy

## CONTEXT

Colchester City Council has to collect and use information about the people with whom it works; members of the public; current, past and prospective employees; customers; suppliers and others in order to carry out its duties. Colchester City Council will ensure that it treats all personal information entrusted to it in accordance with its Data Protection Policy.

The Council fully endorses and adheres to the principles set out in the Data Protection Legislation (Data Protection Act 2018 and UK General Data Protection Regulations). This Retention Policy and the procedures set down in it are reviewed annually to ensure that the Council continues to comply with the requirements of Article 5 (e) of the UK General Data Protection Regulations (GDPR), *'kept in the form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed'*.

The purpose of this Policy is to ensure that Colchester City Council ensures that:

- crucial records can be located and retrieved as required
- records are kept in accordance with data protection legislation
- records are kept in accordance with business requirements
- records are not kept for longer than necessary
- the best use is made of available storage facilities
- the medium used for each record is the most appropriate.

This policy should be read in conjunction with the Council's Data Protection Policy and Information Security Policy.

## APPLICATION OF POLICY

The Council will ensure that all personal data is retained and disposed of correctly. For the purposes of this policy, personal data can be held in any medium including, but not exclusively, paper documents or files, electronic images and documents, emails, data records within an electronic dataset, other images, video and audio recordings.

In addition to meeting the requirements of Data Protection Legislation, The Freedom of Information (FoI) Act and the Environmental Information Regulations (EIR) require the Council to maintain records management practices that enable it to respond to requests for information as soon as possible and at the latest within 20 working days.

The Retention Schedule is a control document setting out the periods for which records should be retained to meet the operational needs of the Council and to comply with legal and other requirements. This is a 'live' document which is regularly updated.



## RELEVANT PRINCIPLES OF DATA PROTECTION

Whenever retaining or disposing of personal information the Council will ensure that:

- Personal data is retained only for as long as necessary
- Personal data is disposed of securely and properly
- All personal data is processed in accordance with the rights of the individual concerned
- The movement of personal data is done in a lawful way, both inside and outside the Council, and that suitable safeguards exist
- Retention periods are regularly reviewed.

## DEFINING RETENTION PERIODS

There are a number of considerations that must be made when deciding upon an appropriate retention period.

- Statutory - some retention periods are governed by statute, for example the 'Health and Safety at Work Act 1974' and 'HMRC VAT Notice 700/21: keeping VAT records'. It is therefore essential that any relevant statutory provisions are taken into account when deciding upon a retention period.
- Civil Action - personal data must be retained if it may be needed to defend possible future legal claims. However, linked information that could not possibly be relevant to any claim must not be retained. Personal data must be deleted when a claim could no longer arise. The Limitation Act 1980 imposes various time limits for the taking of legal action.
- Data Protection Act, Freedom of Information and Environmental Information Regulations - if a request for information is made where the records holding that information are due to be destroyed, the destruction of these records must be suspended.
- Data Protection Act – this Act does not specify retention periods. However, the Act does state that where other statutory record retention provisions exist these take precedence. The Council is responsible for implementing the DPA and must decide for how long personal data is retained, taking into account the Data Protection principles, business needs, other legal requirements, any professional guidelines, and best or common practice.
- Historical and research - there may be good grounds for keeping personal data for historical, statistical or research purposes.

There is no requirement to keep records of material routinely discarded in the course of any administrative activity such as duplicates, leaflets or other publicity materials..

It is an offence to destroy, delete or amend records or personal data in order to prevent or attempt to prevent the release of information requested under the Freedom of Information Act or Environmental Information Regulations. Where the records holding the information requested have been destroyed in accordance with the retention schedule the Council has a duty to explain why the information is no longer held.

## ROLES AND RESPONSIBILITIES

Colchester City Council will ensure that:

- Anyone managing and handling personal information understands that they are legally bound to follow good data protection practice
- Anyone managing and handling personal information is appropriately trained and supervised
- Members of staff have access only to personal information relevant to their roles
- Records of personal data processing are kept and maintained

Everyone will ensure that:

- Paper files, digital files and other records or documents containing personal and or special category data are kept securely
- Paper files, digital files and other records or documents containing personal and or special category data are destroyed securely
  - Information which could be released under a Freedom of Information (FoI) request – e.g. information that's already publicly available or which wouldn't attract an exemption, cause harm, distress or embarrassment can be disposed of in normal waste bins.
  - Personal data, special category data, confidential information and commercially sensitive data requires secure disposal e.g via confidential waste bins, shredding, destruction of CD etc. ICT can arrange secure disposal of devices such as laptops, phones and removable media.
  - Anyone who is unsure of whether secure disposal is required should contact [data.protection@colchester.gov.uk](mailto:data.protection@colchester.gov.uk) for advice.
- All personal data is kept in accordance with the Council's retention schedule
- Where there is uncertainty around a retention matter ensure that advice is sought from the Data Protection Officer
- The Retention Schedule reflects current legislative requirements for document and records in their care
- The retention of documents and records is fully defined and applied
- Records are accessible and are made available when necessary so that information requests can be responded to promptly
- Records and documents are destroyed or deleted at the end of the retention period in a secure way (including SharePoint and Teams files)Records are held in accordance with the Data Protection and Freedom of Information Acts and any other relevant provisions.

All contractors, consultants, partners or other servants or agents of the Council must:

- Provide assurance relating to their compliant destruction of personal data and when requested allow the Council to audit the protection of data held on its behalf
- Records held on behalf of the Council (particularly by suppliers of IT systems) are securely destroyed or returned to the Council at the end of service provision.

The Council's Data Protection Officer, is responsible for:

- Advising the Council and its staff on matters relating to the retention and destruction of personal data.

## POLICY REVIEW

The policy will be reviewed on an annual basis and updated as necessary at these reviews.

## FURTHER INFORMATION

For further information about Colchester City Council's compliance with Data Protection Legislation, please visit [www.colchester.gov.uk/privacy](http://www.colchester.gov.uk/privacy) or email [dpo@colchester.gov.uk](mailto:dpo@colchester.gov.uk).

## VERSION CONTROL

Purpose:	To specify how the Council complies with Data Protection Legislation with regard to Data Retention
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Colchester  
City Council

# Processing of Special Category & Criminal Convictions Personal Data Policy

August 2023

[www.colchester.gov.uk](http://www.colchester.gov.uk)

# Processing of Special Category & Criminal Convictions Personal Data Policy

## CONTEXT

The aim of this policy document is to set out how, within the provisions of applicable Data Protection legislation (specifically the Data Protection Act 2018 and the UK General Data Protection Regulations), Colchester City Council will seek to protect special category and criminal convictions personal data.

This policy should be read in conjunction with Colchester City Council's Data Protection Policy and Retention Policy.

This document is to meet the requirements of paragraph 1 of Schedule 1 of the Data Protection Act 2018. The Data protection Act 2018 states that an appropriate policy document be in place where;

- The processing of special category or criminal convictions personal data is necessary to carry out functions which are imposed or conferred by law on the Council
- The subject of the data in connection with employment, social security or social protection matters.
- It also meets the requirement of paragraph 5 Schedule 1 of the Data Protection Act 2018 that an appropriate policy document be in place where the processing of special category personal data is necessary for reasons of substantial public interest.

## DEFINITION SPECIAL CATEGORY DATA

The legislation makes a distinction between 'personal data' and 'special category data'. Special category data is defined in Article 9 of the UK General Data Protection Regulation as personal data revealing:

- Racial or ethnic origin
- Political opinion
- Religious or other beliefs
- Trade union membership
- Physical or mental health or condition
- Sexual life or sexual orientation
- Criminal proceedings or convictions
- Philosophical
- Genetic data
- Biometric data.

## DEFINITION OF CRIMINAL CONVICTIONS DATA

Article 10 of the UK General Data Protection Regulation defines criminal convictions data as personal data relating to an individual's criminal convictions and offences or related security measures.

Section 11 of the Data Protection Act 2018 states that criminal convictions data includes personal data relating to:

- The alleged commission of offences by the data subject.
- Proceedings for an offence committed or alleged to have been committed by the data subject or the disposal of such proceedings, including sentencing.

Examples of criminal convictions data also includes information linked to security measures and restrictions, such as bail conditions, cautions, and restraining orders, and less obvious types of information, such as personal data relating to witnesses, victims of crime, and details of allegations (proven and unproven). It may also include information about civil measures which may lead to a criminal conviction if not adhered to.

## CONDITIONS FOR PROCESSING SPECIAL CATEGORY AND CRIMINAL CONVICTIONS DATA

Examples of areas of Colchester City Council that exercise law enforcement functions are: wardens, fraud investigations, environmental services, food safety, health and safety, licensing, planning and private sector housing.

Article 9 lists the conditions for processing special category data:

- The data subject has given explicit consent.
- The processing is necessary in the context of employment law, or laws relating to social security and social protection.
- The processing is necessary to protect vital interests of the data subject or of another natural person.
- The processing is carried out, in the course of the legitimate activities of a charity or not-for-profit body, with respect to its own members, former members, or persons with whom it has regular contact in connection with its purposes.
- The processing relates to personal data which have been manifestly made public by the data subject.
- The processing is necessary for the establishment, exercise, or defence of legal claims, or for courts acting in their judicial capacity.
- The processing is necessary for reasons of substantial public interest.
- The processing is required for the purpose of medical treatment undertaken by health professionals, including assessing the working capacity of employees and the management of health or social care systems and services.
- The processing is necessary for reasons of public interest in the area of public health.
- The processing is necessary for archiving purposes in the public interest, for historical, scientific, research or statistical purposes, subject to appropriate safeguards.

In addition, Schedule 1 of the Data Protection Act 2018 establishes conditions that permit the processing of the special categories of personal data and criminal convictions data. The Schedule is split into four parts:

- Part 1 – Conditions relating to employment, health and research.
- Part 2 – Substantial public interest conditions.
- Part 3 – Additional conditions relating to criminal convictions.
- Part 4 – Appropriate policy document and additional safeguards.

## DATA PROTECTION PRINCIPLES

Article 5 of the UK General Data Protection Regulations describes the data protection principles. Below sets out details of how Colchester City Council will comply with these in relation to the processing of Special Category and Criminal Offence personal data:

- Special category and/or criminal convictions data is only processed where a lawful basis applies, and where processing is otherwise lawful.
- Special category and/or criminal convictions data is processed fairly.

- Data subjects receive full privacy information so that any processing of special category and/or criminal convictions data is transparent.
- The Council will only collect and process special category and/or criminal convictions data for specified, explicit and legitimate purposes.
- The Council will not use special category and/or criminal convictions data for purposes that are incompatible with the purposes for which it was collected.
- The Council will only collect the minimum special category and/or criminal convictions data that is required for the purpose for which it is collected.
- The Council will ensure that the data collect and processed is adequate and relevant.
- Special category and/or criminal convictions data will be accurate and kept up to date where necessary.
- The Council will only keep special category and/or criminal convictions data in identifiable form as long as is necessary for the purposes for which it is collected, or where we have a legal obligation to do so.
- The Council will ensure there are appropriate organisational and technical measures in place to protect special category and criminal convictions data.

## ACCOUNTABILITY PRINCIPLE

Colchester City Council is responsible for demonstrating compliance with these principles. The Council's Data Protection Officer holds responsibility for:

- Ensuring that records are kept of all personal data processing activities, and that these are provided to the Information Commissioner on request.
- Carrying out Data Protection Impact Assessment (DPIAs) for any high-risk personal data processing
- Providing independent advice and monitoring of services personal data handling.
- Having in place internal processes to ensure that personal data is only collected, used, or handled in a way that is compliant with Data Protection legislation.
- Keeping records of personal data breaches.
- Ensuring any reuse of criminal convictions data is enacted in accordance with the requirements of the Law Enforcement Directive.

## RETENTION AND ERASURE

Colchester City Council will ensure, where special category personal data or criminal convictions personal data are held or processed, that:

- There is a record of that processing and that records will set out, where possible, the envisaged time limits for erasure.
- Data subjects receive full privacy information about how their data will be handled.
- Where we no longer require special category or criminal convictions data for the purpose for which it was collected, the Council will delete it or render it permanently anonymous.
- They retain personal information for as long as necessary to fulfil the purposes it was collected for, including for the purposes of satisfying any legal, accounting, or reporting requirements.



Details of the retention periods for personal data can be found in the Council's Retention Policy.

## DATA SUBJECT RIGHTS

The Council recognises the legal rights of those whose personal data it is processing and will ensure that appropriate information is provided to them advising them of their rights, and that policies and procedures are maintained to ensure that the organisation is able to recognise information rights requests and handle them appropriately when they are exercised. These rights include:

- Right to information about data processing operations
- Right of access to personal data
- Right of rectification of personal data
- Right of erasure of personal data
- Right to restriction of processing
- Right to object to data processing operations under some circumstances
- Right not to be subject to decisions made by automated processing under some circumstances
- Right of complaint about the organisation's processing of personal data and the right to a judicial remedy and compensation

## THE INFORMATION COMMISSIONER (ICO)

Colchester City Council is registered with The Information Commissioner (ICO) as a data controller.

## POLICY REVIEW

This policy document will be retained in accordance with Part 4 of Schedule 1 of the Data Protection Act. It will be made available to the Information Commissioners Office (ICO) on request. The policy will be reviewed on an annual basis and updated as necessary at these reviews.

## FURTHER INFORMATION

For further information about Colchester Borough Council's compliance with Data Protection Legislation, please visit [www.colchester.gov.uk/privacy](http://www.colchester.gov.uk/privacy) or email [dpo@colchester.gov.uk](mailto:dpo@colchester.gov.uk).

## VERSION CONTROL

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Colchester  
City Council

# ICT Password Policy

August 2023

[www.colchester.gov.uk](http://www.colchester.gov.uk)

# ICT Password Policy

This policy should be read in conjunction with the Council's Data Protection, Information Security and Acceptable Use Policies.

## CONTEXT

Colchester City Council is committed to compliance with all relevant Data Protection Legislation and will formally delegate appropriate powers and responsibilities to its personnel to ensure that it is fully able to comply with Data Protection Legislation and its own defined standards in the field of data protection and information governance.

This policy applies to ICT managed Office 365 environment and its associated single sign on applications only. Other service and supplier managed applications are not covered by this policy.

## RELEVANT PRINCIPLES OF DATA PROTECTION

Whenever collecting or handling personal information the Council will ensure that:

- Personal data is processed in an appropriate manner to maintain security
- The movement of personal data is done in a lawful way, both inside and outside the Council, and that suitable safeguards exist.

## PASSWORD COMPLEXITY REQUIREMENTS

Passwords must meet complexity requirements settings. This policy setting determines whether passwords must meet a series of guidelines that are considered important for a strong password. Complexity requirements are enforced when passwords are changed or created. Enabling this policy setting requires passwords to meet the following requirements:

- Passwords may not contain the user's Account Name value or entire Full Name. Both checks are not case sensitive.

Current guidance for the National Cyber Security Centre (NCSC) is to use three random words to create a strong memorable password. Numbers and symbols can still be used if needed, for example 3redhousemonkeys27! Be creative and use words memorable to you, so that people cannot guess your

password. Your social media accounts can give away vital clues about yourself so don't use words such as your child's name or favourite sports team which are easy for people to guess.

Never use the following personal details for your password:

- Current partner's name
- Children's names
- Other family members' names
- Pet's names
- Place of birth
- Favourite holiday
- Something related to your favourite sporting team

With the introduction of Multi-Factor Authentication (MFA) and biometric fingerprint readers on laptops, the need to regularly change your password has been removed. This is based on NCSC guidance.

ICT reserve the right to force all users to change their password should the need arise.

**Passwords must not be shared with anyone else and passwords should be completely different across systems and accounts.**

## SYSTEM SETTINGS

The following system settings relate to passwords;

- The users' previous 12 passwords are remembered
- Minimum password length is 8 characters
- Password must meet complexity requirements is set to Enabled

## POLICY REVIEW

The policy will be reviewed on an annual basis and updated as necessary at these reviews.

## FURTHER INFORMATION

For further information about Colchester City Council's compliance with Data Protection Legislation, please visit [www.colchester.gov.uk/privacy](http://www.colchester.gov.uk/privacy) or email [dpo@colchester.gov.uk](mailto:dpo@colchester.gov.uk).

VERSION CONTROL

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Colchester  
City Council

# Income and Debt Policy November 2023

[www.colchester.gov.uk](http://www.colchester.gov.uk)

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## 1. Introduction

- 1.1 The Council is being increasingly commercial in every aspect and service. We must balance the importance of supporting our vulnerable customers whilst increasing our income and streamlining processes.
- 1.2 This policy covers the collection and procedures for:
- Council Tax
  - Business Rates (NNDR)
  - Housing Benefit Overpayment
  - Sundry Debts (including Commercial Rent)
  - Penalty Charge Notices
  - Mortgages and Shared Ownership Schemes
- 1.3 The policy also covers the procedures for billing/invoicing across all Council services and well as the payment options available.
- 1.4 The Income and Corporate Debt Teams manage services on behalf of other services and organisations. Specific Service Level Agreements will be in place for these services.

## 2 Policy Aims

- To ensure that the Council bill/invoice, collect and recover all debts in an economic, effective and efficient manner in accordance to legislation and best practice.
- To ensure that all customers will be treated fairly and objectively.
- To provide consistent guidelines and procedures.
- To set out preferred payment options which are cost effective and support prompt payments whilst enabling payments to be made 24 hours a day, 7 days a week.
- Advise and assist customers to avoid debt issues before they arise.
- Make pro-active contact whenever possible, by text, emails or telephone to ensure early intervention and payment.

## 3. Billing and Invoicing Arrangements

- 3.1 There is a legal duty placed on the Council to bill for Council Tax and Non-Domestic Rates (Business Rates) in accordance with legislation. The processes are automated and managed by the Technical, Control and the Income Teams.
- 3.2 Sundry (Commercial) debts are more varied and can be dealt with by the Income Team in liaison with the individual services.

3.3 The below table shows the billing and recovery process in terms of team responsibility for the different types of debt.

	<i>Council Tax</i>	<i>Business Rates</i>	<i>Housing Benefit Overpayments</i>	<i>Sundry Debts</i>
<i>Account administration</i>	Council Tax Team	Business Rates Team	Housing Benefit Team	Individual Service Area
<i>Systems Support</i>	Technical Team	Technical Team	Technical Team	Finance
<i>Billing</i>	Technical Team	Technical Team	Technical Team	Income Team
<i>Payment Processing</i>	Income Team	Income Team	Income Team	Income Team
<i>Debt Recovery</i>	Corporate Debt Team	Business Rates Team	Housing Benefit Team	Income Team

For all types of income the following guidelines must be followed:

- When goods or services are being provided payments should always be made up front of service delivery.
- For charges relating to hire of goods or premises a reasonable deposit should be taken on booking to cover any potential damage and the full cost of hire.
- Services should always consider the risk of non-payment and should actively monitor customer accounts and payment activities to highlight possible accumulation of debts.

## 4. Methods of payment

4.1 The Council will prioritise efficient payment methods which support self-serve. Payment options will be reviewed regularly to ensure we are benefiting from the latest payment technologies.

4.2.1 The Council’s preferred methods of payments are:

- Direct debit
- BACS (bank transfer)
- Online payments
- Automated telephone line payments

4.3 Services should remove any payment options from promotional materials, bills or other correspondence other than the preferred payment methods. For recurring or regular charges, Direct Debit must be promoted as the only payment option. For one-off charges an upfront debit card internet payment should be promoted followed by other self-serve options.

4.4 The Council will no longer accept payments by Payment Card or Postal Order. Cheque payments will no longer be accepted unless in exceptional circumstances which prevents the customer from paying in an alternative way.

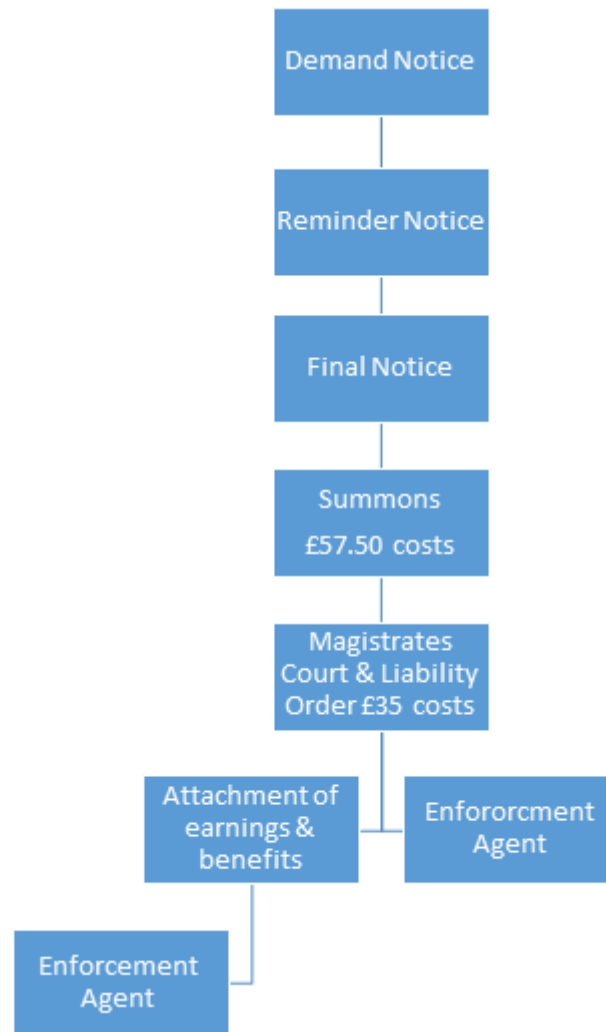
4.5 The Council will support customers to switch to the preferred payment methods including:

- Proactive customer contact by phone and letter
- Bulk text messages and emails
- Direct Debit promotional campaigns

## 5. Recovery of unpaid debts

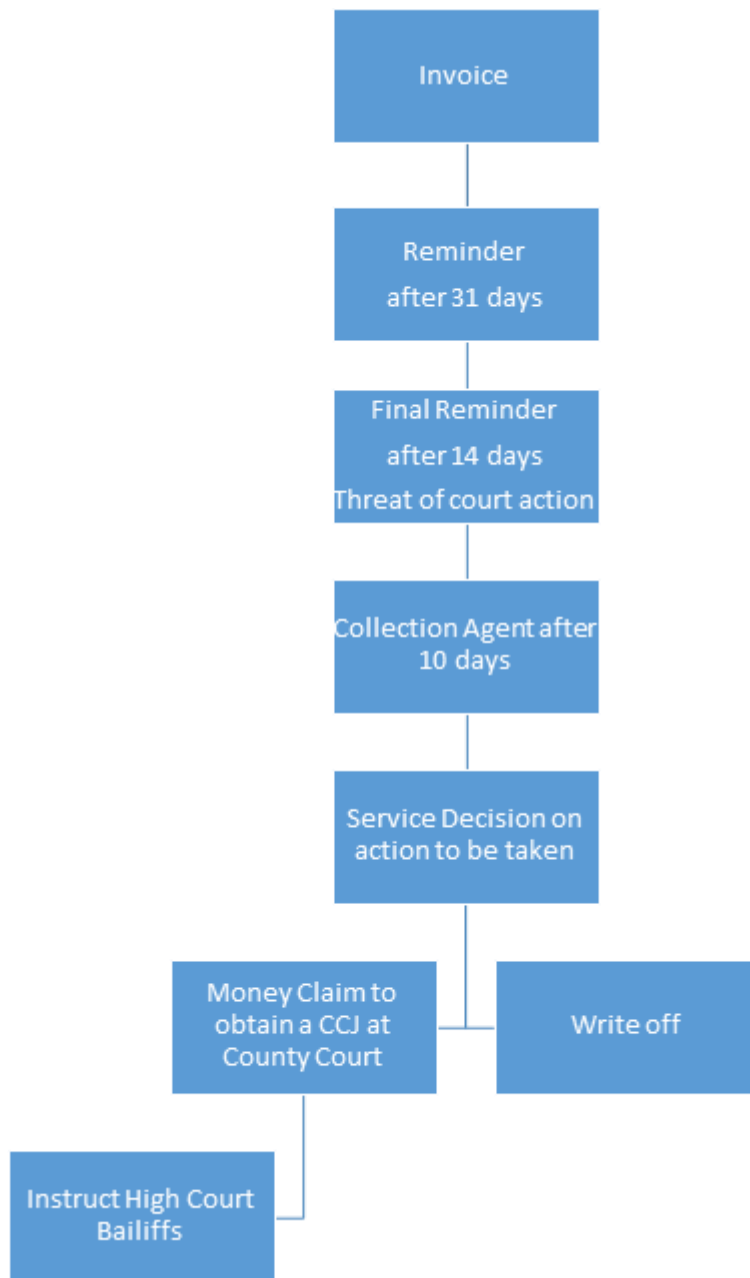
- 5.1 For a variety of reasons, revenue due to the Council will not be paid as requested. The Corporate Debt Team and individual services must undertake recovery action as soon as possible to maximise the probability of debt recovery.
- 5.2 Reminders will use nudge and persuasive techniques that are most likely to attract prompt payment.

## 6. Council Tax and Business Rates Process



## 7. Sundry Debt Processes

- 7.1 The relevant service manager is responsible for deciding whether enforcement action should be taken for sundry debts in their area. The income team will inform services of any debts owing to them and they should respond to say whether each case should then be enforced.



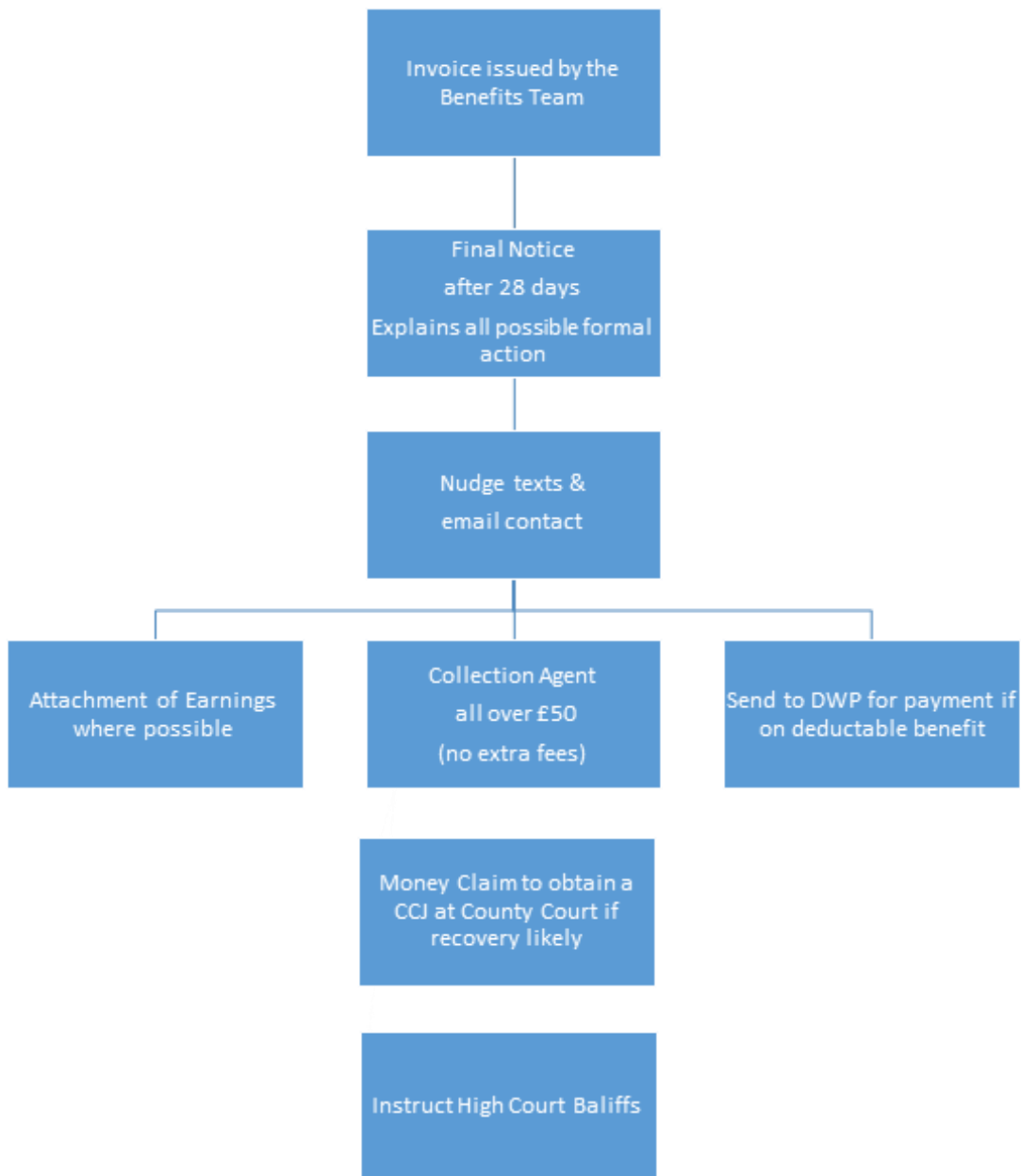
7.2 Forfeiture can also be considered for the recovery of commercial rent. This is where the Council will forfeit a lease due to non-payment of rent. The Council will instruct an Enforcement Agent to carry out the process of securing the property.

## 8. Housing Benefit Overpayment Process

8.1 A Housing Benefit Overpayment is where an individual has been overpaid benefit for a period that they were not entitled.

8.2 A deduction from the claimant’s weekly Housing Benefit shall be set following Housing Benefit Regulations. The claimant will receive notification that the overpayment will be recovered in this way.

8.3 Where recovery is not possible from existing Housing Benefit an invoice is issued to the claimant or landlord depending on who is liable. The Income Management Team will make use of landlord ‘blameless tenant’ recovery in cases where the debt is a landlord overpayment and that landlord has other tenants receiving Housing Benefit. The landlord will be notified that we are to recover the overpayment from the claimant and vice versa.



## 9. Enforcement

9.1 The Council will use all means at its disposal to ensure that any debts owed are recovered following any relevant statutory or civil process to enforce payment.

When initiating recovery action the officer must also consider whether the debtor is vulnerable and how any action would impact on them.

The following enforcement options will be considered by Council Officers (as well as other options specific to an individual case):

## **9.2 Enforcement Agents**

All Enforcement Agents are regulated and must act in prescribed ways to our customers. They are all fully trained on how to identify vulnerable customers and wear body cameras so all customer contacts are recorded and can be viewed back if required.

There is a clearly defined stage process and Enforcement Agents can only charge fees for each stage when certain trigger actions have been completed.

- Stage 1- Compliance stage £75.00
- Stage 2 – Enforcement Stage £235.00 + 7.5% on the original debt over £1,500
- Stage 3 – Sale Stage £110.00 + 7.5% on the original debt over £1,500

## **9.3 Attachment of Earnings, Fees or Benefits**

Used where the debtor is employed or in receipt of other regular income where payments can be taken directly from this income. Deductions are made at a rate determined by legislation.

## **9.4 Bankruptcy Proceedings/Liquidation**

Used when the debtor is a property owner and it is thought that there will be sufficient equity within the property to support full or partial repayment of the debt.

Cases considered suitable for bankruptcy are selected from cases that have been returned from the bailiff, either unable to gain entry or unable to access or returned no goods.

The following factors must be considered:

- The level of equity available in the liable property and any other associated properties where the debtor has a financial interest must cover the outstanding debt and associated costs.
- Whether the property is up for sale and therefore a charging order would be more appropriate.

## **9.5 Charging Orders on Property**

Used where the debtor owns a property, the Council is able to recover debt when the property is sold in the future. The Council may consider this action where the debtor is on a low income and or is classed as vulnerable or elderly.

## **9.6 Committal Proceedings**

The law allows Councils to apply to the Magistrates Court to have a person sent to prison where there is culpable neglect or wilful refusal to pay debt.

This will be used when bankruptcy or charging orders are not appropriate. It is not generally accepted by the local magistrates' court as appropriate action, but can be used when other remedies have been exhausted.

## 9.7 Money Claim

This is an efficient and inexpensive way for the Council to commence the County Court Judgement (CCJ) process via the County Court. Customers are contacted in regard to any debt by The County Court and given the option to pay in full, set up an arrangement for payment or dispute the debt.

If the judgement is for more than £600 the Council may be able to ask a High Court Enforcement Officer to try to collect the money or remove goods to sell at auction. A warrant is required for this action.

## 10. Vulnerable customers and those who are in financial difficulty

10.1 The Council is committed to support and assist our vulnerable customers. The Income and Corporate Debt Team work closely with the Customer Support Team and external partners to offer the best solution and advice possible for the vulnerable customer and the Council.

10.2 Extenuating circumstances will be taken into account when considering recovery action in order to protect the vulnerable and avoid transference of a problem elsewhere.

Considerations may include:

- Whether there are very young or elderly people in the household
- Chronic or terminal illness
- Recent bereavement of spouse or member of household
- Potential homelessness
- The ability of the individual or household to make a payment
- Is an Exceptional Hardship Payment (EHP) or Discretionary Housing Payment (DHP) appropriate

For business debts considerations may include:

- Potential loss of employment for employees of the business
- Loss of key facilities for the local community
- A payment option is the only choice because the business has no assets
- Consideration to any relief that may be appropriate.

10.3 Where it has been identified that a customer is suffering from financial difficulties or other extenuating circumstances the Council is committed to providing advice and support as well as a variety of payment options including:

- Holding enforcement action once a customer makes contact to inform of a difficulty in making payment.
- Voluntary payment solutions considered in preference to statutory or civil remedies as a first stage.
- Past history of payments should be considered when making a decision to proceed with enforcement action.
- Where a payment solution is agreed this should be confirmed in writing by the Council including any action that will be taken should the agreed payments not be made.
- Payment solutions should be made with an agreed up-front payment from the debtor whenever possible.
- Where a payment solution cannot be agreed, the debtor will be advised of the reasons why and that the recovery process will continue should an alternative arrangement not be made.

## 11. Debt Advice

If a customer has several debts and is struggling to pay them, the Corporate Debt Team will offer a referral for independent advice through the Money and Pension Service.

To be referred the customer must meet eligibility criteria:

- resides in England
- be in arrears/struggling to maintain payments
- not already be in a debt solution
- not be self-employed or a company director

Money and Pension Service offer a range of advice and support to help maximise income, manage debts and apply for statutory debt solutions.

## 12. Breathing Space

The Council will work with debt advisers to allow eligible debtors to enter 'breathing space' in accordance with Government Guidance - [Debt Respite Scheme \(Breathing Space\) guidance for creditors - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/debt-respite-scheme-breathing-space-guidance-for-creditors).

## 13. Tracing and Searches

- 13.1 As part of the recovery process as number of traces and searches can be carried out to try and establish further information on a debtor. This is particularly useful when we have no forwarding address for someone who has moved home before settling a debt.
- 13.2 Locating Council Tax Absconders (LOCTA) is a local government tracing tool that provides a suite of information including, forwarding address, DWP information, credit reports and telephone numbers.
- 13.3 If a LOCTA search is unsuccessful the Council may use a Credit Referencing Agency to trace an individual. The Data Protection Act section 29 allows Local Authorities to credit check and search individuals in regard to the collection of Tax.
- 13.5 The use of internet searches and Social Media to access information in the public domain is also very useful, particularly in establishing employment details for attachment of earnings.
- 13.6 We can also use a Customer Information System (CIS) check that allows certain authorised officers to search DWP database. This information can only be used for the recovery of Housing Benefit Overpayments.
- 13.7 If necessary the Council may ask a Revenues Inspector to carry out a visit to establish the status of a property.
- 13.8 For Housing Benefit Overpayments, HMRC will provide employment details to enable attachment of earnings where appropriate.



## 14. Bad debts

14.1 For the purpose of this policy a bad debt is classified as:

- Money due when there is little or no likelihood of recovery after all methods have been exhausted.
- Money due where it is uneconomical or inefficient to recover the sum due.
- Money due but the debt is too old (aged) to continue recovery.
- Money due where the Council does not wish to pursue recovery because the circumstances of a case would attract well-founded adverse publicity or public reaction, or the concept of natural justice would be compromised

14.2 Where it is considered that a debt is a bad debt the Council will ensure that it is written off promptly to preserve and maintain the principle of accurate and up to date information. Decisions will be made based on the circumstances that exist at the time and any unusual circumstances should be referred to the Head of Service or Portfolio Holder. Governance and Audit agreed to increase officer write off limits annually by RPI, subject to the index increasing enough to justify a £1,000 step, please refer to current financial regulations.

<i>Debt Value</i>	<i>Process</i>	<i>Authorised Person</i>
<b>Up to £100</b>	Write off on the system with screen notes using write off code	Corporate Debt/Revenues Officer
<b>£101 to £1,000</b>	As above. Payments Manager to carry out spot checks and record for audit purposes.	Corporate Debt/Revenues Officer Payments Manager
<b>£1,000 - £12,000</b>	Detailed system checks/searches carried out. If unsuccessful and investigation form is complete and signed. Investigation forms scanned and front schedule to be signed.	Payments Manager S151 Officer
<b>Over £12,000</b>	A Portfolio Holder report must be complete with details of individual write-offs	Portfolio Holder

14.3 The cumulative total of debts written off will be monitored by the Payments Manager to ensure that the incidence of bad debt remains consistent with the Councils estimates and projections.

## 15. Complaints and errors

15.1 If an error or mistake is made in the process of recovering debt the account will reviewed and appropriate action taken.

15.2 If a customer is unhappy with the service provided or disagrees with the decisions made they are able to complain through the Councils standard complaints procedure. Details of this can be found on the Council website - <http://www.colchester.gov.uk/complaints>.

- 15.3 During the process of enforcing payment of outstanding debts it is possible that evidence or facts emerge after enforcement proceedings have been taken or have been completed.
- 15.4 In these cases the Council will take appropriate action to remedy the situation as far as possible:
- Proceedings will be stopped immediately
  - The debtors account will be noted to reflect the revised situation
  - Where appropriate the Court involved will be advised
- 15.5 Although the Council will make every effort to resolve a misrepresentation of the true situation, some issues can only be resolved by reference to the Courts.

## Appendix 1

### Standard Enforcement Actions for Mortgages and Shared Ownership Scheme

Individual accounts are monitored on a regular basis to ensure that regular monthly payments are received, and reminders sent. Where all or part of the debt is paid by the Pensions Service or the Benefits Division, the receipt of these sums will also be monitored. Whilst standard reminders are available, a more personal approach will often be required.

If the debtor fails to maintain regular payments the Corporate Debt Team will attempt to discuss options. Should this not prove possible, or if arrangements are not adhered to, then the following action will be taken:

#### Mortgages

Legal Services will be approached and given sufficient information to allow for the preparation of a possession order to be requested from the District Judge. Whilst Court papers are being prepared, Legal Services will warn the debtor of the implications of non-payment.

If a possession order is obtained, the Income Management Team will monitor the arrangement made. Should payment cease, a Portfolio Holder decision will be required if it becomes necessary to implement the order.

#### Shared ownership cases

Where a mortgage is held on the property, then the lender will be advised that rent is not being paid and that forfeiture proceedings are being considered. If the lender will not make payment on behalf of the borrower, or if there is no lender, the Council will decide whether to pursue forfeiture or to attempt to obtain a money judgment for the County Court.

## Appendix 2

### Standard Enforcement Actions for Penalty Charge Notices (North Essex Parking Partnership)

This debt is collected directly by the North Essex Parking Partnership and not Customer Services.

Parking enforcement is carried out in accordance with the provisions and procedures laid out in the Traffic Management Act 2004. A parking Penalty Charge Notice is not a debt until the motorist has exhausted all avenues of appeal.

1. **Penalty Charge Notice** issued.
2. **DVLA enquiry** made if no correspondence received, or payment received within 31 days.
3. **Notice to Owner** sent if full payment is not received within 31 days of issue.
4. **Charge Certificate** sent and charge increased by 50% of full payment, or representation against Notice to Owner, if not received within 31 days.
5. **Debt registered at County Court** and fees added if full payment is not received within 17 days of Charge Certificate being sent.
6. **Notice of Debt Registration** sent.
7. **Apply for a Warrant of Execution and instruct Enforcement Agents (bailiffs)** if full payment or Witness Statement is not received within 21 days of Notice of Debt Registration being sent. A Warrant of Execution has a lifespan of 12 months only and cannot be reissued thereafter. If the Council has been unsuccessful in recovering the penalty charge by means of a Warrant within 12 months and wishes to pursue, the Council must ask the Traffic Enforcement Centre (Northampton County Court) for authorisation to prepare another Warrant. Warrants that have been returned from the Bailiff after a period of 6 months because the debtor could not be traced or there are no funds or goods to seize can be sent to other Bailiff companies for collection.
8. If warrants remain unpaid, the council is now able to recover debt using a different process where a valid warrant is not required.



# Governance and Audit Committee

13 December 2023

Item

11

Report of **Head of Governance and Monitoring Officer** Author **Andrew Weavers**  
☎ 282213

Title **Review of Local Code of Corporate Governance  
2023/24**

Wards affected Not applicable

## 1. Executive Summary

- 1.1 This report requests the Committee to review the Local Code of Corporate Governance for 2023/24. The Local Code of Corporate Governance is how the Council demonstrates that its structures comply with the recognised principles of good governance.
- 1.2 The report also recommends that Full Council includes the Code in its Policy Framework which comprises all of the Authority's key policies.

## 2. Recommended Decision

- 2.1 To review the updated Local Code of Corporate Governance for 2023/24.
- 2.2 To recommend to Full Council that it be approved for inclusion in the Council's Policy Framework.

## 3. Background

- 3.1 In 2007 CIPFA (The Chartered Institute of Public Finance and Accountancy) and SOLACE (The Society of Local Authority Chief Executives) issued "Delivering Good Governance in Local Authorities", a guide to ensuring that local authorities are appropriately governed. This was updated in April 2016.
- 3.2 Governance is defined as the systems and processes, and cultures and values, by which an organisation is directed and controlled and through which it accounts to, engages with and, where appropriate, leads their communities. It is about how Colchester Borough Council ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open and accountable manner
- 3.3 The Council strives to meet the highest standards of corporate governance to help ensure it meets its objectives. Councillors and Officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal.
- 3.4 Therefore a Local Code of Corporate Governance has been developed to ensure that the Council complies with the principles set out in the CIPFA/SOLACE guidance. The Local Code is reviewed annually, to ensure that the Council is still satisfying the principles, and forms part of the Council's Policy Framework. The Committee last considered the Local Code at its meeting on 22 November 2022.

- 3.5 The guidance identifies six Core Principles against which local authorities should review their existing corporate governance arrangements and develop and maintain a local code of governance. The principles are;
- Focusing on the purpose of the Council and outcomes for the community and creating and implementing a vision for the local area;
  - Councillors and officers working together to achieve a common purpose with clearly defined functions and roles;
  - Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
  - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
  - Developing the capacity and capability of members and officers to be effective; and
  - Engaging with local people and other stakeholders to ensure robust public accountability.

3.6 The six core principles each have a number of supporting principles, which in turn have a range of specific requirements that apply across the range of Council business.

3.7 The Local Code, and the Council's compliance with the principles, have been reviewed, and attached at Appendix 1 is the updated Local Code of Corporate Governance for 2023/24. This sets out the six principles and elaborates on how the Council is meeting them, what source documents or processes evidence this and in addition highlights any further or ongoing work. This in turn links into the Council's Annual Governance Statement.

3.8 The Local Code has been updated to reflect the delivery of the strategic plan 2020-23 and Cabinet's vision and priorities, along with details of the peer challenge, the People Strategy, apprenticeship programme for staff, the creation of a central site for council data and provision of cost of living resources. Details of the newly created staff engagement group, 'Speak up Now', have also been provided. Otherwise, there have been no significant changes to the Local Code following the review, and it is considered still fit for purpose.

#### **4. Strategic Plan References**

4.1 The manner in which the Council governs its business is an underpinning mechanism in the Council's Strategic Plan priorities to set out the direction and future potential for our Borough.

#### **5. Publicity Considerations**

5.1 The Local Code of Corporate Governance will be published on Corporate Governance section of the Council's website.

#### **6. Financial, Equality, Diversity and Human Rights, Consultation, Health, Wellbeing and Community Safety, Health and Safety, Risk Management and Environmental and Sustainability Implications**

6.1 None.



Colchester  
City Council

# Code of Corporate Governance 2023/24

[www.colchester.gov.uk](http://www.colchester.gov.uk)

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## THE PRINCIPLES OF CORPORATE GOVERNANCE

- Core Principle 1** *Focusing on the purpose of the Council and outcomes for the community and creating and implementing a vision for the local area.*
- Core Principle 2** *Members and officers working together to deliver the objectives of the Strategic Plan (the common purpose) with clearly defined functions and roles.*
- Core Principle 3** *Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.*
- Core Principle 4** *Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.*
- Core Principle 5** *Developing the capacity and capability of members and officers to be effective.*
- Core Principle 6** *Engaging with local people and other stakeholders to ensure robust public accountability.*

## CODE OF CORPORATE GOVERNANCE

### INTRODUCTION

*“Governance is about how local government bodies ensure that they are doing the right things, in the right way for everyone, in a timely, inclusive, open, honest and accountable manner.*

*It comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and where appropriate, lead their communities”.*

**Delivering Good Governance in Local Authorities (CIPFA/SOLACE 2007)**

**The CIPFA/SOLACE guidance “Delivering Good Governance in Local Authorities” identified six Core Principles against which local authorities should review their existing corporate governance arrangements and develop and maintain a local code of governance. These principles are:**

- 1. Focusing on the purpose of the Council and outcomes for the community and creating and implementing a vision for the local area*
- 2. Members and officers working together to achieve a common purpose with clearly defined functions and roles*
- 3. Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour*
- 4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk*
- 5. Developing the capacity and capability of members and officers to be effective*
- 6. Engaging with local people and other stakeholders to ensure robust public accountability.*

**This Code of Governance has been prepared in accordance with the Guidance and will be reviewed by the Governance and Audit Committee on an annual basis.**

**Additionally, authorities are required to prepare and publish an Annual Governance Statement in accordance with this framework under Regulation 4(2) of the Accounts and Audit (Amendment) (England) Regulations 2011. The Annual Governance Statement is a key corporate document. The Chief Executive and the Leader of the Council have joint responsibility as signatories for its accuracy and completeness.**

## PRINCIPLE ONE

**Core Principle 1 – Focusing on the purpose of the Council and outcomes for the community and creating and implementing a vision for the local area**

**Our aims in relation to focusing on the purpose of the Council and outcomes for the community and creating and implementing a vision for the local area are to:**

- 1.1 Exercise strategic leadership by developing and clearly communicating the authority’s purpose, vision and its intended outcome for citizens and service users
- 1.2 Ensure users receive a high quality service whether directly, or in partnership, or by commissioning
- 1.3 Ensure that the authority makes best use of resources and that tax payers and service users receive excellent value for money

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>1.1.1 Develop and promote the Council's purpose and vision</p>	<p>The <a href="#">Strategic Plan 2023-26</a> sets out how the Council will address the key challenges facing the City through five strategic priority themes. It was approved by Full Council in February 2023. In March 2023 the Cabinet agreed the <a href="#">strategic plan delivery plan</a>.</p> <p><a href="#">Performance report</a> to Cabinet in September 2023 reviewing the details of delivery against the council's 20-23 strategic plan.</p> <p>The Council's commercial programme, including its three trading subsidiaries – Amphora Trading, Homes and Energy – within Colchester Commercial (Holdings) Ltd (CCHL) holding company.</p> <p>Partnership working with local, regional and national stakeholders.</p> <p>Service Plans.</p> <p>ICT, Communication and Technology Strategy.</p> <p>Council website – <a href="http://www.colchester.gov.uk">www.colchester.gov.uk</a>.</p> <p>Local Research and Statistics data on website.</p> <p>The Constitution and its committees and panels.</p> <p>People Strategy - embedding the organisational goals for staff, including our people vision and values.</p> <p>Key Performance Indicators (KPIs) reported and published to show achievements against targets</p> <p>The Council's strategies and policies.</p> <p>Awards and accreditations - <a href="#">council-wide</a></p>	<p>Development and monitoring of actions to support delivery of the <a href="#">Strategic Plan 2023-26</a>, including the <a href="#">strategic plan delivery plan</a>.</p> <p>The final recommendations from the <a href="#">Peer Challenge</a> are being implemented and <a href="#">progress report</a> was presented to Cabinet in July 2023.</p> <p>The future strategy of the <a href="#">CCHL/Amphora companies</a>, and the implementation of their high-level goals, financial targets and management agreements. Monitoring includes the <a href="#">CCHL Annual Report 2022/23</a>.</p> <p>Encouraging self-serve and online options to maximise use of resources.</p> <p>The Council's Performance Management Office reviews customer demand and feedback, statistics and research to support business improvement.</p> <p>Council website – continuing its development to support the Council's vision and objectives, including focus on online self-serve options.</p>

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
1.1.1 Develop and promote the Council's purpose and vision contd.	<p data-bbox="824 268 1406 304"><a href="#">Publication Scheme/Transparency Code.</a></p> <p data-bbox="824 379 1518 702"><a href="#">The North East Essex Digital Access Support Team (NEE DAST)</a> is a collaboration between North East Essex Integrated Care Board, Tendring District Council and Colchester City Council, providing a free service to residents that helps them gain basic skills and confidence using smart technology, providing both virtual and community-based events, including drop-in sessions and one-to-ones.</p>	

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>1.1.2 Review on a regular basis the Council's vision for the local area and its impact on the authority's governance arrangements</p>	<p>Strategic Plan and its Action Plan.  The Constitution and its committees and panels.  Medium Term Financial Strategy and Capital Programme.  Local Code of Corporate Governance.  Annual Governance Statement and Assurance Framework.  Risk Register.  <a href="#">update on progress in delivering Cabinet vision and priorities</a> and <a href="#">news releases</a>.</p>	<p>Development and monitoring of actions to support delivery of the <a href="#">Strategic Plan 2023-26</a>, including the <a href="#">strategic plan delivery plan</a>.</p> <p>The final recommendations from the <a href="#">Peer Challenge</a> are being implemented and <a href="#">progress report</a> was presented to Cabinet in July 2023.</p> <p>Local Code of Corporate Governance updated annually as required by CIPFA Guidance.</p> <p>Terms of Reference of the Policy Panel reviewed and changed to ensure the Panel considers issues at the request of Cabinet and Portfolio Holders and must seek approval from Cabinet on whether and how issues proactively identified by the Panel are examined.</p>

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>1.1.3 Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties.</p>	<p>Strategic Plan 2020-23 Partners were key contributors in the Peer Challenge Safer Colchester Partnership – annual plan, website, strategic and operational groups Working with a range of partners to provide customer-facing services.</p>	<p>Crime and Disorder Committee examines the work of the Safer Colchester Partnership.  Proposed inclusion of Health Alliance director on the Council’s Board of Directors.  Development of shared services arrangement with Epping Forest and Braintree District Councils.</p>
<p>1.1.4 Publish an annual report on a timely basis to communicate the authority’s activities and achievements, its financial position and performance</p>	<p>Strategic Plan actions and monitoring of delivery Statement of Accounts Council’s website <a href="http://www.colchester.gov.uk">www.colchester.gov.uk</a> Awards and accreditations, Performance and Improvement sections of the website Performance Management Board ICT, Communication and Technology Strategy The Council’s Forward Plan Publication Scheme/Transparency Code All <a href="#">Annual Reports</a> into one place on the website for improved transparency and open access. An online '<a href="#">Council data</a>' library gives access to view and download a range of council databases, performance data and information.</p>	<p>Development and monitoring of actions to support delivery of the <a href="#">Strategic Plan 2023-26</a>, including the <a href="#">strategic plan delivery plan</a>. <a href="#">update on progress in delivering Cabinet vision and priorities</a> and <a href="#">news releases</a>.</p>

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>1.2.1 Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available</p>	<p>Performance reporting to Senior Management, Scrutiny Panel and Cabinet            Consultation – “Consultations, Research and Statistics” section on website            Mosaic and other customer research tools            Annual Monitoring Report            External Audit annual audit letter and recommendations            Local Government and Social Care Ombudsman – Annual Review Letter            Review of Complaints Procedure</p>	<p>Research and Change Team review customer demand and feedback, statistics and research to encourage services to make informed choices based on fact, and support process improvement work council-wide.</p> <p>‘Customer’ strand of the Council’s <a href="#">Customer Service Standard</a>.</p> <p>‘Customers and Partnerships’ strand of Senior Management Team meetings – this meeting aims to ensure we are focused on our customers and looking for partnership opportunities.</p> <p>Feedback tab on webpages  <a href="#">‘Help us get it right’</a> options for customers</p>



In order to achieve our aims we have/will:	Source documents/processes	Further work ongoing
1.2.2 Put in place effective arrangements to identify and deal with failure in service delivery	Performance reporting and performance indicators Complaints Procedure Internal Audit Process and annual work programme Chief Operating Officer Performance Management Board – will PMB still exist under the new SMT arrangements? External Auditor’s annual audit letter and recommendations The Constitution, Committees and Panels Risk Management Strategy Ethical Governance Policies Annual Governance Statement Action Plan Review of Complaints Procedure	Performance Management Board addresses and manages performance and financial issues and meets monthly. Preparation for Budget Group is also managed here.  <u>'Help us get it right'</u> options for customers
1.3.1 Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies, plans and decisions.	Performance Reporting Performance Management Board Environmental Sustainability Strategy/Actions External Auditor’s annual audit letter and recommendations Statement of Accounts Annual Treasury Strategy Statement North Essex Parking Partnership annual report Report templates – financial considerations Monitoring of commercial performance Publication Scheme/Transparency Code Sustainability assessments for Local Plan	Building a sustainable commercial services arm for the Council – CCHL/Amphora trading companies. The Council has declared a Climate Emergency and has established an Environment and Sustainability Committee. This is an advisory Panel to Cabinet looking at how the Council should respond to the climate emergency. All decision making reports require an assessment of the environmental and sustainability implications of the decision.

## PRINCIPLE TWO

**Members and officers working together to deliver the objectives of the Strategic Plan (the common purpose) with clearly defined functions and roles.**

**Our aims in relation to Members and Officers working together to achieve a common purpose with clearly defined functions and roles are to:**

- 2.1 Ensure effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function
- 2.2 Ensure that a constructive working relationship exists between authority members and officers and the responsibilities of members and officers are carried out to a high standard
- 2.3 Ensure relationships between the authority, its partners and the public are clear so that each knows what to expect of the other

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
2.1.1 Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the authority's approach towards putting this into practice	Constitution (Cabinet terms of reference) Record of decisions and supporting materials Member/Officer Protocol Member Training and Development Senior officer training Member role profiles Committee and Councillor area on the Council website Publication Scheme/Transparency Code	The Constitution will continue to be reviewed on a rolling basis.
2.1.2 Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and of senior officers	Constitution (Statutory Officer positions, Terms of Reference for Committees, Member roles) Protocols on planning, the representational role of Members, Chairmen, Officer/Members Schemes of Delegation Terms and Conditions of Employment Member role profiles	.
2.2.2 Make the chief executive or equivalent responsible and accountable to the authority for all aspects of operational management	Development of the Committee and Councillor area on the Council website provides more complete and easily accessible information about Councillors and the Council's decision making processes. Chief Executive designated with Head of Paid Service responsibilities Conditions of Employment Schemes of Delegation Job Accountability Statement /Person Specification Signature on Annual Governance Statement	The Constitution will continue to be reviewed on a rolling basis.  Support for this from Chief Operating Officer  Proposed new SMT arrangements designed to streamline officer decision making and increase accountability of operational managers.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
2.2.3 Develop protocols to ensure that the leader and chief executive (or equivalent) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained	Constitution Member/Officer Protocol Regular 1:2:1s	The Constitution will continue to be reviewed on a rolling basis.  The development of the CCHL/Amphora companies, and the implementation of their high-level goals, financial targets and management agreements.
2.2.4 Make a senior officer (usually the section 151 officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control	Strategic Finance Manager is the Council's Chief Financial Officer (S151 Officer). Constitution Job Accountability Statement / Person Specification S151 Officer Protocol Report template includes financial implications before report considered by Members Officer Pay Policy agreed by Full Council	
2.2.5 Make a senior officer (other than the responsible financial officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes, regulations are complied with (usually the Monitoring Officer)	Strategic Governance Manager is the Council's Monitoring Officer Monitoring Officer Protocol Job Accountability Statement / Person Specification Report template requires that Legal Services are consulted before a report is considered by Members	
2.3.1 Develop protocols to ensure effective communication between members and officers in their respective roles	Member / Officer Protocol Planning Procedures Code of Practice Outside Bodies advice given to Members Member and Officer Codes of Conduct	Portfolio Holder briefings  All member briefings

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
2.3.2 Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process including an effective remuneration panel (if applicable)	Pay and conditions policies and practices Independent Remuneration Panel Terms of Reference and Reports Regular liaison meeting with Unison Officer Pay Policy agreed by Full Council	
2.3.3 Ensure that effective mechanisms exist to monitor service delivery	Performance reporting and performance indicators Complaints Procedure Assistant Directors monitoring Service Plans Performance Management Board Performance management system Scrutiny Panel Annual Governance Statements for the Council, Colchester and Ipswich Museums Service and North Essex Parking Partnership Publication Scheme/Transparency Code	Customers and Partnerships' strand of Senior Management Team meetings  Customer insight work

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>2.3.4 Ensure that the organisation’s vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated</p>	<p>Strategic Plan underpinned by a review of all existing consultation work.            Medium Term Financial Strategy            Performance reporting and indicators            Council Website            ICT, Communication and Technology Strategy            News releases, e-newsletters and social media            Customer insight groups            Service Reviews  <a href="#">update on progress in delivering Cabinet vision and priorities</a> and <a href="#">news releases</a>.</p>	<p>Policy Panel set up to provide legislative, improvement and policy advice to Cabinet and Portfolio Holders on issues that may affect executive functions.</p> <p>Environment and Sustainability Panel set up on the same basis as the Policy Panel, but to provide Colchester’s response to the climate emergency.</p> <p>Development and monitoring of actions to support delivery of the <a href="#">Strategic Plan 2023-26</a>, including the <a href="#">strategic plan delivery plan</a>.</p> <p>The final recommendations from the <a href="#">Peer Challenge</a> are being implemented and <a href="#">progress report</a> was presented to Cabinet in July 2023.</p>

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
2.3.5 When working in partnership ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the authority	Constitution Individual Partnership Agreements Service Level Agreements Advice given to Members in relation to outside bodies	Scrutiny Panel work programme includes review of partnership arrangements, with presentations from partners at Scrutiny.
2.3.6 When working in partnership: <ul style="list-style-type: none"> <li>• ensure that there is clarity about the legal status of the partnership</li> <li>• ensure that representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.</li> </ul>	Constitution Individual Partnership Agreements Service Level Agreements Advice given to Members in relation to outside bodies Monitoring Officer role and protocol	Customers and Partnerships' strand of Senior Management Team meetings.  Development of shared services arrangement with Epping Forest and Braintree District Councils.

## PRINCIPLE THREE

**Core Principle 3 – Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour**

**Our aims in relation to promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour are to:**

- 3.1 Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.
- 3.2 Ensuring that organisational values are put into practice and are effective.



In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
3.1.1 Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect.	Constitution Chief Executive's and Leader's blog on intranet Performance reporting Governance and Audit Committee has an overall view of conduct issues established by its terms of reference Member and Officer Codes of Conduct Member/Officer Protocol Whistleblowing Policy Anti-Fraud and Corruption Policy Freedom of Information Policy statement and publication scheme Monitoring Officer and S151 Officer Protocols Localism Act Member conduct regime Annual review of Ethical Governance policies Peer Challenge Planning Procedures Code of Practice Officer Register of Gifts and Hospitality Officer voluntary register of interests Members' Register of Interests Website and intranet Portfolio Holder monthly sessions with senior officers "Corporate Governance" section on the Council's website bringing all relevant information together under one heading 'Council data' online resource	Staff survey and taking action on its findings  Leadership Development Programme led by Executive Management Team  Social media, including Yammer  Regular staff news bulletins by email  Information and videos on intranet  Employee Assistance Programme  Staff Wellbeing Champions and Mental Health First Aiders

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>3.1.2 Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols</p>	<p>Member and Officer Codes of Conduct  Performance management system  Complaints procedures  Anti-fraud and Corruption Policy  Member/Officer Protocol  Induction for new Members and staff  Member Development Programme  Officer training on Member/ officer relationship  Whistleblowing Policy  Information and Communication Technology  ICT Security Policy  Safeguarding Policy  Intranet  Annual review of Ethical Governance policies  Review of Complaints Procedure</p>	<p>Embedding the organisational goals for staff, including our people vision and values.</p> <p>The Job Accountability Statement/Person Specification template highlights the core values to applicants, and the staff appraisal scheme makes how you conduct yourself against the values, attitudes and behaviours to be equally important to achieving the SMART objectives that apply to the role.</p> <p>Adoption of New Model Code of Conduct and provision of training on the new code for members.</p>
<p>3.1.3 Put in place arrangements to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice</p>	<p>Member and Officer Codes of Conduct  Equality and Diversity training for Members and Officers  Financial Procedure Rules,  Contract Procedure Rules  Ethical Governance policies  Registers of Interests (Officers and Members)  Services and processes are underpinned by  Equality Impact Assessments  Equality Objectives  Officer induction and training  Annual review of Ethical Governance Policies  Job Accountability Statements include whether or not a role is politically restricted</p>	<p>Response to consultation on revised Member Code of Conduct.</p> <p>Adoption of New Model Code of Conduct and provision of training on the new code for members.</p>

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
3.2.1 Develop and maintain shared values including leadership values both for the organisation and staff reflecting public expectations and communicate these with members, staff, the community and partners	Member and Officer Codes of Conduct Strategic Plan, objectives and priorities in place and shared Performance reporting Strategic Plan Action Plan – progress is reported to scrutiny on a half-yearly basis	People Strategy - embedding the organisational goals for staff, including our people vision and values  People Strategy actions
3.2.2 Put in place arrangements to ensure that procedures and operations are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice	Contract Procedure Rules Ethical Governance Policies Member and Officer Codes of Conduct Monitoring of the above takes place by the Governance and Audit Committee ICT Security Policy Annual reporting to Governance and Audit Committee	
3.2.3 Develop and maintain an effective Standards Committee	Member conduct issues (standards) within remit of Governance and Audit Committee Agenda and Minutes Terms of Reference Regular meetings Member training on Code of Conduct Work programme	Annual review of the Localism Act arrangements by the Governance and Audit Committee.  Adoption of New Model Code of Conduct and provision of training on the new code for members.
3.2.4 Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority	Member and Officer Codes of Conduct Strategic Plan, objectives and priorities in place and being shared Performance Appraisals Portfolio Holder briefing with Senior Managers Policy Framework	People Strategy - embedding the organisational goals for staff, including our people vision and values.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>3.2.5 In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively</p>	<p>Values agreed with each partner</p>	<p>Annual report to Cabinet on Members' appointments to outside bodies, including feedback on outcomes, issues and engagement</p> <p>Scrutiny Panel work programme includes review of partnership arrangements, with presentations from partners at Scrutiny</p> <p>Development of shared services arrangement with Epping Forest and Braintree District Councils.</p>

## PRINCIPLE FOUR

### **Core Principle 4 – Taking informed and transparent decisions which are subject to effective scrutiny and managing risk**

#### **Our aims in taking informed and transparent decisions which are subject to effective scrutiny and managing risk are to:**

- 4.1 Being rigorous and transparent about how decisions are taken and listening and acting on the outcomes of constructive scrutiny.
- 4.2 Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.
- 4.3 Ensuring that an effective risk management system is in place.
- 4.4 Using their legal powers to the full benefit of the citizens and communities in their areas.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
4.1.1. Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the organisation's performance overall and of any organisation for which it is responsible	Scrutiny is supported by robust evidence and data analysis Agenda and Minutes Scrutiny Panel Work programme Successful outcome of reviews Ownership of work programme Training for scrutiny chairman and members Scrutiny of partners and joint projects	Scrutiny Panel work programme includes review of partnership arrangements, with presentations from partners at Scrutiny  Specialised training provided to Scrutiny members
4.1.2 Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based	The Constitution, Committees and Panels Decision making protocols Record of decisions and supporting materials Report template Decision list published (members) Live streaming of meetings via YouTube Website	Meetings have been live streamed through YouTube or Audiominutes leading to greater public engagement.
4.1.3 Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice	Member and Officer Codes of Conduct Member and Officer Registers of Interests Declaration of Interests at meetings Code of Conduct guidance and training provided to Members and Officers Planning Procedures Code of Practice Governance and Audit Committee (responsibility) and Monitoring Officer (reports) Politically restricted posts Ethical Governance Policies, and annual review Secondary Employment Policy	Adoption of New Model Code of Conduct and provision of training on the new code for members.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
4.1.4 Develop and maintain an effective Audit Committee (or equivalent) which is independent or make other appropriate arrangements for the discharge of the functions of such a committee	Audit issues within remit of Governance and Audit Committee Member Development Programme Agenda and Minutes The Constitution	Continue to review Member training programme with specific reference to audit and governance  Complete self assessment of Audit committee function.
4.1.5 Put in place effective transparent and accessible arrangements for dealing with complaints	Complaints procedure " <a href="#">Help us get it right</a> " on website with full details Annual letter from Local Government and Social Care Ombudsman Customer insight work Social media Review of Complaints Procedure	
4.2.1 Ensure that those making decisions whether for the authority or partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications	Council's Website Report templates dealing with key aspects Report by Assistant Director with necessary technical expertise included Training and professional development Equality Impact Assessments Clear and well understood decision-making processes with published timelines Publication Scheme and Transparency Code 'Council data' online resource	Projects carried out by the Council's Research and Change Team  Customer insight work  Introduction of a requirement that all decision making reports must address the environmental and sustainability implications of the decision.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
4.2.2 Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately	Report template requires that consultation is undertaken with legal and financial functions before report considered by Members Record of decision making and supporting materials S151 and Monitoring Officer Protocols Equality Impact Assessments Clear and well understood decision making processes with published timelines.	Business Partners for Corporate and Improvement Services, including legal and financial matters
4.3.1 Ensure that risk management is embedded into the culture of the organisation, with members and managers at all levels recognising that risk management is part of their job	Risk Management Strategy - Policy Framework Corporate Risk Manager Corporate/service planning Cabinet Member with accountability for risk management Half-yearly reporting to Governance and Audit Committee Performance Management Board quarterly risk review Risk Registers- Strategic, Operational and Project Risk and Control self-assessment completed by all managers Training for Members and Officers Intranet area for Risk Management Corporate Governance Team, bringing together the co-ordination of governance processes.	Embedding of risk management processes into projects, with a review of what constitutes a significant project  Integrating operational, strategic and project risks into the risk reporting process to senior management



In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
4.4.1 Actively recognise the limits of lawful activity placed on them by, for example the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities	Constitution Monitoring Officer Report templates Equality Impact Assessments Equality Objectives	
4.4.2 Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law	Availability of professional legal advice Knowledge of current and forthcoming legislation and regulations Monitoring Officer Protocol S151 Officer Protocol Report templates Constitution Equality Impact Assessments Equality Objectives Training and Policy updates	Business Partners for Corporate and Improvement Services, including legal and financial matters
4.4.3 Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice into their procedures and decision making processes	Availability of professional legal advice Knowledge of current and forthcoming legislation and regulations Monitoring Officer Protocol S151 Officer Protocol Procedure Rules Report template Constitution Format for quasi-judicial committees “Have Your Say” processes Planning Procedure Code of Practice Equality Impact Assessments Equality Objectives 'Council data' online resource	Business Partners for Corporate and Improvement Services, including legal and financial matters

## PRINCIPLE FIVE

### **Core Principle 5 – Developing the capacity and capability of Members and Officers to be effective**

#### **Our aims in relation to developing the capacity and capability of Members and Officers to be effective are:**

- 5.1 Making sure that Members and Officers have the skills, knowledge, experience and resources they need to perform well in their roles
- 5.2 Developing the capability of people with governance responsibilities and evaluating their performance as an individual and as a group
- 5.3 Encouraging new talent for membership of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>5.1.1 Provide induction programmes tailored to individual needs and opportunities for Members and Officers to update their knowledge on a regular basis</p>	<p>Member training and development            Member training records on the website            Member and Officer Induction programmes            Refresher courses            Briefings            Performance reviews for officers            People Strategy            Personal Development Plans            Learning and Development Strategy            Charter Status for Elected Member Development renewed 2022 (re-assessed every 3 years)</p>	<p>Member skills development</p> <p>Intranet section with e-induction options and information for new starters.</p> <p>Learning and Development section on the intranet is now a 'one stop shop' for staff e-learning – from induction to essential skills and wellbeing – with new section offering free webinars/resources.</p> <p>External assessment for the reaccreditation of Member Charter Status required every 3 years – retained 2022.</p> <p>Refreshed approach to member induction in 2022</p>
<p>5.1.2 Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation</p>	<p>Appraisals and regular 1 to 1 sessions            Personal Development Plans            Training and development            Recruitment and Induction            Monitoring Officer and S151 Officer Protocols            Employee Policies            Learning and Development Strategy/Annual Learning and Development Plan            Talent Management/Career Track for staff            Future Leader programme</p>	

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
5.2.1 Assess the skills required by Members and Officers and make a commitment to develop those skills to enable roles to be carried out effectively	Performance reviews for officers SMART objectives Personal Development Plans for officers Member training and development People Strategy Learning and Development Strategy/Annual Learning and Development Plan Charter Status for Elected Member Development renewed 2022 (re-assessed every 3 years) Talent Management/Career Track for staff – Senior Management Team considers critical roles; moderate career track paths; confirm Future Leader or Future Potential assessments; and then consider those on the Future Leader career track and manage their development	Member skills development  Specialised training provided to Scrutiny members.  External assessment for the reaccreditation of Member Charter Status required every 3 years – retained 2022.  Member Development Group is overseeing work looking at Personal Development Plans for members.
5.2.2 Develop skills on a continuing basis to improve performance including the ability to scrutinise and challenge and to recognise when outside expert advice is needed	Performance reviews for officers Personal Development Plans for officers Member training and development Member scrutiny training People Strategy Colchester Learning Managers Vine HR and East of England Local Government Association – meetings, best practice and briefings Peer Challenge and action plan Charter Status for Elected Member Development renewed April 2022 (re-assessed every 3 years) Talent Management/Career Track for staff	Member skills development  Learning and Development – commercial and Office365 skills  Specialised training provided to Scrutiny members.  External assessment for the reaccreditation of Member Charter Status required every 3 years – achieved 2022.

<b>In order to achieve our aims we have/will:</b>	<b>Source documents/Processes</b>	<b>Further work ongoing</b>
5.2.3 Ensure that effective arrangements are in place for reviewing the performance of the authority as a whole and of individual members and agreeing an action plan which might for example aim to address any training or development needs	Performance reporting and indicators Performance and Improvement Framework Performance management and appraisals – staff SMART objectives People Strategy Peer Challenge and action plan Annual Audit Letter Members' Training Needs Analysis Annual Training Plan Local Government and Social Care Ombudsman Annual Letter	External assessment for the reaccreditation of Member Charter Status required every 3 years – retained 2022.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>5.3.1 Ensure that effective arrangements designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority.</p>	<p>Equality Impact Assessments on services and policies                      Consultations, Research and Statistics on website                      Voluntary Sector Grants programme                      Community Enabling Strategy                      Public meetings                      Equality Objectives                      Strategic Plan Consultation                      Local Development Framework consultation                      Community development work                      Consultations                      Customer insight work                      Research and Change Team projects                      Have Your Say! processes                      Appointment of Independent Persons                      Audio streaming of Council meetings</p> <p>The adoption of on-line committee meetings, during the pandemic, enabled greater participation from all sections of the community. The viewing figures demonstrate greater public participation than the previous audio recordings. A public consultation provided responses that demonstrated overwhelming support for on-line meetings.</p>	<p>Apprenticeship scheme, and encouraging the Council’s apprentices to take part in elections work</p> <p>Locality Budgets</p> <p>Use of social media</p> <p>Maintaining the Council’s commitment to paying the Living Wage as a minimum for its staff including, for example, those helping to support the Council’s elections work at polling stations</p> <p>Although the temporary legislation for on-line formal meetings was not extended beyond May 2021, all opportunities will be taken to lobby for a change in legislation to allow decision making to take place in a virtual environment.</p> <p>Non-formal meetings continue to be held virtually, where appropriate.</p> <p>Further development of the technology required to enable fully interactive hybrid meetings in the future.</p>

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
5.3.2 Ensure that career structures are in place for Members and Officers to encourage participation and development	People Strategy Internal Recruitment Process Internal Secondments Personal Development Plans for officers Personal Development Plans for members Talent Management/Career Track for staff Future Leader Programme Member skills development Staff structure charts	Apprenticeship Programme for staff  Staff Recognition Scheme and annual celebration of achievements.  Opportunities such as the District Council Staff Development Programme and the Local Authority Challenge as they arise  Commitment to LGA Leadership Academy Member Development Group is overseeing work looking at Personal Development Plans for members.

## PRINCIPLE SIX

### **Core Principle 6 – Engaging with local people and other stakeholders to ensure robust public accountability**

#### **Our aims in relation to engaging with local people and other stakeholders to ensure robust public accountability are to:**

- 6.1 Exercise leadership through a robust scrutiny function which engages effectively with local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.
- 6.2 Take an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly, in partnership or by commissioning.
- 6.3 Make best use of human resources by taking an active and planned approach to meet responsibility to staff.



In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
6.1.1 Make clear to themselves, all staff and the community, to whom they are accountable and for what	Constitution Community Enabling Strategy Stakeholder identification Targets and Performance Monitoring Website and intranet Consultation work ICT, Communication and Technology Strategy Asset Management Strategy 'Council data' resource on the Council's website brings together all information required under statutory codes such as the 'Local Government Transparency Code' and the 'Publication Scheme' to make this easily accessible <a href="#">Structure charts</a> for senior management	A wide range of information is brought together into one place on our website -- <a href="#">Council Data</a> - much of this can be downloaded / shows year-on-year data. Planned IT and access improvements have now been made.  Locality Budgets for councillors have been brought in with clearer guidelines and all spend/activity transparently available on the Council's website.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
6.1.2 Consider those institutional stakeholders to whom they are accountable and assess the effectiveness of the relationships and any changes required	Stakeholder identification Statutory provisions Stakeholder surveys Consultation Strategy ICT, Communication and Technology Strategy Scrutiny Panel and the Crime and Disorder Committee Work Programme 'Council data' online resource	Ongoing review of Freedom of Information requests to see if there are items which could be put onto the website or 'Council data', so that a repeat request would not be needed as the item had been made freely available.
6.1.3 Produce an annual report on scrutiny function activity	<a href="#">Annual Scrutiny Report</a> agreed by Full Council	
6.2.1 Ensure that clear channels of communication are in place with all sections of the community and other stakeholders including monitoring arrangements to ensure that they operate effectively	ICT, Communication and Technology Strategy News releases, e-newsletters and social media Websites for the Council and subsidiaries Equality Impact Assessments Safeguarding Policies 'Council data', Freedom of Information and Data Protection section of the website Recordings of meetings on the website <a href="#">Cost of Living</a> resources set up, and have provided a source of latest updates, information, advice and support for <a href="#">residents</a> , <a href="#">businesses</a> and <a href="#">communities</a> . These were based on experience and feedback gained from the <a href="#">Coronavirus</a> resources. <a href="#">The North East Essex Digital Access Support Team (NEE DAST)</a> providing a free service to residents that helps them gain basic skills and confidence using smart technology, providing both virtual and community-based events, including drop-in sessions and one-to-ones.	Social media and text messaging  Customer and demand projects

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
6.2.2 Hold meetings in public unless there are good reasons for confidentiality	Constitution Access to Information Rules Compliance with Localism Act access to information regulations Audio streaming of Council meetings	Meetings have been live streamed through YouTube or Audio minutes leading to greater public engagement.
6.2.3 Ensure arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands	Strategic Plan Website - "Consultations, Research and Statistics" section Consultation work ICT, Communication and Technology Strategy Community development work Equality Objectives/Equality Impact Assessments Budget Consultation Meeting	Holding <a href="#">public consultations</a> on key issues to encourage different sections with differing views to take part
6.2.4 Establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users including a feedback mechanism for those consultees to demonstrate what has changed as a result	Statement of Community Involvement Customer insight project team and its work Partnership framework ICT, Communication and Technology Strategy Consultation Strategy Budget Consultation - meeting and online Strategic Plan consultation Website - "Consultations, Research and Statistics" section Cabinet and Council – progress of questions raised by the public	Policy Panel review of results and data collected in recent surveys and consultations with a view to exploring these in more depth at future meetings as part of the Panel's forward plan.

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
<p>6.2.5 On an annual basis, publish a performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period</p>	<p>Statement of Accounts Strategic Plan Strategic Plan Action Plan – progress is reported to Scrutiny and Cabinet on a half-yearly basis Performance Reporting and Indicators Council website has “Performance and Improvement”, “Council Awards and Achievements” and “Council and Democracy” sections Publication Scheme and Transparency Code All annual reports into one central place on the Council's website for improved transparency.</p>	
<p>6.2.6 Ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so</p>	<p>Constitution Customer service standards Voluntary Sector Compact “Have Your Say” at meetings Freedom of Information Act Publication Scheme Member and Officer Codes of Conduct Ethical Governance Policies Monitoring Officer Protocol ICT, Communication and Technology Strategy Data Protection Policy ICT Security Policy Council website 'Council data', Freedom of Information and Data Protection section of the website National Fraud Initiative - Fair Processing Notice Publication Scheme and Transparency Code Live Streaming of Council meetings</p>	<p>Security checks on staff who process official/sensitive information using the Public Sector Network or who need a secure GCSX e-mail address</p> <p>Working with a range of partners to provide customer-facing services.</p>

In order to achieve our aims we have/will:	Source documents/Processes	Further work ongoing
6.3.1 Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making	Investors in People Facilities and Recognition Agreement with UNISON – including monthly meetings. Internal Communications Strategy Service Reviews and other operational reviews include consultation and involvement arrangements as part of the process/staff communications	Staff survey and taking action on its findings  Staff involvement – engagement group called ‘Speak Up Now’ has been established

