

Finance and Economic Overview and Scrutiny Committee



SOUTH
KESTEVEN
DISTRICT
COUNCIL



Thursday, 27 June 2024 at 2.00 pm
Council Chamber - South Kesteven House, St. Peter's Hill,
Grantham. NG31 6PZ

Committee Members: Councillor Bridget Ley (Chairman)
Councillor Gareth Knight (Vice-Chairman)

Councillor Ben Green, Councillor Tim Harrison, Councillor Gloria Johnson,
Councillor Max Sawyer, Councillor Lee Steptoe, Councillor Murray Turner and
Councillor Mark Whittington

Agenda Supplement

7. **Council Tax Support Scheme - Veterans** (Pages 3 - 35)
An update on the proposed Council Tax Support for Veterans.

This page is intentionally left blank



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**



Finance and Economic Overview and Scrutiny Committee

27 June 2024

Report of Councillor Ashley Baxter,
Cabinet Member for Finance and
Economic Development

Veterans' Council Tax Support Scheme

Report Author

Claire Moses, Head of Service (Revenues, Benefits, Customer and Community)

 claire.moses@southkesteven.gov.uk

Purpose of Report

The report reviews the financial impact of a potential Council Tax Support Scheme for Veterans and explains the assumptions used to underpin financial modelling. The report also provides details of potential eligibility and consequent resource implications.

Recommendations

The Finance and Economic Overview and Scrutiny Committee:

- 1. Notes the contents of the report and provides feedback on the modelling undertaken and proposed scheme eligibility.**
- 2. Requests that no further work is undertaken on the development of a Council Tax Support Scheme for Veterans.**

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Connecting communities
Enabling economic opportunities
Effective council

Which wards are impacted?

All Wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The potential financial implications are modelled throughout the report. Many assumptions have been necessary in order to create the financial modelling. The actual financial implication will not be known until the final scheme is known.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.2 Members should take into consideration the comments under the 'Diversity and Inclusion' section set out below when considering this item. Any scheme that is considered would be subject to consultation as set out in section 6 of the report.

Completed by: Graham Watts, Assistant Director (Governance and Public Protection) and Monitoring Officer

Diversity and Inclusion

- 1.3 Should this scheme be taken forward, equality considerations and any subsequent equality impact assessment would be based on the protected characteristics set out in the Equality Act 2010.
- 1.4 Whilst veteran status is not a protected characteristic, the Council does have a responsibility to consider any socio-economic impact of the services it provides and would therefore need to consider the potential for negative impact on these grounds.
- 1.5 This impact would not only need to be measured from the perspective of veterans, if the scheme is *not* introduced, but also from the perspective of our non-veteran population if it *is* introduced.
- 1.6 If the scheme is approved for public consultation, and Equality Impact Assessment will need to be completed prior to and after the consultation process. One of the questions within in the Equality Impact Assessment (EIA) template is "Is it possible the proposed policy or activity or change in policy or activity could discriminate or unfairly disadvantage people?" Discrimination happens when someone is treated

less favourably or put at a disadvantage because of their protected characteristic. In reference to this scheme, the current proposal would discriminate against those in the protected characteristics; age and disability as we know from the ONS data, 50.06% are retired and 6.39% are economically inactive for various reasons: students, long-term unemployed, homemakers, long-term sickness or disability etc.

- 1.7 Whether unintended or not – to discriminate is unlawful. Improving or promoting equality is when we identify ways to remove barriers and improve participation for people or groups with a protected characteristic. Whilst being a military veteran is not an identified protected characteristic under the Equality Act 2010, the Council as a signatory to the Armed Forces Covenant, does have legal responsibilities under the Armed Forces Act 2022. This requires us to ensure that veterans do not suffer disadvantage due to their military service. By proposing a scheme which is only for those veterans who are employed, we are knowingly disadvantaging other military veterans who pay council tax in South Kesteven.
- 1.8 Similarly, in reference to socio-economic disadvantages, whilst not a legal duty in England at the current time, the socio-economic duty sits within the Equality Act 2010 and requires certain public bodies to adopt transparent and effective measures to address the inequalities that result from differences in occupation, education, place of residence or social class. Therefore, an authority to which this section applies must, when making decisions of a strategic nature about how to exercise its functions, have due regard to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage.

Completed by: Carol Drury, Community Engagement Manager

2. Background to the Report

- 2.1 The Finance and Economic Overview and Scrutiny Committee (FEOSC) of 28 November 2023 requested:

“a report to explore the feasibility of providing Council Tax relief exclusively to employed Veterans residing in Band A properties, considering relief rates of 5% and also 10%, yielding two distinct options. The analysis must encompass a detailed examination of the financial implications on South Kesteven District Council, Lincolnshire County Council and the Police and Crime Commissioner for Lincolnshire.”
- 2.2 Officers have reviewed the veteran data available and used this to model a potential scheme for consideration by this Committee. There are a number of assumptions to be made, in the absence of full data, all of which are detailed within this report.
- 2.3 The primary and most reliable source of data regarding characteristics of veterans in South Kesteven is from the 2021 Census accessed through the Office for National Statistics (ONS). This is the source of most of the data in this report.

- 2.4 South Kesteven is home to 8,691 veterans, across 6,028 households. The ratio of households to residents implies a significant number of single-person households. 30.90% of veterans live in single-person households compared to 22% of the general resident population. This data supports the financial modelling assumption surrounding Single Person Discount award in Option 2 (paragraph 2.20).
- 2.5 Some data is unavailable, e.g. average veteran weekly wage; and median household income of veterans. Data is available for both metrics for the general population and for the median household income down to quite granular geographies. This is best used as a measure of the general area level of affluence rather than the performance of particular demographics. For example, the average modelled gross household income (2020) in Bourne West is £45,600. It is not known how the 378 veterans living in Bourne West are performing relative to that figure. Some likely have a higher household income, others likely have a lower.

Starting point – number of Veterans and economic status:

- 2.6 The ONS defines a veteran as “an individual who has served at least one day in either or both the UK regular Armed Forces or reserves”.

The following tables show the breakdown of residents by sex, age and employment status.

Sex				Age		
Male	83.91%	7,293		under 35	4.49%	390
Female	16.09%	1,398		35-49	12.50%	1,086
				50-64	32.86%	2,856
				65+	50.16%	4,359
Employment Status						
Employed		43.54% (2,953)				
Retired		50.06%				
Economically Inactive		6.39%				

- 2.7 The category “Economically inactive” includes students, long-term unemployed, homemakers, long-term sickness or disability etc.
- 2.8 Of the 2,953 in-work households, the breakdown by occupation group is as follows:

Occupation group	No. of households	Percentage
Managers, directors and senior officials	498	16.86%
Professional occupations	497	16.83%
Associate professional & technical	534	18.08%
Administrative and secretarial	155	5.25%
Skilled trades	407	13.78%
Caring, leisure and other service	129	4.37%

Sales and customer service	91	3.08%
Process, plant and machine operatives	442	14.97%
Elementary occupations	200	6.77%

- 2.9 The definition of “employed” for the proposed scheme has not yet been confirmed, therefore, for financial modelling purposes, officers have used the Census data as detailed in paragraph 2.8 – resulting in 2,953 being classed as “employed”
- 2.10 It is not known in which Council Tax Band the veterans reside. ONS operates a strict policy of non-disclosure. Census data is anonymous and as such officers are not able to identify individuals. The data has been treated to prevent disclosure. Therefore, for financial modelling, a number of assumption have been necessary, as detailed in paragraph 2.20 onwards.

Potential Scheme Eligibility

- 2.11 If a scheme were approved, it would require clear criteria for eligibility for financially modelling and for applicants to know whether they would be entitled to support.
- 2.12 Officers have used their knowledge of existing schemes which are administered by the Revenues and Benefits Team. This ensures: consideration for audit and governance requirements; evidence of eligibility; and fairness to taxpayers to ensure appropriate measures are in place to accurately award the support.
- 2.13 A potential scheme eligibility award and review process, based on the comments made at a previous meeting of the Finance and Economic OSC meeting, might be as follows:

1. Application based:

- This will be an application based scheme to ensure all required evidence is collected and decisions can be based on this evidence.

2. Definition of “veteran”:

- A veteran is defined as anyone who has served for at least one day in His Majesty’s Armed Forces (Regular or Reserve) or Merchant Mariners who have seen duty on legally defined military operations.

3. Verification of veteran status:

- The Veterans ID card would be required as part of the application process.

4. Definition of “employed”:

- The definition of employed would be aligned to that within the existing South Kesteven District Council Localised Council Tax Support Scheme,

this would also include veterans engaging in seasonal work, or on zero-hours contracts with fluctuating incomes

- This would ensure any support awarded by the Council is subject to the same means test and evidence requirement.
- The definition of employed is included in **Appendix 1** of this report.

5. Evidence of employment:

- The level of evidence of employment status will also be aligned to that within the existing South Kesteven District Council Localised Council Tax Support Scheme, for the same reasons as stated in point 4 above.
- The evidence requirement is included in **Appendix 1** of this report.

6. Change in Circumstances – no longer employed:

- There would be a requirement for the veteran to contact the Council to advise of their change in circumstance which would result in the veteran no longer being entitled to the scheme. The relevant change of circumstances would be defined if a scheme were approved..
- The support would be removed from the date employed status ceased. If the veteran does reach employment status again, a new application would need to be made.

7. Liability for Council Tax:

- A person who is not liable to pay the Council Tax charge cannot apply for the support.

8. Definition of the award:

- Whilst the scheme will be known as the Veterans' Council Tax Support Scheme, the award will be referred to as a 'discount' to the Council Tax charge.

9. In receipt of other Council Tax Discounts and/or disregards:

- A full Council Tax Bill is based on at least 2 adults living in the property – 50% of the bill is attributed to the property and 50% to each adult person (up to 2). Some people are not counted ('disregarded') when working out how many people live in a property. Discounts or exemptions can be awarded where:
 - Everyone in the household is disregarded – this is 50%
 - The person lives on their own or everyone else is disregarded – this is 25%
- Only one application per veteran (in the household) can be made.
- Where more than one veteran is in occupation, each member must complete their own individual application. A total 50% reduction of the full band charge will be awarded. Where an existing discount based on an individual's circumstances has already reached 50%, for some other reason, no further reduction will be awarded.

- Where a single occupier claims the discount, a further reduction of 25% of the full band charge will be made (as an existing 25% discount will already be awarded). Where an existing discount based on an individual's circumstances has already reached 50%, for some other reason, no further reduction will be awarded.

2.14 If a scheme were approved for public consultation, officers would need to produce a Veterans' Council Tax Support Scheme document as part of the wider public consultation.

Financial Modelling

2.15 For the following options, no precepting authority has confirmed their willingness to agree to a scheme. If a scheme were taken forward as part of consultation for implementation for 2025/26, preceptors would need to be consulted, as would the public. The precepting authorities share of each charge is as follows:

- Lincolnshire County Council – 75%
- Police and Crime Commissioner – 15%
- South Kesteven District Council – 9%
- Town and Parish Councils - 1%

2.16 It is not known which Council Tax Band the veterans reside; therefore a number of assumptions have been made for modelling purposes.

2.17 There are currently **67,010** households within SKDC, of those, **19,977** are in band A – this is **29.81%**.

Option 1 – Assuming all Veterans live in Band A and all are eligible

2.18 For 2024/25, the average annual charge for a Council Tax Band A for South Kesteven is £1,369.80.

2.19 Assuming all 2,953 veterans would be eligible for the discount and live in Band A, the total cost would be £202,251 for 5% and £404,502 for 10%.

2.20 Table 1 below shows the breakdown of this information and the cost to preceptors.

Table 1:

		Cost of proposed scheme	
		5%	10%
Band A	£1,369.80	£68.49	£136.98
No. Veterans	2,953	£202,251	£404,502
Town & parish	1%	£2,023	£4,044
SKDC	9%	£18,203	£36,405
PCC	15%	£30,338	£60,675
LCC	75%	£151,688	£303,376

Option 2: Extrapolation of SKDC total population to Band A and using this method to apply to Veterans

- 2.21 As we do not know how many veterans live in Band A properties, we can apply the 29.81% to the total veteran figure. Therefore 29.81% of 2,953 Veterans is 880.

Table 2: Financial modelling for Veterans in Band A – 5%

		Cost of proposed scheme	Town & parish	SKDC	PCC	LCC
Band A	£1,369.80	£68.49	1%	9%	15%	75%
Remaining	880	£60,271	£603	£5,424	£9,041	£45,203

Table 3: Financial modelling for all Veterans in Band A – 10%

		Cost of proposed scheme	Town & parish	SKDC	PCC	LCC
Band A	£1,369.80	£136.98	1%	9%	15%	75%
Remaining	880	£120,542	£1,205	£10,849	£18,081	£90,407

Option 3: Award to those Veterans who reside in a Band A, and who are not in receipt of Single Person Discount

- 2.22 There are other discounts and exemptions which can be awarded to an individual which should be included as part of scheme eligibility as per paragraph 2.13 (point 9). Where a discount based on an individual's circumstances has already reached either 25% or 50%, for some other reason, no further discount would be awarded. Due to the unknown information as to which Veterans are in receipt of these discounts and exemptions, for modelling purposes, officers have only included Single Person Discount as an example, therefore, the figures included within this report could be subject to change is a scheme is approved. The actual financial impact would not be fully known unless and until applications were received and awards made.
- 2.23 For modelling purposes, officers have extrapolated the Band A figures from the taxbase against the assumed number of potential eligible veterans of 2,953.
- 2.24 There are currently 8,813 Band A households in receipt of Single Person Discount – equivalent to 13.15% of total households (67,010).
- 2.25 Applying these percentages to the 2,953 Veterans, this could leave 764 Veterans who:
- Live in Band A;
 - Are employed; and
 - Are not in receipt of Single Person Discount

Table 4:	Resident (67,010)	%	Veteran (2,953)
Band A	19,977	29.81%	880
Single Person Discount (SPD)	8,813	13.15%	116
Remaining Veterans			764

- 2.26 These figures have been used to provide modelling for a 5% discount (table 5) and 10% discount (table 8). The tables below show the potential cost of the scheme for all veterans, in Band A only, and of those, who are not already in receipt of Single Person Discount (as detailed in paragraph 2.13, point 9). This leaves a remaining 764 eligible veterans.

Table 5: Financial modelling for veterans in Band A and are not in receipt of Single Person Discount – 5%

		Cost of proposed scheme	Town & parish	SKDC	PCC	LCC
Band A	£1,369.80	£68.49	1%	9%	15%	75%
Band A	880	£60,271	£603	£5,424	£9,041	£45,203
Less SPD	116	£7,945	£79	£715	£1,192	£5,959
Remaining	764	£52,326	£523	£4,709	£7,849	£39,245

Table 6: Financial modelling for all Veterans in Band A and are not in receipt of Single Person Discount – 10%

		Cost of proposed scheme	Town & parish	SKDC	PCC	LCC
Band A	£1,369.80	£136.98	1%	9%	15%	75%
Band A	880	£120,542	£1,205	£10,849	£18,081	£90,407
SPD	116	£15,890	£159	£1,430	£2,383	£11,917
Remaining	764	£104,653	£1,047	£9,419	£15,698	£78,490

Impact on the billing and recover of Council Tax

- 2.27 There is a strong likelihood that the administration of a scheme would cause significant confusion and uncertainty to applicants and the council.

If the discount were awarded only to employed veterans, this could result in numerous changes to the award / removal of the discount during the year, which would have a negative impact on the billing and recovery of Council Tax.

- 2.28 Council Tax legislation requires the Council to give 14 days' notice of a change to an instalment – whether this be a new date or a new amount to be collected.

- 2.29 Where a discount is awarded or removed, the 14 days applies. This in turn would impact on recovery of the Council Tax. This is already the case for those taxpayers in receipt of Universal Credit (UC), where the UC award fluctuates each month, usually due to a change in earned income, the Council Tax Support is also re-assessed each month. This results in an adjustment to the Council Tax Support award, amending the Council Tax instalment.
- 2.30 Consequently, the taxpayer could receive numerous bills during the year causing confused and late payments. In turn, this could lead to customer complaints, disputes and recovery action in the event of non-payment.
- 2.31 To mitigate this outcome, officers have considered the review of circumstances upon the anniversary date of application. However, this would not be in line with all other discounts and benefits where the notification of a change is required by the applicant, with the changes being processed as and when they occur.

Administrative Cost of the scheme

- 2.32 The administrative cost of the scheme would depend on the scheme eligibility. Factors which will impact the administrative process and related costs of the scheme are:
- Assessment of proof of veteran status;
 - Assessment of proof of employment status;
 - Assessment during the year as a result of changes to employment status (potential for discount to be removed and reinstated a number of times);
 - Follow-up where required proof is not received within timescale;
 - Administration of complaints where discount is not awarded;
 - Administration of reconsideration and appeals where discount is not awarded;
 - Annual review of awards to ensure employed status is accurate – this would include the issuing of letters, invitation to re-apply, review of evidence provided.
 - Administration and recovery of non-payment as a result in changes to instalments.
- 2.33 If scheme eligibility is approved as outlined above, the skills required by the officer(s) will be multi-disciplinary. They will need to have an understanding of complex scheme eligibility (particularly concerning the definition of employed), council tax legislation and recovery legislation.
- 2.34 Currently these roles are split between three teams due to the volume and complexity of the work involved. However, it would be anticipated the activities regarding scheme eligibility and council tax legislation could be undertaken together, with the recovery activities moving into the existing Enforcement Team.
- 2.35 In considering whether additional staffing would be required, the Head of Service would need to consider the impact this work will have on the existing teams. The

teams are currently managing an increase in workload due to changes in legislation and external factors such as cost of living. **Introducing a new discount, without additional resource, would result in a reduction in current processing times, which in turn would increase the number of complaints and reduce income to the Council through non-payment.**

- 2.36 Having considered all activities required and compared this to the activities needed for current Council Tax Discounts and the Council Tax Support assessments (employment checks), officers have been able to estimate the potential increase in staffing required to administer the scheme.
- 2.37 If the scheme was available to all 2,953 veterans (as detailed in Option 1), it is estimated that an additional **3 FTE** would be required in order to undertake all activities and associated recovery action. This has been estimated at an additional salary cost of **£93,243** per annum.
- 2.38 If the scheme was available to (the remaining) 760 veterans (as detailed in Option 2), it is estimated that an additional **1.5 FTE** (support needed during absences) would be required in order to undertake all activities and associated recovery action. This has been estimated at an additional salary cost of **£46,622** per annum.
- 2.39 Officers would recommend the recruitment of fixed term posts for at least 12 months to ensure all initial applications can be processed. This will also ensure all related activities can be managed – such as scheme processed, complaints, appeals and recovery actions.

Existing Support available for Veterans

- 2.40 It is appropriate to consider the development of a new Veterans' support scheme alongside existing support that already exists for the veteran community.

Most veterans transition into civilian life without difficulty but some need help and support from mental health and other social care provision.
- 2.41 There is a significant amount of support available to veterans.

South Kesteven is the only Council in Lincolnshire to employ a dedicated Armed Forces Officer.
- 2.42 Additionally, all Lincolnshire District, Borough and City Councils, along with Lincolnshire United Hospital NHS Trust have recruited a dedicated Lincolnshire Armed Forces Community Covenant Officer. The officer is working on a new county-wide partnership collaboration project, which is hosted by North Kesteven District Council and supported by Debbie Nicholls, South Kesteven District Council Armed Forces Officer. This is a unique co-funded role fundamental to ensuring the delivery of the Armed Forces Covenant across Lincolnshire, working closely with all seven District, Borough and City Councils, Health and Education authorities to assist with their compliance.

- 2.43 The Armed Forces Community Covenant Officer has a significant understanding of the needs of members of the Armed Forces Community and the organisations operating to support them. As part of their remit, they will be committed to increasing awareness of the Covenant amongst both military and civilian populations.
- 2.44 The Armed Forces Community Covenant Officer is currently producing a Support for Armed Forces Veterans Directory (Appendix 2). This is currently in draft form and is very much a work in progress. The document will show the services and support available to Armed Forces personnel, veterans and their families. It is intended this information will be included as a dedicated page on the Connect to Support website (an online information and advice library, community directory and marketplace for citizens of Lincolnshire (www.lincolnshire.connecttosupport.org) and on our own website. The electronic version of the document has hyperlinks for each of heading. Steps will be undertaken to make this information is available for residents who do not have on-line access.

3. Key Considerations

- 3.1 In developing the modelling for each of the Veteran Discount Scheme options, assumptions have been made because a significant amount of key information has been required for modelling as detailed in paragraph 2.8 and 2.10 of this report.
- 3.2 It is not possible to determine how many eligible veterans reside in Band A properties, consequently assumptions have been made for all financial modelling from paragraph 2.6 onwards.
Restricting the potential award of a Veterans Council Tax Support Scheme to Band A residents makes an unlikely assumption that all veterans in need of support live in a Band A property. This could result in veterans living in Band B to H being negatively impacted by the introduction of the scheme. This could be interpreted as inequitable treatment of some veterans.
- 3.3 The Armed Forces Covenant Duty and Obligation states veterans are not to be disadvantaged because of their service. Consideration needs to be given to whether veterans are currently being disadvantaged because of their service or whether they could be if a discount is introduced. Currently, all veterans are able to apply for the same existing benefits and discounts as non-veterans. If this discount is introduced, there will be some veterans who are not eligible and are therefore disadvantaged due to their service i.e. those in Council Tax Band B to H and those who are not employed.
- 3.4 In making these assumptions, there are a number of consequences which need to be considered including
- The financial impact of any award over and above that modelled – this impact would include South Kesteven DC, Lincolnshire County Council and the Police and Crime Commissioner;

- The resource impact if the number of applications exceeds those expected (maximum expected is 2,953 based on ONS data and assumptions)

4. Other Options Considered

- 4.1 A number of options have been considered as detailed within this report.
- 4.2 Option 1: To award a 5% Veteran Discount to all employed Veterans, in a Council Tax Band A property, regardless of the award of any other existing discounts and disregards.
- 4.3 Option 2: To award a 10% Veteran Discount to all employed Veterans, in a Council Tax Band A property, regardless of the award of any other existing discounts and disregards.
- 4.4 Option 3: To award a 5% Veteran Discount to all employed Veterans, in a Council Tax Band A property, taking into the account the award of any other existing discounts and disregards (therefore, where a discount based on an individual's circumstances has already reached either 25% or 50%, for some other reason, no further discount will be awarded).
- 4.5 Option 4: To award a 10% Veteran Discount to all employed Veterans, in a Council Tax Band A property, taking into account the award of any other existing discounts and disregards (therefore, where a discount based on an individual's circumstances has already reached either 25% or 50%, for some other reason, no further discount will be awarded).

5. Reasons for the Recommendations

- 5.1 The November meeting of the FEOSC requested Officers research and present a report of the feasibility of a Veterans' Council Tax Discount Scheme. This work has been undertaken and it is clear that a scheme which applies only to employed veterans living in Band A properties is NOT feasible for the following reasons.
- 5.2 A scheme would be inequitable because it would apply to some veterans and not others
- 5.3 The scheme would give a financial benefit to some veterans on higher incomes but would be denied to some veterans on low incomes
- 5.4 The administration of the scheme would cause a significant cost and resource issue to the council.

- 5.5 The scheme would be complex, convoluted and confusing to many people including veterans.
- 5.6 It is uncertain how the other precepting authorities will respond to the likely significant reduction in Council Tax income.

6. Consultation

- 6.1 The indicative timetable to approve any new discount scheme would need to be considered as part of the annual review and public consultation of the Localised Council Tax Support Scheme.
- 6.2 The Localised Council Tax Support Scheme 2025/26 will need to be considered by Council no later than 31 January 2025 as the Billing Authority is required to approve the scheme after public consultation for implementation from 1 April 2025..
- 6.3 The timetable is as follows: -
- 17 July 2024: Finance and Economic Overview and Scrutiny Committee – outcome of any actions arising from the meeting on 27 June 2024 .
 - 17 September 2024: Finance and Economic Overview and Scrutiny Committee – proposed Localised Council Tax Support Scheme 2025/26 – to include the proposal for Veterans Discount, along with draft scheme eligibility (if approved) for public consultation.
 - 1 October 2024 to 31 October 2024: Public and Major Precepting Authority consultation process. The Council is required to review their current Localised Council Tax Support scheme. The proposals and recommendations will seek to ensure the Council has a robust review of its current scheme and understand the implications of adopting a new scheme.
 - 4 November 2024: Consultation analysis.
 - 26 November 2024: Finance and Economic Overview and Scrutiny Committee – review the outcome of consultation and proposed scheme for 2025/26
 - 16 January 2025: Cabinet – recommendation of scheme for 2025/26 for Council.
 - 30 January 2025: Council – decision required: approval of final 2025/26 scheme for implementation from 1 April 2025. The Local Government Finance Act 2012 requires a full review of the scheme by the Billing Authority. South Kesteven District Council will need to approve a new scheme after consultation by 31 January.

7. Background Papers

- 7.1 This matter was considered at the meeting on 28th November 2023 and the report can be accessed here: [Agenda for Finance and Economic Overview and Scrutiny Committee on Tuesday, 28th November, 2023, 2.00 pm | South Kesteven District Council](#)

8. Appendices

- 8.1 There are two appendices to this report:
- Appendix 1: Definition of employed
 - Appendix 2: Armed Forces Veterans Directory

This page is intentionally left blank

Veterans Council Tax Discount Scheme

Definition of earnings of employed earners as taken from the South Kesteven District Councils Localised Council Tax Support Scheme 2024/25

"earnings" has the meaning given by paragraph 41, 44, 51 or 53 - as the case may be;

Paragraph 41 –

Earnings of employed earners: pensioners 41

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed earner who is a pensioner, means 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;
- (d) any holiday pay;
- (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—
 - (i) travelling expenses incurred by the applicant between his home and 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;
- (g) 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;
- (h) statutory sick pay and statutory maternity pay payable by the employer under the SSCBA;
- (i) statutory paternity pay payable under Part 12ZA of that Act;
- (j) statutory adoption pay payable under Part 12ZB of that Act;
- (k) any sums payable under a contract of service—

- (i) for incapacity for work due to sickness or injury; or
- (ii) by reason of pregnancy or confinement.

(2) Earnings does not include—

- (a) subject to sub-paragraph (3), any payment in kind;
- (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
- (c) any occupational pension;
- (d) any lump sum payment made under the Iron and Steel Re-adaptation Benefits Scheme;
- (e) any payment of compensation made pursuant to an award by an employment tribunal established under the Employment Tribunals Act 1996 in respect of unfair dismissal or unlawful discrimination;
- (f) any payment in respect of expenses arising out of the earnings of employed earners.

(3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(g).

Paragraph 44 –

Earnings of self-employers earners: pensioners 44

(1) Subject to sub-paragraph

(2), "earnings", in the case of employment as a self-employed earner who is a pensioner, means the gross income of the employment. (2) "Earnings" in the case of employment as a self-employed earner does not include—

- (a) where an applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation for which payment is made, those payments;
- (b) any payment made by a local authority to an applicant—
 - (i) with whom a person is accommodated by virtue of arrangements made under section 22C or 23(2)(a) of the Children Act 1989 or, as the case may be, section 26 or 26A of the Children (Scotland) Act 1995; or
 - (ii) with whom a local authority fosters a child under the Looked After Children (Scotland) Regulations 2009 or who is a kinship carer under those Regulations;

(c) any payment made by a voluntary organisation in accordance with section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations);

(d) 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—

(i) a local authority but excluding payments of housing benefit made in respect of the person concerned;

(ii) a voluntary organisation;

(iii) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;

(iv) the National Health Service Commissioning Board or a clinical commissioning group established under section 14D of the National Health Service Act 2006;

(v) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006 or;

(vi) the persons concerned where the payment is for the provision of accommodation to meet that person's needs for care and support under section 35 or 36 of the Social Services and Well-being (Wales) Act 2014 (respectively, duty and power to meet care and support needs of an adult)(c);

(da) any payment or part of a payment made by local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care) to a person ("A") which A passes on to the applicant where A-

(i) was formerly in the applicant's care;

(ii) is aged 16 or over; and

(iii) continues to live with the applicant;

(db) any payments made to an application under section 72(1)(b) of the Children and Young People (Scotland) Act 2014 (kinship care assistance: further provisions)(d);

(e) any sports award.

Paragraph 51 –

Earnings of employed earners: persons who are not pensioners 51

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed earner of a person who is not a pensioner, means 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—
 - (i) travelling expenses incurred by the applicant between his home and 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;
- (g) 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);
- (h) 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);
 - (i) any such sum as is referred to in section 112 of the SSCBA (certain sums to be earnings for social security purposes);
 - (j) 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;

(k) 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;

(l) 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.

(2) Earnings does not include—

(a) subject to sub-paragraph (3), any payment in kind;

(b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;

(c) any occupational pension; (d) any payment in respect of expenses arising out of the applicant's participation in a service user group.

(3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(l).

Paragraph 53 –

Earnings of self-employed earners: persons who are not pensioners 53

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as a self-employed earner of a person who is not a pensioner, means the gross income of the employment.

(2) "Earnings" does not include any payment to which paragraph 31 or 32 of Schedule 8 refers (payments 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 author[1]ity or voluntary organisation in respect of persons temporarily in the applicant's care) nor does it include any sports award.

(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 trade mark; 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 trade mark, or an original contributor to the book or work concerned.

(4) Where the applicant's earnings consist of any items to which sub-paragraph (3) applies, those earnings must be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by—

(a) the amount of reduction under this scheme to which the applicant would have been entitled had the payment not been made, plus

(b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) as appropriate in the applicant's case.

Explained Definition:

"employed earner" is to be construed in accordance with section 2(1)(a) of the SSCBA 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;

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

"the SSCBA" means the Social Security Contributions and Benefits Act 1992;

SSCBA section 2(1)(a) -

"employed earner" means a person who is gainfully employed in Great Britain either under a contract of service, or in an office (including elective office) with [F1](#)... [F2](#)earnings]; and

[F1](#) Word in [s. 2\(1\)\(a\)](#) omitted (13.5.2014) by virtue of [National Insurance Contributions Act 2014 \(c. 7\)](#), [s. 15\(1\)\(4\)](#)

[F2](#) Words in [s. 2\(1\)\(a\)](#) substituted (6.4.2003 with effect in accordance with [s. 723\(1\)\(a\)\(b\)](#) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [s. 723](#), [Sch. 6 para. 171](#) (with [Sch. 7](#))

SSCBA section 2(1)(b) –

"self-employed earner" means a person who is gainfully employed in Great Britain otherwise than in employed earner's employment (whether or not he is also employed in such employment).

Paragraph 10 – Remunerative work

10 (1) Subject to the following provisions of this paragraph, a person must be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

(2) Subject to sub-paragraph (3), in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard must be had to the average of hours worked over—

(a) if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);

(b) in any other case, the period of 5 weeks immediately prior to the date of application, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately.

(3) Where, for the purposes of sub-paragraph (2)(a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or 33 | Page similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work must be disregarded in establishing the average hours for which he is engaged in work.

(4) Where no recognisable cycle has been established in respect of a person's work, regard must be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.

(5) A person must be treated as engaged in remunerative work during any period for which he is absent from work referred to in sub-paragraph (1) if the absence is either without good cause or by reason of a recognised, customary or other holiday.

(6) A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week is to be treated as not being in remunerative work in that week.

(7) A person must not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.

(8) A person must not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which—

(a) a sports award has been made, or is to be made, to him; and

(b) no other payment is made or is expected to be made to him.

This page is intentionally left blank

Lincolnshire Armed Forces Community Covenant Partnership



Support for Veterans

On Census Day (21 March 2021), 1.85 million people in England and Wales reported they had previously served in the UK armed forces. This represents 3.8% (almost 1 in 25) of the total population aged 16 or over.

Here in Lincolnshire, we have some of the highest number of veterans in England and Wales: (2021 Census)

North Kesteven	10.2% (2 nd highest in England and Wales)
South Kesteven	7.4%
West Lindsey	7.3%
East Lindsey	7%
South Holland	5.6%
Lincoln	5.3%
Boston	4.8%

Most veterans transition into civilian life without difficulty, however some find it more difficult and may need some help and support from mental health and other social care provision.

Sections for Support and Advice

1. Mental Health
2. Housing
3. Health
4. Breakfast Clubs / Associations
5. Other Support Services

Section 1: Mental Health

Op Courage

Op COURAGE is an NHS mental health specialist service designed to help serving personnel due to leave the military, reservists, armed forces veterans and their families.

LPFT Veterans' Mental Health High Intensity Service

The Veterans' Mental Health Midlands High Intensity Service (HIS) delivers an intensive package of support to veterans in crisis and their families.

Help for Heroes

Everyone has days when they feel overwhelmed, worried, or fed up.

But if you regularly struggle with your mental health, it may be time to reach out for support.

The Veterans Welfare Service

The Veterans Welfare Service (VWS) provides professional help and advice to veterans, their families and dependants, as well as those supporting veterans.

Combat Stress

Today we provide specialist treatment and support for veterans from every service and conflict, focusing on those with complex mental health issues resulting from their experiences during military service.

One is too Many

The shift to non-military living brings challenges that can lead to Service leavers and veterans feeling detached and in between military and civilian worlds. Funded by the Armed Forces Covenant Fund Trust, the project aims to reduce suicide risks within vulnerable ex-Forces personnel in a coordinated and targeted way.

Samaritans

Samaritans works with the Ministry of Defence and other charities to support serving personnel in the Armed Forces, veterans, and their families

Section 2: Housing

Op Fortitude

Op FORTITUDE is funded by The Armed Forces Covenant Fund to deliver a centralised referral pathway into veteran supported housing. The remit of the team will be to work with individual veterans at risk of or experiencing homelessness, supporting them either into suitable accommodation, or supporting them to maintain their current home.

Gov.uk Housing Advice for Veterans

Get veteran focused help and information on the different types of housing support available from the Veterans' Gateway.

Haig Housing - Homes for the Veteran Community

Haig Housing is proud to have served the British veteran community for over 100 years. As the leading housing provider for ex-service personnel in the UK, the charity now owns over 1,500 properties across 50 locations.

The Trust endeavours to help eligible veterans in housing need, whether they are transitioning into civilian life or are simply in need of a helping hand.

Shelter

Support and advice for homeless veterans and where to get help with finding accommodation. In addition to general services available to people who are homeless, some services provide housing advice and support specifically to veterans and service leavers who are at risk of homelessness.

Most services also offer support to the families of veterans, including widows, widowers and separated partners

Defence Transition Services

The Defence Transition Services (DTS) team is the MOD's tri-service focal point to provide service personnel and their dependants with civilian housing information for those wishing to move to civilian accommodation at any time in their career, and for those during resettlement to assist with the transition to civilian life.

Section 3: Health

Op Restore

Find healthcare and welfare support for veterans, service leavers, non-mobilised reservists, and their family members and carers. All veterans, service leavers, non-mobilised reservists, and their family members and carers can access a range of specialist healthcare and support created to provide treatment and care for many different problems.

Op Community

Originally, an NHS England funded initiative, Op COMMUNITY is an easily accessible point of contact with a dedicated email and phone number to support the Armed Forces community as a whole. This includes Serving (Regulars and Reservists) and Ex-Service Personnel, immediate family members and carers of those from within His Majesty's Armed Forces.

Healthcare for the Armed Forces Community (NHS)

Find healthcare and welfare support for veterans, service leavers, non-mobilised reservists, and their family members and carers. All veterans, service leavers, non-mobilised reservists, and their family members and carers can access a range of specialist healthcare and support created to provide treatment and care for many different problems.

Veterans seeking support with physical health (NHS)

If you have concerns over your health that you think are linked to your service in His Majesty's (HM) Armed Forces, you should contact your GP and discuss this with them, making sure that you say you are a HM Armed Forces veteran.

Section 4: Breakfast Clubs / Associations

Royal British Legion

We support serving and ex-serving personnel all year round, every day of the week.

Our support starts after one day of service and continues through life, long after service is over.

The Royal Navy Benevolent Trust

As a Royal Navy and Marine Charity, we assist thousands of people in need by providing wide ranging financial assistance and caring for older people in our veteran care homes.

The Royal Naval Association

The Royal Naval Association is the biggest collective group of Royal Naval veterans and serving personnel, with over 270 branches in the UK and overseas. The Association provides those with a link to the Royal Navy access to a life-long community of like-minded and supportive individuals.

Camaraderie Clubs

The four new social clubs, known as Camaraderie Clubs, will see around 140 older veterans being offered the opportunity to attend a weekly club in a safe, friendly and open environment. Run by ex-service volunteers, with approximately 40 volunteers set to be in place, three clubs have already opened in Sleaford, Grantham and Coningsby, while one more is set to be established in Spalding.

Armed Forces & Veterans Breakfast Club

Our purpose is to facilitate veterans and serving Armed Forces personnel to meet face to face in a relaxed, safe, social environment to enjoy breakfast and banter, to combat loneliness and allow veterans to, “return to the tribe”.

RAFA

For over 90 years, the RAF Association has championed a simple belief – that no member of the RAF community should ever be left without the help that they need.

Army Benevolent Fund

We stand at the forefront of support for the Army family. We award grants to individuals and families, and fund leading charities and organisations to ensure help is there when you need it.

DRAFT

Section 5: Other Support Services

SSAFA

Our support covers both regulars and reserves in the Royal Navy, the Royal Marines, the British Army and the Royal Air Force and their families, including anyone who has completed National Service. We know and understand the unique demands of service life, whether in the UK or overseas, and in times of need, we help to enable the Forces family to thrive.

DWP Armed Forces Champions

As part of the Armed Forces Covenant, the Department for Work and Pensions (DWP) has initiatives that help current and former armed forces personnel and your families access Jobcentre Plus services.

This includes having an armed forces champion in every Jobcentre Plus district who ensures that we provide support that meets your needs.

Veterans Gateway

Veterans' Gateway – information and support for veterans and their families

We are the first point of contact for you and your loved ones. Contact us 24/7 for help across housing, mental wellbeing, finances and more. And we can also refer you directly to our Referral Partners. Get in touch with our friendly helpline team by phone, chat, text and email.

Veterans Support Service CIC

To carry out activities which benefit the community, and in particular (without limitation) to the veterans community of Lincolnshire and the surrounding area.

Op Prosper

Op PROSPER is an Office for Veterans' Affairs programme (awarded to us through the Armed Forces Covenant Fund Trust) which will empower veterans and their families the length and breadth of the United Kingdom, enabling them to thrive in society by ensuring equal access to employment opportunities and supporting them into sustainable, valuable careers.

Op Nova

Op NOVA, delivered by the Forces Employment Charity and commissioned by NHS England, provides support for veterans who are in contact with the justice system, enabling them to access the services they need.

Fighting with Pride

Fighting With Pride supports the health and wellbeing of LGBT+ Veterans, service personnel and their families – in particular those most impacted by the ban on LGBT+ personnel serving in the Armed Forces prior to January 2000.

Op Sterling

Working in partnership with Fighting With Pride, Age UK is delivering the Operation Sterling programme to help older LGBT+ veterans, service personnel and their families.

The Operation Sterling programme provides telephone-based support, advice and casework to older LGBT+ veterans through Age UK's Advice Line.

Forces Pension Society

The Forces Pension Society is an independent, not-for-profit membership funded organisation that acts as a pension watchdog for the whole military community.

Citizens Advice

Benefits and concessions for the armed forces, veterans and their families. There are many different kinds of financial help available for people in the armed forces, veterans and their families.

Confederation of Service Charities

Cobseo, as the Confederation of Service Charities, provides a single point of contact for interaction with Government, including local government and the Devolved Administrations; with the Royal Household; with the Private Sector; and, of course, with other members of the Armed Forces Community.

Forward Assist

We support military veterans struggling to adjust to civilian life; we want all veterans to live great lives, filled with passion, purpose, social connection, service and growth.

Armed Forces Covenant: guidance and support

The Armed Forces Covenant is a promise from the nation that those who serve or have served in the armed forces, and their families, are treated fairly.

The government is committed to supporting the armed forces community by working with a range of partners who have signed the covenant. The covenant is a national responsibility involving government, businesses, local authorities, charities and the public.

Please Note: The Lincolnshire Armed Forces Covenant Partnership does not endorse any of the organisations within this directory.

DRAFT

This page is intentionally left blank