

THIS AGREEMENT is made 26th the day of April 2023

Between

- (1) ESSEX COUNTY COUNCIL of
County Hall, Chelmsford, Essex CM1 1LX (**ECC**)
- (2) ESSEX POLICE, FIRE AND CRIME COMMISSIONER FIRE AND RESCUE AUTHORITY
of Headquarters, Kelvedon Park, Witham, Essex CM8 3HB (**EFA**)
- (3) POLICE, FIRE AND CRIME COMMISSIONER FOR ESSEX of
Headquarters, Kelvedon Park, Witham, Essex CM8 3HB (**PCC**)

Together the "Precepting Authorities", and

- (4) XXXX ("the Council")

together referred to as "**the Parties**" and individually as a "**Party**".

RECITALS

- (1) The Precepting Authorities wish to contribute under Section 136 of the Local Government Act 1972 and the Localism Act 2011, and all other powers enabling it, towards the expenditure incurred by the Council on the functions referred to in Recital 2
- (2) The contribution referred to in Recital 1 shall comprise the following elements:
 - A. A reduction in the Precept amount paid by the Council to the Precepting Authorities (the "Intended Repayment" as defined below).
 - B. A contribution by the Precepting Authorities (the "Collection Investment Fund" as defined below) to the council tax collection costs incurred or to be incurred by the Council.
 - C. A contribution by the Precepting Authorities (the "Hardship Fund" as defined below) to the council tax hardship costs incurred or to be incurred by the Council.
 - D. A contribution by the Precepting Authorities (the "Fraud and Compliance Fund" as defined below) to the council tax fraud and compliance costs incurred or to be incurred by the Council.
 - E. A contribution by Essex County Council (the "Single Person Discount review contribution" as defined below) to the single person discount review costs incurred or to be incurred by the Council.
 - F. A contribution by Essex County Council (the "Business Rates Reviews" as defined below) to the business rates review costs incurred or to be incurred by the Council.
 - G. A contribution by the Precepting Authorities (the "Care Leavers Exemption Contribution" as defined below) to the council tax care leaver exemption costs incurred by the Council.

IT IS HEREBY AGREED as follows.

1. Definitions and interpretation

1.1 In this Agreement:

“Actual Additional Income” means the figure to be reported to the Precepting Authorities in accordance with Clause 3.1(c) as calculated in accordance with a formula agreed by the Essex Finance Officers Association before 30th June 2015, which is set out in Schedule 5 (*Calculation of “Actual Additional Income”*) for each the Financial Year;

“Agreement” means this agreement between the Parties;

“Anticipated Additional Income” means the estimated total Council Tax income for the forthcoming Financial Year, which is greater than the actual amounts collected during the 2012/13 financial year and after adjusting for both natural growth in the taxbase and increases in the local council tax rate. It is calculated in accordance with the formula agreed by the Essex Finance Officers Association before 30th June 2015 and set out in Schedule 5;

“Breach” shall take the meaning in Clause 2.3 (Duration and Termination of this Agreement);

“Business Rates Reviews” means the contribution by Essex County Council to the Council towards the cost of setting up and operating a review into Business Rates in order to maximise collection, as set out in Schedule 2 – Table 5;

“Care Leavers Exemption Contribution” means the contribution by the Precepting Authorities to the council to partially compensate for the cost of providing an exemption to care leavers from paying council tax. This contribution will equate to the Precepting Authorities’ share of the reductions made, after all other eligible reductions and concessions have been applied;

“Commencement Date” means 1 April 2023;

“Collection Investment Fund” means the contributions to the Council by the Preceptor Authorities for each Financial Year, as set out in Schedule 2 – Table 1, for the purpose of improving the collection of council tax income.

“Council Contribution” means the contributions by the Council to the Hardship Fund and Fraud and Compliance Fund set out in Schedule 2 at tables 2 and 3;

“Council’s Section 151 Officer” means the officer of the Council responsible for the proper administration of its financial affairs as defined under Section 151 of the Local Government Act 1972;

“Council Tax” means a tax levied on households by local authorities, based on the estimated value of a property. The tax is set by each local authority, based on the cost of services it provides to residents, to a value that would enable each local authority to achieve a balanced budget;

“Data Protection Legislation” means all applicable data protection and privacy legislation in force from time to time in the UK including without limitation:

- a) the UK GDPR;
- b) the Data Protection Act 2018 (“DPA”);
- c) the Privacy and Electronic Communications Regulations 2003 (SI2003/2426) as amended; and
- d) the guidance and codes of practice issued by the Information Commissioner or other relevant regulatory authority and which are applicable to a Party;

“**Essex Actual Additional Income**” means the total amount of Council Tax income collected by all Councils that have signed up to the Sharing Agreement, greater than the actual amounts collected by all Councils during the 2012/23 financial year and after adjusting for both natural growth in the taxbase and increases in the local council tax rates. It is calculated by each Council in accordance with the formula agreed by the Essex Finance Officers Associations before 30th June 2015 and set out in Schedule 5;

“**Essex Councils**” means district, city, and borough councils within the County of Essex that have entered into a Sharing Agreement with the Preceptor Authorities;

“**Essex Target Actual Additional Income**” means the target level of Actual Additional Income to be achieved by the sum of all Council that have signed up to this Sharing Agreement in the Forthcoming Financial Year. It is equal to the larger of (i) the Essex Actual Additional Income achieved at the end of the previous Financial Year; Or (ii) Zero;

“**Expiry Date**” means 31 March 2024 or such other revised expiry date agreed in accordance with the provisions of this Agreement unless otherwise terminated in accordance with the provisions of this Agreement;

“**Financial Year**” means the period beginning on 1 April in any year and ending on 31 March next thereafter;

“**Forthcoming**” means next forthcoming;

“**Fraud and Compliance Fund**” means the contributions to the Council in addition to the Council Contribution by the Preceptor Authorities for each Financial Year, as set out in Schedule 2 – Table 2 for the purpose of improving the detection of council tax fraud;

“**Hardship Fund**” means the contribution to the Council in addition to the Council Contribution by the Preceptor Authorities for each Financial Year, as set out in Schedule 2 – Table 3, for the purpose of supporting Essex residents struggling to pay their Council Tax bills;

“**In Year Collection Rate**” means the percentage of the total in-year Council Tax collectable debit that the Council was able to collect during any given Financial Year. By way of illustration only, if the maximum amount of in-year Council Tax income that the Council could collect is £100 million, and it is able to collect £98 million, then the Council’s in-year collection rate is equal to 98%;

“**Intended Repayment**” means a deduction from the Precept in respect of each Financial Year of an amount not less than 6% but not exceeding 9% of the Anticipated Additional Income for that Financial Year calculated in accordance with clause 3.8 below;

“Key Performance Information” means the information set out at Schedule 3 (Performance Monitoring Information Requirements) of this Agreement;

“Monitoring Information” means the anonymised information set out in Clause 4.3 of this Agreement and the Shared Information;

“Month” means a calendar month and **“Months”** shall be construed accordingly;

“Precept” means the amount of Council Tax that is paid by the Council to the Preceptor Authorities in each Financial Year and agreed between the Parties during budget setting and is based on the total council tax income that the Council anticipates it will collect during the forthcoming financial year;

“Shared Information” means the anonymised information set out at Schedule 4 (Information to be Shared) of this Agreement;

“Sharing Agreement” mean a Council Tax sharing agreement between the Preceptor Authorities and Essex Councils on the same terms as this Agreement;

“Single Person Discount Review Contribution” means the contribution by Essex County Council to the Council towards the cost of Single Person Discount review work to be undertaken by the Council as set out in Schedule 2 – Table 4;

“Target Additional Income” means the target level of Actual Additional Income to be achieved by the Council in the Forthcoming Financial Year and is equal to the larger of (i) the Actual Additional Income achieved at the end of the previous Financial Year; Or (ii) Zero;

“UK GDPR” means the retained EU law version of the General Data Protection Regulation ((EU) 2016/679) as defined within section 3(10) (as supplemented by section 205(4)) of the DPA 2018, as amended or re-enacted from time to time and any United Kingdom Act recognised in UK law substantially replacing the same;

“Working Days” means the hours between 9am and 5pm Monday to Friday, fifty-two (52) weeks per year excluding statutory English Bank Holidays.

2. Duration and Termination of Agreement

- 2.1 This Agreement shall take effect on the Commencement Date and shall continue until the Expiry Date unless otherwise terminated in accordance with the provisions of this Agreement.
- 2.2 The Precepting Authorities may at their sole discretion extend the duration of this Agreement for a further twenty four (24) Months commencing on 1st April 2024 by giving the Council not less than four (4) Months’ written notice prior to the Expiry Date and the Council shall be deemed to accept such extension.
- 2.3 Without prejudice to any other right that the Precepting Authorities may have under this Agreement, the Precepting Authorities may terminate this Agreement by written notice to the Council with immediate effect (or at such later date as it may specify) in the event:
 - a) the Council breaches its obligations under this Agreement (**“Breach”**); and

- b) the Council has not remedied the Breach to the satisfaction of the Precepting Authorities within the timeframe specified by the Precepting Authorities, after issue of a written notice specifying the Breach and requesting it to be remedied; or
- c) in the sole discretion and reasonable opinion of the Precepting Authorities, the Breach is not capable of remedy for any reason.

- 2.4 The Precepting Authorities shall in their sole discretion determine whether any Breach is capable of remedy.
- 2.5 Where it has been determined by the Precepting Authorities that a Breach is capable of remedy, the Precepting Authorities may suspend any payments under this Agreement to the Council until the Breach has been remedied to the reasonable satisfaction of the Precepting Authorities.
- 2.6 Where this Agreement is terminated in accordance with Clause 2.3 the Precepting Authorities may seek repayment of all or part of any payment made or deduction allowed under this Agreement.
- 2.7 The provisions of Clause 2 (Duration and Termination of Agreement), 7 (Dispute Resolution), 3 (Conditions) and 8 (Governing Law) will survive the expiry or termination of this Agreement.

3. Conditions

- 3.1 The following shall be conditions precedent to any liability of the Precepting Authorities to make payment or take other action hereunder:
- (a) The Council's Section 151 Officer shall have furnished to the Precepting Authorities a return containing and certifying the information set out in schedule 1, including but not limited to:
 - i) the Anticipated Additional Income for the forthcoming Financial Year. This is to be calculated by means of comparing the Council Tax income arising from the approved Tax Base for the Forthcoming year to the baseline Council Tax income for 2012/13, which has been agreed by the Council and the Precepting Authorities Section 151 Officers;
 - ii) the estimated gross value of reductions to be awarded under the Council Tax support scheme, required for the Hardship Fund in respect of the forthcoming Financial Year,

the return must have been received by the Precepting Authorities by 31 January in the year immediately prior to the Financial Year for which the Intended Repayment relates;
 - (b) The Council's Section 151 Officer or such other person as authorised by them shall have provided on a quarterly basis the Performance Monitoring Information and such other evidence as the Precepting Authorities shall from time to time reasonably require as to the latest forecast for the Council's Additional Income generated for the

corresponding Financial Year specified by the Precepting Authorities, and on Council Tax revenue collection performance by the Council; And

- (c) The Council's Section 151 Officer or such other person as authorised by them shall have provided by the last working day of April after the end of each Financial Year, written confirmation in a format prescribed by the Precepting Authorities of the Actual Additional Income.

Collection Investment Fund, and the Fraud and Compliance Fund

3.2 The Council shall provide the Monitoring Information to the Precepting Authorities evidencing that:

- a) the Council has utilised the Collection Investment Fund and the Fraud and Compliance Fund during the relevant Financial Year for the following approved purposes:
- (i) to pay for staffing resource to detect and prevent Council Tax fraud and/or to facilitate and improve the collection of Council Tax income including:
- the percentage of time that such employees are specifically dedicated to Council Tax collection or fraud detection;
 - the annual budget for these employees; and
 - the actual cost of these employees during the relevant Financial Year;
- ii) to procure specialist services that improve or enhance the detection of Council Tax fraud, and/ or the collection of Council Tax income; and
- b) the Council has paid an amount equivalent to or greater than the Council Contribution to the Fraud and Compliance Fund, as set-out in Schedule 2, Table 2.

3.3 The Council's Section 151 Officer or such other person as authorised by them shall provide the Monitoring Information, at three stages throughout each Financial Year as follows:

- a) an update on the Council's collection and compliance team structures should be provided by the 31st May;
- b) an update on any additional information on how the Fraud & Compliance Fund and the Collection Investment Fund has been utilised to date, and forecast on spend for the full Financial Year by the 30th September.
- c) a finalised list of how the Fraud & Compliance Fund and the Collection Investment Fund have been utilised should be provided by the Council's Section 151 Officer or such other person as authorised within 7 Working Days of the 31st March at the end of the Financial Year. The list should include total spend on employees and total spend on specialist services specified in Clause 3.2.a of this Agreement.

3.4 Without prejudice to any other rights that the Precepting Authorities may have under this Agreement including but not limited to the right to terminate this Agreement under Clause 2 (Duration and Termination of this Agreement), the Precepting Authorities may withhold the Collection Investment Fund and/ or Fraud and Compliance Fund, if the Council fails on three consecutive Months to provide the Shared Information.

Hardship Fund

- 3.5 The Council shall provide the Monitoring Information to the Precepting Authorities evidencing that:
- a) the Council has utilised the Hardship Fund during the relevant Financial Year for the approved purpose of providing financial support to Essex residents that are struggling to pay their Council Tax bills; and
 - b) the Council has paid an amount equivalent to or greater than the Council Contribution to the Hardship Fund as set-out in Schedule 2, Table 3.
- 3.6 If the Council fails to utilise all of the Collection Investment Fund, the Fraud and Compliance Fund or the Hardship Fund in the relevant Financial Year the Council shall repay the remaining balance to the Precepting Authorities in the following Financial Year.
- 3.7 Without prejudice to any other right that the Precepting Authorities may have under this Agreement including but not limited to the right to terminate this Agreement under Clause 2, the Precepting Authorities may suspend or cancel any or all further sums to be paid or deductions allowed under this Agreement and/or adjust the percentage Intended Repayment or such other sums due for future Financial Years as it sees fit if the Precepting Authorities are of the opinion that:
- (a) the Council has failed to provide the Shared Information, Monitoring Information and/or Performance Monitoring Information within the defined timeframes and to an acceptable standard; Or
 - (b) the Actual Additional Income as reported in 3.1 (c) above, is lower than the Anticipated Additional Income provided in 3.1 (a); Or
 - (c) the Council has failed to provide evidence that the Collection Investment Fund, Fraud and Compliance Fund or the Hardship Fund has been utilised in a way that complies with this Agreement; Or
 - (d) the Council has failed to utilise the Collection Investment Fund, the Fraud and Compliance Contribution or the Hardship Fund for the purposes set out in this Agreement; Or
 - (e) the Council has failed to pay some or all of the Council's Contribution.

Intended Repayment

- 3.8 The Intended Repayment for each Financial Year will be calculated as follows:
- a) the Council's Target Additional Income will be measured against the Council's Actual Additional Income for the previous Financial Year;
 - b) If the Council's Anticipated Additional Income is equal to or greater than the Target Additional Income, the Council will receive an Intended Repayment of 9% of the of the Anticipated Additional Income for that Financial Year;

- c) If the Council anticipates an In-Year Collection Rate equal to or greater than 98%, the Council will receive an Intended Repayment of 9% of the of the Anticipated Additional Income for that Financial Year;
- d) If the Council's Anticipated Additional Income is below the Actual Additional Income for the previous Financial Year, the Council will receive an Intended Repayment of 6% of the of the Anticipated Additional Income for that Financial Year;
- e) Notwithstanding the above, if the total Essex Actual Additional Income is equal to or exceeds the Essex Target Actual Additional Income, then those Essex Councils that are individually below their Council's Target Additional Income for the previous Financial Year will receive an Intended Repayment of 7% of the of the Actual Additional Income for that Financial Year, and those Essex Councils that are individually above their Council's Target Additional Income for the previous Financial Year will receive an Intended Repayment of 9% of the of the Actual Additional Income for that Financial Year.

4. Budgeting Monitoring procedures

4.1 The Precepting Authorities will in each Financial Year as soon as reasonably practicable after it has set its budget for the then forthcoming Financial Year provide the Council with a written statement and supporting computation of the amount of the Intended Repayment for the forthcoming Financial Year.

4.2 The Council shall maintain records of:

- (a) the difference between the Council's Actual Additional Income and Anticipated Additional Income;
- (b) the amount of support awarded to residents by the Council through the Hardship Fund including the Shared Information;
- (c) the amount of support awarded under the Care Leavers Exemption Policy Schedule 6,

in respect of the said forthcoming Financial Year which should be made available to the Precepting Authorities simultaneously with the information required under Clause 3.1 (b) or otherwise upon request. The records shall be supported by such evidence as the Precepting Authorities shall from time to time reasonably require.

4.3 The Council shall maintain records of how the Collection Investment Fund, the Fraud and Compliance Contribution and the Hardship Fund has been spent, and provide ECC with the following information:

- a) A copy of the Council Tax collection team structure, illustrating each employee's role and their annual cost to the Council.
- b) A copy of the Council's fraud and compliance team structure, highlighting employees whose purpose it is to detect and investigate council tax fraud, their annual cost to the Council, and the amount of time they specifically dedicate to Council Tax anti-fraud investigations.

- c) Any invoices or receipts for the payment of professional services to support the collection of council tax and/or the compliance checks specifically relating to Council Tax.
- d) There should be a clear distinction between compliance and collection activities relating to Council Tax, and activities relating to other income streams. If there is an employee or professional service carried out by a third-party that is responsible for multiple income streams, the records should specify what proportion of time was spent on the Council Tax element of these activities.
- e) In respect of the Hardship Fund contribution, the Council shall provide an anonymised record of the number of residents that were financially support by the Hardship Fund throughout each Financial Year, whether the recipients are in receipt of any other forms of Council Tax Support (LCTS), and whether the recipients are new beneficiaries or existing recipients who have received financial support from the Hardship Fund in previous Financial Years.

5. Payment

- 5.1 Subject to Clauses 3 and 4, each Intended Repayment shall be deducted from the Precept to be paid to the Precepting Authorities by the Council in accordance with mutually agreed Precept payment dates usually 10, 11 or 12 times in each Financial Year.
- 5.2 Subject to Clauses 3 and 4, the Precepting Authorities shall pay one quarter of the Collection Investment Fund, Fraud and Compliance Fund, and Hardship Fund Contribution:
 - (a) in respect of the forthcoming Financial Year within 28 days of receipt of the signed agreement and information as set out in Schedule 1
 - (b) The remaining three quarters of the Collection Investment Fund, Fraud and Compliance Fund, and Hardship Fund shall be deducted from the Precept to be paid to the Precepting Authorities by the Council in accordance with mutually agreed Precept payment dates usually 10, 11 or 12 times in each Financial Year.
- 5.3 Subject to Clauses 3 and 4, the Precepting Authorities shall pay the Care Leavers Exemption Contribution, following receipt at the end of the financial year of a schedule of the reduction in Council Tax awarded.
- 5.4 If the Actual Additional Income as confirmed in accordance with Clause 3.1 (c) is in excess of the Anticipated Additional Income, in respect of the excess additional income, the Precepting Authorities will make an additional payment within 28 days of receipt of the written confirmation to the Council at the same rate as that used to calculate the Intended Repayment.
- 5.5 If the Actual additional income as reported in clause 3.1 (c) is less than the Anticipated Additional Income, in respect of the reduction in Additional Income, the Council will repay the Precepting Authorities within 28 days of receipt of the written confirmation at the same rate as that used to calculate the Intended Repayment.

6. Tracking and Audit

- 6.1 The Council shall allow and provide the internal and external auditors of the Precepting Authorities access to all such locations staff property and information of the Council and its

agents consultants and contractors as those auditors may properly require for the purpose of audit testing and investigation on behalf of the Precepting Authorities in connection with this Agreement but the Council may not be required to act in breach of any obligation of confidentiality lawfully undertaken prior hereto toward any third party as a condition of the supply of the information.

- 6.2 The Council shall allow and provide the Precepting Authorities and/or its internal and external auditors full access at the cost of the Council to the Council's auditors both through the Council and directly for the purposes of certifying all information relating to the financial systems used by the Council for the ascertainment of the sums payable by the Precepting Authorities hereunder.

7. Dispute Resolution

- 7.1 In the event of any complaint or dispute arising between the parties to this Agreement in relation to this Agreement the matter should first be referred for resolution to the S151 Officers of the Precepting Authorities and the S151 Officer of the Council.
- 7.2 Should the complaint or dispute remain unresolved within 14 days of the matter first being referred to the Authorised Representative or other nominated individual, as the case may be, either party may refer the matter to the Chief Executives of the Precepting Authorities and the Chief Executive of the Council with an instruction to attempt to resolve the dispute by agreement within 28 days, or such other period as may be mutually agreed by the Precepting Authorities and the Council.
- 7.3 In the absence of agreement under clause 7.2, the parties may seek to resolve the matter through mediation under the CEDR Model Mediation Procedure (or such other appropriate dispute resolution model as is agreed by both parties). Unless otherwise agreed, the parties shall bear the costs and expenses of the mediation equally.
- 7.4 The commencement of the mediation process referred to in 7.3 above shall prevent the Parties commencing or continuing with court proceedings until the mediation procedure has concluded.
- 7.5 If for any reason the dispute is not resolved within 40 Working Days of commencement of the mediation, the dispute shall be referred to and finally resolved by the courts of England and Wales in accordance with *Clause 14 (Governing Law and Jurisdiction)*.

8. Waiver

- 8.1 No failure or delay by either party to exercise any right or remedy under this Agreement shall be construed as a waiver of any other right or remedy

9. Notices

- 9.1 All notices and other communications in relation to this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, emailed, or mailed (first class postage prepaid) to the address of the relevant party, as referred to above or otherwise notified in writing. If personally delivered or emailed all such communications shall be deemed to have been given when received (except that if received on a non-working day or after 5.00 pm on any Working Day they shall be deemed received on the next Working Day) and if mailed all such communications shall be deemed to have been given and received on the second Working Day following such mailing.

9.2 Notices sent by email shall be addressed to:

<u>Precepting Authorities</u>	<u>Council</u>
[xxxx]	Financial.analysts@essex.gov.uk
or to such other recipients as the Parties shall notify to each other.	

10. Data Protection

10.1 The Parties shall comply with the Data Protection Legislation in the collection or use of information for the purposes of this Agreement.

11. No partnership or agency

11.1 This Agreement shall not create any partnership or joint venture between the Precepting Authorities and the Council, nor any relationship of principal and agent, nor authorise any party to make or enter into any commitments for or on behalf of the other party.

12. Contracts (Rights of Third Parties) Act 1999

12.1 This Agreement does not and is not intended to confer any contractual benefit on any person pursuant to the terms of the Contracts (Rights of Third Parties) Act 1999.

13. Variation

13.1 No variation of this Agreement shall be effective unless it is in writing and agreed by the Parties.

14. Entire agreement

14.1 This Agreement (together with all documents attached to or referred to within it) constitutes the entire agreement and understanding between the parties in relation to the and supersedes any previous agreement or understanding between them in relation to such subject matter.

15. Governing Law and Jurisdiction

15.1 This Agreement shall be governed by and construed in accordance with the law of England and the parties irrevocably submit to the exclusive jurisdiction of the English courts.

The Parties agree to comply with the terms of this Agreement in consideration of the foregoing, the mutual promises herein set forth, and the payment by each party to the other of the sum of one pound (£1), the receipt and sufficiency of which is acknowledged by each Party.

This Agreement has been entered into on the date stated at the beginning of it.

For the Council:	
Signed	
Print name	
Capacity	

For the Essex County Council:	
Signed	
Print name	Stephanie Mitchener
Capacity	Director of Finance Delegated S151 Officer

For the Essex Police, Fire and Crime Commissioner Fire And Rescue Authority:	
Signed	
Print name	
Capacity	

For the Police, Fire and Crime Commissioner for Essex:	
Signed	
Print name	
Capacity	

Schedule 1

Information to be supplied by the Council to the Precepting Authorities by 31st January in each year in accordance with Clause 3.1(a)

Anticipated Additional Income*	£
Final tax base (band D equivalent properties)	
Collection rate used in tax base %	

Hardship fund	£
Total anticipated value of LCTS reductions to be awarded for the forthcoming year	
Total anticipated level of hardship fund requirement for the forthcoming year (0.4% of above)	

*For the purposes of calculating the Anticipated Additional Income:

- The council tax base will be multiplied by the council tax rate for the previous financial year and compared to the council tax collected in 2012/13 to determine the Anticipated Additional Income
- Appropriate deductions will be made for increases which were due to natural growth and council tax charge increases, before calculation of the Intended Repayment.

Signed and certified by S151 officer

Dated

Schedule 2 – Contributions

Table 1 – “Collection Investment Fund”

Allocations based on the 2022 Council Tax Base (CTB1) number of dwellings, and the 2019 English Indices of Multiple Deprivation (IMD).

District Councils with a larger number of dwellings will receive a greater share of the funding, with the percentage based on the number of dwellings in a district compared to the total number of dwellings across all district councils in Essex, according to the 2022 CTB1 data. Additionally, District Councils with a higher deprivation score, according to the 2019 IMD census, will receive a greater share of the funding.

Between these two allocation methods, the number of dwellings per district score will be weighted 30% of the overall allocation, and the IMD allocation method will be weighted 70% of the overall allocation.

The value of the contribution made by each precepting authority is based on the authority’s 2022/23 tax rate, as a percentage of the total council tax bill relating to Essex’s precepting authorities.

Authority	Collection Investment Fund	ECC Share	PCC Share	EFA Share
Basildon	£218,954	£180,995	£28,228	£9,731
Braintree	£176,006	£145,493	£22,691	£7,822
Brentwood	£112,787	£93,234	£14,541	£5,013
Castle Point	£157,335	£130,058	£20,284	£6,992
Chelmsford	£165,164	£136,530	£21,293	£7,340
Colchester	£201,144	£166,272	£25,932	£8,939
Epping Forest	£165,828	£137,079	£21,379	£7,370
Harlow	£191,857	£158,596	£24,735	£8,527
Maldon	£136,442	£112,788	£17,590	£6,064
Rochford	£115,663	£95,611	£14,912	£5,140
Tendring	£245,049	£202,566	£31,592	£10,891
Uttlesford	£113,771	£94,047	£14,668	£5,056
Total	£2,000,000	£1,653,268	£257,845	£88,887

Table 2 – “Fraud and Compliance Contribution”

Contributions based on 2014/15 Council Tax rates

Authority	Fraud & Compliance Contribution	ECC Share	PCC Share	EFA Share	Billing Authority Share
Basildon	£110,000	£76,787	£10,194	£4,693	£18,327
Braintree	£58,100	£42,344	£5,621	£2,588	£7,547
Brentwood	£55,000	£40,514	£5,378	£2,476	£6,632
Castle Point	£85,765	£60,546	£8,038	£3,700	£13,481
Chelmsford	£40,000	£28,879	£3,834	£1,765	£5,522
Colchester	£90,000	£65,507	£8,696	£4,004	£11,793
Epping Forest	£70,000	£50,482	£6,702	£3,085	£9,731
Harlow	£86,000	£60,043	£7,971	£3,670	£14,317
Maldon	£48,000	£34,353	£4,560	£2,100	£6,987
Rochford	£74,250	£52,187	£6,928	£3,190	£11,946
Tendring	£125,000	£92,059	£12,221	£5,626	£15,094
Uttlesford	£80,000	£57,429	£7,624	£3,510	£11,437
Total	£922,115	£661,128	£87,767	£40,407	£132,813

Table 3 – “Hardship Fund Contribution”

Allocations based on the total estimated value of each billing authority’s LCTS discounts in 2023/24, using the Final Returns provided by the districts to the precepting authorities for budget setting purposes.

The total value of the Hardship Fund for each council is based on 0.4% of the total anticipated value of Local Council Tax Support for that Financial Year as set out below.

For each district, contributions into the Hardship Fund are based on each authority’s 2022/23 council tax rate, as a percentage of total council tax paid by local Essex residents to each District Council in 2022/23.

District	Anticipated Value of LCTS Discounts (Final Returns)	Anticipated Hardship Fund 2023/24 (0.4% LCTS)	ECC Share	PCC Share	EFA Share	Billing Authority Share **	Administration of Hardship Fund *
Basildon	£12,903,452	£51,615	£36,419	£5,680	£1,958	£7,558	£5,000
Braintree	£7,500,000	£30,000	£21,745	£3,391	£1,169	£3,695	£5,000
Brentwood	£4,000,000	£15,999	£11,723	£1,828	£630	£1,818	£5,000
Castle Point	£4,701,031	£18,803	£13,326	£2,078	£716	£2,683	£5,000
Chelmsford	£7,273,260	£29,093	£20,950	£3,267	£1,126	£3,750	£5,000
Colchester	£9,470,000	£37,881	£27,440	£4,280	£1,475	£4,686	£5,000
Epping Forest	£6,847,153	£27,389	£19,953	£3,112	£1,073	£3,251	£5,000
Harlow	£6,582,500	£26,330	£18,596	£2,900	£1,000	£3,834	£5,000
Maldon	£3,727,978	£14,912	£10,605	£1,654	£570	£2,083	£5,000
Rochford	£3,926,392	£15,705	£11,036	£1,721	£593	£2,355	£5,000
Tendring	£12,685,000	£50,739	£36,966	£5,765	£1,987	£6,021	£5,000
Uttlesford	£3,815,777	£15,263	£10,880	£1,697	£585	£2,101	£5,000
Total	£83,432,543	£333,729	£239,639	£37,373	£12,882	£43,835	£60,000

* ECC payment to the District, Borough, and City Councils

** Billing Authority = the relevant District, Borough, and City Council

Table 4 – “Single Person Discount review contribution”

To be distributed to the billing authorities as a one-off fund in 2023/24, as listed below.

This money will be available to the billing authorities throughout during the 2023/24 financial year. All balances need to be utilised before the 1st April 2024. Any remaining balances will not be carried forward into the 2024/25 financial year onwards.

Authority	Dwellings with Single Person Discount *	Share of Total Dwellings with Single Person Discount	Total Investment	ECC Share	BA Share
Basildon	24,759	13%	Claimed in 2021/22		
Braintree	19,441	10%	£24,871	£21,599	£3,272
Brentwood	10,298	5%	Claimed in 2021/22		
Castle Point	11,073	6%	£14,166	£12,052	£2,114
Chelmsford	23,521	12%	£30,091	£26,006	£4,085
Colchester	25,914	13%	£33,153	£28,809	£4,344
Epping Forest	16,583	8%	£21,215	£18,441	£2,774
Harlow	12,330	6%	£15,774	£13,348	£2,426
Maldon	8,000	4%	£10,234	£8,743	£1,491
Rochford	10,191	5%	Claimed in 2021/22		
Tendring	23,607	12%	£30,201	£26,412	£3,789
Uttlesford	9,694	5%	Claimed in 2021/22		
Total	195,411	100%	£179,705	£155,410	£24,295

*Total number of dwellings entitled to single Adult household 25% discount on 2 October 2019

Table 5 – “Investment in Business Rates Reviews”

To be distributed to the billing authorities as a one-off fund in 2023/24, as listed below.

This money will be available to the billing authorities throughout the 2023/24 financial year. All balances need to be utilised before the 1st April 2024. Any remaining balances will not be carried forward into the 2024/25 financial year onwards.

Authority	Resource	Remaining Investment for 2023/24
Basildon	Business Rates reviews	£20,833
Braintree	Business Rates reviews	£20,833
Brentwood	Business Rates reviews	£20,833
Castle Point	Business Rates reviews	£20,833
Chelmsford	Business Rates reviews	£20,833
Colchester	Business Rates reviews	£20,833
Epping Forest	Business Rates reviews	£20,833
Harlow	Business Rates reviews	£20,833
Maldon	Business Rates reviews	£20,833
Rochford	Business Rates reviews	£0
Tendring	Business Rates reviews	£20,833
Uttlesford	Business Rates reviews	£20,833
Total		£229,167

Schedule 3
Performance monitoring information requirements

	Collection rate %	Total debit collected £
Quarter 1		
Quarter 2		
Quarter 3		
Quarter 4 (Total for year)		

ALL the above information is required for each quarter ending June, September and December no later than 10 working days after the period end

Schedule 4
Information to be shared

- Anonymised data on individuals receiving financial support
- Income Data (Where held)
- Dates of Occupation/Vacation of property (where held)
- Initial dates of when resident started to receive financial support via the Hardship Fund

To be extracted from the relevant systems pertaining to:

- Council Tax
- Business Rates
- Housing Benefit
- Council Tax Reduction
- Electoral Roll
- Residents' Parking Permits
- Housing applications/waiting list, Housing tenancies (where stock is held)
- Taxi Licensing
- Blue Badge applications
- School Admissions
- Adult Social Care Financial Assessments

Note – the above is the full list of information sources, not all authorities have agreed to provide an extract from all systems.

Schedule 5 - Calculation of “Actual Additional Income”:

Actual additional income is calculated using the following formula:

1. Net collectible debit, including receipts relating to previous years, multiplied by the council tax collection rate for the Council

Less
2. 2012/13 Amount collected by March 2013 plus receipts of previous years council tax received in 2012/13.

Less
3. “Natural growth” - Year on year increase in dwellings as per line 1 of the Council’s CTB1 return, converted to band D equivalent, multiplied by 83% (as a proxy for a dwelling to taxbase discount factor) multiplied by the current year band D tax rate.

Less
4. “Council tax increases” - Current tax base less band D equivalent figure used in 3, multiplied by the year on year increase in council tax

Schedule 6

Care Leavers and Council Tax – policy

Introduction

It is the desire of Councils in Essex to assist children leaving the care of a local authority with their Council Tax liability until the age of 21 years. This policy utilises the discretionary power available to billing authorities arising from S13A(1)(c) of the Local Government Finance Act 1992 to reduce, or further reduce, the amount of council tax a person is liable to pay as it sees fit.

Definitions

For the purpose of this policy, a 'care leaver' is defined as:
A person aged up to 21, who either:

- (a) has been looked after by Essex County Council 'Essex' for at least 13 weeks since the age of 14; and who was looked after by the local authority at school-leaving age or after that date; or
- (b) is entitled to leaving care support from Essex.

The Children Act 1989 defines the categories of children entitled to leaving care support as:

'Eligible children' are those young people aged 16-17 who are still in care and have been 'looked after' for a total of 13 weeks from the age of 14 and including their 16th birthday;

'Relevant children' are those young people aged 16 and 17 who have already left care, and who were 'looked after' for at least 13 weeks from the age of 14 and have been 'looked after' at some time while they were 16 or 17;

'Former relevant children' are those young people aged 18, 19 or 20 who have been eligible and/or relevant.

Policy statement

For the purpose of calculating the amount of discretionary council tax reduction to apply, care leavers and those in their household are required to take steps to minimise their liability for council tax by claiming discounts, exemptions and council tax support reduction where eligible.

After all discounts, exemptions and council tax support reduction have been claimed the Council will reduce the council tax liability so that the liability of the household is the same that it would have been had the care leaver been a 'disregarded person' (such as students) as detailed in s11 and Schedule 1 of the Local Government Finance Act 1992.

For example:

A care leaver joining an existing household with a single person discount in place will be given sufficient discretionary relief under the Care Leavers Exemption to ensure that the council tax liability does not increase as a result of their presence.

A household where only care leavers are liable to pay council tax will be given sufficient discretionary relief to extinguish the council tax liability completely.

A care leaver in a property, which would otherwise be exempt from council tax, will be given sufficient discretionary relief under the Care Leavers Exemption to ensure that no council tax becomes payable.

Where a care leaver joining an existing household makes no difference to the council tax liability of that household, the Care Leaver's Exemption will not apply.