

The purpose of an Integrated Impact Assessment is to evidence that Aberdeen City Council is meeting its legislative duties by assessing the potential impacts of its policies and decisions on different groups of people and the environment. The legislation considered within this assessment is:

- Section 2 [Equality Act 2010 protected characteristics](#)
- Section 3 [Socio-Economic](#)
- Section 4 [Consumer Duty](#)
- Section 5 [Human Rights](#)
- Section 6 [Children and Young People’s Rights](#)
- Section 7 [Environmental impacts](#)

The term ‘policy’ is used throughout this document and applies to policies, proposals, strategies, provision, criteria, functions, practice, budget savings and activities that includes delivery of our services.

1. About the Policy

1.1 Title
Increase in Council Tax – proposed 11%
1.2 What does this policy seek to achieve?
The Council is required to set a council tax rate annually, and to do this as part of the Budget Setting process in order to approve a balanced budget for the year ahead. In light of the inflationary pressures, and in line with the Medium-Term Financial Strategy an increase to the rate of Council Tax for 2025/26 is proposed to assist the Council in sustaining services that it delivers.
1.3 Is this a strategic programme/proposal/decision?
Strategic decision
1.4 Is this a new or existing policy?
Existing policy.
1.5 Is this report going to a committee?
Yes, Council General Fund Budget report
1.6 Committee name and date:
Council, Budget meeting, 5 th March 2025
1.7 Report no and / or Budget proposal number and / or Business Case reference number:
New-09
1.8 Function and Cluster:
Corporate Services / Finance

Impacts

Aberdeen City Council has a legal requirement as a public sector organisation to assess the impact of its work on equality groups and assess against human rights, children’s rights and our socio-economic duty. This is our Public Sector Equality Duty (PSED). The PSED has three key parts:

- Eliminate unlawful discrimination, harassment, victimisation or any other prohibited conduct.
- Advance equality of opportunity.
- Foster good relations by tackling prejudice, promoting understanding.

This following five sections in the Integrated Impact Assessment demonstrate that these considerations that have been made in the policy, that the impact of proposals made is understood and accepted, and what mitigating steps can be taken to reduce any negative impact of the policy.

2: Equality Act 2010 - Protected Characteristics

Aberdeen City Council wants to ensure everyone is treated fairly. This section identifies what impact the policy may have on people with [protected characteristics](#).

2.1 What impact could this policy have on any of the below groups?

Protected Characteristic	Negative			Neutral	Positive
	High	Medium	Low		
Age		X			
Disability		X			
Gender Reassignment				X	
Marriage and Civil Partnership			X		
Pregnancy and Maternity				X	
Race	X				
Religion or Belief				X	
Sex		X			
Sexual Orientation				X	

2.2 In what way will the policy impact people with these protected characteristics?

Council Tax is a property based statutory charge, underpinned by legislation. Council tax is applied consistently to all properties in the city and exemptions and relief are available for certain situations and circumstances, this includes single persons, disability relief and students. Evidence of low incomes in older people, younger people, people of ethnic origin and disabled people is relevant, and also on the existence of a gender pay gap, with women generally being paid less than men have all been considerations.

Age: Older people living solely on pension or young people starting their careers in their first / early jobs may be disproportionately affected as the rise in Council Tax will be have to come from disposable income that may be very limited.

Disability: People living with disabilities are likely to have lower incomes and may be accessing benefits. The ONS published Data & Analysis from the 2021 Census that:

- The disability pay gap, the gap between median pay for disabled employees and non-disabled employees, was 13.8% in 2021 and 14.1% in 2019 prior to the coronavirus (COVID-19) pandemic; this gap has widened slightly since 2014 when disabled employees earned 11.7% less than non-disabled employees.
- The disability pay gap has consistently been wider for disabled men than for disabled women; in 2021 median pay for disabled men was 12.4% less than non-disabled men, and median pay for disabled women was 10.5% less than non-disabled women.

Scotland had the widest disability pay gap at 18.5%.

Married & Civil Partnership: Married or those in civil partnerships potentially have two incomes to support the payment of Council Tax while single people only receive 25% discount on their Council Tax bill (per legislation) therefore the negative impact may be on single people or those who are married or in civil partnerships where they have one income.

Race: Understanding the Cost of Living Crisis in Scotland (published 12/02/25) [Understanding the Cost of Living Crisis in Scotland - gov.scot](#) shows that many of those with protected characteristics will be most impacted by any increase in the cost of living. This includes minority ethnic families.

Sex: Gender pay gap will mean there is a difference in the impact of rising Council Tax and greater effect on women, per the latest ONS [Gender pay gap in the UK 2024](#), and states “The gender pay gap has been declining slowly over time; over the last decade it has fallen by approximately a quarter among full-time employees, and in April 2024 it stands at 7%.”

2.3 What considerations have been made in reaching the above assessment?

What internal or external data has been considered? What does this data tell us?

CTAXBASE 2024 return to Scottish Govt includes the following:

Total number of dwellings on valuation list – 125,858

Total number of dwellings exempt – 10,246

Total number of chargeable dwellings – 115,582

Total number of dwellings with disability reduction – 194

Total number of dwellings with single occupancy – 51,144

Total value of Council Tax Reduction (CTR) in 2024/25 - £12,481,065

Total number of dwellings to which CTR applies – 10,332

Total number of second homes - 392

This indicates:

There are limited number of people living in properties where disability reductions apply.

Approximately 41% of the properties are occupied by individuals and have a 25% reduction applied to their Council Tax charge for the year.

Between 9% and 10% of dwellings access Council Tax Relief and are protected from having to pay the full charge.

A limited number of people have a second home in the City, 0.3% of chargeable dwellings. The Council does not have data specific on those that have second homes.

An indication of the annual and monthly cost of increasing Council Tax is shown in the following table.

Council Tax Band	2024/25 Council Tax	Indicative 2025/26 Charge if percentage increase applied									
		0.00%	5.00%	6.00%	7.00%	8.00%	9.00%	10.00%	11.00%	12.00%	13.00%
Band A	£ 993.03	£ 993.03	£ 1,042.69	£ 1,052.62	£ 1,062.55	£ 1,072.48	£ 1,082.41	£ 1,092.34	£ 1,102.27	£ 1,112.20	£ 1,122.13
Band B	£ 1,158.54	£ 1,158.54	£ 1,216.47	£ 1,228.05	£ 1,239.64	£ 1,251.22	£ 1,262.81	£ 1,274.39	£ 1,285.98	£ 1,297.56	£ 1,309.15
Band C	£ 1,324.04	£ 1,324.04	£ 1,390.25	£ 1,403.49	£ 1,416.73	£ 1,429.97	£ 1,443.21	£ 1,456.45	£ 1,469.69	£ 1,482.93	£ 1,496.17
Band D	£ 1,489.55	£ 1,489.55	£ 1,564.03	£ 1,578.92	£ 1,593.82	£ 1,608.71	£ 1,623.61	£ 1,638.51	£ 1,653.40	£ 1,668.30	£ 1,683.19
Band E	£ 1,957.10	£ 1,957.10	£ 2,054.96	£ 2,074.53	£ 2,094.10	£ 2,113.67	£ 2,133.24	£ 2,152.81	£ 2,172.38	£ 2,191.96	£ 2,211.53
Band F	£ 2,420.52	£ 2,420.52	£ 2,541.54	£ 2,565.75	£ 2,589.96	£ 2,614.16	£ 2,638.37	£ 2,662.57	£ 2,686.78	£ 2,710.98	£ 2,735.19
Band G	£ 2,917.04	£ 2,917.04	£ 3,062.89	£ 3,092.06	£ 3,121.23	£ 3,150.40	£ 3,179.57	£ 3,208.74	£ 3,237.91	£ 3,267.08	£ 3,296.25
Band H	£ 3,649.40	£ 3,649.40	£ 3,831.87	£ 3,868.36	£ 3,904.86	£ 3,941.35	£ 3,977.84	£ 4,014.34	£ 4,050.83	£ 4,087.33	£ 4,123.82

Note: Figures exclude water supply and waste water collection charges collected on behalf of Scottish Water

Council Tax Band	2024/25 Council Tax	Indicative increase per month in 2025/26 Charge if percentage increase applied (to nearest £)									
		0.00%	5.00%	6.00%	7.00%	8.00%	9.00%	10.00%	11.00%	12.00%	13.00%
Band A	£ 993.03	£ -	£ 4	£ 5	£ 6	£ 7	£ 7	£ 8	£ 9	£ 10	£ 11
Band B	£ 1,158.54	£ -	£ 5	£ 6	£ 7	£ 8	£ 9	£ 10	£ 11	£ 12	£ 13
Band C	£ 1,324.04	£ -	£ 6	£ 7	£ 8	£ 9	£ 10	£ 11	£ 12	£ 13	£ 14
Band D	£ 1,489.55	£ -	£ 6	£ 7	£ 9	£ 10	£ 11	£ 12	£ 14	£ 15	£ 16
Band E	£ 1,957.10	£ -	£ 8	£ 10	£ 11	£ 13	£ 15	£ 16	£ 18	£ 20	£ 21
Band F	£ 2,420.52	£ -	£ 10	£ 12	£ 14	£ 16	£ 18	£ 20	£ 22	£ 24	£ 26
Band G	£ 2,917.04	£ -	£ 12	£ 15	£ 17	£ 19	£ 22	£ 24	£ 27	£ 29	£ 32
Band H	£ 3,649.40	£ -	£ 15	£ 18	£ 21	£ 24	£ 27	£ 30	£ 33	£ 36	£ 40

Note: Figures exclude water supply and waste water collection charges collected on behalf of Scottish Water

For example, this shows an 11% increase in Council Tax for a 'Band D' property costs an additional c.£14 per month, or £164 per annum.

What consultation and engagement has been undertaken with officers and partner organisations?

None

What consultation and engagement has been undertaken with people who may be impacted by this policy?

Aberdeen City Council undertook a two-part public consultation around the 2025/26 Budget and future spending plans from August 2024 to November 2024.

In Part 1, conducted throughout August 2024, participants were asked to provide feedback on four key areas: Budget Options, Council Tax, Service Area Prioritisation, and Capital Programme Expenditure. Under Budget Options, respondents were queried about the potential impacts of proposed options, including both reduction strategies and income-boosting charges. Regarding Council Tax, input was sought on acceptable levels of increase and their potential impacts. Citizens were also invited to express their views on which service areas should be prioritised for spending and to offer their opinions on capital programme expenditure.

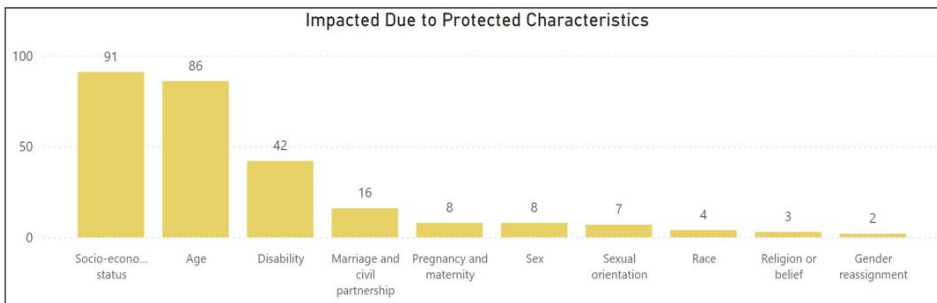
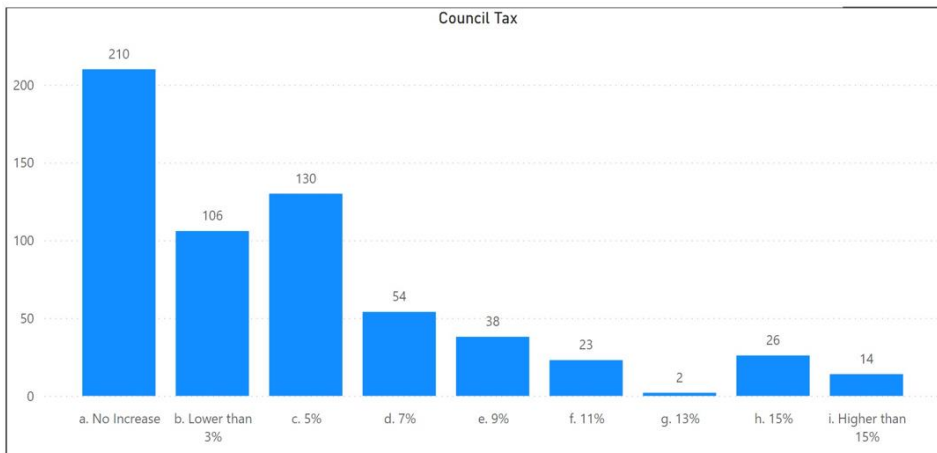
In part 2, which took place throughout November 2024, the Council consulted on additional budget options, again focusing on the impact if implemented. The phase 2 consultation included budget options relating to the Aberdeen Health and Social Care Partnership.

There were 4278 responses across the four areas consulted on during part 1 of the online consultation and 1535 responses to part 2. Respondents had the option to indicate which protected characteristics would be affected.

Various approaches were offered to support participation. Throughout both phases, opportunities were offered for the public to attend face to face and digital sessions to discuss the proposals in more detail. There were 2 face to face sessions, including British Sign Language options and 4 digital sessions, with a total of 24 attendees.

A summary of the feedback is shown below, also included in the Council's Medium Term Financial Strategy, 2024.

Council Tax



Summary from 216 comments:

- **Financial Strain on Residents:** Some commented that many residents are struggling with the current cost of living and fear that an increase in council tax will exacerbate their financial difficulties, making it harder to afford essentials like food and energy bills.
- **Impact on Low-Income Households:** Low-income families, single parents, and individuals on benefits are particularly concerned that a council tax hike will significantly impact their already tight budgets.
- **Discontent with Council Services:** Several residents feel they are not getting value for money from the council, citing poor maintenance of roads, inadequate public services, and inefficient use of funds on projects.
- **Calls for Fairer Taxation:** Some suggest that higher council tax bands should bear a larger share of the increase, while others argue for a flat rate increase across all bands to ensure fairness.
- **Suggestions for Alternative Funding:** Residents propose alternative measures such as better collection of unpaid taxes, reducing council waste, and reallocating funds from less essential projects to cover budget shortfalls.
- **Support for Service Maintenance:** Some are willing to accept a council tax increase if it means preserving essential services and improving the quality of life in Aberdeen.
- **Concerns Over Inequality:** There is a concern that the current system unfairly burdens single occupants and those in higher tax bands despite their potentially lower disposable incomes.
- **Impact of Housing Market:** Residents highlight the disparity in council tax bands based on outdated property valuations, causing inequities in tax burdens between older and newer properties.
- **Desire for Transparency:** People want more transparency and justification for any tax increases, including detailed explanations of how the additional funds will be used to benefit the community.
- **Potential for Relocation:** Some residents express that continuous tax increases without corresponding improvements in services may drive them to consider moving away from Aberdeen.

2.4 What mitigations can be put in place?

What can be done to remove or reduce any negative impacts of this policy (if applicable)?

Council tax is a statutory charge, it is property based therefore relates to the place that you live, size and historic value being the key drivers for the charge that applies to each individual/household.

It is applied to all properties on the valuation roll, and no differences are made or introduced that relate to the protected characteristics of individuals living there.

A series of reliefs and reductions are available through the legislation and this can provide the mitigation of limiting the impact of increasing the charge to only those that have income levels above certain minimum levels. This is provided by the Council Tax Reduction Scheme. Relief such as the Disability relief may also apply in certain circumstances.

Single people have a statutory relief of 25% applied to their circumstances.

The benefits systems in the UK provide mitigation for those with the lowest or modest incomes and include:

- Tax credits, mostly topping up the incomes of families with someone in paid work, but on modest earnings
- Housing benefit, helping low-income people meet the cost of rent
- Disability, incapacity and sickness benefits, for those whose health limits their ability to work or adds to the cost of living

These benefits are due to increase from 1 April 2025 by the rate of inflation at September 2024, and this has been confirmed in the Autumn Budget by the Chancellor, October 2024, as 1.7%

State pensions are to rise by 4.1 % from the same date, based on the triple lock promise.

With mitigations in place, what is the new overall rating of the negative impact(s)?

High	
Medium	
Low	X
Negative Impact Removed	

3: Socio-Economic Impacts

Aberdeen City Council has a duty to reduce the inequalities of outcome that can arise from socio-economic disadvantage. This section is used to consider what impact the policy may have on people experiencing socio-economic disadvantage – and how any inequalities of outcome arising from the policy can be reduced.

Use this guide to understand more on socio-economic inequalities: [The Fairer Scotland Duty: Guidance for Public Bodies \(www.gov.scot\)](https://www.gov.scot/publications/fairer-scotland-duty/guidance-for-public-bodies/pages/1-to-3.aspx)

3.1 What impact could this policy have on people who experience the following aspects of socio-economic disadvantage?

	Negative	Neutral	Positive
Low income – those who have insufficient earnings to meet basic needs, such as food, clothing, housing, or utilities.	X		
Low/ no wealth – those who have no savings for unexpected spend or provision for the future.	X		
Material deprivation – those who cannot afford or access goods or services that are considered essential or desirable for a decent quality of life, such as food, clothing, heating, transport, internet, cultural, recreational and social activities.	X		
Area deprivation – those who live in an area with poor living conditions, such as higher levels of crime, pollution, noise, congestion, or lack of infrastructure, amenities, or green spaces.	X		
Socio-economic background – social class, parents’ education, employment, income.	X		

3.2 In what way will the policy impact people experiencing socio-economic disadvantage?

An increase will add financial pressure to those on limited or variable income, national benefits and council tax reduction scheme provide mitigation however will not apply to everyone. The Poverty in Scotland 2024 report from the Joseph Rowntree Foundation (Poverty in Scotland 2024 | JRF) highlights there are continued inequalities within socio-economic groups within Scotland. This proposal will have an adverse financial impact on these groups.

Low Income / Income Poverty: The proposed increase in Council Tax would affect those who do not have sufficient money for the basic living requirements.

Low and/or no wealth: The proposed increase in Council Tax would affect those who do not have flexible disposable income or lack financial resilience.

Material Deprivation: The proposed increase in Council Tax would affect those who do not have sufficient money to access basic goods and services as they may be unable to allocate the additional money to pay for higher Council Tax.

Area Deprivation: The proposed increase in Council Tax would affect those who live far or distant from their place of work or families and have to travel across the city or outside the city and may be unable to allocate the additional money to pay for higher Council Tax.

Socio-economic background: The proposed increase in Council Tax would affect those who have a lower income as a result of their socio-economic background. There may also be an impact on those who are financially stretched by rising mortgage rates or limited pay awards, failing to keep up with inflation. Those with second homes will either be financially able to maintain their additional property(ies) or would have choices to shift the liability.

3.3 What considerations have been made in reaching the above assessment?

What internal or external data has been considered? What does this data tell us?
See 2.3 above.
What consultation and engagement has been undertaken with officers and partner organisations?
See 2.3 above.
What consultation and engagement has been undertaken with people who may be impacted by this policy?
See 2.3 above.

3.4 What mitigations can be put in place?

What can be done to remove or reduce any negative impacts of this policy (if applicable)?		
See 2.4 above.		
If mitigations are in place, does this remove or reduce the negative impact?	No – negative impact remains	
	Yes – negative impact reduced	X
	Yes - negative impact removed	

4: Consumer Impacts

The Consumer Scotland Act 2020 places a Consumer Duty on the public sector to put consumer interests at the heart of strategic decision-making, emphasising the need for accessible and affordable public services, especially during times of financial pressure. This person-centred approach is intended to result in better quality services and outcomes for the public as consumers of public services across Scotland.

This section of the IIA is used to consider the impact of the policy on consumers of any services that the policy is intended to change.

Use this guide to understand more on the consumer duty: [How to meet the consumer duty: guidance for public authorities](#)

4.1 What impact could this policy have on any of the below consumer groups?

	Negative	Neutral	Positive
Individuals			X
Small businesses		X	

4.2 In what way will the policy impact people in these consumer groups?

An increase will allow many public services to be maintained and reduce the need to identify savings from the services which are currently being provided by ACC.

4.3 What mitigations can be put in place?

What can be done to remove or reduce any negative impacts of this policy (if applicable)?	
N/A	
If mitigations are in place, does this remove or reduce the negative impact?	No – negative impact remains
	Yes – negative impact reduced
	Yes - negative impact removed

5: Human Rights Impacts

The Human Rights Act 1998 sets out the fundamental rights and freedoms that everyone in the UK is entitled to. It incorporates the rights set out in the European Convention on Human Rights (ECHR) into domestic British law. The Human Rights Act came into force in the UK in October 2000

The Act sets out our human rights in a series of 'Articles'. Each Article deals with a different right.

Use this guide to understand more about [Human Rights](#).

5.1 What impact could this policy have on Human Rights?

Human Rights Article	Negative	Neutral	Positive
Article 2: Right to life		X	
Article 4: Prohibition of slavery and forced labour		X	
Article 5: Right to liberty and security		X	
Article 6: Right to a fair trial		X	
Article 7: No punishment without law		X	
Article 8: Right to respect for private and family life, home and correspondence		X	
Article 9: Freedom of thought, belief and religion		X	
Article 10: Freedom of expression		X	
Article 11: Freedom of assembly and association		X	
Article 12: Right to marry and start a family		X	
Article 14: Protection from discrimination in respect of these rights and freedoms		X	
Article 1 of Protocol 1: Right to peaceful enjoyment of your property		X	
Article 2 of Protocol 1: Right to education		X	
Article 3 of Protocol 1: Right to participate in free elections		X	

5.2 In what way will the policy impact Human Rights?

Neutral, Council Tax does not impact an individual's human rights.

5.3 What mitigations can be put in place?

What can be done to remove or reduce any negative impacts of this policy (if applicable)?	
N/A	
If mitigations are in place, does this remove or reduce the negative impact?	No – negative impact remains
	Yes – negative impact reduced
	Yes - negative impact removed

6: Children and Young People’s Rights Impacts

The United Nations Convention has 54 articles that cover all aspects of a child’s life and set out the civil, political, economic, social and cultural rights that all children everywhere are entitled to. It also explains how adults and governments must work together to make sure all children can enjoy all their rights.

Children’s rights apply to every child/young person under the age of 18 and to adults still eligible to receive a “children’s service” e.g. care leavers aged 18-26 years old.

You can [read the full UN Convention \(pdf\)](#), or [just a summary \(pdf\)](#), to find out more about the rights that are included.

6.1 What impact could this policy have on the rights of Children and Young People?

	Negative	Neutral	Positive
PROVISION			
Article 2: non-discrimination		X	
Article 3: best interests of the child provision and protection		X	
Article 5: parental guidance and a child's evolving capacities		X	
Article 16: right to privacy		X	
Article 17: access to information from the media		X	
Article 18: parental responsibilities and state assistance		X	
Article 22: refugee children		X	
Article 23: children with a disability			X
Article 24: health and health services			X
Article 26: social security		X	
Article 27: adequate standard of living		X	
Article 28: right to education			X
Article 29: goals of education			X
Article 30: children from minority or indigenous groups		X	
Article 31: leisure, play and culture			X
Article 39: recovery from trauma and reintegration		X	
Article 40: juvenile justice		X	
PROTECTION			
Article 6: life, survival and development		X	
Article 7: birth registration, name, nationality, care		X	
Article 8: protection and preservation of identity		X	
Article 9: Separation from parents		X	
Article 10: family reunification protection		X	
Article 11: abduction and non-return of children		X	
Article 15: freedom of association		X	
Article 19: protection from violence, abuse and neglect		X	
Article 20: children unable to live with their family		X	
Article 21: adoption		X	
Article 25: review of treatment in care		X	
Article 33: drug abuse			X
Article 34: sexual exploitation			X
Article 35: abduction, sale and trafficking			X
Article 36: other forms of exploitation			X
Article 37: inhumane treatment and detention		X	
Article 38: war and armed conflicts		X	
Article 32: child labour		X	

PARTICIPATION			
Article 12: respect for the views of the child		X	
Article 13: freedom of expression		X	
Article 14: freedom of thought, belief and religion		X	
Article 42: knowledge of rights		X	

6.2 In what way will the policy impact the rights of Children and Young People?

Generally Council Tax changes will have a neutral impact on the rights of Children and Young People, however in certain circumstances where the additional income that could be generated from increasing the rate of Council Tax, it is possible that this could assist the Council fulfil its obligations to do all they can to support children, deliver education, ensure they are not harmed and have access to leisure and cultural opportunities. Enabling the Council to be sustainable and financially capable of funding ongoing service delivery should positively impact on children and young people.

6.3 What mitigations can be put in place?

What can be done to remove or reduce any negative impacts of this policy (if applicable)?	
N/A	
If mitigations are in place, does this remove or reduce the negative impact?	No – negative impact remains
	Yes – negative impact reduced
	Yes - negative impact removed

7: Environmental Impacts

Aberdeen City Council has a duty to meet its legal environmental responsibilities by working towards Net Zero emissions, adapting to climate change, and acting in a way it considers most sustainable. We must also fulfil the [biodiversity duty](#) and [sustainable procurement duty](#).

This section in the Integrated Impact Assessment demonstrates that these considerations that have been made in the policy, that the impact of proposals made is understood and accepted, and what mitigating steps can be taken to reduce any negative impact of the policy.

Use this guide to understand more on the legal climate change duty: [Climate change - gov.scot \(www.gov.scot\)](#) and find out more about how Aberdeen is adapting to Climate Change: [Aberdeen Adapts | Aberdeen City Council](#)

7.1 What is the impact of this policy on any of the below climate, environmental and waste considerations?

	Negative	Neutral	Positive
Council or City-wide carbon emissions		X	
Active and sustainable travel		X	
Facilities for local living		X	
Resilience and adaptability to flooding and weather events		X	
Biodiversity improvement and wildlife/habitat connectivity		X	
Water consumption and drainage		X	
Pollution (air, water, noise, light and land contamination)		X	
Impact on resource use and waste		X	
Sustainable procurement of goods and services		X	

7.2 In what way will the policy impact the environment?

Generally Council Tax changes will have a neutral impact on climate, environmental and waste, however in certain circumstances where the additional income that could be generated from increasing the rate of Council Tax, it is possible that this could assist the Council fulfil its obligations to do all they can to support active and sustainable travel, biodiversity improvement etc.

7.3 What considerations have been made in reaching the above assessment?

What internal or external data has been considered? What does this data tell us?

See 2.3 above.

What consultation and engagement has been undertaken with local groups, partner organisations, experts etc? Where required, identify any other environmental assessments that have been completed.

See 2.3 above

7.4 What mitigations can be put in place?

What can be done to remove or reduce any negative impacts of this policy (if applicable)?

N/A

If mitigations are in place, does this remove or reduce the negative impact?

No – negative impact remains

Yes – negative impact reduced

Yes - negative impact removed

8: Sign Off

Any further positive or negative impacts on individuals or groups that have been considered?
None
Does the policy relate to the Council's Equality Outcomes? If yes, how.
No
Overall summary of changes made to the policy as a result of impact assessment.
<p>The proposal remains a lever that the Council can exercise when setting the budget and the law says must be set annually. From an affordability and sustainability perspective officers believe that the level of Council Tax is a legitimate and necessary income source that should be increased to support service delivery, as set out in the approved Medium Term Financial Strategy (MTFS).</p> <p>The consultation indicates there are more people in favour of increasing council tax than not.</p>
Outline how the impact of policy will be monitored.
Annually through the Budget Setting Process and Budget, as well as forecasting and reviewing collection levels throughout the year.
If there are any remaining negative impacts after mitigation, what is the justification for why this policy should proceed.
<p>It is not possible to implement tiered or specific charging arrangements to directly take account of those with protected characteristics or those with socio-economic inequalities as the Council Tax is a property based tax, centred on where a person lives.</p> <p>The MTFS sets out the financial scenarios for the Council General Fund, with a gap now of £29m in 2025/26 and of £54.768m over the next three years. While recent revisions mean that the single year gap for 2025/26 has been reduced in the budget report to c.£18m there is an underlying increase in costs that the Council will face rising faster than the income it receives from grant funding. A key principal of the Strategy is that Council Tax, as the greatest financial lever the Council has, should be used to support the sustainability of services by being increased in real terms annually. The law requires Councils to set Council Tax annually. From an affordability and sustainability perspective officers believe that despite the negative impacts the benefits of supporting services through money raised locally can play a key part in sustaining services.</p> <p>The Council does not foresee rising levels of Scottish Government grants to fund local government services therefore in light of rising costs there must be a balance between applying savings and generating additional income through discretionary powers, Council Tax should therefore be increased.</p>

Assessment Author	Helen Sherrit
Date	24/02/24
Chief Officer	Jonathan Belford
Date	25/02/24