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**TO ALL SHARED REVENUES AND
BENEFITS JOINT COMMITTEE MEMBERS**

Democratic Services are dealing with this matter

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Date: 24 May 2019

SHARED REVENUES AND BENEFITS JOINT COMMITTEE - MONDAY, 3 JUNE 2019

Dear Councillor,

Further to the previously issued agenda for the Shared Revenues and Benefits Joint Committee meeting of Monday, 3 June 2019, please find attached the following additional papers.

7. Housing Benefit Overpayments Update (Pages 3 - 8)
(Marked 'To Follow' on original agenda)
9. Universal Credit Support Update (Pages 9 - 14)
(Revised Replacement Report)
10. Welfare Reform Update (Pages 15 - 34)
(Marked 'To Follow' on original agenda)
11. Exclusion of the Press and Public (Pages 35 - 36)

You are asked to resolve that the press and public be excluded from the meeting during the consideration of the following items because it is likely that if members of the press or public were present, there would be disclosure to them of 'exempt information'.

12. Staffing Update (Pages 37 - 44)

[Exempt Paras 1, 2]

If you require any further information please feel free to contact me using the information provided above.

Yours faithfully,

A Hewson

Democratic Services Officer

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SUBJECT:	HOUSING BENEFIT OVERPAYMENTS UPDATE
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	CLAIRE MOSES, REVENUES AND BENEFITS MANAGER (SHARED SERVICE)

1. Purpose of Report

- 1.1 To provide Revenues and Benefits Joint Committee with an update on the recovery of Housing Benefit overpayments.

2. Executive Summary

- 2.1 This report sets out how officers are tackling outstanding Housing Benefit (HB) overpayments debts.

3. Background

- 3.1 Housing Benefit overpayments can occur for a variety of reasons;

- Customers not promptly notifying of a change of circumstances affecting their entitlement to HB;
- Delays in re-assessment of HB once a change has been reported to the Benefits Officer;
- Fraudulently-claimed HB;
- Error made in assessment of HB by the local authority; and
- Error made by the Department for Work and Pensions (DWP) and Her Majesty Revenues & Customs (HMRC) in one of the benefit or incomes used in the assessment of Housing Benefit entitlement.

- 3.2 Due to the nature of the relatively large amounts of HB being paid over an extended period, individual overpayments can be sizeable and for some debts, these take many years to recover at standard weekly rate deductions from ongoing HB entitlement and DWP benefits.

4. Actions During 2018/19

- 4.1 As a result of the review undertaken by the DWP's Performance Development Team (PDT) (previous reports to Joint Committee have referenced this), the PDT provided officers with a report detailing findings and recommendations, this was provided at the last meeting of this Committee. These findings formed the HB Overpayment Recovery Action Plan which has been used during 2018/19 to ensure the team undertake recommended actions to improve recovery of these overpayments.

4.2 The PDT identified some good practices whilst conducting the review, as well as acknowledging the shared service has already recognised work that needed to be done – such as: -

- Identifying old debtors – reviewing the status of recovery and moving the recovery stage forward;
- Filling the Expression of Interest for a Housing Benefit Overpayment recovery officer; and
- Identifying debtors suitable to be referred to the DWP as part of their Debt Service pilot.

4.3 The PDT put forward eleven recommendations of which nine have been included in the HB Overpayment Recovery action plan. These are: -

- Review current timeline for issuing of reminders;
- Review of diary dating process;
- Process in place to review the level of benefit claw back;
- Consideration of claimant capital as recovery method;
- Introduction of a telephone rota within the recovery team;
- Analysis and understanding of management information (MI);
- Targeted activity for highest and oldest debts;
- Communicating the importance of recovery to all staff so they understand their role; and
- Collaboration between staff and the HB recovery team – to share achievements and discuss areas for improvement.

5. Housing Benefit Overpayment Recovery Action Plan

5.1 This action plan has been used as a working document and has provided the HB Overpayment team with a clear direction for the work which has now become 'business as usual' within the team.

5.2 A number of key actions have been undertaken already: -

- ✓ Action 1 to 4: These are covered earlier in the report;
- ✓ Action 5: Working arrangements – objectives and aims set for the HB Overpayment Recovery team;
- ✓ Action 7: Management Information spreadsheet set up;
- ✓ Action 9: Staff awareness of the importance of overpayment recovery;
- ✓ Action 10: Benefits Officers training took place to improve confidence when discussing overpayment with customers;
- ✓ Action 11 & 12: Overpayment stages broken down to get an understanding of who is involved at each stage, alongside the work needed for the recovery to be successful;
- ✓ Action 12: Various methods of recovery being utilised;
- ✓ Action 13, 16 & 17: Targeted review of highest and oldest debts – sourcing the most effective recovery method;
- ✓ Action 20 & 21: Overpayments over 4 months where no action has been taken, passed to HB Overpayment recovery team to work on;
- ✓ Action 2: DWP Debt Service is being utilised – with positive outcomes – attachment of earnings;
- ✓ Action 24, 33 & 34: Write off process has been reviewed and write offs are

undertaken regularly

- ✓ Action 25: Agreement with North Kesteven for overpayments created for a value of £10 and under, where the only method of recovery would be invoice, are to be classed as 'uneconomical to recover' and sent for automatic write off;
- ✓ Action 35: Review of old debts from Lincoln Civica system are being reviewed; and
- ✓ Action 36: Designated Overpayments telephone line set up for customer contact.

5.3 The action plan continues to be monitored by the Revenues and Benefits Manager, and forms part of meetings with Benefit Team Leaders and the HB Overpayment Recovery Team. As part of these meetings, recovery methods are continually being reviewed, along with the effectiveness of the work undertaken by the team.

6. Financial Outcomes – 2018/19

6.1 As part of the formation of the HB Overpayment project, Officers have reviewed all recovery methods available for all stages of debt. The stages are have broken down as follows: -

- Overpayments recovered from ongoing Housing Benefit;
- Overpayments at sundry debtors less than 4 months old;
- Overpayments at sundry debtors over 4 months old; and
- Write off.

As a result, Officers are now able to have a detailed understanding of what stage debts are at and, at a glance, whether the debts are increasing or decreasing, and where resource allocation is needed.

6.2 The table below shows the improvements for 2018/19 for City of Lincoln and North Kesteven since the project started in June 2018. Since the start of the project, **the total overpayments outstanding have reduced by £676,968 (£463,353 for City of Lincoln and £213,615 for North Kesteven): -**

		Lincoln – 2018/19		Difference
		Baseline (May 2018)	31 March 2019	
*Clawback	Number	1,664	440	(1,224)
	Value (£)	£1,063,395	£492,219	(£571,176)
Less than 4 months old	Number	252	260	8
	Value (£)	£213,174	£234,183	£21,009
Over 4 months old	Number	3,476	3,595	1,119
	Value (£)	£2,836,829	£2,923,642	£86,813
Written off	Value (£)		(£238,400)	
Total outstanding	Value (£)	£4,113,397	£3,650,044	(£463,353)

		Sleaford – 2018/19		Difference
		Baseline (May 2018)	31 March 2019	
*Clawback	Number	748	308	(440)

	Value (£)	£410,064	£247,205	(£162,859)
Less than 4 months old	Number	101	128	27
	Value (£)	£61,410	£97,539	£36,129
Over 4 months old	Number	1,453	1,474	21
	Value (£)	£1,229,351	£1,142,466	(£86,885)
Written off	Value (£)		£115,608	
Total outstanding	Value (£)	£1,700,825	£1,487,210	(£213,615)

*Clawback is where an overpayment can be recovered by reducing ongoing Housing Benefit entitlement

7. Next Steps for 2019/20

7.1 It was agreed that the Housing Benefit Overpayment Team would continue during 2019/20. As a result, an Expression of Interest was undertaken during February 2019 with the role being offered to all Housing Benefit Officers.

Two Officers expressed an interest in the roles – one of these was currently working within the overpayments team and the other as a Benefits Officer. Both expressions were successful and the officers started the role on 1st April 2019.

As a result, the team will continue to review HB overpayments and recovery during 2019/20 as per actions above.

7.2 Financial Outcomes – April 2019:

The table below shows the difference from 31 March 2019, **the total overpayments outstanding have increased slightly by £110,862 (£81,163 for City of Lincoln and £29,699 for North Kesteven).**

The reason for this increase is due to a number of financial changes customers experience at the start of a new year. Whilst many of these changes are picked up by officers via automation routes (information directly from DWP, HMRC etc), some changes need to be notified by customers. If there is a late notification of the change, an overpayment can occur.

		Lincoln – April 2019		Difference
		Baseline (31 March 2019)	30 April 2019	
Clawback	Number	440	603	163
	Value (£)	£492,219	£548,554	£56,335
Less than 4 months old	Number	260	251	(9)
	Value (£)	£234,183	£203,832	(£30,351)
Over 4 months old	Number	3,595	3,623	28
	Value (£)	£2,923,642	£2,978,821	£55,179
Written off	Value (£)	(£238,400)	(£8,233)	
Total outstanding	Value (£)	£3,650,044	£3,731,207	£81,163

		Sleaford – April 2019		Difference
		Baseline (31 March 2019)	30 April 2019	
Clawback	Number	308	420	112
	Value (£)	£247,205	£262,930	£15,725
Less than 4 months old	Number	128	119	(9)
	Value (£)	£97,539	£123,623	£26,084
Over 4 months old	Number	1,474	1,461	(13)
	Value (£)	£1,142,466	£1,130,356	(£12,110)
Written off	Value (£)	£115,608	(£581)	
Total outstanding	Value (£)	£1,487,210	£1,516,909	£29,699

7.3 It is important to note, that whilst overall the value of overpayments outstanding is decreasing, staff are still creating overpayments – through delays in changes in circumstances being processed – these delays can be caused by customers, the DWP or by internal officers.

However, the rate of recovery of the overpayments normally exceeds the creation of overpayments on a monthly basis. For April 2019, in-period collection rates for April 2019, are; 95.09% for City of Lincoln and 137.36% for North Kesteven.

8. Strategic Priorities

8.1 Both City of Lincoln and North Kesteven have a number of strategic priorities. Two that have an impact on the Revenues and Benefits Service are:-

- Lincoln: “Let’s Reduce Inequality”.
- North Kesteven: “Our Community and Our Economy”.

8.2 Both authorities look to protect the poorest people. The Benefits Service plays a key role in reducing poverty and disadvantage by ensuring residents receive the benefits they are entitled to and providing money / debt advice. The Revenues Section are also mindful of the strategic priorities when engaging with business ratepayers as they recover the business rate. Digital Inclusion, Channel Shift, Financial Inclusion and Partnership Working are all key priorities for the shared service.

9. Organisational Impacts

9.1 Finance: There would be a positive financial implication arising from this report in relation to the reduction in outstanding Housing Benefits overpayments – however bad debt provision is also being considered as part of this action plan.

9.2 Legal Implications including Procurement Rules: There are no direct Legal or Procurement implications arising from this report.

10. Risk Implications

10.1 A Risk Register is in place for the Revenues and Benefits Shared Service.

11. Recommendation

11.1 Members are asked to note this report, also to note that an update will be brought to the next Revenues and Benefits Joint Committee on 11th September 2019.

Is this a key decision? ~~Yes~~/No

Do the exempt information categories apply? ~~Yes~~/No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? ~~Yes~~/No

How many appendices does the report contain? None

List of Background Papers: None

Lead Officer: Claire Moses, Revenues and Benefits Manager
Telephone (01522) 873764

SUBJECT: UNIVERSAL CREDIT SUPPORT UPDATE

DIRECTORATE: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS

1. Purpose of Report

- 1.1 To provide Members with an update with regard to Universal Credit support, particularly in respect of arrangements for 2019/20.

2. Executive Summary

- 2.1 A proactive and holistic approach to Universal Credit support has been in place within our shared service, since Full Service rollout at Lincoln Jobcentre Plus in March 2018, then at Sleaford Jobcentre Plus in November 2018.
- 2.2 A central government decision has resulted in a national contract for Citizens Advice to deliver Universal Credit support for the financial year 2019/20. This report sets out current arrangements in City of Lincoln and North Kesteven.

3. Background

- 3.1 Our shared service has been involved in various Universal Credit (UC) support projects and trials since October 2013, including a successful national trial as part of the West Lincolnshire arrangements (also involving West Lindsey District Council).
- 3.2 Since 7th March 2018, when UC Full Service rolled out in Lincoln Jobcentre Plus, a UC support team within our shared service has been in operation in Lincoln, then further expanded to a presence based at Sleaford – when UC Full Service was rolled out in Sleaford Jobcentre Plus from 14th November 2018.
- 3.3 In the financial year 2018/19, this internal UC support team assisted customers as shown in the tables below:

Assisted Digital Support (ADS)

	No. Customers Supported		Average monthly award per customer (£)	
	City of Lincoln	North Kesteven	City of Lincoln	North Kesteven
New UC claim	676	108	£439,400	£70,330
Council Tax Support Claim	198	43	£14,298	£3,131
Other elements	869	185	£31,952	£6,894
Total	1,743	336	£485,650	£80,355

In terms of ADS, although the internal UC support team assisted customers to claim, it is possible that the customer may have still made their claim and/or sought assistance elsewhere. However, if not there would be risks around underclaiming of UC, which could result in personal debt, rent arrears, Council Tax arrears, etc.

Personal Budgeting Support (PBS)

	No. Customers Supported		Average monthly value of income maximisation per customer (£)	
	City of Lincoln	North Kesteven	City of Lincoln	North Kesteven
Advance payment	135	36	£87,490	£23,205
Discretionary Housing Payment Award	118	30	£7,618	£1,945
Other benefits	37	9	£7,970	£2,030
Alternative Payment Arrangement	57	14	£39,480	£9,818
Housing Solution Referral	12	3	£7,116	£1,750
Food voucher	36	11	£720	£228
Appeal / reconsideration	6	2	£3,965	£910
Rent Arrears	29	10	£20,119	£7,097
Other elements	392	110	£29,915	£9,555
Total	822	225	£204,393	£56,538

3.4 This internal team has achieved notable outcomes for customers, being described by local Department for Work and Pensions (DWP) as ‘flagship’. The team was also a key component of a prestigious national award for ‘Excellence in Partnership Working’ (Institute of Revenues Rating and Valuation Performance Awards 2018).

3.5 On 1st October 2018, a surprise announcement by central government stated that a national contract with Citizens Advice to deliver UC support would be in place for the financial year 2019/20.

4. 2019/20 ‘Help to Claim’ Arrangements

4.1 Citizens Advice is contracted to deliver a new regime of UC support arrangements from 1st April 2019, known as ‘Help to Claim’. These arrangements are to support UC customers with a focus on digital assistance, up to and including first payment of UC only. Therefore, the contracted arrangement does not cover the wide range of activities delivered by our shared service’s UC Support Team – key areas as shown in the table at paragraph 3.3 of this report. Therefore, these new arrangements are a reduction in the level of UC support services to our customers, with resulting key risks, such as:

- Customers not claiming Council Tax Support (CTS);
- Rent arrears (including for local authority tenants) increasing due to no direct link with landlords/ local authority housing departments;
- Discretionary Housing Payment (DHP) cases not identified, claimed nor processed.

- 4.2 Mid Lincolnshire Citizens Advice, which includes a Sleaford based office, progressed Help to Claim arrangements to be in place from 1st April 2019. In addition to this, senior officers at North Kesteven District Council made an internal decision to retain a Sleaford-based UC support function from our shared service for 2019/20, with a review to take place in advance of 2020/21 with the potential to extend for another year too. This effectively continues the UC support function already provided at North Kesteven offices in Sleaford, co-located with Jobcentre Plus. However, key links and communication with Citizens Advice is crucial to ensure effective referrals for CTS, DHP, rent issues etc – with the initial ‘Help to Claim’ being delivered from Citizens Advice in Sleaford.
- 4.3 Lincoln & District Citizens Advice expressed a desire to subcontract Help to Claim arrangements to our shared service for a number of reasons, including due to the success of the incumbent team. However, a change in national stance meant that in March 2019 this submitted expression was declined by National Citizens Advice. Arrangements have been put in place for our shared service’s UC Support Team based in Lincoln to continue support arrangements for the period 1st April to 30th June 2019 – to allow Lincoln & District Citizens Advice to recruit and have supported training with the aim of achieving a successful revised arrangement from 1st July 2019. There remains key risks around matters such as rent arrears, CTS and DHP not being claimed under Citizens Advice led support arrangements, as well as issues such as customers who continue to require assistance following their first payment of UC – which is not covered under Help to Claim.
- 4.4 Officers are currently working through a number of options regarding potential Lincoln-based internal UC support arrangements, to be considered in advance of 1st July 2019. North Kesteven Members of Revenues and Benefits Joint Committee would need to be aware of arrangements as North Kesteven residents will be affected by any decision made – i.e. those who live in postcodes coming under Lincoln Jobcentre Plus in City Hall. DWP will need to ‘sign-off’ any proposed arrangement from 1st July 2019.
- 4.5 An update on Help to Claim/ UC support arrangements and statistics to date will be provided verbally at this Committee on 3rd June, to relay the most up-to-date position.

5. Organisational Impacts

5.1 Finance:

Central Government funding for UC Support and other UC-related matters for 2018/19, is shown in the table below:

DWP Funding – UC and UC Support 2018/19	COLC	NKDC	Total
	£	£	£
Personal Budgeting Support	11,131	5,384	16,515
Assisted Digital Support	5,692	2,753	8,445
Additional Q1 Funding	12,826	4,996	17,822
Additional Q2 Funding	13,041	1,372	14,413
Additional Q3 Funding	12,952	2,804	15,756
Projected Additional Q4 Funding	15,000	3,500*	18,500*
UC FS HB Stop Notice	400	400	800

UC FS LCTR Automation	908	908	1,816
Transition to UC Housing Payment	17,195	4,472	21,667
Removal of Temporary Accommodation from UC	529	293	822
Total	89,674	26,882	116,556

*Figures not yet released by DWP, estimates based on internal local authority information.

The cost of our shared service staffing for UC support 2018/19, is shown below:

UC Support Team salaries 2018/19	COLC	NK	Total
	£	£	£
UC Support Officer (SC5) – 2.65FTE @ Lincoln and 1FTE @ North Kesteven	73,038	27,561	100,599
Apprentice – 1FTE	9,225	0	9,225
Total	82,263	27,561	109,824

Staff undertaking UC support were not backfilled during 2018/19, which impacted on claims processing.

There is no UC support funding available for local authorities in 2019/20.

Lincoln & District Citizens Advice have agreed a payment of £8,000 for our shared service to support the transition to Help to Claim for the period 1st April to 30th June 2019.

5.2 There are no legal implications arising from this report.

5.3 There are no equality and diversity implications as a direct result of this report.

6. Risk Implications

6.1 Where robust arrangements are not in place to deliver support for customers claiming Universal Credit, there could be increased adverse impacts on matters such as; rent arrears, Council Tax income and residents' digital and financial inclusion.

7. Recommendation

7.1 Members are recommended to note and comment regarding this update on Universal Credit support arrangements.

Key Decision No

Do the Exempt Information Categories Apply? No

Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

How many appendices does the report contain? None

List of Background Papers: None

Lead Officer: Martin Walmsley
Telephone 01522 873597

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SUBJECT: WELFARE REFORM AND UNIVERSAL CREDIT UPDATE
DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK
LEAD OFFICER: ROB KAY, WELFARE REFORM AND PROJECTS OFFICER

1. Purpose of Report

- 1.1 To provide Joint Committee with an update regarding the national and local position of welfare reform, with a specific focus on national Universal Credit (UC) updates for this particular report.

2. Executive Summary

- 2.1 This report provides Joint Committee with an update on national Universal Credit changes; to include reference to the national statistics and national legislation changes.

The report will also provide Joint Committee with an up to date Welfare Reform action plan.

3. Background

- 3.1 Future reports will provide Joint Committee with an up to date position on the following:
- National Progress - statistics;
 - National legislation changes; and
 - Background Papers.

4. National Progress – Statistics

- 4.1 Latest figures published by the Department for Work and Pensions (DWP) were released on 14th May 2019, with statistics relevant to the period up to 11th April 2019.
- 1,959,129 households receiving UC
 - 652,007 were in employment. (33%)

5. Update – Private Landlord Portal

- 5.1 DWP have announced that they are developing a Private Landlord Portal, whilst this is possibly better for the landlord to apply, this appears to potentially come away somewhat from the original concept of UC being paid direct to the tenant and budgeting accordingly.

6. Recent Universal Credit Changes – Autumn 2018 Budget Announcement and January 2019 Announcement

6.1 **Appendix 1** shows all recent announcements from the Autumn Budget 2018 and January 2019, along with updates as to how these will impact customers and the local authority.

6.2 National Legislation Update – Mixed Aged Couples – 15 May 2019 Change:

From 15 May 2019, mixed age couples (where one party of the couple is over Pension Credit qualifying age and the other under that age) will no longer be able to choose whether they claim Universal Credit or Pension Credit or pension age Housing Benefit. Both parties of a couple will have to reach the Pension Credit qualifying age before they can be entitled to Pension Credit and/or pension age Housing Benefit.

Protections

There is a protection for existing mixed age couples as though the changes had not come into force. This means that where a mixed age couple were entitled to the following on 14 May 2019, they will continue to be entitled on or after 15 May 2019:

- Pension age Housing Benefit
- Pension Credit or
- Both.

The protection will cease for the working age member of the couple, on any day on or after 15 May 2019, when that person is not entitled to either pension age Housing Benefit or Pension Credit as a part of the same mixed age couple.

Single Pensioner forms a Partnership

If a single pensioner forms a couple with a person below the qualifying age on or after 15 May 2019, entitlement to pension age Housing Benefit and Pension Credit will end.

6.3 Approaching Mixed Age

Couples who are under State Pension age and have an award of HB assessed under the Housing Benefit Regulations 2006 (SI 2006/213), 'working age HB', will become a mixed age couple once one member reaches pension age.

At this point rather than re-assessing the claim under the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (SI 2006/214) 'pension age HB', the couple should be advised that they need to claim Universal Credit (UC). The relevant provision is Article 6(2) (b) and (3) (a) of SI 2019/37.

Where the younger partner is in receipt of Income Support (IS), Jobseeker's Allowance (income-based) (JSA (IB)), Employment and Support Allowance (income-related) (ESA (IR)), the couple will not be required to claim UC and can continue to

receive working age HB if they have an existing claim until there is a relevant change in their circumstances which ends entitlement to those benefits. They will have to claim UC if they need further help with their housing costs.

- 6.4 The current plan in Great Britain is that DWP will begin testing the managed migration process from July 2019 to July 2020 through a pilot in Harrogate.

During this period, up to 10,000 existing legacy benefit claimants (including some tax credit claimants) will be moved across to UC through the new process.

7. Welfare Reform Strategy Action Plan

- 7.1 Progress with our shared service's 'high level' Welfare Reform Strategy Action Plan is to be monitored by Joint Committee, on a quarterly basis.

Updates on progress of this plan is provided at **Appendix 2** to this report. The action plan is fluid and flexible to respond to changes in welfare reform related priorities, changes and demands.

8. Strategic Priorities

- 8.1 **City of Lincoln: Let's Drive Economic Growth and North Kesteven: Our Economy and Our Community:** An understanding of Universal Credit and its wider impacts on City of Lincoln residents and arrears levels is important when reducing poverty and driving economic growth across the City. The aim of Universal Credit is to provide a simplified means tested benefits system, with the objective of avoiding the poverty trap, where there is a disincentive to work longer hours because of the loss of benefits and higher taxes.

- 8.2 **City of Lincoln: Let's Drive Economic Growth and North Kesteven: Our Economy and Our Community:** - A key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money / debt advice. There are strategic priorities when engaging with those in receipt of Welfare Benefits, Digital Inclusion, Channel Shift/ Customer Experience, Financial Inclusion and Partnership Working are all key priorities as part of this report.

9. Organisational Impacts

- 9.1 **Finance:** There are no direct financial implications arising as a result of this report.
- 9.2 **Legal implications inc Procurement Rules:** There are no direct Legal or Procurement implications arising from this report.

10. Risk Implications

- 10.1 The Councils bear the risk of local authority rent arrears which are not fully recovered.

11. Recommendation

11.1 Joint Committee notes this report – and that an update will be presented at the next meeting of this Committee on 11th September 2019.

Key Decision No

Do the Exempt Information Categories Apply No

Call In and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

Does the report contain Appendices? Yes

If Yes, how many Appendices? Appendix 1: Universal Credit Changes – 2019
Appendix 2: Welfare Reform Action Plan

List of Background Papers: No

Lead Officer: Rob Kay, Welfare Reform and Projects Officer, Telephone 01522 873767

APPENDIX 1: 3 June 2019 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update May 2019

Autumn Budget 2018		
Update	Details	Update for 3 June 2019
Universal Support	<p>Universal Support currently helps with digital support, such as using a computer to make or maintain their claim, and assistance in budgeting and managing their finances.</p> <p>DWP will enter into a new partnership with Citizens Advice immediately, and they will run their developing service alongside local authorities until 31 March 2019, when Citizens Advice will deliver the full service solely from April 2019.</p> <p>DWP will provide £39 million of funding from April 2019 to Citizens Advice and Citizens Advice Scotland to provide this service. DWP will fund Citizens Advice and Citizens Advice Scotland a further £12 million to set up delivery in the run up to April 2019 to ensure a smooth transition to the new delivery model. This funding is from Universal Support's £200 million budget, which was launched in 2015.</p> <p>There is still a great deal of clarity still required regarding how this arrangement may work, what the exact scope is, and what local authorities' role may be, with concerns as to how this model may operate and whether or not it will match the holistic service to UC customers currently being provided by our shared service to residents of Lincoln and North Kesteven.</p>	Verbal Update will be provided at this Committee

APPENDIX 1: 3 June 2019 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update May 2019

Autumn Budget 2018		
Update	Details	Update for 3 June 2019
Universal Credit and Supported Housing	<p>Consultation on a new way of providing funding for supporting housing and a “sheltered rent” closed earlier this year. The new arrangements were intended to start next year and this would have reduced drastically the number of Housing Benefit claims (including for those of pension age). Instead, ring fenced funding would have been provided to local authorities to provide support for these customers.</p> <p>On 9th August 2018, Government announced that all these plans have been dropped and that local authorities will therefore be maintaining Housing Benefit for all supported housing, including short-term. This reflects the particular needs of these vulnerable groups of people, and the government’s commitment to protect them. The plans to introduce a sheltered rent have also gone.</p>	
Universal Credit Work Allowance increase	<p>The Budget provides additional support for people transferring onto Universal Credit, and an increase in the Work Allowance that will mean 2.4 million households keep more of their income.</p> <p>The work allowance is the amount that households with children, and people with disabilities can earn before their Universal Credit award begins to be withdrawn.</p>	<p>The Work Allowance will be increased by £1,000 from April 2019. This means that 2.4 million households will keep an extra £630 of income each year.</p> <p>Higher work allowance = £503pcm Lower work allowance = £287pcm</p> <p>However if you are a worker who has no children or you or your partner have not been assessed as</p>

APPENDIX 1: 3 June 2019 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update May 2019

Autumn Budget 2018		
Update	Details	Update for 3 June 2019
		<p>having limited capability for work, you will still not receive help in the form of work allowances.</p> <p>The allowance will result in customers who are entitled to it will be better off by £1000 per year.</p>
<p>Extra help for households moving onto Universal Credit</p>	<p>The government has listened to representations made by stakeholders on Universal Credit, and the Budget announces an extensive package of extra support for claimants as they make the transition to Universal Credit.</p> <p>Building on the Autumn Budget 2017 announcement that Housing Benefit claimants will receive an additional payment providing a fortnight’s worth of support during their transition to Universal Credit, the government will extend this provision to cover the income-related elements of Jobseeker’s Allowance and Employment and Support Allowance, and Income Support. This will be effective from July 2020, and benefit around 1.1 million claimants.</p> <p>To support the transition to Universal Credit for all self-employed people, the government is also extending the 12-month grace period (the period before the Minimum Income Floor applies) to all gainfully self-employed people; giving claimants time to grow their businesses to a sustainable level. This will be introduced from July 2019 and implemented fully from September 2020.</p>	<p>2 week run on for JSA, ESA and IS customers</p> <p>These means those who are migrated to UC from July 2020 will receive 2 weeks of HB, 2 weeks of either JSA/IS or ESA and 2 weeks of UC, which adds further financial security to dealing with moving to monthly payments and lessens the need for advanced loans and threat of eviction/court.</p> <p>By reducing the maximum amount that deductions can be made and extended the repayments, this will reduce hardship.</p>

APPENDIX 1: 3 June 2019 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update May 2019

Autumn Budget 2018		
Update	Details	Update for 3 June 2019
	<p>From October 2019, the government will reduce the maximum rate at which deductions can be made from a Universal Credit award from 40% to 30% of the standard allowance. This will ensure that those on Universal Credit are supported to repay debts in a more sustainable and manageable way. From October 2021, the government will also increase the period over which advances will be recovered, from 12 to 16 months.</p>	
<p>Funding previously announced measures</p>	<p>for In addition, the Budget provides funding for the announcements made by the Secretary of State for Work and Pensions in April and June 2018 to support the roll-out of Universal Credit. This provided additional protections for welfare claimants, including: enhancements to transitional protection for people moving onto Universal Credit; extending existing support for non-parental carers and adopters in tax credits and Universal Credit; and enhanced protections for those currently receiving the Severe Disability Premium to provide additional support as Universal Credit is implemented.</p> <p>The government will deliver these changes slowly and carefully. In response to feedback on Universal Credit, the implementation schedule has been updated: it will begin in July 2019, as planned, but will end in December 2023. The scope of the surplus earnings policy in</p>	

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Autumn Budget 2018		
Update	Details	Update for 3 June 2019
	<p>Universal Credit will also be temporarily reduced: it will continue to affect large earnings spikes (above £2,500) until April 2020, when it will revert to affecting earnings spikes of £300.</p>	
<p>Support for 18 to 21 year olds and supported Housing</p>	<p>In the Autumn Budget 2017, Ministers have reversed a 2014 move stopping individuals under the age of 21 automatically being entitled to Universal Credit housing costs. This decision has not yet been passed through legislation, and it is likely this will not take place in Autumn 2018 as the legislation has been delayed by 6 months.</p> <p>As a result, currently, 18 to 21 year olds are not eligible for support towards their housing costs, unless they are classed as vulnerable (as defined by DWP). Around 90% of 18-21 year olds are in these categories.</p> <p>The DWP provides a programme of intensive support for all 18 to 21 year olds making a new claim to Universal Credit. This programme is being rolled-out in line with the roll-out schedule for Universal Credit. It aims to encourage and support all young people into employment, work-related training or an apprenticeship, including a programme of intensive support that is tailored to the individuals' needs and job goals. If the individual is attending training or work experience, travel and childcare costs may also be reimbursed.</p>	<p>Since the meeting of this Committee in November 2018 from 31/12/2018 there is no longer any conditionality attached to 18-21 year olds to get help with housing Costs, any tenant that was previously turned down help with Housing Costs will automatically be awarded from their assessment period following 31/12/2018.</p> <p>Allows those 18-21 to have the rent element paid, they will still be subject to the intensive work scheme (providing they are not exempt) and will allow them to look to enter the labour market with the correct support, whilst being able to live in a stable environment.</p>

APPENDIX 1: 3 June 2019 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update May 2019

January 2019			
Update	Effective Date	Details	Update for 3 June 2019
Severe Disability Premium and Universal Credit	January 2019	<p>Claimants receiving the Severe Disability Premium in a legacy benefit will not be able to move on to Universal Credit for the foreseeable future.</p> <p>The SDP is an amount paid to severely disabled people as part of the following legacy benefits:</p> <ul style="list-style-type: none"> • JSA(IB) • ESA(IR) • IS • HB <p>These claimants also need to be in receipt of one of the following disability benefits, and live alone (or be classed as living alone) and no one must be in receipt of Carer’s Allowance (CA) or the UC Carer Element for caring for them:</p> <ul style="list-style-type: none"> • Disability Living Allowance (DLA) care component at the middle or higher rate • Personal Independence Payment (PIP) daily living component at the standard or enhance rate • Attendance Allowance or Constant Attendance Allowance • Armed Forces Independence Payment (AFIP). 	<p>By retaining those with SDP under HB this allows for them to continue to receive disability premiums, which there are currently none under UC.</p> <p>Those that have already moved over before the regulations changed will be given backdated “compensation” payments as a transitional payment”. Details are yet to be released.</p> <p>With this being based on a premium and not a physical income, customers may find this change complex and confusing.</p>

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January 2019			
Update	Effective Date	Details	Update for 3 June 2019
		<p>If the claimants are in a couple, they get the higher amount of severe disability premium if the claimant and partner are eligible.</p> <p>Claimants who receive a legacy benefit which includes the SDP, will no longer receive SDP or any other premium once they make a claim to UC. These premiums are not payable under UC regulations.</p>	
Universal Credit Two-child Limit	1 February 2019	<p>Families with more than two children who make new claims for Universal Credit will no longer be directed to claim Child Tax Credit.</p> <p>The two child limit will not apply to those families.</p> <p>Those who have been awarded Universal Credit after April 2017 and have two or fewer children but who then have a third or subsequent child will have the two-child limit applied.</p>	<p>Those that have more than 2 children before April 2017 will get the child element under UC for all children, if a subsequent child is born after April 2017 they will not get the child element for this child.</p> <p>Those who have a 3rd child after April 2017 will not get the child element for this child (they would still be entitled to any disabled elements).</p> <p>Those with more than 2 children, who get the child element will in most cases be subject to the Benefit Cap of £20,000, which in</p>

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January 2019			
Update	Effective Date	Details	Update for 3 June 2019
			most cases will then not make them any better off financially.
Pension Credit Child allowances	1 February 2019	People of Pension Credit age who are responsible for a dependent child or children, will receive help with the child or children in the form of dependent allowances paid within their Pension Credit award. This is because you will no longer be able to make a new claim for Tax Credits (Child Tax Credit or Working Tax Credit) if you are Pension Credit age.	
Universal Credit Work Allowance Increases	April 2019	Work allowances are the amount of your earnings from employment that you are allowed to keep before it is taken into account as income for Universal Credit. These will increase by £1000 for the year, meaning that people in work who have children or have limited capability for work (or their partner has limited capability for work) will benefit by up to £630 per year.	
National Minimum Wage Increase	April 2019	The National Living Wage will increase by 4.9% from £7.83per hour to £8.21 per hour in April 2019. The National Minimum Wage increases from £7.38 per hour to £7.70 per hour for people aged 21 to 24; and from £5.90per hour to £6.15per hour for people aged 18 to 20.	

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January 2019			
Update	Effective Date	Details	Update for 3 June 2019
Universal Credit and Mixed Aged Couples	16 May 2019	Couples where one partner is aged above Pension Credit age and the other is aged under Pension Credit age, will no longer be able to make a new claim for Pension Credit. Instead they will have to claim Universal Credit. Mixed aged couples on Pension Credit can continue to remain on Pension Credit as long as they continue to satisfy the other qualifying conditions for Pension Credit.	

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
WR3	Analysis of any shared service staff training and development needs, identification of transferrable skills	Head of Shared Revenues and Benefits	Ongoing throughout 2019/20	Update May 2019: Outcome of 2018/19 UC Support has been reviewed. North Kesteven have retained UC Support Officer for 2019/20 and potentially for 2020/21. City of Lincoln is currently reviewing options from 1 st July 2019.
WR4	Assess impacts of COL/NK funding changes regarding national UC rollout	Head of Shared Revenues and Benefits	Ongoing	<p>UC funding for Local Authorities ceased on 31 March 2019 with funding being transferred to Citizens Advice for Help to Claim.</p> <p>LA's still receive DWP funding for other areas relating to UC. Currently a total of £68,562 funding has been received for new burdens and mixed age couples: -</p> <ul style="list-style-type: none"> • City of Lincoln = £47,478 • North Kesteven = £21,084
WR11	Training delivery plan for UC and USDL to be formulated	Revenues and Benefits Manager	Ongoing throughout 2019/20	<p>All shared service staff have Universal Credit training with assessment guides. UC Support team have a detailed understanding of legislation and the impacts this has on customers.</p> <p>Training is delivered as and when new legislation is announced.</p>

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
WR13	Other opportunities for co-location to support USDL work identified	Head of Shared Revenues and Benefits	Ongoing throughout 2019/20	Consideration as to how Citizens Advice operate with LA's, particularly due to the Help to Claim process and close links needed.
WR15	Invest to Save monthly monitoring	Revenues and Benefits Manager	Ongoing	<p>Housing Benefit Overpayment Project – reduction in overpayments for 2018/19 of £676,968: -</p> <ul style="list-style-type: none"> • City of Lincoln = £463,353 • North Kesteven = £213,615 <p>Single Person Discount Review – Bulk review to be undertaken from April to August 2020. Tender process to be undertaken for monthly reviews from September 2020 onwards.</p>
WR17	Quarterly updates to Revenues and Benefits Joint Committee on welfare reform strategy progress	Revenues and Benefits Manager	Quarterly throughout 2019/20	3 June 2019 Joint Committee meeting
WR28	Review of DHP procedures for COL + NK for 2019/20	Benefits Team Leader (Lincoln	Ongoing through 2019/20	DHP process is reviewed regularly as part of monthly DHP meetings. Full review is undertaken annually.
WR29	Monthly monitoring of 2019/20 Council Tax Support Schemes COL + NK	Revenues and Benefits Manager	Ongoing through 2019/20	Ongoing through taxbase: No concerns currently. Reduction in caseload each month as a result of UC and less generous schemes.

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
WR31	Assessment of options for 2020/21 Council Tax Support Schemes COL+NK – including links into UC such as banding	Revenues and Benefits Manager	End July 2019	Modelling for 2020/21 scheme to start in June 2019 Committee timetable to begin in August 2019 with public consultation. Final scheme decision by January 2020
WR32	Produce annual COL/NK welfare reform report	Revenues and Benefits Manager	November 2019	Update reports are provided to Revenues and Benefits Joint Committee on a quarterly basis.
WR33 Vision 2020	Preparing for Universal Support group to meet between COL and NK (working with partners as required)	Revenues and Benefits Manager as part of Vision 2020	Ongoing through 2019/20	Monthly meetings arranged for 2019/20 between COL and NK
WR34 Vision 2020	Further Support for residents to adapt to welfare reform	Revenues and Benefits Manager	Ongoing throughout 2019/20 and beyond	Welfare Reform report and Universal Credit report which is brought to this Committee provides updates
WR35 Vision 2020	Maintaining support for people moving to Universal Credit	Revenues and Benefits Manager	Ongoing throughout 2019/20 and beyond	Welfare Reform report and Universal Credit report which is brought to this Committee provides updates
WR36	Analyse potential impacts of key welfare	Revenues and Benefits Manager	Ongoing throughout	Welfare Reform report and Universal Credit report which is brought to this Committee provides updates

APPENDIX 2: 3 June 2019 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update May 2019

Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
	reform announcements from Budgets in 2017		2019/20 and beyond	

Complete actions				
Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
WR27	Agreement to initial Universal Credit Partnership Delivery Agreement between COLC/NKDC and DWP	Head of Shared Revenues and Benefits	2017/18 DP agreement to be finalised and in place – target by end March 2017. 2018/19 – review Universal	Update 27 February 2017: Universal Support 17/18 grant funding offer received for personal and digital support: COL = £4,107 NK = £1,028 This is broken down in to quarters – sign up required from S151 Update 13 March 2017: Universal Support funding agreement signed by COL and NK S151 Update 13 March 2017: Funding will need to be reviewed for 2018/19 and new agreement signed Update May 2018: 2018/19 funding agreements – have been agreed and signed, for both COL and NK.

APPENDIX 2: 3 June 2019 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update May 2019

			<p>Support funding agreement</p> <p>New Action for 2019/20 – review Universal Support funding agreement</p>	<p>Update July 2018: COLC gained additional 20% USDL funding.</p> <p>Exceeded targets massively, further work undertaken with partnership manager to scrutinise support provided stats</p>
WR30	Review of 2017/18 Council Tax Support Schemes COL + NK for 2018/19 scheme	Revenues and Benefits Manager	End July 2017	<p>Update July 2017: COL scheme has caused vulnerable customers to face hardship. Protection for vulnerable customers to be included in option for 18/169 scheme Increase in EHP awards has resulted in full 310k being spend</p> <p>Update August 2017: EHP to be awarded as Section 13A – relevant officers made aware.</p> <p>Update May 2018: 18/19 scheme in place. Ongoing review through taxbases.</p> <p>2019/20 Scheme to start being considered in June 2018. Committee timetables in place.</p> <p>Update July 2018: 19/20 Schemes are currently being modelled with meetings planned with Chief Finance Officers and Leaders in early August.</p>

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SUBJECT:	EXCLUSION OF THE PRESS & PUBLIC
DIRECTORATE:	CHIEF EXECUTIVE & TOWN CLERK
REPORT AUTHOR:	CAROLYN WHEATER, MONITORING OFFICER

1. Purpose of Report

1.1 To advise members that any agenda items following this report are considered to contain exempt or confidential information for the reasons specified on the front page of the agenda for this meeting.

2. Recommendation

2.1 It is recommended that the press and public be excluded from the meeting at this point as it is likely that if members of the press or public were present there would be disclosure to them of exempt or confidential information.

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