

Present: Councillor Ray Cucksey, Councillor Ric Metcalfe,
Councillor John Money and Councillor Donald Nannestad

Apologies for Absence: None.

1. Appointment of Chair and Vice-Chair

RESOLVED that:

1. Councillor Cucksey be appointed as Chairman for a period of one year.
2. Councillor Nannestad be appointed as Vice Chairman for a period of one year.

2. Declarations of Interest

Councillor Donald Nannestad declared a Disclosable Pecuniary Interest with regard to the agenda item titled 'Non-Domestic Rate Update'.

Reason: He worked as a local journalist. In the event of any mention of government rate relief to office space occupied by local newspapers during the course of the meeting he would withdraw from the room at that stage. No such discussion took place. He remained in the meeting.

3. Confirmation of Minutes - 21 February 2017

RESOLVED that the minutes of the meeting held on 21 February 2017 be confirmed.

4. Revenues and Benefits - Financial Outturn 2016/17

Purpose of Report

To present to members the financial outturn in respect of the Revenues and Benefits shared service for 2016/17.

Decision

That the financial outturn for 2016/17 be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

The 2016/17 financial outturn for the Revenues and Benefits shared service resulted in an overspend of £4,772, a variance of 0.2% of the revised budget.

The business case indicated potential revenue savings of £475,270 for 2016/17.

These savings were already factored into the annual budget for the shared service with an allowance for a contingency budget of £20,000 to be set aside to fund any unforeseen circumstances and increased service demands.

The budgets for 2016/17 were increased by £160,120 funded from specific grants received from central government for New Burdens.

5. Revenues and Benefits -Base Budget Forecast 2017/18

Purpose of Report

To present to members the Base Budget Forecast in respect of the Revenues and Benefits shared service for 2017/18.

Decision

That the Base Budget Forecast for the Revenues and Benefits shared service 2017/18 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Delegation and Joint Committee Agreement required the Base Budget Forecast for the shared service to be reported to Members. This report was designed to meet this requirement.

The original Base Budget Forecast for the Revenues and Benefits shared service, was approved in 2011.

A contingency budget of £20k had been included within Management costs to cover unforeseen events, this had reduced from £100k in 2013/14, as the requirement to fund pay protection and disturbance allowances ended in February 2014, in line with the original assumptions approved when the shared service was set up on the 1st June 2011.

The shared service was delivering savings for both authorities in excess of £0.5 million per annum, discounting additional New Burdens grant funded expenditure in 2017/18.

6. Non-Domestic Rate Update

Purpose of Report

To provide members with an update on the following non-domestic rates:

- Revaluation.
- Recent Legislation.
- Spring Budget.
- Discretionary Relief Policy.
- Local Government Finance Bill 2017.

Decision

That the content of the report be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

From 1 April 1990, a national non-domestic rate was introduced. The Government set a multiplier (today we have a standard and a small business multiplier) which is applied to the rateable value for each hereditament, to arrive at the amount payable. Until 31 March 2013, all rate income was pooled by the Government and redistributed based on the population of each local authority. The levying of a rate on an unoccupied hereditament was no longer at the discretion of the billing authority.

The Government had announced in the last Parliament for 100% business rate retention to be in place from 1st April 2020 although earlier this calendar year, it was brought forward to 1 April 2019. The announcement of the General Election cast doubt as to the timetable for moving towards 100% business rate retention. That said, it was important for Joint Committee to be kept informed on all developments within non-domestic rate and officers shared more information with Joint Committee at this meeting.

It was proposed that a 'stand-alone' report on non-domestic rate now be included on the agenda for all future meetings of the Joint Committee. This would include reference to City of Lincoln Council and North Kesteven District Council together with West Lindsey DC. The collection of non-domestic rate across the three authorities would continue to be covered in a separate report to Joint Committee.

7. Performance Update

Purpose of Report

To provide members with an update on performance in the Revenues and Benefits Shared Service for 2016/17.

Decision

1. That further information relating to the tenure type of Discretionary Housing Payments awards/reason for the awards in the next report to Joint Committee in September.
2. That the report be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

In order to ensure effective oversight of the performance of the shared service, members were provided with regular updates on performance in key areas of the service, including:

- Council Tax Collections;
- Business Rates Collections;
- Council Tax and Business Rates (Arrears)
- Outstanding Revenues Customers;
- Housing Benefit Overpayments;
- Benefits Performance;
- Discretionary Housing Payments

In addition to the performance measures provided within the report, the Head of the Shared Revenues and Benefits Service provided verbal updates regarding the latest performance information. Members therefore noted both positive and negative changes in performance, and any actions taken by officers to ameliorate relevant issues.

8. Right Benefit Incentive

Purpose of Report

To provide Revenues and Benefits Joint Committee with an update relating to Right Benefit Initiative (RBI) and the decision which had been taken by the Operational Board for the Shared Service to 'opt in' to the initiative.

Decision

The Revenues and Benefits Operational Board made the operational decision to opt-in to RBI, with Option 3 being the preferred way forward to appoint:

- 1.0 FTE fixed term contract for a Benefits Officer over current establishment. The contract would run to 31 March 2018. Salary scale 2 - £15,917
- 1.0 FTE fixed term contract for a Recovery Officer over current establishment. The contract would run to 31 March 2018. Salary scale 4 - £17,991.

Officers would now undertake a recruitment process via an internal secondment through an expressions of interest process. An internal recruitment exercise would then take place to backfill those roles to 31 March 2018.

Alternative Options Considered and Rejected

Option 1:

To do nothing. There was currently 1.0 FTE Benefits Officer on a fixed term contract undertaking FERIS related work for 10 months. If we did not opt-in, we would not renew their contract and lose their expertise. There were also significant risks if we did not opt-in as detailed in section 8 of this report.

Option 2:

This option proposed a fixed term contract for 2.0 FTE Benefits Officer over the current establishment. The contract would run to 31 March 2018. Salary scale 2 - £15,917

Reason for Decision

RBI replaced Fraud and Error Reduction Incentive Scheme (FERIS) for 2017/18.

The DWP had consulted with local authority (LA) representatives and the LA Association Steering Group and worked together to design the new initiative.

The aim of RBI was to maximise the return on the available investment, target LA activity on specific areas and remove elements of the previous schemes which were unattractive to LAs.

The chosen option provided resource for the review of cases, but also the recovery of the overpayments which would be created through this proactive work. It was important the level of overpayments was managed and effective recovery action be taken immediately.

9. Invest to Save

Purpose of Report

To provide Revenues and Benefits Joint Committee with an update on the Non-Domestic Rate (NDR) project being undertaken by the City of Lincoln and North Kesteven District Council Shared Service which had commenced in August 2016 and extended to September 2017.

Decision

That the report be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

In August 2016, the Head of Revenues and Benefits for the shared service secured funding of £10k from the Lincolnshire Counter Fraud Partnership (LCFP) in relation to an NDR/Council Tax Support project.

The aim was to maximize the NDR base across the three districts for which the shared service is responsible (City of Lincoln Council, North Kesteven District Council and West Lindsey District Council). LCFP would also consider sharing any intelligence/data with Lincolnshire County Council.

Having appointed an experienced NDR practitioner to undertake the work, the officer post currently funded to 30 September 2017 was involved in the identification of missing/undervalued properties, reporting through to the Valuation Officer (VO), reviewing the information received from the VO and update the business rates system as required.