

## SHARED REVENUES AND BENEFITS JOINT COMMITTEE

**Tuesday, 27 November 2018**

**2.00 pm**

**Committee Room 1, City Hall**

Membership:	Councillors Ray Cucksey (North Kesteven District Council), Rosanne Kirk, Ric Metcalfe (City of Lincoln Council) and John Money (North Kesteven District Council)
Substitute members:	Councillors Peter Burley (North Kesteven District Council), Sue Howe (North Kesteven District Council), Donald Nannestad (City of Lincoln Council) and Fay Smith (City of Lincoln Council)
Officers attending:	Democratic Services (City of Lincoln Council), Philip Roberts (North Kesteven District Council), Claire Moses (City of Lincoln Council), Russell Stone (North Kesteven District Council) and Martin Walmsley (City of Lincoln Council)

---

### A G E N D A

---

<b>SECTION A</b>	<b>Page(s)</b>
1. Confirmation of Minutes - 17 September 2018	<b>3 - 12</b>
2. Declarations of Interest	
Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
3. Financial Monitoring Quarter 2 2018/19	<b>13 - 18</b>
4. Performance Update	<b>19 - 30</b>
5. Welfare Reform and Universal Credit Update	<b>31 - 42</b>
6. Business Rates Update	<b>43 - 52</b>
7. Housing Benefit Overpayments Update	<b>53 - 60</b>
8. Revenues and Benefits Shared Service Business Plan 2019/20	<b>61 - 90</b>

**Details of Next Meeting:** Tuesday, 19 February 2019 (2.00 pm) at North Kesteven District Council Offices

This page is intentionally blank.

**Present:** Councillor Ric Metcalfe (*in the Chair*),  
Councillor Ray Cucksey and Councillor Rosanne Kirk

**Apologies for Absence:** Councillor John Money

**10. Confirmation of Minutes - 12 June 2018**

RESOLVED that the minutes of the meeting held on 12 June 2018 be confirmed.

**11. Declarations of Interest**

No declarations of interest were received.

**12. Revenues and Benefits - Quarter 1 2018/19 Financial Monitoring**

Purpose of Report

To provide the Joint Committee with the first quarter's financial performance for the Revenues and Benefits Shared Service for 2018/19.

**Decision**

That the report be noted and the budget adjustments for 2018/19 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The approved budget for 2018/19 was agreed by the Revenues and Benefits Joint Committee on 20 February 2018 when the Committee set a budget of £2,285,710 for the service. This budget had been revised to reflect a number of New Burdens Grants that had been notified to each authority during quarter one, as set out in the table at paragraph 3.2 of the report.

Financial performance for the first quarter of 2018/19 was detailed in Appendix 1 of the report, which outlined an underspend against the approved budget of £17,151.

The forecast outturn for 2018/19 predicted that there would be an underspend against the approved budget of £98,082 with further details set out in Appendix 2 of the report.

A summary of the main forecast year-end variations against the approved budget for 2018/19 was outlined in paragraph 4.3 of the report, with the most significant variation noted as being in relation to salaries. A variance of £96,000 was as a result of vacant hours together with career graded posts budgeted at top of scale, however, not all officers were at the top of the scale. Work was currently taking place to realign budgets to properly reflect actual salaries, with the difference able to be used to address budget pressures in other parts of the service or offset reductions in administrative grants.

### **13. Performance Update**

#### Purpose of Report

To provide the Joint Committee with an update on performance in the Revenues and Benefits Shared Service.

#### **Decision**

That the report be noted.

#### Alternative Options Considered and Rejected

None.

#### Reason for Decision

##### *Council Tax*

Positive council tax in-year collections had been achieved for 2017/18, with the table at paragraph 4.2 of the report outlining how performance had progressed since the shared service formed in June 2011. Members agreed that this was extremely positive given the ongoing welfare reforms, the general economic climate and taking into account that Universal Credit Full Service went live on 7 March 2018. It was noted that North Kesteven's collection rate was ranked seventh out of 326 billing authorities.

Officers had also undertaken comparisons of collection rate to deprivation statistics and rankings which indicated a strong connection between the two sets of figures. It was possible to set a line of best fit using an exponential function which suggested that the City of Lincoln was collecting 1.6% more council tax per year than could reasonably be expected and gave a ranking outcome of 20<sup>th</sup>.

Comparing quarter one 2018/19 to 2017/18, the City of Lincoln was above by 0.09% and North Kesteven below by 0.07%.

When considering the current collection levels, it was noted that the collectible debit for both the City of Lincoln and North Kesteven had increased from 2017/18 by £2.3 million and £3.6 million respectively.

In terms of the position as at the end of July 2018, the City of Lincoln was 0.01% below 2017/18 at 35.63% and North Kesteven was the same as 2017/18 at 39.34%.

##### *Business Rates*

As with council tax, positive business rates in-year collection had been achieved for 2017/18, with the table outlined in paragraph 4.7 of the report showing how performance had progressed since the shared service formed in June 2011.

When comparing quarter one 2018/19 to 2017/18, the City of Lincoln was up by 0.03%, North Kesteven was up by 3.61% and West Lindsey was down by 0.54%.

Whilst collection for West Lindsey was below as at quarter one, there had been significant improvements during the first quarter of 2018/19. Collection was 2.44% down at 30 April 2018 compared to the same point in 2017/18.

With an increased collection rate of 35.86% for Lincoln and 45.03% for North Kesteven, it should be noted that the total net receipt had also increased from 2017/18 by £1.5 million and £1.2 million respectively.

The tables at paragraph 4.9 of the report set out net collectible debit and total net receipt compared for each authority between 2018/19 and 2017/18.

In terms of the new financial year, as at the end of August 2018 business rates in-year collection compared to the same period in the previous year was noted as follows:

- City of Lincoln – 0.74% below;
- North Kesteven – 4.31% above;
- West Lindsey – 0.41% above.

#### *Business Improvement District Levy Collection 2017/18*

The Business Improvement District financial year ran from July to June and the figures set out in paragraph 4.12 of the report represented collection up to the end of June 2018.

The 2017/18 net collectable debit raised in respect of the Levy was £391,728.

#### *Outstanding Revenues Customers*

The number of outstanding revenues customers as at the end of quarter one in 2018/19 showed an increase since 31 March 2018. This was due to the reduced numbers of staffing within the team due to unforeseen circumstances. It was reported that this position would be improved in-year due to the resolution of the staffing issues and the continued implementation of changes to current processes through the introduction of new electronic/self-service forms.

It was noted that performance was similar to quarter one in 2017/18, as set out in the table at paragraph 4.14 of the report. As at the end of July 2018 there were 766 outstanding revenues customers for the City of Lincoln and 376 for North Kesteven. Whilst this had increased since the end of quarter one, it was acknowledged that the rate of increase was not as high as in previous months.

#### *Housing Benefit Overpayments*

In-period collection as at July 2018 stood at 109.55% for the City of Lincoln and 125.83% for North Kesteven, meaning that more monies had been recovered than raised. This was as a result of the work being undertaken by the Housing Benefit Overpayment Recovery Team.

As well as in-period housing benefit overpayments, collection figures remained positive. As demonstrated in the table at paragraph 4.17 of the report, the level of outstanding overpayments was starting to reduce which was also due to the work of the Housing Benefit Overpayment Recovery Team during this first quarter. The table at paragraph 4.19 outlined how this position had developed over the last

five financial years, with updated figures for the City of Lincoln and North Kesteven reported at the meeting as follows:

- City of Lincoln - £4,098,295;
- North Kesteven - £1,739,460.

In terms of staffing, it was reported that the 28 original fulltime equivalent Housing Benefit Assessors had reduced over a number of years, with the current provision consisting of 15.5 full time equivalents working on core housing benefit assessment work.

### *Benefits Performance*

The table set out in paragraph 5.1 of the report showed the number of outstanding benefits customers awaiting assessment at the end of each financial year since the formation of the shared service.

The rollout of Universal Credit Full Service had resulted in a significant impact on the processing performance, with the section receiving just under 9,000 documents related to Universal Credit since 1 April 2018. Each of these documents required assessment, with Benefits Officers required to review the document and make a decision as to the assessment required.

In order to address this, overtime had been offered to staff to improve the processing position. Overtime had been undertaken which had improved performance, however, for Lincoln claims the level of outstanding work had so far remained unlikely to reduce significantly due to a large volume of work being received due to Universal Credit.

Discussion ensued on staffing levels and the potential use of consultancy staff, appreciating the overtime that officers had undertaken but acknowledging that there were limits as to how much overtime people could do. The Head of the Shared Service was in discussion with Team Leaders in respect of this issue and would investigate the options further, taking into account that there should be sufficient resources available as a result of projected underspends but that the solution had to be a sustainable one too.

Updated figures were reported in respect of benefits customers outstanding figures, split by those who were already in progress against those which had not yet started to be processed. For the City of Lincoln 303 customers had been contacted, with 1,382 not yet contacted whereas for North Kesteven 258 customers had been contacted and 135 had not yet been contacted.

Further details regarding average housing benefit processing times were set out in the table at paragraph 5.4 of the report which showed figures for new claims and changes of circumstance for the last five financial years.

Outcomes of claims checked under the service's quality checking regime were set out in the table at paragraph 5.5 of the report, with updated figures for the City of Lincoln and North Kesteven reported at the meeting as follows:

- City of Lincoln – 85.87%;
- North Kesteven – 95.88%.

The Chair commended the work of the Universal Credit Support Team following a visit he had made last week. He said that it was a magnificent team and that he was most impressed with the work they were doing.

#### **14. Welfare Reform and Universal Credit Update**

##### Purpose of Report

To provide the Joint Committee with an update regarding the national and local position of welfare reform, with a specific focus on Universal Credit.

##### **Decision**

That the report be noted.

##### Alternative Reasons Considered and Rejected

None.

##### Reason for Decision

The report provided the Joint Committee with an update on Universal Credit, including the national and local position regarding Universal Credit together with shared service preparations for roll-out to full service, migration of customers in receipt of legacy benefits and the potential impact of migration to City of Lincoln and North Kesteven rent arrears.

Details in relation to the national progress with Universal Credit and recent changes to Universal Credit arrangements were noted in paragraphs 4 and 5 of the report.

##### *Impact on the Council's income – Rent*

It was reported that the Welfare Reform and Project Officer had been working with City of Lincoln Council and North Kesteven District Council Housing colleagues to monitor the impact Universal Credit claims were currently having on rent collection. Data showed that of the 613 City of Lincoln tenants in receipt of Universal Credit, as at the end of July 2018, 345 of them had an increase in their arrears totalling £90,145. 240 tenants had decreased rent arrears totalling £57,249 and 28 tenants' rent outstanding figure had not changed. For North Kesteven, as at the end of June 2018, the arrears for 45 Universal Credit customers had increased by £4,525.67.

Discussion ensued on the issue of direct payments in respect of rent arrears. It was noted that difficulties had been experienced in reconciling amounts and that there were often delays in payments being received using the direct payments facility. General advice provided to customers as a consequence was that it was perhaps more effective to sign up to a direct debit arrangement. Discussions would continue with the Department for Work and Pensions in relation to direct payments and the problems that had been experienced with them to date, particularly with regard to the impact on rent arrears.

### *Universal Support Team*

Paragraph 7 of the report provided information relating to the Universal Support Team and confirmed hours of operation, the work undertaken as part of providing Assisted Digital Support and Personal Budgeting Support, together with the range of other assistance they provided Universal Credit customers.

The Universal Credit Support Team and Benefits Team Leaders were currently reviewing how Universal Credit claims were processed and would be putting guidance together for all processing staff. This guidance would also clarify processes relating to the cessation of relevant housing benefit claims, processing council tax support and allocating overpayments to the correct recovery method.

### *Preparation for North Kesteven Full Service*

Sleaford Jobcentre would go live with Universal Credit Full Service on 14 November 2018. Officers were reviewing the objectives and outcomes of the Universal Credit Support Team based at Lincoln to ascertain whether the positive partnership working arrangements with Jobcentre Plus and internal processes that needed to be in place could be replicated at the Sleaford office.

A range of activities would take place to manage the transition and ensure that Sleaford office staff understood necessary processes, with shadowing taking place with the Lincoln office.

The current Universal Credit Support Team was working closely with housing and communications teams and the web team to ensure that relationships were there to support customers and ensure information was on hand.

### *Universal Credit Dashboard*

A dashboard of statistical information from the Universal Credit Support Team was appended to the report, which provided key information relating to team outputs as well as regional and national updates.

## **15. Welfare Team Update**

### Purpose of Report

To provide the Joint Committee with an update on the activity undertaken and the outcomes achieved by the Welfare Advisers in the Revenues and Benefits Shared Service.

### **Decision**

That the report be noted.

### Alternative Options Considered and Rejected

None.



## Reason for Decision

The report provided an update on the performance of the Welfare Team for the previous financial year, 2017/18.

The Welfare Team was an integral part of the Revenues and Benefits Shared Service with 7.5 fulltime equivalent advisers based in both Lincoln and Sleaford, delivering the service by agile working with technology in place to enable them to work from home, from customer addresses, outreach officers and council premises. This ensured that they were able to tailor service delivery to the needs of the customer.

The Welfare Team offered two distinct but closely linked services, namely Benefits Advice and Money Advice. Details of the two services were set out in paragraphs 2.3 and 2.4 of the report, respectively.

The team had been extremely busy this year, providing advice and support to some of the most vulnerable and disadvantaged residents in the City of Lincoln and North Kesteven. In total, the team had dealt with 5,484 customers for benefit related queries. As well as advising people about the benefits they were entitled to claim, the team also helped with the completion of forms which could be difficult for customers to understand. Without this assistance there was no doubt that some eligible people would be discouraged from applying and accessing their entitlements.

Assistance was given to every type of Department for Works and Pensions benefit, as well as Her Majesty's Revenue and Customs tax credits and local authority benefits. The team also advised on charitable awards and grants from a wide range of providers, with successful applications to the Anglian Water Trust fund for example. The team had also issued a total of 306 food vouchers for local community larders and food banks during 2017/18.

Additional benefits claimed by customers who had sought the advice and assistance of the Welfare Team were set out in the table at paragraph 4.5 of the report and totalled £2,988,383.84.

In addition to the weekly amounts of benefit awarded to individuals and lists in this table, in many cases customers received backdated awards or lump-sum payments. These were set out in the table at paragraph 4.7 of the report and equated to £393,742.98.

The Chair was delighted with the content of the report and praised the work of the team, requesting that some publicity was given to the team's successes, particularly in relation to the £2,988,383.84 of additional benefits allocated as a result of advice provided by the team to those eligible.

It was agreed that further update reports on the performance of the team should be reported to the Joint Committee on an annual basis.

## 16. **Non-Domestic Rate Update**

### Purpose of Report

To provide the Joint Committee with an update on current issues within non-domestic rate.

### **Decision**

That the report be noted.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

Updates on the following schemes were noted:

#### *Supporting Small Business Relief Scheme*

The number of hereditaments that had been identified and had benefitted from the scheme as at 30 June 2018 for each of the three authorities was noted as follows:

- City of Lincoln – 8 identified, with 5 responding and the award totalling £7,007;
- North Kesteven – 23 identified, with 19 responding and the award totalling £24,552;
- West Lindsey – 26 identified, with 15 responding and the award totalling £20,201.

#### *Support for Pubs Scheme*

The returns for this scheme as at 30 June 2018 were noted as follows:

- City of Lincoln – 63 identified and 22 awards made, totalling £22,000;
- North Kesteven – 40 identified and 31 awards made, totalling £28,793;
- West Lindsey – 59 identified and 29 awards made, totalling £26,118.

#### *Discretionary Relief Scheme – 2018/19 Scheme*

During quarter one of 2018/19 officers had undertaken a number of exercises to correctly identify those ratepayers that may be entitled to relief and calculated the cost of relief for all businesses affected by the revaluation, whereby the 2018/19 charge had increased as a result. Since 2017/18 the number of accounts identified for all three districts had decreased and, as a result, the value of relief awarded was as follows:

- City of Lincoln – this was a banded scheme. The award had remained the same for all bands, with the exception of those facing an increase of between £25 and £500. The relief to be awarded for 2018/19 had increased from 50% to 70%, providing additional support to those ratepayers as outlined in Appendix 1;

- North Kesteven – this was a banded scheme. The award had remained the same for the first two bands, but all others had reduced to 80% of the 2017/18 award as outlined in Appendix 2;
- West Lindsey – this was a percentage reduction scheme with all identified ratepayers received a 50% reduction. This was a decrease from 2017/18 of 80%.

Total awards made for each authority were reported at the meeting in respect of 2018/19, as follows:

- City of Lincoln – 346 identified and 359 awards made, totalling £82,552;
- North Kesteven – 278 identified and 261 awards made, totalling £66,278;
- West Lindsey – 197 identified and 133 awards made, totalling £62,095.

### *Business Rates Pilot*

Further to the 100% Business Rates Retention Pilot 2018/19, prior to the summer recess the Government took the opportunity to announce its plans for the 2019/20 Business Rates Retention Pilots. The main points were noted as follows:

- all authorities that had not already been awarded pilot status for 2019/20 could apply, including the 2018/19 pilots;
- the 2019/20 pilots would be at 75% business rates retention, not 100%;
- the 'no detriment' clause applied to 2017/18 and 2018/19 pilots would not apply to pilots set up for 2019/20;
- there would be a safety net set at 95% to reflect the additional risk locally that 75% retention introduced and this would apply pilot wide and not to individual authorities, with no levy being paid;
- the pilot programme in 2019/20 was likely to be smaller than the programme in 2018/19;
- successful pilots would last for one year up to the end of March 2020.

A report was currently being prepared to be presented to the Chief Executives meeting on 10 September 2018 to seek approval to submit a bid for 2019/20 pilot status and to agree which of the authorities should be included in that bid. As part of the bid submission, a request would be made to form a Lincolnshire business rate pool should the 100% business rate bid not be approved.

## **17. Housing Benefit Overpayments Update**

### Purpose of Report

To provide the Revenues and Benefits Joint Committee with an update on the recovery of housing benefit overpayments.

### **Decision**

That the report be noted.

### Alternative Options Considered and Rejected

None.

## Reason for Decision

In April 2018 the Department for Works and Pensions' Housing Delivery Division Performance Development Team conducted an end to end review of the Shared Service Housing Benefit overpayment and debt recovery process. The Committee was informed at its last meeting that an action plan was in place to reduce the number of overpayments, a copy of which was appended to the report.

The Performance Development Team had highlighted some good practices whilst conducting the review, as well as acknowledging the shared service had already recognised work that needed to be done. Eleven recommendations had been put forward of which nine had been included in the Housing Benefit Overpayment Recovery Action Plan. The action plan was regularly updated, with key actions set out in paragraph 6.2 of the report, and would continue to be monitored.

As part of the formation of the housing benefit overpayment project, officers had reviewed all recovery methods available for all stages of debt which were broken down as follows:

- overpayments recovered from ongoing housing benefit;
- overpayments at sundry debtors less than four months old;
- overpayments at sundry debtors over four months old;
- write off.

As a result, officers were now able to have a detailed understanding of what stage debts were at and, at a glance, whether the debts were increasing or decreasing and where resource allocation was needed. Since the project started in June 2018, there had been some significant improvements in performance. Key information relating to this were broken down for the City of Lincoln and North Kesteven in paragraph 7.2 of the report.

It was noted that the measure of success for this piece of work would be to ensure that all overpayments were being recovered, using the variety of recovery methods available and, for those where recovery was not a viable option, a decision was made with regards to the next stage such as write off. As a result, officers were confident that the level of outstanding debt would reduce and the remaining debt would be at an effective recovery stage.

Members understood that overpayments would continue to be created due to delays in customer notification and the local authority delay in processing, however, recovery of these debts would be undertaken with immediate effect and would be reviewed regularly to ensure recovery continued.

**SUBJECT: FINANCIAL MONITORING QUARTER 2 2018/19**

**REPORT BY: CHIEF EXECUTIVE & TOWN CLERK**

**LEAD OFFICER: JACLYN GIBSON, CHIEF FINANCE OFFICER**

## 1. Purpose of Report

- 1.1 To present to Members the second quarter's financial performance for the Revenues and Benefits shared service for 2018/19.

## 2. Executive Summary

- 2.1 The forecast outturn for 2018/19 predicts that there will be an underspend against the approved budget of £100,831.

## 3. Background

- 3.1 The approved budget for 2018/19 was agreed by Revenues and Benefits Joint Committee on 20<sup>th</sup> February 2018. The Committee set a budget for 2018/19 of £2,285,710 for the service, which has since been increased after receipt of New Burdens Grants, and this report shows the progress against this budget for quarter two and shows a projected outturn for the full year.
- 3.2 The budget, as mentioned in paragraph 3.1, has subsequently been revised for the following New Burdens Grants notified to each Authority in quarter two: -

<b>Budget adjustment</b>	<b>CoLC</b>	<b>NK</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Universal Credit Support 2018/19	12,843	10,148	22,991
Self - Employed Earnings Review	5,422	4,051	9,473
UC LA Universal Support Grant Funding Q1 2018/19	14,885	4,421	19,306
<b>TOTAL</b>	<b>33,150</b>	<b>18,620</b>	<b>51,770</b>

## 4. Quarter two Financial Performance and Forecast Outturn 2018/19

### 4.1 Performance Quarter

Financial performance for the second quarter of 2018/19 is detailed in Appendix 1 to this report. At quarter 2, there is an underspend against the approved budget of £46,748.

### 4.2 Forecast Outturn 2018/19

The forecast outturn for 2018/19 predicts that there will be an underspend against the approved budget of £100,831. Further detail is attached as Appendix 2 to this report.

- 4.3 A summary of the main forecast year-end variations against the approved budget for 2018/19 is shown below.

<b><u>Service Area</u></b>	<b><u>£</u></b>	<b><u>Reason for variance</u></b>
<b>Revenues and Benefits Management</b>		
IT Costs	5,730	Increased cost of Northgate System.
<b>Benefits</b>		
Salaries (Including Career Grades)	(82,460)	Vacant hours together with Career Graded Posts budgeted at top of scale however not all officers are at the top of the scale.
New Burdens Grants	(62,640)	New Burdens Funding awarded but cost of additional activities contained within current staffing structure.
Telephones	(9,720)	Saving on Telephone Expenses.
<b>Revenues Local Taxation</b>		
IT Costs	15,000	Additional requirements of the service.
Subscriptions	11,550	Analyse Local Annual Fees included within this.
Printing/Postage/Stationery	23,200	Activity Level estimated to be the same as previous years.
<b>Benefits/Money Advice</b>		
Car Mileage	(3,500)	Travel organised in a way to try and reduce mileage cost.
Mobile Phones/Lone Working Devices	2,590	Activity Level estimated to be the same as previous years.

**5. Organisational Impacts** (nb. Finance, Legal and E & D sections below are mandatory, others to be completed only where there is an impact)

- 5.1 The financial implications are contained throughout the report.
- 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 A full financial risk assessment is included in the Council's Medium Financial Strategy.

## **7. Recommendation**

7.1 Members are recommended to note the actual position at quarter 2.

7.2 Members are recommended to approve the budget adjustments for 2018/19 as per para 3.2.

**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?** Two

**List of Background Papers:** None

**Lead Officer:** Martin Walmsley, Head of Shared Revenues and Benefits  
Telephone 01522 873597

## Appendix 1 Actual Position as at Quarter 2 2018/19

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	88,630	88,630	177,265	93,556	93,556	187,112	4,926	4,926	9,852
Benefits	346,000	237,080	583,080	290,574	210,416	500,989	(55,426)	(26,664)	(82,091)
Revenues Local Taxation	173,010	180,070	353,080	187,328	194,974	382,302	14,318	14,904	29,222
Money Advice	55,900	55,900	111,800	54,034	54,034	108,069	(1,866)	(1,866)	(3,731)
<b>Total Q1 2018/19</b>	<b>663,540</b>	<b>561,680</b>	<b>1,225,225</b>	<b>625,492</b>	<b>552,980</b>	<b>1,178,472</b>	<b>(38,048)</b>	<b>(8,700)</b>	<b>(46,748)</b>



## Appendix 2 Forecast Financial Outturn for 2018/19

	Annual Budget			Forecast Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	158,600	158,600	317,200	163,103	163,103	326,206	4,503	4,503	9,006
Benefits	766,961	525,532	1,292,492	683,375	468,258	1,151,633	(83,586)	(57,274)	(140,859)
Revenues Local Taxation	313,770	326,570	640,340	328,939	342,357	671,296	15,169	15,787	30,956
Money Advice	111,800	111,800	223,600	111,833	111,833	223,667	33	33	67
<b>Total 2018/19</b>	<b>1,351,131</b>	<b>1,122,502</b>	<b>2,473,632</b>	<b>1,287,250</b>	<b>1,085,552</b>	<b>2,372,802</b>	<b>(63,881)</b>	<b>(36,950)</b>	<b>(100,831)</b>

This page is intentionally blank.

**SUBJECT: PERFORMANCE UPDATE**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHOR: MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS**

**1. Purpose of Report**

- 1.1 To provide Members with an update on performance in the Revenues and Benefits shared service.

**2. Executive Summary**

- 2.1 This report provides an update on Revenues and Benefits performance information – for Quarter 2 2018/19, and up to the end of October 2018.
- 2.2 The Revenues and Benefits Shared Service has now been in operation since 1<sup>st</sup> June 2011, and performance has been maintained and improved whilst continuing to provide value for money. Continual improvement and success is being achieved in terms of both statistical and financial performance, as well as positive outcomes for customers of the partner local authorities.

**3. Background**

- 3.1 At the 17<sup>th</sup> September meeting of this committee, a report was presented detailing Revenues and Benefits performance for Quarter 2 2018/19.
- 3.2 Performance is reported to this committee on a quarterly basis.

**4. Revenues Performance**

**4.1 Council Tax**

- 4.2 Comparing Council Tax in-year collection for Quarter 2 2018/19 to Quarter 2 2017/18, City of Lincoln and North Kesteven are lower by the same percentage – 0.37%.
- 4.3 When considering the current collection levels, it should be noted that the collectable debit for both City of Lincoln and North Kesteven has increased from 2017/18 by £2.5m and £3.8m respectively.
- 4.4 In terms of the position as at end October 2018 compared to the position at the end of October 2017, City of Lincoln is 0.32% lower and North Kesteven 0.22% lower.

A Single Person Discount review has been undertaken for both City of Lincoln and North Kesteven as part of a Countywide process. As a result of this, Single Person Discounts have been removed for 722 Lincoln accounts and 484 North Kesteven

accounts. This has raised the amount of revenue to be collected by £218,724 for Lincoln and £153,176 for North Kesteven. This will have an impact on collection until this additional Revenue is collected.

#### 4.5 Business Rates

- 4.6 Comparing Quarter 2 2018/19 to 2017/18, City of Lincoln is down by 0.56%, North Kesteven up by 3.56% and West Lindsey up by 0.11%.
- 4.7 In terms of the position as at end October 2018 compared to the position at the end of October 2017, City of Lincoln is 0.93% lower, North Kesteven 0.27% higher and West Lindsey 0.01% higher.
- 4.8 There are a number of factors affecting Lincoln's Business Rates at this point in time (not only relating to collection, but liability in general) – with an increase in empty/exempt properties, as well as large increase in net collectable debit.
- 4.9 Officers would like the committee to note that North Kesteven's collection for September 2018 is inaccurate due to a duplication of payment receipt. This was rectified in October, and as a result, October's collection rate is accurate at 70.29% which is 0.27% above 2017/18.

When considering the current collection levels it should be noted that the total net receipt has also increased from 2017/18 by £955k for City of Lincoln, £1.1m for North Kesteven and £790k for West Lindsey.

The tables below in paragraph 4.10 show how 'Net collectable debit' and 'Total net receipt' compared for each local authority, between 2018/19 and 2017/18.

#### 4.10 City of Lincoln:

	Total net receipt (£)	Net collectable debit (£)
2018/19	27,286,212	45,045,723
2017/18	26,953,489	44,089,862
Difference	<b>+332,723</b>	<b>+955,861</b>

#### North Kesteven:

	Total net receipt (£)	Net collectable debit (£)
2018/19	18,181,573	27,470,246
2017/18	16,523,643	26,381,084
Difference	<b>+1,657,930</b>	<b>+1,089,162</b>

**West Lindsey:**

	Total net receipt (£)	Net collectable debit (£)
2018/19	10,288,989	17,621,856
2017/18	9,812,954	16,831,979
Difference	<b>+476,035</b>	<b>+789,877</b>

**4.11 Business Improvement District (BID) Levy Collection**

- 4.12 Members will be aware that the Authority is responsible for the administration and collection of the BID levy.

The BID financial year runs from 1<sup>st</sup> July to 30<sup>th</sup> June and the figures given below represent collection up to the end of Quarter 2 2018.

A comparison of in-year collection rates between BID financial years ending 30<sup>th</sup> September 2017 and 30 September 2018 shows a decrease in collection and is shown in the table below. However, officers do not feel this is of major concern at this stage, however will continue to manage and monitor this closely.

Quarter 2 2017	90.45%	Increase/ (Decrease) (1.27%)
Quarter 2 2018	89.18%	

**4.13 Outstanding Revenues Customers**

- 4.14 The number of outstanding Revenues Customers as the end of Quarter 2 2018/19 shows an increase since 31<sup>st</sup> March 2018. This is due to the reduced numbers of staffing (unforeseen circumstances) within the team during the first quarter of 2018/19.

The position has been maintained during Quarter 2, despite a considerable amount of additional work being undertaken on student reviews and Single Person Discount enquiries. The Council Tax Administration Team has reviewed and updated over 1,500 City of Lincoln student accounts. Whilst this is an annual piece of work, this is not usually completed until January each year. However, due to the electronic forms which have been developed this has resulted in the processes becoming much more efficient, and as a result, almost all student properties have been reviewed 3 months earlier than usual.

The Single Person Discount review process has also resulted in the Council Tax Administration Team dealing with over 300 such discount enquiries for both City of Lincoln and North Kesteven, and reviewing discount cases. This work is currently undertaken every 2 years and as a result is additional work for 2018/19.

There is likely to be a temporary reduction in the Council Tax staffing numbers in Quarter 3, which may have an impact on the work outstanding until each position is filled.

The Council Tax Administration Team is continuing to work with City of Lincoln's Business Development Team to continue to implement and improve processes to 'channel shift' customer contact, internal contact and adopt 'lean' principles. So far these have included online e-forms for 'reporting a move' and reporting changes for student accommodation. The e-forms are populated by the customer with their information, and this is integrated into the back-office system. This removed the re-keying of information by the officer – it is simply reviewed, and the change in occupier / account / property information is processed and an updated bill is generated.

	<b>Q2 2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>City of Lincoln</b>	<b>749</b>	121	296	448	1,025	683	939	1,713
<b>North Kesteven</b>	<b>389</b>	95	223	266	356	545	465	577

- 4.15 As at the end of October 2018, there are 768 outstanding Revenues customers for City of Lincoln and 321 for North Kesteven. Whilst this has increased since the end of Quarter 2, for City of Lincoln, the rate of increase is not as high, as in previous months and can be attributed to the additional work undertaken, particularly around student accounts.

#### 4.16 Housing Benefit Overpayments

- 4.17 The table below shows in-period collection rates as a percentage of the debt raised over the last six financial years (2011/12 is not shown, due to the changeover to the Northgate ICT system for Lincoln during that financial year and a number of conversion exercises that had to be undertaken relating to Housing Benefit Overpayments).

<b>Financial Year</b>	<b>Q2 2018/19</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2013/14</b>	<b>2012/13</b>
<b>City of Lincoln</b>	<b>106.75%</b>	81.81%	76.38%	75.22%	68.60%	72.98%	89.14%
<b>North Kesteven</b>	<b>116.43%</b>	88.31%	70.16%	77.76%	64.61%	85.40%	92.85%

- 4.18 The above figures to the end of Quarter 2 mean that more monies had been recovered than raised). This is as a result of the work being undertaken by the Housing Benefit Overpayment Recovery Team (HBOP). This is covered in a separate report is included within this report pack.

- 4.19 As well as the in-period Housing Benefit Overpayments collection figures remaining positive as demonstrated above, the level of outstanding overpayments is starting to reduce, as a result of the work undertaken by the Housing Benefits Overpayments Team during this first quarter. The table below shows how this position has developed over the last five financial years, and how outstanding overpayments are now starting to reduce for both local authorities.

	<b>Q2 2018/19</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>City of Lincoln</b>	<b>£4,040,188</b>	£4,219,349	£4,081,552	£3,510,798	£3,186,971	£2,633,438
<b>North Kesteven</b>	<b>£1,697,338</b>	£1,824,908	£1,793,997	£1,482,271	£1,324,672	£1,011,484

- 4.20 A separate, more detailed report – ‘Housing Benefit Overpayments Update’ – is included elsewhere on this committee’s agenda, which includes details of the action plan for 2018/19. The plan includes actions identified from a positive two-day exercise involving officers from the Department for Work and Pensions, which took place at the end of April 2018, as well as figures showing the changes in outstanding overpayments since 1 April 2018 to 30 September 2018.

## **5. Benefits Performance**

- 5.1 The table below shows the number of outstanding Benefits customers awaiting assessment, at the end of each financial year since the formation of the shared service:

	<b>Q2 2018/19</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>City of Lincoln</b>	1,520	696	555	1,064	1,267	2,396	2,004	2,401
<b>North Kesteven</b>	471	511	500	714	1,036	978	1,206	2,648

It is important to note for City of Lincoln, that although the customers awaiting assessment level is relatively high, this is due to the larger Housing Benefit caseload in comparison to North Kesteven. City of Lincoln live caseload is 6,887 with North Kesteven being 4,283. As a result of this, City of Lincoln receive a higher volume of documents.

The rollout of Universal Credit Full Service has had a significant impact on processing performance, with the Benefits Team receiving 12,457 Universal Credit documents since 1 April 2018. Each of these documents require assessment – with Benefits Officers having to review the document and make a decision as to the assessment required. As a result, City of Lincoln have seen a significant increase in their documents, which has resulted from the outstanding almost doubling within a number of weeks. Officers are currently working on the automation of a number of UC documents, which should improve efficiencies within the teams.

- 5.2 As at the end of October 2018, Benefits customers outstanding figures – split by those who are already in progress (i.e. where the customer has been contacted and further information is required) against those which have not yet started to be processed.

	<b>Benefits customers awaiting assessment (as at 31<sup>st</sup> October 2018)</b>			
	Customer has been contacted	Customer not yet contacted	<b>Total</b>	<b>Oldest Date</b>
<b>City of Lincoln</b>	673	446	<b>1,119</b>	10 <sup>th</sup> October 2018
<b>North Kesteven</b>	346	59	<b>405</b>	4 <sup>th</sup> October 2018

- 5.3 It is pleasing to see that the number of customers awaiting assessment for City of Lincoln has reduced in month by 401. This is a direct result of the overtime and review of processes which have taken place.

It still continues to be a real day-to-day challenge, with decreasing grants from central government also having an impact, to maintain the position of assessing Housing Benefit and Council Tax Support claims in a timely and accurate manner, but whilst also providing vital support to Universal Credit customers – which is being carried out by some of our Benefits Officers from March 2018, when Universal Credit Full Service (UCFS) launched in Lincoln Jobcentre. This ‘challenge’ of allocation of resources to a variety of demands will very much be at the forefront of officers’ minds moving forward, particularly with Sleaford Jobcentre moving to UCFS in November 2018. The Benefits Team also undertakes a variety of other tasks, such as; Discretionary Housing Benefits, Revisions and Appeals, Overpayments collection (not debtor stage), Subsidy and Quality Control, and various initiatives relating to reducing fraud and error in the system. The team has also starting work on the Housing Benefit Overpayment recovery project and have successfully recruited into a vacant Appeals Officer post from within the existing team, resulting in 2 Full Time Equivalent officers being removed from the day-to-day processing.

- 5.4 In terms of Housing Benefit average processing times, the table below shows the figures for New Claims and Changes of Circumstance for the last five financial years:



<b>Financial Year</b>		<b>Q2 2018/19 Average no. days</b>	<b>2017/18 Average no. days</b>	<b>2016/17 Average no. days</b>	<b>2015/16 Average no. days</b>	<b>2014/15 Average no. days</b>	<b>2013/14 Average no. days</b>
<b>New Claims</b>	Lincoln	28.16	24.29	29.44	25.45	26.14	28.33
	North Kesteven	23.52	18.81	15.98	12.76	12.05	12.66
<b>Changes of Circumstance</b>	Lincoln	8.09	4.00	4.49	5.40	5.07	6.97
	North Kesteven	4.66	2.82	3.06	2.84	2.91	2.92

Changes in circumstances processing times have increased for both City of Lincoln and North Kesteven, however this is as a direct result of the clearance of outstanding work and bringing the work more up to date.

New claims performance levels have improved when compared to quarter 1 in 2018/19 – City of Lincoln by 1.97 days and North Kesteven by 1.05 days.

Universal Credit changes are much more complex, and require more time to be taken to ensure accurate processing. The Universal Credit changes are also time limited, whereby a two week grace period on any overpayment has been given, therefore, priority is being given to this piece of work. In addition, whilst the number of new claims is reducing, those claims that are being received are for the Universal Credit customers where Housing Benefit is still to be claimed (exempt categories). As a result, Local Authorities are having to wait for the Universal Credit decision to be made, which is taking around 6 weeks, before an assessment decision can be taken on the Housing Benefit entitlement. This delay by Department for Work and Pensions has contributed to the increase as shown in the above table. As a result, overtime was offered to staff from September 2018 to improve the processing position. This has resulted in significant improvements, as can be seen above.

North Kesteven new claims processing days are increasing due to the change in processes. Since the introduction of Citizens Access Benefits, customers are encouraged to make new claims online. As a result of this, the customers may not always provide all evidence with their application form, which results in delays in processing. The number of Benefits Officers within the North Kesteven Benefits Team has also reduced, with 2.6 Full Time Equivalent staff being removed from day-to-day processing to undertake other workloads such as Discretionary Housing Payment assessments, Verification of Earnings and Universal Support.

- 5.5 Prompt processing of claims remains vital, but of equal importance is accuracy of processing and 'getting it right, first time'. The table below the outcomes of claims checked under our quality checking regime, since the formation of the shared service:

<b>Financial Year</b>	<b>Q2 2018/19</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2013/14</b>	<b>2012/13</b>	<b>2011/12</b>
<b>City of Lincoln</b>	84.00%	92%	91%	83%	79%	77%	72%	65%
<b>North Kesteven</b>	96.10%	95%	95%	97%	98%	98%	100%	99%

During quarter 2, a total of 71 claims were checked for City of Lincoln and 95 for North Kesteven. Whilst the percentage accuracy has reduced for both, the number of claims being checked is increasing as part of the Quality Checking action plan. Those claims where errors were found, are predominantly Universal Credit claims, which are often more complex. Staff are advised of the errors and additional training and support is given where needed. In October, a total of 50 claims were checked for City of Lincoln, with 42 of these being correct. A total of 35 claims were checked for North Kesteven, with 34 of these being correct.

## **6. Strategic Priorities**

6.1 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 Our Economy".

6.2 The Benefits Service plays a key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money / debt advice. The Revenues Section is also mindful of the strategic priorities when engaging with business ratepayers as they recover business rates – and also promoting and encouraging growth in the districts. Digital Inclusion, Channel Shift / Customer Experience, Financial Inclusion and Partnership Working are all key priorities for the shared service.

## **7. Organisational Impacts**

7.1 Finance: There are no direct financial implications arising from this report.

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

7.3 Equality, Diversity & Human Rights: There are no direct implications arising from this report.

## **8. Risk Implications**

8.1 A Risk Register is in place for the Revenues and Benefits shared service.

## **9. Recommendations**

9.1 Note the performance information as set out in this report.

9.2 Note that a performance update will be presented at the next meeting of this committee, on 19<sup>th</sup> February 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?** Appendix 1: Performance Data – Quarter 2 2018/19, and October 2018

**List of Background Papers:** None

**Lead Officer:** Martin Walmsley, Head of Shared Revenues and Benefits  
Telephone (01522) 873597

This page is intentionally blank.

**27<sup>th</sup> November 2018 Revenues and Benefits Joint Committee**  
**Appendix 1: Performance Data – Quarter 2 2018/19, and October 2018**

<b>Measure</b>	<b><u>2018/19 Quarter 2</u></b>		<b><u>2017/18 Quarter 2</u></b>		<b><u>October 2018</u></b>		<b><u>October 2017</u></b>	
<b>Local Authority</b>	<b>NK</b>	<b>COL</b>	<b>NK</b>	<b>COL</b>	<b>NK</b>	<b>COL</b>	<b>NK</b>	<b>COL</b>
<b>Council Tax collection (cumulative)</b>	57.77%	52.80%	58.14%	53.17%	67.37%	61.88%	67.59%	62.20%
<b>NNDR collection (cumulative)</b>	66.19%	60.57%	62.63%	61.13%	70.29%	69.09%	70.02%	70.02%
<b>NNDR collection – WLDC (cumulative)</b>	58.39%		58.28%		66.52%		66.51%	
<b>No. Revenues customers awaiting change to be processed</b>	389	749	393	624	321	768	75	137
<b>Total Net Arrears for Council Tax prior years (i.e. not including current year)</b>	£1,195,047	£2,759,677	£1,002,351	£2,597,698	£1,090,870	£2,656,943	£967,319	£2,507,694
<b>Total Net Arrears for NNDR prior years (i.e. not including current year)</b>	£146,028	£457,583	£395,917	£520,784	£127,543	£411,467	£354,529	£487,771
<b>Housing Benefit overpayments collection in period</b>	124.61%	105.48%	85.20%	80.29%	116.43%	106.75%	84.63%	80.60%

**27<sup>th</sup> November 2018 Revenues and Benefits Joint Committee**  
**Appendix 1: Performance Data – Quarter 2 2018/19, and October 2018**

<b>Measure</b>	<b><u>2018/19 Quarter 2</u></b>		<b><u>2017/18 Quarter 2</u></b>		<b><u>October 2018</u></b>		<b><u>October 2017</u></b>	
<b>Local Authority</b>	<b>NK</b>	<b>COL</b>	<b>NK</b>	<b>COL</b>	<b>NK</b>	<b>COL</b>	<b>NK</b>	<b>COL</b>
<b>Outstanding Housing Benefit overpayments debt</b>	£1,703,094	£4,061,218	£1,853,274	£4,121,223	£1,697,338	£4,040,188	£1,868,246	£4,135,753
<b>Housing Benefit New Claims: Average number of days to process (cumulative)</b>	23.52 days	28.16 days	19.26 days	23.24 days	23.13 days	27.56 days	19.36 days	23.46 days
<b>Housing Benefits Changes of Circumstances: Average number of days to process (cumulative)</b>	4.66 days	8.09 days	6.15 days	7.62 days	5.22 days	8.43 days	5.83 days	7.56 days
<b>No. Benefits customers awaiting assessment (cumulative)</b>	471	1,520	450	627	403	1,093	433	567
<b>% Benefits claims checked financially correct (cumulative)</b>	96.10%	84.00%	97.27%	91.21%	95.85%	83.21%	96.33%	90.52%

Note: Customer satisfaction reviews have not been undertaken during 2018/19 so far. Officers are currently reconsidering the approach to the reviews and putting forward options to the management team to ensure the reviews are objectives, with the aim of achieving purposeful results.

**REVENUES AND BENEFITS JOINT COMMITTEE**

**27 NOVEMBER 2018**

**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 Universal Credit (UC) for this particular report.

**2. Executive Summary**

- 2.1 This report provides Joint Committee with an update on Universal Credit to include reference to the national and local position of Universal Credit, City of Lincoln, North Kesteven and the Shared Service preparations for roll-out to Full Service, migration of customers in receipt of legacy benefits and the potential impact of migration to City of Lincoln and North Kesteven rent arrears.

**3. Background**

- 3.1 Future reports will provide Joint Committee with an up to date position on the following:
- National Progress
  - Full Service
  - Impact on the Councils income (Rent, Council Tax and Overpayments)
  - Universal Support Team
  - Background Papers.

**4. National Progress – Universal Credit**

- 4.1 As Full Service roll-out progresses, the number and range of people claiming UC is likely to grow quickly. As of 24<sup>th</sup> October 2018, there are 517 jobcentres running the Full Service with roll-out scheduled to be completed by December 2018.
- 4.2 Latest figures published by the Department for Work and Pensions (DWP) were released on 16<sup>th</sup> October 2018, with statistics relevant to the period up to 13<sup>th</sup> September 2018.
- 1,220,443 households receiving UC – this is a 10% increase from August 2018
  - (35%) were in employment.
- 4.3 It is expected managed payment figures will increase as the roll-out to Full Service

gains momentum. A managed payment can be applied for by the landlord for payment of rent or rent arrears deduction. The payment of UC Housing Costs would be paid direct to the landlord. Landlords are required to complete a form requesting this.

## **5. Recent Universal Credit changes – Autumn 2018 budget announcement**

- 5.1 **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.

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.

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.

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.

- 5.2 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.

**Universal Credit Work Allowance increase** –the amount that households with children, and people with disabilities can earn before their Universal Credit award begins to be withdrawn – 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.

**Extra help for households moving onto Universal Credit** – 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.

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.

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.

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.

**Funding for previously announced measures** – 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.

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 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.

## **6. Support for 18 to 21 year olds and supported Housing**

### **6.1 Support for 18 to 21 year olds claiming Universal Credit**

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.

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.

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.

### **6.2 Universal Credit and Supported Housing**

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.

On 9<sup>th</sup> 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.

## **7. Impact on the Councils income – Rent**

- 7.1 The Welfare Reform and Project Officer has been working with City of Lincoln Housing and North Kesteven Housing colleagues to monitor the impact UC claims are currently having on rent collection.
- 7.2 The data shows that of the 863 City of Lincoln tenants in receipt of UC, as of 12 November 2018, there is an increase in arrears, for 583 tenants totalling £177,113.
- 7.3 The data shows that of the 77 North Kesteven tenants in receipt of UC, as of 12 November 2018, there is an increase in arrears, for 70 tenants totalling £36,870.

## **8. Universal Support Team**

- 8.1 The team continue to work on a rota basis and are located in Lincoln Jobcentre 9am – 12pm & 1pm – 4pm every day to be on hand to support customers. A dedicated e-mail address and telephone number are also in place, for direct access to this team.
- 8.2 Providing Assisted Digital Support (ADS) for customers wishing to make a claim by:
  - Supporting the customer to transact with Universal Credit using a personal computer or their specific device
  - Ensuring the customer keeps log-in credentials safe
  - Setting up a personal email address if the customer doesn’t already have one
  - Ensuring that the customer is able to access their email account to retrieve the email code
  - Ensuring that the customer is aware of the details they need to have to hand to safely complete their identity verification and claim Universal Credit
  - Supporting the customer to scan relevant documents to process a claim
  - Ensuring that the customer understands how to access the ‘partner code’ and the requirement for their partner to complete their online claim using the partner code

Helping our customers maintain their Universal Credit claim by providing assistance in:

- Managing their claim via the online Universal Credit account on whatever

- device they have access to
- Managing their own email account on whatever device they have access to
- Navigating the platform and clearing their personal 'To do' list
- Making journal entries
- Uploading documents including their CV and medical certificates
- Notifying a change of circumstances
- Making enquiries
- Printing documents

Provide Personal Budgeting Support (PBS) for our customers by:

- Supporting customers to manage their monthly payments and prioritise essential bills such as rent
- Supporting customers who require personal budgeting assistance to manage their Universal Credit. The support to be offered includes:
  - Identifying the appropriate channel and provider to deliver personal budgeting support and referring the customer to the right place immediately
  - Providing, or arranging, telephone or face to face personal budgeting support and follow up action as appropriate
  - Referring customers who may need an alternative payment arrangement to Jobcentre Plus
  - Referring customers to Welfare Advice for other support services such as debt advice

Resulting in claimants being able to:

- Understand their Universal Credit award and what they can claim as well as entitlement to other benefits or grants
- Work out monthly income and outgoings
- Recognise priority bills, such as rent
- Identify and cut back on non-essentials
- Complete and maintain a budgeting plan
- Convert from a Post Office card accounts/Simple payments to more appropriate banking products, including a transactional bank account
- • Set up or re-organise direct debits for prioritised payments.

8.3 The UC Support Team and Benefits Team Leaders are currently reviewing how UC claims are processed and will be putting guidance together for all processing staff. The guidance will clarify processes relating to the cessation of relevant Housing Benefit claims, processing Council Tax Support and allocating overpayments to the correct recovery method.

#### 8.4 **Preparation for North Kesteven Full Service**

Sleaford Jobcentre go live with Universal Credit Full Service on 14 November 2018.

Officers are reviewing the objectives and outcomes of the Universal Credit Support Team based at Lincoln, to ascertain whether the positive partnership working arrangements with Jobcentre Plus and internal processes that need to be and can be replicated at the Sleaford office.

The Welfare Reform and Project Lead met with the Jobcentre Sleaford Partnership Manager on 8<sup>th</sup> August to begin building a relationship with the Jobcentre and get to know the management and staff.

Sleaford Jobcentre staff will be visiting the Universal Credit Support Team in Lincoln to meet the members of the team, to be introduced to the processes and to see how Universal Credit is working for Lincoln residents.

A Sleaford based member of the Housing Benefit Team was appointed to the UC Support role from 15<sup>th</sup> October 2018 for 1 months training on digital and budgeting support.

The current Universal Credit Support Team are working closely with Housing and Communications teams to ensure the relationship is there to support customers and ensure the information is on hand, as well as the web team.

## **8.5 The UC Dashboard**

The UC Dashboard has been updated with statistical information and provides, at a quick glance, key information relating to the teams outputs, along with regional and national updates as of the end of quarter two. This can be seen in **Appendix 1 (City of Lincoln)** and **Appendix 2 (North Kesteven)**.

## **9. Welfare Reform Strategy Action Plan**

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

Updates on progress of both plans are provided at **Appendix 3** to this report. The action plan is fluid and flexible to respond to changes in welfare reform related priorities, changes and demands.

## **10. Excellence in Partnership Working**

- 10.1 Our Revenues and Benefits Shared Service secured a prestigious national award in October 2018 – the Institute of Revenues Rating and Valuation (IRRV)'s 'Excellence in Partnership Working' accolade. Whilst the submission for this award did focus on the shared service as a whole, there was also a key section around our UC support work with local DWP and the 'flagship' service provided to our customers.

## **11. Strategic Priorities**

- 11.1 **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.

- 11.2 **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.

## 12. Organisational Impacts

- 12.1 **Finance:** There could be significant financial implications to local authorities (for example, as landlords) as set out in previous updates of this report.
- 12.2 **Legal implications inc Procurement Rules:** There are no direct Legal or Procurement implications arising from this report.

## 13. Risk Implications

- 13.1 The Council bears the risk of any rent arrears which are not fully recovered.

## 14. Recommendation

- 14.1 Operational Board notes this report – and that an update will be presented at the next meeting of this Committee, on 9<sup>th</sup> February 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 Dashboard – City of Lincoln  
Appendix 2: Universal Credit Dashboard – North Kesteven

**List of Background Papers:** Appendix 3: Welfare Reform Action Plan **No**

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





Average time spent with customers — **40 minutes**

Average age of customers — **43**

**72** ADS

**PBS total**

No answer — **8**

Contact info needed — **0**

No help wanted — **2**

**53** PBS

**Oct—Dec 2018**

UC DHPs **April 2018** —

On-going DHP — **66**

One-off DHP — **8**

**Total paid: £18,988.74**

As of **31/10/2018**

Council Tenants — **864**

**UC Housing COLC as of 31/10/2018**

**583** arrears increased total of **£177,112.89** from date of claim

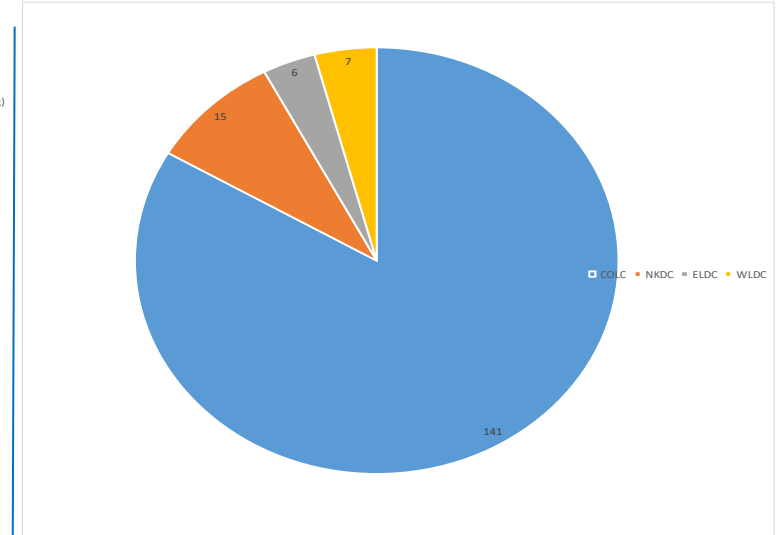
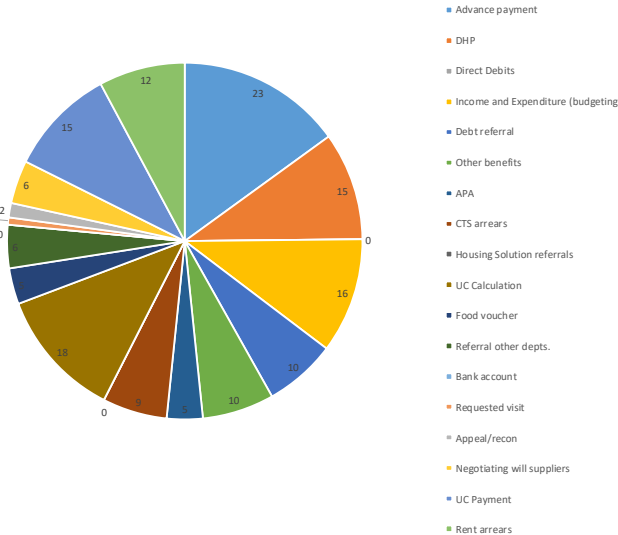
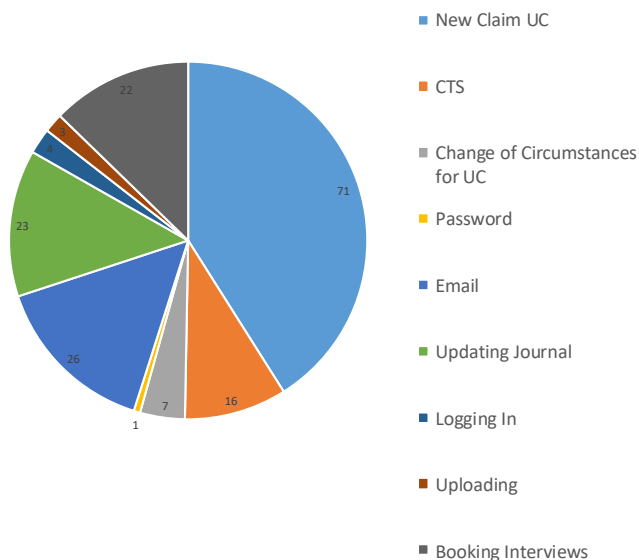
**244** arrears decreased by **£54,947.39** from date of claim

**33** not in arrears or in credit

Total increase **£80,154.83** from dates of claim

Total arrears at point of claim was **£248,141.14**

Total arrears as of **31/10/2018** is **£328,295.97**



## Key dates:

- Sleaford — 14 November
- 3 or more Children Under UC — 31 January 19
- A £1000 annual increase in the Work Allowances from April 2019
- One year grace period from MIF for people joining Universal Credit who already have an existing business that may have been running for several years. – July 2019 – Sep 2020
- A reduction in the cap for deductions from 40% to 30% - Oct 2019
- 2 week run on of ESA IR, JSA IB and IS, benefits for people moving onto Universal Credit from those benefits. – July 2020
- Advances can be repaid over 16 months—October 2021

## COLC

As of **25/10/2018:**

HB working age —  
**4,887**

HB pensioners —  
**1,909**

CTS working age &  
pensioners — **8,670**

UC Customers CTS  
— **1023**

## NKDC

As of **25/10/2018:**

HB working age —  
**2,419**

HB pensioners —  
**1,857**

CTS working age &  
pensioners — **5,723**

UC Customers CTS  
— **166**

## COLC UC Stats DATE 11/10/2018

National —  
**1,317,965**

COLC — **3,264**

NKDC — **932**

## COLC UC Stats DATE 11/10/2018

Employment —  
**1,219**

Not in employment  
— **2,044**

## COLC UC Stats Age

11/10/2018

16-19 —**193**

20-24 —**607**

25-29 —**592**

30-34 —**442**

35-39 —**344**

40-44 —**298**

45-49 — **254**

50-54 —**217**

55-59 —**183**

60-65 —**122**

Over 65 —**5**

Unknown —**0**

## COLC UC Stats by work condition 11/10/2018

Unknown or missing regime — **0**

Preparing for work — **65**

Planning for work — **79**

Working – no requirements —**584**

No work requirements — **494**

Working – with requirements — **498**

Searching for work — **1,536**



Average time spent with customers — **26 minutes**

Average age of customers — **46**

## NK Only

9 ADS

41 9 PBS

## PBS total

No answer — **8**

Contact info needed — **0**

No help wanted — **4**

## Oct—Dec 2018

### UC DHPs from April 2018

On-going — **22**

One-off — **2**

### As of 31/10/2018

Council Tenants — **77**

## UC Housing NKDC as of 31/10/2018

77 UC cases

### Now

Total Arrears - £36,869.61

Average Arrears - £478.83

Number of cases in arrears - 70

### At Date of Claim

Total Arrears - £19,897.54

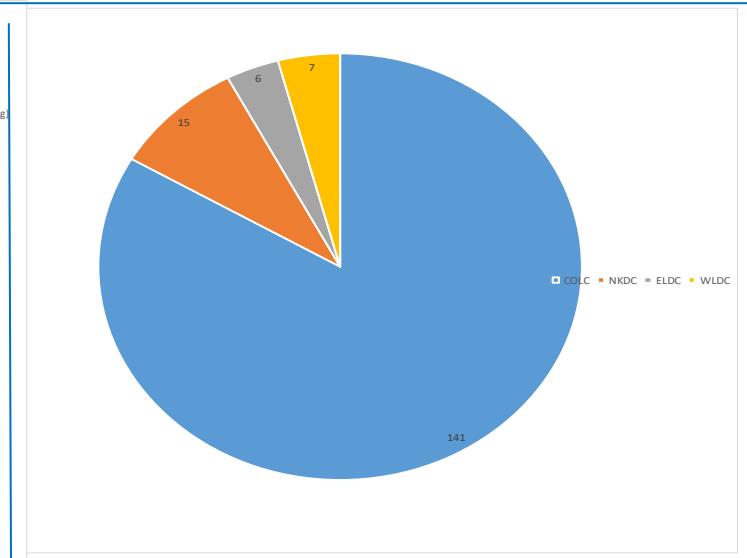
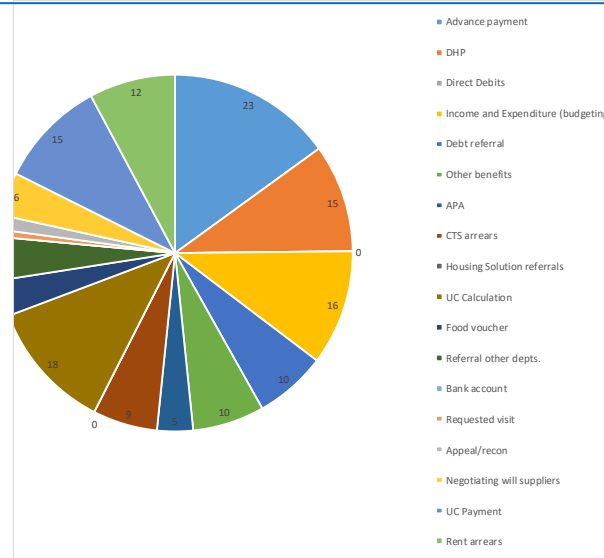
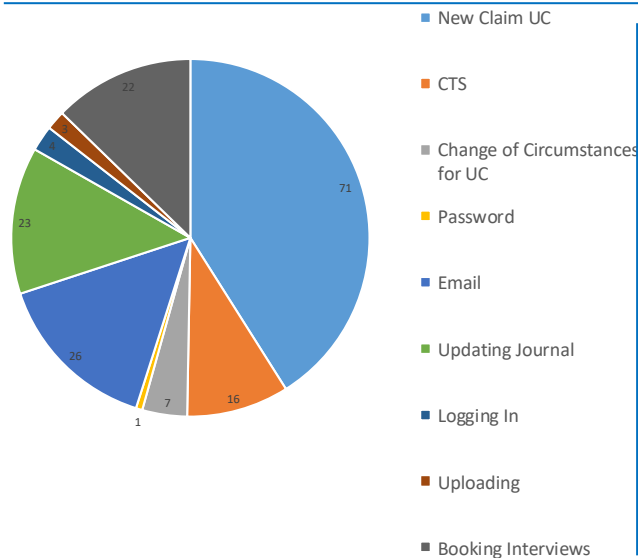
Average Arrears £261.81

Number of cases in arrears - 31

Cases where arrears have increased since start of claim - 55

Cases where arrears have decreased since start of claim - 16

Cases where balance has remained the same since start of claim - 6



## Key dates:

- Sleaford — 14 November
- 3 or more Children Under UC — 31 January 19
- A £1000 annual increase in the Work Allowances from April 2019
- One year grace period from MIF for people joining Universal Credit who already have an existing business that may have been running for several years. – July 2019 – Sep 2020
- A reduction in the cap for deductions from 40% to 30% - Oct 2019
- 2 week run on of ESA IR, JSA IB and IS, benefits for people moving onto Universal Credit from those benefits. – July 2020
- Advances can be repaid over 16 months—October 2021

## COLC

As of **25/10/2018:**

HB working age —  
**4,887**

HB pensioners —  
**1,909**

CTS working age &  
pensioners — **8,670**

UC Customers CTS  
— **1023**

## NKDC

As of **25/10/2018:**

HB working age —  
**2,419**

HB pensioners —  
**1,857**

CTS working age &  
pensioners — **5,723**

UC Customers CTS  
— **166**

## National UC Stats

**09/08/2018**

National —  
**1,317,965**

COLC — **3,264**

NKDC — **932**

Postcode	Postcode Live date	Jobcentre
LN3 5, LN4 1, LN4 2, LN5 0, LN5 9, LN6 3, LN6 4, LN6 5, LN6 8, LN6 9	07/03/2018	Lincoln
NG23 7	09/05/2018	Newark
PE20 3	12/09/2018	Boston
LN10 6, LN4 3, LN4 4, NG32 3, NG34 0, NG34 4, NG34 7, NG34 8, NG34 9	14/11/2018	Sleaford

**SUBJECT: BUSINESS RATES UPDATE**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHOR: CLAIRE MOSES, REVENUES AND BENEFITS MANAGER**

**1. Purpose of Report**

- 1.1 To provide Joint Committee with an update on current issues within non-domestic rate.

**2. Executive Summary**

- 2.1 This report provides Joint Committee with an update on non-domestic rate to include reference to City of Lincoln Council and North Kesteven District Council together with West Lindsey District Council. The report is not intended to include non-domestic rate issues (for example, performance matters) covered in another report before the Joint Committee.

**3. Background**

- 3.1 The report brought to the last meeting of the Operational Board provided Members with an update on the following non-domestic rate issues:-
- Business Rates Pilot;
  - Spring Budget 2017;
  - Discretionary Relief Policy; and
  - Local Government Finance Bill 2017.
- 3.2 Focus for both Government and billing authorities since the last meeting of Joint Committee has been on implementing the measures announced by the Chancellor in the Spring Budget on 8 March 2017, which have impacted on funding for reliefs during 2017/18 through to 2020/21. The latest position on all three measures is covered in this report.
- 3.3 Additional updates are provided in this report and will update on the following non-domestic rate issues: -
- Business Rate Pilot – 100% Business Rate Retention in 2018/19; and
  - Autumn Budget 2018.

## 4. Spring Budget 2017

### 4.1 Supporting Small Business Relief Scheme – 2017/18 to 2020/21

This relief was made available to those ratepayers who faced a large increase as a result of the loss of small business or rural rate relief. The transitional relief scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who lost some or all of their small business or rural rate relief, may have faced very large percentage increases in bills from 1 April 2017.

To support these ratepayers, the Supporting Small Businesses Relief Scheme ensured that the increase per year in the bills of these ratepayers is limited to the greater of:-

- A percentage increase p.a. of 5%, 7.5%, 10%, 15% and 15% from 2017/18 to 2020/21; all plus inflation. Unlike the transitional relief scheme, for the first year of the scheme, the percentage increase is taken against the bill for 31 March 2017 after small business rate relief or rural rate relief; or
- A cash value of £600 per year (£50.00 per month). The cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after small business rate relief are brought in to paying something.

Billing authorities were expected to use their discretionary powers under Section 47 Local Government Finance Act 1988 to grant the relief. In doing so, they will be compensated for the cost of granting the relief through a Section 31 grant from Government.

The number of hereditaments that have been identified for 2018/19 and have benefitted from the scheme as at 30 June 2018 for each of the three authorities, is as follows:-

#### **Loss of small business relief – 2018/19**

<b>Authority</b>	<b>No. identified</b>	<b>No responded</b>	<b>Total award</b>
City of Lincoln	8	5	£7,007
North Kesteven	23	18	£24,178
West Lindsey	26	15	£19,926

Once this relief had been announced, officers manually adjusted accounts – this has ensured those ratepayers who faced large increases as a result of the loss of small business or rural rate relief, are not left waiting for relief to be awarded.

#### 4.2 Support for Pubs Scheme – 2017/18 to 2020/22

This relief is for pubs that have a rateable value of below £100,000. Under the scheme, eligible pubs receive up to a £1,000 discount on their bill for 2017/18. Billing authorities were expected to use their discretionary powers under Section 47 Local Government Finance Act 1988 to grant the relief. In doing so we will be compensated for the cost of granting the relief through a Section 31 grant from Government. If the balance outstanding is less than £1,000 the amount awarded will be for the full amount outstanding.

During quarter 1 of 2018/19, Officers identified those ratepayers that may be entitled to relief and sent application forms. By doing so, ratepayers can declare whether any relief awarded would not exceed the state aid limit. The number of application forms returned as at 30 June 2018 were as follows: -

#### **Support for Pubs Scheme – 2018/19**

<b>Authority</b>	<b>No. identified</b>	<b>No. awards</b>	<b>Total award</b>
City of Lincoln	63	24	£23,975
North Kesteven	40	30	£28,371
West Lindsey	59	29	£26,118

At the meeting of this Committee, on 20<sup>th</sup> February 2018, clarification was provided with regards to the percentage of relief awarded against the number of pubs identified. There are a number of factors to be considered when awarding the reliefs, such as whether the pub is subject to state aid. Whilst the number of pubs with a rateable value below £100,000 have been identified, officers will not know whether these pubs will be subject to state aid until forms are returned. If a form has not been returned, officers have sent reminders and encouraged pubs to apply for the relief.

#### 4.3 Discretionary Relief Scheme

A £300m discretionary fund over four years from 2017/18 through to 2020/21, to support those businesses that faced the steepest increases in their business rate bills as a result of the recent revaluation, has been established. The intention is that every billing authority is provided with a share of the £300 million to support their local businesses. Billing authorities are expected to use their share of the funding to develop their own discretionary relief schemes to deliver targeted support to the most hard-pressed ratepayers.

The £300m covers the four years from 2017/18; the proposed breakdown being:-

- £175m in 2017/18
- £85m in 2018/19
- £35m in 2019/20

- £5m in 2020/21

### **2018/19 Scheme**

Letters were sent to the Chief Financial Officers of each Billing Authority on 28 April 2017 to confirm the grant distributions, and for 2018/19 the grant distributions for the three authorities, is as follows:-

- City of Lincoln £96,000 Council:
- North Kesteven DC: £91,000
- West Lindsey DC: £76,000

It had been proposed that the agreed Option for 2017/18 be applied to future years but with lower amounts to be used in the 'award column'. It had also previously been agreed for the decision regarding the proposed scheme for 2018/19 to be delegated to the Chief Finance Officer for final decision.

During quarter 1 of 2018/19, Officers have undertaken a number of exercises to correctly identify those ratepayers that may be entitled to relief and calculated the cost of relief for all businesses affected by the revaluation, whereby the 2018/19 charge has increased as a result.

Since 2017/18, the number of accounts identified for all 3 districts have decreased, and as a result, the value of relief awarded is as follows: -

- City of Lincoln – this is a banded scheme. The award has remained the same for all bands, with the exception of those facing an increase of between £25 and £500 – the relief to be awarded for 2018/19 has increase from 50% to 70% - providing additional support to those ratepayers.
- North Kesteven – this is a banded scheme. The award has remained the same for the first 2 bands, but all others have reduced to 80% of the 2017/18 award.
- West Lindsey – this is a percentage reduction scheme, with all identified ratepayers receiving a 50% reduction – this is a decrease from 2017/18 of 80%.

Chief Finance Officers have delegated authority to approve the 2018/19 scheme, and as a result, the relief has been awarded to all accounts identified and ratepayers have been issued with a decision notice and letter of explanation. This is much earlier than for the 2017/18 scheme.

In doing this, ratepayers can declare whether any relief awarded would not exceed the state aid limit.

A review of awarded relief will take place during November/December 2018. As a result, the schemes may be adjusted to ensure all funding is awarded up to 30 September 2019.

The table below shows the number of accounts identified and the total cost of relief for both 2017/18 and 2018/19 for comparison purposes.

**New Discretionary Relief Scheme – 2017/18 and 2018/19 comparison:**

<b>Authority – City of Lincoln</b>	<b>No. identified</b>	<b>Total awards made</b>	<b>Total award (£)</b>	<b>Current not spent (£)</b>
2017/18	675	413	£137,981	£60,019
2018/19	366	359	£81,808	£14,192

<b>Authority – North Kesteven</b>	<b>No. identified</b>	<b>Total awards made</b>	<b>Total award (£)</b>	<b>Current not spent (£)</b>
2017/18	540	339	£127,585	£53,406
2018/19	278	261	£65,075	£25,925

<b>Authority – West Lindsey</b>	<b>No. identified</b>	<b>Total awards made</b>	<b>Total award (£)</b>	<b>Current not spent (£)</b>
2017/18	329	217	£105,004	£52,996
2018/19	197	176	£65,476	£10,524

**5. Business Rate Pilot – 100% Business Rates Retention in 2018/19 – 75% in 2019/20**

- 5.1 In 2018/19 the both councils along with the other Lincolnshire Districts, Lincolnshire County Council and North Lincolnshire Council successfully bid to become one of ten successful 100% Business Rates Retention Pilots. This means that for 2018/19 both Councils will receive 60% of business rates growth, above the baseline positions, with 40% allocated to the County Council (under 50% retention the funding were 50% Central Government, 40% City of Lincoln Council and 10% Lincolnshire County Council). Crucially the pilot scheme includes a 'no detriment' clause meaning that no authority shall receive less than if it was operating under the current 50% retention scheme.
- 5.2 Based on an assessment of the amount of Business Rates that are expected to be collected during 2018/19 the additional resources currently estimated to be retained through the pilot is £18.6m of which £1.4m is attributable to the City of Lincoln and £1.4m attributable to North Kesteven.
- 5.3 Although the pilot bids were only awarded for a one year period the 2018/19 Local Government Finance Settlement promised a further round of new pilots in 2019/20.
- 5.4 Prior to the summer recess the Government took the opportunity to announce it's plans for the 2019/20 Business Rates Retention Pilots. The main points were as follows:

- All authorities that have not already been awarded pilot status for 2019/20 can apply, including the 2018/19 pilots;
- The 2019/20 pilots will be at 75% Business Rates Retention (i.e. lower than the 100% pilots of 2018/19);
- The 'no detriment' clause applied to 2017/18 and 2018/19 Pilots, will not apply to Pilots set up for 2019/20;
- There will be a Safety Net set at 95%, to reflect the additional risk locally that 75% retention introduces, and this will apply pilot wide and not to individual authorities; and no levy will be paid;
- The Pilot programme in 2019/20 is likely to be smaller than the programme in 2018/19 (i.e. ten pilot areas, plus London plus the original five 2017/18 pilots);
- Successful pilots would last for one year up to the end of March 2020 (i.e. in April 2020 it is intended that 75% is rolled out nationally); and
- Bids are to be submitted by 25<sup>th</sup> September 2018.

It is worth noting that Devolution Pilot areas and the London Borough Pilot have been automatically allowed to continue on a 100% basis in 2019/20 and with their 'no detriment' clause in place.

- 5.5 The existing 2018/19 Lincolnshire pilot members have assessed the benefits and any risks associated with a 75% pilot and commissioned LG Futures to review the latest publicly available Business Rate projections in order to ascertain whether they were likely to reflect further growth in the business rate base or were predicting a decline in business rate collection (potential to the safety net) which could be a risk to any pilot area. Initial projections of a 75% pilot based on the current pilot member authorities indicates that a further £9.9mm of business rates could be retained in the County during 2019/20. If the pilot bid is approved and these additional funds materialise they will be available to be distributed across Lincolnshire/Greater Lincolnshire on an agreed basis. Without the pilot bid these funds would continue to go back to Central Government as currently.
- 5.6 Following consideration by the Chief Executives and S151 Officers a bid for 2019/20 pilot status, based on the existing pilot authorities was submitted in September.
- 5.7 As part of the bid submission, a request has been made to form a Lincolnshire business rate pool should the 100% BR bid not be approved. The outcome of the pilot bid is expected to be received at the time of the Local Government Finance Settlement, scheduled for 6<sup>th</sup> December.

## **6. Autumn Budget 2018**

- 6.1 The Autumn Budget 2018 was announced on 29<sup>th</sup> October 2018. Those announcements affecting Business Rates were as follows: -



- **High Streets:** High streets and town centres are crucial parts of communities and local economies, but the government recognises the challenges they face from changing consumer behaviour and is taking action to help them to evolve. High street businesses are already benefitting from recent reforms and reductions to business rates announced since Budget 2016 worth more than £12 billion over the next five years. To provide upfront support through the business rates system, the government is cutting bills by one-third for retail properties with a rateable value below £51,000, benefiting up to 90% of retail properties, for 2 years from April 2019, subject to state aid limits.
- **Business rates public lavatories relief:** The government will introduce 100% business rates relief for all public lavatories to help keep these important local amenities open
- **Business rates local newspaper discount:** The government will continue the £1,500 business rates discount for office space occupied by local newspapers in 2019-20.
- **Business rates treatment of self-catering and holiday let accommodation:** There is concern that some owners of properties that are not genuine businesses may seek to reduce their tax liability by falsely declaring that the property is available for let. To ensure that second properties are subject to the appropriate tax, the government will consult on the criteria under which self-catering and holiday lets become chargeable to business rates rather than council tax.

6.2 It was further announced local authorities would be fully compensated for the loss of income as a result of the second and third measures. Officers are awaiting further announcements as to how announcement the first and fourth will be funded.

## 7. Recent Court of Appeal Decision – ATM's

- 7.1 In 2013 a decision was taken by the Valuation Office Agency (VOA) for ATMs built into the front of a shop or petrol station to have a separate business rates bill. This ruling was upheld in 2017. As a result, cash machines were brought into the Valuation Rating List. This was further appealed by large chain Supermarkets.
- 7.2 On 9 November 2018, large chain Supermarkets had their appeal heard by the Court of Appeal. The case was won and the result of the hearing is that cash machines will no longer be given separate business rates bills.
- 7.3 The Valuation Office Agency was refused leave to appeal, though they could petition the Supreme Court to hear the case. The VOA have not yet responded as to the next steps which may be taken.
- 7.4 Officers are currently reviewing those ATM's included within the Rating List to gain an understanding of the financial impact this will have on the business rates base.

## **8. Strategic Priorities**

8.1 Both City of Lincoln Council and North Kesteven DC have a number of strategic priorities. Two that have an impact on the Non-Domestic Rate Service are:-

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

8.2 Both authorities look to protect the poorest people. The Non-Domestic Rate Service is mindful of the strategic priorities when engaging with business ratepayers as they look to recover the business rate. Digital Inclusion, Channel Shift, Financial Inclusion and Partnership Working are all key priorities for the shared service.

8.3 At the City of Lincoln Council, a strategic priority that underpins the authority’s vision for 2020 is ‘*Let’s reduce inequality*’; within which, there is the aspiration ‘*Let’s help people succeed*’. To achieve this aspiration, there is to be examination of the Discretionary Rate Relief Policy. This will involve an exploration of how the city council’s Discretionary Rate Relief Policy could be used to create employment opportunities for residents.

## **9. Organisational Impacts**

### **9.1 Finance**

No direct financial implications arising from this report.

### **9.2 Legal Implications including Procurement Rules**

No direct financial implications arising from this report.

### **9.3 Equality, Diversity & Human Rights**

The equality implications have been considered within this report. In bringing forward any change to the existing criteria for awarding discretionary relief, consideration will be given as to whether a full Equality Impact Assessment is required.

## **10. Risk Implications**

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

## **11. Recommendation**

11.1 Members are requested to note this report.

**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?**

0

**List of Background Papers:**

None

**Lead Officer:**

Claire Moses, Revenues and Benefits Manager  
Telephone: 01522 873764

This page is intentionally blank.

**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 Quarter 2 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 reference this), the PDT provided officers with a report detailing the findings and recommendations, this was provided at the last meeting of this committee. These findings have formed the HB Overpayment Recovery Action Plan shown in **Appendix 1**.

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 The action plan is shown in **Appendix 1**. This action plan is being used as a working document and is providing the HB Overpayment team with a clear direction for the work which is to be undertaken during the next nine months.

This action plan is updated regularly and will be provided in future committee reports to show the progress which is being made.

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 the Benefit Team Leader 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 – Quarters 1 and 2 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 quarter 1 and 2 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 £286,599 (£185,342 for City of Lincoln and £101,257 for North Kesteven): -**

### City of Lincoln:

	Quarter 1 Outcome compared to 31 May 2018	Quarter 2 Outcome compared to 31 May 2018	Comments
✓	Total value of outstanding overpayments has decreased by £58,211	Total value of outstanding overpayments has decreased by £185,342	Total overpayments at 31 May 2018 were £4,180,532 – this has now reduced to £3,995,190 (this figure is different to the performance report as included write offs due to be signed off)

✓	Number of overpayments at *clawback stage have increased from 1,664 to 1,715	Number of overpayments at *clawback stage have decreased from 1,664 to 1,473	<p>The decrease is positive as it means this stage of recovery is being pro-actively reviewed.</p> <p>Higher clawback amounts are being agreed, resulting in overpayments being cleared</p> <p>Once the clawback is no longer an efficient method of recovery, the overpayment is moved on to the next stage within 2 weeks.</p>
✓	Value of overpayments at clawback stage have decreased by £63,086	Value of overpayments at clawback stage have increased by £241,415	Whilst the number have decreased, the value has increased as we are creating higher value overpayments as a result of Fraud and Error work relating to Self Employment and earnings reviews
✓	Number of overpayments at sundry debtors less than 4 months old has decreased by 57	Number of overpayments at sundry debtors less than 4 months old has increased by 89	<p>Successful introduction of cut-off of 4 months – anything older than this will go to the HB Overpayment recovery team for action.</p> <p>Those unsuccessful clawbacks are successfully being moved into this stage of recovery. These debts are monitored monthly with realistic and achievable payments and arrangements.</p>
✓	Value of overpayments at sundry debtor stage has decreased by £47,203	Value of overpayments at sundry debtor stage has increased by £142,494	As above



<b>x</b>	Number of overpayments at sundry debtor over 4 months old has increased by 61	Number of overpayments at sundry debtor over 4 months old has decreased by 17	<p>The number of debts at this stage continue to reduce.</p> <p>This is as a direct result of the work undertaken with those debts within the 4 month stage.</p> <p>In addition, debts at this stage are referred to the DWP to gather earnings information – resulting in a direct earnings arrangement being put in place.</p>
<b>x</b>	Value of overpayments at this stage has increased by £52,088	Value of overpayments at this stage has decreased by £42,405	<p>As above</p> <p>Once the attachment of earnings starts, this figure will be expected to reduce.</p>

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

**North Kesteven:**

	<b>Quarter 1 Outcome</b>	<b>Quarter 2 Outcome</b>	<b>Comments</b>
✓	Total value of outstanding overpayments has decreased by £21,779	Total value of outstanding overpayments has decreased by £101,257	Total overpayments at 31 May 2018 were £1,700,825.42 – this has now reduced to £1,599,568 (this figure is different to the performance report as included write offs due to be signed off)
✓	Number of overpayments at clawback stage have increased from		<p>The decrease is positive as it means this stage of recovery is being pro-actively reviewed.</p> <p>Higher clawback amounts are being agreed, resulting in overpayments being cleared</p>

			Once the clawback is no longer an efficient method of recovery, the overpayment is moved on to the next stage within 2 weeks.
✓	Value of overpayments at clawback stage have decreased by £17,763	Value of overpayments at clawback stage have increased by £61,500	Whilst the number have decreased, the value has increased as we are creating higher value overpayments as a result of Fraud and Error work relating to Self Employment and earnings reviews
✓	Number of overpayments at sundry debtors less than 4 months old has decreased by 17	Number of overpayments at sundry debtors less than 4 months old has increased by 24	<p>Successful introduction of cut-off of 4 months – anything older than this will go to the HB Overpayment recovery team for action.</p> <p>Those unsuccessful clawbacks are successfully being moved into this stage of recovery. These debts are monitored monthly with realistic and achievable payments and arrangements.</p>
✓	Value of overpayments at sundry debtor stage has increased by £8,256	Value of overpayments at sundry debtor stage has increased by £733	As above
x	Number of overpayments at sundry debtor over 4 months old has increased by 18	Number of overpayments at sundry debtor over 4 months old has decreased by 17	<p>The number of debts at this stage continue to reduce.</p> <p>This is as a direct result of the work undertaken with those debts within the 4 month stage.</p> <p>In addition, debts at this stage are referred to the</p>

			DWP to gather earnings information – resulting in a direct earnings arrangement being put in place.
<b>x</b>	Value of overpayments at this stage has increased by £4,239	Value of overpayments at this stage has decreased by £65,398	As above Once the attachment of earnings starts, this figure will be expected to reduce.

- 6.3 It is important to note, that whilst the value of overpayments outstanding is decreasing, staff are still creating overpayments – through delays in changes in circumstances being processes – these delays can be caused by customers, the DWP or by ourselves.

However, the rate of recovery of the overpayments is exceeding the creation of overpayments – the performance report presented at this committee shows an in period collection rate of 106.75% for City of Lincoln and 116.43% for North Kesteven.

## **7. Strategic Priorities**

- 7.1 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”.

- 7.2 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.

## **8. Organisational Impacts**

- 8.1 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.
- 8.2 Legal Implications including Procurement Rules: There are no direct Legal or Procurement implications arising from this report.

## **9. Risk Implications**

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

## **10. Recommendation**

10.1 Members are asked to note this report and note that an update will be brought to Revenues and Benefits Joint Committee on 19 February 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?**

One

Appendix 1: Housing Benefit Overpayment Action Plan

**List of Background Papers:**

None

**Lead Officer:**

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

**SUBJECT: REVENUES AND BENEFITS SHARED SERVICE BUSINESS PLAN 2019/20**

**DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK**

**REPORT AUTHOR: MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS**

## **1. Purpose of Report**

- 1.1 As set out in the Shared Revenues and Benefits Business Case Delegation and Joint Committee Agreement, an annual Business Plan will be presented to this committee in November/December each year for consideration and approval.

## **2. Executive Summary**

- 2.1 This report sets out the Revenues and Benefits Shared Service Business Plan for 2019/20.

## **3. Business Plan**

- 3.1 The Revenues and Benefits Shared Service Business Plan for the financial year 2019/20 is included as Appendix 1 to this report.

- 3.2 Key features of the plan, are:

- Key achievements in 2018/19;
- Savings in 2018/19;
- Key activities for 2019/20;
- Strategic priority schemes 2019/20;
- Towards financial sustainability projects 2019/20
- Key risks;
- Safeguarding;
- Equality actions;
- Working in neighbourhoods;
- Workforce development;
- Social Value;
- Data Protection and Information Governance.

## **4. Summary of Plan**

- 4.1 The year 2018/19 has been another positive year for our shared service with most areas of performance progressing well, continued implementation of embedment of integrated e-forms, as well as a whole host of improvement and partnership projects, as outlined in the paragraphs below. Again, these notable achievements have been carried out under the ongoing demands placed on the service from both national and local challenges – such as welfare reforms, as well as the economic climate.

- 4.2 Most areas of our shared service are performing well, however the impact of Universal Credit has had a detrimental impact on Benefit processing times due to the volume of related documents requiring to be processed by the team. Housing Benefit Overpayments collection has been a real success story, through implementation of an action plan following a piece of work with Department for Work and Pensions in April 2018.
- 4.3 Our Universal Credit (UC) Support arrangements, described as ‘flagship’ have been invaluable in assisting customers to make and maintain their claims, provide digital assistance, provide or refer to personal budgeting support, as well as a variety of related areas – a holistic model of service to residents of Lincoln and North Kesteven.
- 4.3 Ongoing budget pressures including a combined reduction in funding through Department for Work and Pensions (DWP) and Department for Communities and Local Government (DCLG) for 2018/19 meant that a reduction in staffing levels (1 FTE officer) was implemented.
- 4.4 The plan for 2019/20 continues to look at a range of key initiatives, not least of which are Universal Credit support arrangements following central government’s announcement in October 2018 to contract with Citizens Advice and cease local authority funding for this support. Also, Business Rates continues to remain a key area in our shared service with announcements made in the Autumn Budget 2018, as well as the preparation for Business Rates local retention scheme changes.
- 4.5 Maintaining and improving levels of performance in 2019/20 will continue to be remain of paramount importance – the impact of not providing high standards of service to our customers cannot be underestimated – our shared service deals with every domestic household and every business in Lincoln and North Kesteven (also West Lindsey for businesses) – currently a Housing Benefit caseload of more than 11,000, a Council Tax Support caseload of almost 14,400, and billing over 97,500 domestic and almost 9,800 commercial properties. Providing e-services and integrated e-forms wherever possible is key for our service, to ensure customers expectations of a modern Revenues and Benefits Service are met.
- 4.6 The shared service continues to proactively seek partnership working opportunities and new areas of work which fit within the service’s wider remit – and these will be further explored throughout 2019/20.
- 4.7 It was especially pleasing for our shared service to secure a prestigious national award in October 2018, for ‘Excellence in Partnership Working’ – at the annual Institute of Rating Revenues and Valuation (IRRV) Performance Awards. This is testament to the success of our shared service partnership itself, as well as our positive partnership with local DWP services, as well as a range of other public, private and voluntary sector partners. Our shared service is progressive and ambitious, and this award is testament of everyone’s hard work in making our service a success.

## **5. Strategic Priorities**

- 5.1 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 Our Economy”.
- 5.2 The Benefits Service plays a key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money / debt advice. The Revenues Section is also mindful of the strategic priorities when engaging with business ratepayers as they recover business rates – and also promoting and encouraging growth in the districts. Digital Inclusion, Channel Shift, Financial Inclusion and Partnership Working are all key priorities for the shared service.

## **6. Organisational Impacts**

- 6.1 Finance: Any costs/savings need to have due regard to the Medium Term Financial Strategies of both City of Lincoln and North Kesteven. As at the timing of writing this report details of central government funding for 2019/20 is unavailable (e.g. Housing Benefits Administration Subsidy).
- 6.2 Legal Implications including Procurement Rules: There are no direct Legal or Procurement implications arising from this report.
- 6.3 Equality, Diversity & Human Rights: There are no direct implications arising from this report.

## **7. Risk Implications**

- 7.1 A Risk Register is in place for the Revenues and Benefits shared service, and is included at Appendix 2 to this report.

## **8. Recommendation**

- 8.1 The Joint Committee is recommended to:
- 1) Comment on the Annual Business Plan for the shared service, and
  - 2) Approve the 2019/20 Business Plan.

**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** Appendix 1 – Business Plan 2019/20

**the report contain?**

Appendix 2 – Risk Register

**List of Background Papers:**

None

**Lead Officer:**

Martin Walmsley, Head of Shared Revenues and  
Benefits  
Telephone (01522) 873597





## Revenues and Benefits Shared Service

*Martin Walmsley, Head of Shared Revenues and Benefits*

**Business Plan - 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020**



# EXCELLENCE IN PARTNERSHIP WORKING

City of Lincoln Council and  
North Kesteven District Council

## **Overview**

### **Services delivered by this Area**

The functional services within the area cover:

**The Revenues and Benefits Shared Service delivers Revenues and Benefits functions for City of Lincoln Council and North Kesteven District Council.**

**This includes;**

- Collection of Council Tax;
- Collection of Business Rates (also collecting for West Lindsey District Council);
- Processing of Housing Benefit / Council Tax Support claims;
- Processing of Discretionary Housing Payment applications;
- Collection of City of Lincoln Business Improvement District levy;
- Welfare/Benefits/Money advice;
- Recovery of Housing Benefit overpayments;
- Recovery of other incomes (currently only for City of Lincoln – former tenant arrears, sundry debtors);
- Benefit appeals;
- Proactive response to welfare reform agenda, including Universal Credit Support;
- Proactive response to anti-poverty and financial inclusion agendas;
- Digital and budgeting support to residents of Lincoln and North Kesteven;
- Key links into and delivery of corporate fraud projects.

**The shared service has a Housing Benefit caseload of more than 11,000, a Council Tax Support caseload of almost 14,400, and bills over 97,500 domestic and almost 9,800 commercial properties.**

V1 Prepared by: M.Walmsley, 9<sup>th</sup> November 2018

Agreement date:

1<sup>st</sup> Review date:

2<sup>nd</sup> Review date:

3<sup>rd</sup> Review date:

Director's comments:

## **Section One: Key achievements in 2018/19**

### **A. Key activities delivered include:**

Key activities	Completed by	Summary of outcome achieved
Performance	Shared service	<p>High levels of performance in most areas, despite ongoing economic challenges and impacts on household incomes following welfare reforms.</p> <p>Key highlights:</p> <ul style="list-style-type: none"> <li>• Positive Council Tax and Business Rates in-year collections;</li> <li>• Reduction in outstanding level of Housing Benefit overpayments, as well as in-period recovery of over 100% ;</li> <li>• Collection of BID levy over 99.96% in-year (year ended 30<sup>th</sup> June 2018)</li> </ul>
Localised Business Rates  Tax bases	Shared service	<p>Continuing work with Finance colleagues, preparation for and implementation of mechanisms for monitoring effects of potential localisation of Business Rates, as well tax base analysis for both Business Rates and Council Tax.</p> <p>Implementation and review of reliefs as introduced through the Spring Budget 2017.</p> <p>Business Rates 'growth' policies for all local authorities now in place.</p>
Welfare Reform Strategy	Shared service	<p>Ongoing monitoring and management of Welfare Reform Strategy approved in April 2015.</p> <p>Flagship and award-winning partnership model in place between shared service and DWP to deliver high quality, holistic Universal Credit support.</p> <p>Provision of modelled options of Local Council Tax Support 2019/20</p>

Key activities	Completed by	Summary of outcome achieved
		schemes, with consultation and scrutiny, with approval to take place prior to 31 <sup>st</sup> January 2019.
Discretionary Housing Payments (DHPs)	Shared service	Proactive utilisation of DHP grants to support those most in need of help with their housing costs.
Partnership working	Head of Shared Revenues and Benefits	<p>Ongoing work through 5-year agreement signed to administer West Lindsey District Council's Business Rates, to 31<sup>st</sup> March 2021.</p> <p>Provision of Housing Benefit subsidy claim support to West Lindsey District Council – 3- year agreement currently in place to 31<sup>st</sup> March 2021.</p> <p>Universal Credit support arrangements in contract with DWP</p> <p>Key links with partners in both City of Lincoln and North Kesteven on a range of anti-poverty, financial inclusion and employment/skills – related initiatives.</p> <p>Ongoing successful project working with Lincoln College and Jobcentre Plus – utilising funding through Lincolnshire County Council Health and Wellbeing Fund – to provide free training courses to low income households providing employment/ progression opportunities.</p>
Customer Experience / Channel Shift	Shared service	<p>Completed implementation of outsourced correspondence through Critiqom solution. Reduction in officer time spent writing/checking correspondence/ reduce printing costs/increased use of e-initiatives.</p> <p>Further introduction and embedment of a number of integrated customer self-serve e-forms in Revenues Team.</p> <p>Continued promotion and increased utilisation of Northgate Citizen Access</p>

Key activities	Completed by	Summary of outcome achieved
		Benefits product for customers to claim via on an online self-service product.
Anti Poverty	Shared service	<p>Responsibility and progression of a number of projects under City of Lincoln's 'Let's Reduce Inequality' priority.</p> <p>Delivery of initiatives contributing to North Kesteven's priorities relating to Community and Economy.</p> <p>Key involvement in Lincoln Against Poverty Steering Group, particularly around financial inclusion work and digital inclusion initiatives.</p> <p>Proactive utilisation of 2018/19 DHP grants for both City of Lincoln and North Kesteven.</p>

## B. Savings initiatives completed or started include:

Key savings initiative	Completed by - service area?	Summary of outcome achieved
Shared Service collaboration – savings mainly from staffing restructure and ICT system change	Shared service	<p>The shared service is delivering savings for both authorities.</p> <p>The cost of the shared service was further reduced from 1<sup>st</sup> April 2018 in response to a reduction of central government funding, through a 1 FTE in staffing levels.</p>

## C. All other key achievements

Include in this section any other achievements – for example, independent reviews, awards, nominations etc.
<p><b>Institute of Revenues Rating and Valuation Performance Awards 2018</b></p> <ul style="list-style-type: none"> <li>✓ Winners: Excellence in Partnership Working</li> <li>✓ Shortlisted as Finalists: Most Improved Team of the Year</li> <li>✓ Shortlisted as Finalists: Benefits and Welfare Reform Team of the Year</li> </ul>



## EXCELLENCE IN PARTNERSHIP WORKING

City of Lincoln Council and  
North Kesteven District Council



IRRV Performance Awards 2018

# FINALIST

MOST IMPROVED TEAM OF THE YEAR

City of Lincoln Council and North Kesteven District Council



IRRV Performance Awards 2018

# FINALIST

BENEFITS & WELFARE REFORM TEAM OF THE YEAR

City of Lincoln Council and North Kesteven District Council

### **Audit Lincolnshire assurances:**

- Council Tax – Substantial Assurance
- North Kesteven Housing Benefit Subsidy – Substantial Assurance.

## **Section Two: Key activities in the group's forward plans for 2018/19**

### **Agreed delivery projects**

<b>Key activity</b>	<b>Outcome/savings sought</b>	<b>Owner</b>	<b>Timescale</b>
Continue implementation of a strategy for the Council's response to Welfare Reform	Provide a clear and proactive response to the challenges presented to the service in relation to the national and local welfare reform agendas.	Head of Shared Revenues and Benefits	Throughout 2019/20
	Work with DWP and Citizens Advice to ensure robust Universal Credit Support arrangements are in place, taking account of changes in central government funding from April 2019		2019/20
	Continue work with co-located Jobcentre Plus to improve customer experience and maximise opportunities for joint-working where possible and appropriate.		2019/20
	Ensure robust arrangements are in place to support Universal Credit 'managed migration' process		2019/20
Fit for purpose job roles and staffing arrangements	<p>To review job roles and arrangements in the shared service to ensure these meet current and forthcoming internal and external impacts – for example;</p> <ul style="list-style-type: none"> <li>• Universal Credit – to include further piloting of potential changes to working arrangements – for example; more cross-working/generic working arrangements, digital and financial support.</li> <li>• Potential for increased demands on recovery of debts due to impact of Universal Credit.</li> <li>• Consideration of steep</li> </ul>	Head of Shared Revenues and Benefits	Prior to and throughout 2019/20



Key activity	Outcome/savings sought	Owner	Timescale
	<p>increase in the number of residential properties being built in the districts and the level of administration required within the shared service.</p> <ul style="list-style-type: none"> <li>Level of resources committed to subsidy, quality control and training.</li> </ul>		
Business growth	Increase in Business Rates taxbase – to work with Finance, Planning and Economic Development colleagues to improve business growth in both City of Lincoln and North Kesteven. Consideration of usage of Discretionary Relief effective from April 2019.	Head of Shared Revenues and Benefits, Revenues and Benefits Manager	Prior to and throughout 2019/20
	Proactive preparation for full Business Rates retention scheme by 2020	Head of Shared Revenues and Benefits	Prior to and throughout 2019/20
	Working with Finance/Revenues internally and across Lincolnshire to continue to improve ability to forecast business rates/understand appeals/make more informed decisions	Revenues and Benefits Manager	Prior to and throughout 2019/20
Reducing Inequality / Anti-Poverty	To ensure the service helps to reduce poverty in the districts, working with other service areas to provide proactive responses to poverty-related issues	Head of Shared Revenues and Benefits	Throughout 2019/20
Customer Experience/ Channel Shift:	Identification of further e-form self-serve solutions in Revenues and Benefits	Revenues and Benefits Manager	Throughout 2019/20

<b>Key activity</b>	<b>Outcome/savings sought</b>	<b>Owner</b>	<b>Timescale</b>
	Identification of efficiencies (both financial and otherwise) through customer experience initiatives	Head of Shared Revenues and Benefits	Throughout 2018/19
Fraud and Error reduction	To review fraud and error projects in place in shared service to ensure most effective usage of limited resources	Head of Shared Revenues and Benefits, Revenues and Benefits Manager	Prior to 2019/20 and Quarter 1 2019/20
General Data Protection Regulation	Working with IT Legal Services, to ensure Revenues and Benefits shared service continues to comply with GDPR	Revenues and Benefits Manager	Throughout 2019/20
Delivery of Revenues and Benefits Shared Service between City of Lincoln Council and North Kesteven District Council. opportunities to deliver other work areas	<p>Ongoing shared service, further development of operations of the service – looking for potential enhancements and growth for service. Actively maximise opportunities to enhance wider service delivery and grow as a shared service</p> <p>The 2019/20 budget for the Revenues and Benefits shared service will continue to deliver savings for the partner local authorities.</p>	Head of Shared Revenues and Benefits	Throughout 2019/20 and ongoing
Performance maintenance/improvement – particularly around Council Tax and Business Rates in-year collection, Benefits processing times/ outstanding workload/accuracy, and Housing Benefits overpayment collection and tackling outstanding debt.	<p>Maintenance and/or improvement of current in-year collection levels</p> <p>Maximisation of Council Tax and Business Rates taxbases</p>	<p>Revenues and Benefits Manager</p> <p>Head of Shared Revenues and Benefits, Revenues and Benefits</p>	<p>2019/20</p> <p>2019/20</p> <p>2018/19</p>

Key activity	Outcome/savings sought	Owner	Timescale
Utilise Discretionary Housing Payment grants in the most appropriate and effective manner.	<p>Improvement in Benefits claim processing times and first-time accurate assessments.</p> <p>Continue to reduce outstanding Housing Benefit debt</p> <p>Monthly monitoring of DHP spend and issues through internal DHP working group</p>	<p>Manager</p> <p>Benefits Team Leaders</p> <p>Revenues and Benefits Manager</p> <p>Revenues and Benefits Manager</p>	
Optimising Housing Benefit subsidy	<p>To achieve 100% subsidy on local authority error overpayments, and optimisation of subsidy in other areas such as exempt accommodation.</p> <p>Analyse impacts on subsidy claim from continued rollout of Universal Credit.</p>	<p>Subsidy and Quality Control Lead Officer</p> <p>Subsidy and Quality Control Lead Officer</p>	<p>2019/20</p> <p>2019/20</p>
Review and secure arrangement for new Revenues and Benefits ICT contract	Seek best possible ICT solution going forward, with regard to system performance and potential financial savings	Head of Shared Revenues and Benefits	2019/20
Reacting to funding challenges 2019/20 and in preparation for 2020/21 – e.g. in respect of Housing Benefit Administration Subsidy, Ministry for Housing Communities and Local Government Council Tax Support grant, New Burdens grant/s, Universal Credit delivery.	To ensure that the budget is managed throughout 2019/20 and responses made accordingly, as well as preparation of a budget for 2020/21.	Head of Shared Revenues and Benefits	In advance of and throughout 2018/19

#### **D. Strategic priority schemes and any additional Leadership priorities**

Service	Key activity/ project	Outcomes sought	Owner	Timescale
Revenues and Benefits shared service	Vision 2020/Reducing Inequality	Identify projects for 2019/20 ensuring these are delivered on time and within any associated budget	Head of Shared Revenues and Benefits	In advance of and throughout 2019/20
Revenues and Benefits shared service	NK Plan 2018-21	Identify projects for 2019/20 ensuring these are delivered on time and within any associated budget	Head of Shared Revenues and Benefits	In advance of and throughout 2019/20

### **E. Towards Financial Sustainability projects**

\* **Strands:** Withdrawal of services (**W**); cost cutting/reviewing services (**R**); collaborative working (**C**); fair & appropriate charging (**FC**); procurement & commissioning (**P**); asset rationalisation (**A**)

Service	Key activity	Strand (*)	Outcome/savings sought	Owner	Timescale
Revenues and Benefits Shared Service	Identification of efficiencies for potential contribution to customer experience/ channel shift savings target	R	To ensure efficiencies are realised into tangible financial savings, wherever possible and appropriate and in consideration of other competing factors and demands	Head of Shared Revenues and Benefits	Prior to and during 2019/20
Revenues and Benefits Shared Service	Active consideration of other shared service options – e.g. other areas of work, potential opportunities	R	Efficiencies/savings through shared service opportunities	Head of Shared Revenues and Benefits	Prior to and 2019/20

### **F. Other agreed delivery projects**

N/A

Service	Activity	Outcomes sought	Owner	Timescale

### **Section Three: Other Service Planning considerations in 2019/20**

#### **G. Key risks for the area**

<b>Risks from Service Managers and those allocated from CMT strategic risk register</b>	<b>Action we will take to mitigate the risk</b>	<b>Who and by When?</b>
Failure to maintain Council Tax and Business Rates Collection Levels on behalf of the Shared Service.	<p>Controls in place:</p> <ul style="list-style-type: none"> <li>• Performance is monitored and managed on a regular basis</li> <li>• Regular reporting into Revenues and Benefits Management Team, Revenue and Benefits Operational Board, Joint Committee</li> <li>• Effective management of daily workflow</li> <li>• Northgate auto-recovery module now implemented</li> <li>• Additional x2 permanent Council Tax Admin Officers established to as part of Management of Change effective from 1.4.18</li> <li>• Reviewed and launched new online procedure manual</li> </ul> <p>Further action required:</p> <ul style="list-style-type: none"> <li>• Continuing challenge of lean processes and procedures</li> <li>• Range of channel shift initiatives ongoing such as e-billing, further integrated Council Tax e-forms and other related e-forms.</li> <li>• Review Council Tax</li> </ul>	Revenues and Benefits Manager – 2019/20

Risks from Service Managers and those allocated from CMT strategic risk register	Action we will take to mitigate the risk	Who and by When?
	<p>Support Scheme 2019/20 and options for 2020/21</p> <ul style="list-style-type: none"> <li>• Review of Exceptional Hardship Fund 2019/20 and options for 2020/21</li> </ul>	
<p>Failure to provide timely and accurate assessment of Housing Benefit, Council Tax Support and Discretionary Housing payment applications on behalf of the Shared Service</p>	<p><b>Controls in place:</b></p> <ul style="list-style-type: none"> <li>• Daily management of workload through Document Management System</li> <li>• Processes in place to deal with claims 'on demand' wherever possible</li> <li>• Quality control rolling programme</li> <li>• Rolling review of subsidy data from Northgate System</li> <li>• Management of incoming work and processes to minimise value of overpayments raised</li> <li>• Training and mentoring of staff</li> <li>• Action plan carried out to reduce backlog in Housing Benefits</li> <li>• Review of structure of the shared service to ensure services are targeted correctly from 1.4.18</li> <li>• 2017/18 HB subsidy claim review with external audit, and PIR of any issues raised to take place</li> <li>• Performance and quality assurance framework has been introduced and the subsidy lead will be has set a timetable for targeted accuracy checks from April 2017.</li> </ul>	<p>Revenues and Benefits Manager – throughout 2019/20</p>

Risks from Service Managers and those allocated from CMT strategic risk register	Action we will take to mitigate the risk	Who and by When?
	<ul style="list-style-type: none"> <li>Subsidy and Quality Control Officer in post</li> </ul> <p>Further action required:</p> <ul style="list-style-type: none"> <li>Review of new targeted accuracy checks regime</li> </ul>	Quarters 1 and 2 2019/20
Ensure compliance with data protection governance arrangements within revenues and benefits shared service.	<p><b>Controls in place:</b></p> <ul style="list-style-type: none"> <li>Clear, detailed and up to date Information Governance policies and procedures are in place at City of Lincoln Council</li> <li>From the data collection forms reviewed both electronically and manually, privacy notices were present</li> <li>Data Protection briefing sessions rolled out across the teams</li> <li>Personal data is securely disposed of through the Council's confidential waste provider</li> <li>Implementation of agreed actions from recent audit</li> <li>Transfer of bulk postage to Critiqom has significantly reduced manual input and risk of human error.</li> <li>Significantly reduced number of data protection breaches in that area</li> <li>Substantial work carried out to comply with the GDPR which came into force in May 2018</li> </ul>	Head of Shared Revenues and Benefits, Revenues and Benefits Manager – Ongoing through 2019/20

Risks from Service Managers and those allocated from CMT strategic risk register	Action we will take to mitigate the risk	Who and by When?
	<p><b>Further actions required:</b></p> <ul style="list-style-type: none"> <li>• Continue the current review of contracts for personal data</li> <li>• Implementing and reviewing process for retaining and disposing of documents in systems</li> <li>• Data protection sessions carried out across the teams and the e-learning package and low risk data protection training rolled out</li> </ul>	
Failure to respond to national Welfare Reform and UC agenda	<p>Controls in place:</p> <p>Permanent Lead Welfare Reform Officer on the establishment Welfare Reform Strategy in place and approved in April 2015 (monitored by Revs and Bens Joint Committee)</p> <p>Effective partnerships with public and third sector bodies</p> <p>Co-location with DWP UC Support team in place</p> <p>Effective comms in all welfare reform changes</p> <p>Further controls required:</p> <p>Consider future arrangements of contractual and funding for UC support</p>	<p>Head of Shared Revenues and Benefits – prior to 2019/20 and ongoing throughout 2019/20</p>

## H. Performance Management



Performance	Planned action	Service
<b>What are the key plans for ensuring reported performance is of good quality</b>		
<b>What service measures do you want to see reviewed this year</b>		
<p>Strong and robust performance reporting arrangements are well embedded in the Revenues and Benefits shared service – a detailed spreadsheet of performance data and management information is completed monthly and reviewed/challenges by the Head of Shared Revenues &amp; Benefits and Revenues &amp; Benefits Manager. Performance is a standing agenda item at Revenues &amp; Benefits Management Team (RBMT) meetings.</p> <p>Service measures are continually reviewed to ensure the most appropriate performance areas are being reported to Members and Corporate Management Teams – a further review is required in 2019/20, to ensure all measures are still appropriate and whether or not any further development of Universal Credit –related measures is required.</p>		

## **H. Statutory duties – Equality and Diversity; Safeguarding (Children and Adults at risk)**

This should include appropriate actions that will be closely monitored in order to meet your equality objectives under the Equality Act 2010, and in particular the Public Sector Equality Duties; as well as safeguarding duties.

<b>Key actions within your services that are being under-taken as part of the Equality Objective Action Plan – progress and plans for the coming year</b>
Profiling of service users profile and development of action plan to address any issues identified.
<b>What key actions are services taking to close significant Equality Information gaps?</b>
<ul style="list-style-type: none"> <li>• Use of language interpretation telephone line service</li> <li>• Ongoing review of availability of Revenues and Benefits correspondence in other formats – to be included as part of correspondence outsourcing project.</li> </ul>
<b>List the policies and strategies to receive an Equality Analysis this year where Head of Service sign off is required</b>
<ul style="list-style-type: none"> <li>• City of Lincoln Council Business Rates Growth Policy</li> </ul>
<b>What actions need to be taken to meet the area's Safeguarding Duties?</b> How will the delivery of your services take into account the need to safeguard and promote the welfare of children and vulnerable adults?
Ensure appropriate staff in the shared service receive have received (refresher) training on safeguarding requirements and processes.

## **I. Working in Neighbourhoods**

<b>How are you, as Head of Service, going to engage with the neighbourhood agenda? In which specific services will you ensure there is a focus on neighbourhood working?</b>
--

The Welfare Team within the shared service has a specific role of working in neighbourhoods via outreach surgeries and in individual customers' homes – providing benefits, money and debt advice. Head of Shared Revenues & Benefits has key links into the Sincil Bank revitalisation project, in particular in relation to Employment and Skills – related initiatives.

## J. Workforce Development

Workforce Development	Planned action	Service
What are the key plans for training and developing staff?		
Proactive response to changing climate in relation to Revenues and Benefits	Review job roles, skill sets and staff development/training requirements.	Revenues and Benefits Shared Service
Improving workforce capability	Appraisals April 2019-July 2019	Revenues and Benefits Shared Service
City of Lincoln Council Workforce Development Strategy	Delivery of actions as required within the Strategy action plan / Throughout 2019/20	Revenues and Benefits Shared Service

## L. Social Value

Social Value	Planned action	Service
What are the key plans for delivering social value through your services?		
Head of Shared Revenues & Benefits has a full understanding of Social Value and will ensure this is considered going forward in any procurement / contracts relating to the shared service.		

## M. Data Protection and Information Governance

Data Protection and Information Governance	Planned action	Service
What are the key plans/ considerations in respect of Data Protection and Information Governance in respect of your services?		

<b>Data Protection and Information Governance</b>	Planned action	Service
	<ul style="list-style-type: none"> <li>- Ensure ongoing compliance from all staff – a high volume of sensitive and confidential data is held within the shared service</li> <li>- Working with Information Governance Lead Officer to ensure ongoing review of data held within the service and that appropriate Information Sharing Agreements are in place</li> <li>- General Data Protection Regulation – Working with IT and Legal Services, to ensure Revenues and Benefits shared service continues to comply with GDPR</li> <li>- Ensure continuing adherence to requirements of Memorandum of Understanding with Department for Work and Pensions</li> <li>- Work with IT to ensure removal of gcsx accounts is smooth and robust secure replacement is in place for sensitive data and as required.</li> </ul>	

This page is intentionally blank.



## Risk Register Template

Likelihood	4 Almost Certain				
	3 Probable		2, T4	4	
	2 Possible		1	3	
	1 Hardly Ever				
		1 Negligible	2 Minor	3 Major	4 Critical
		Impact			

**RISK REGISTER:** Revenues and Benefits Shared Service

**VERSION:** New Template @ 9<sup>th</sup> November 2018

**REVIEWED:**

Original version produced: 4<sup>th</sup> March 2011

Updated: 26<sup>th</sup> March 2012

Updated: 18<sup>th</sup> June 2012

Updated: 7<sup>th</sup> October 2013

Updated: 2<sup>nd</sup> December 2014

Updated: 1<sup>st</sup> July 2015

Updated: 27<sup>th</sup> June 2016

Updated: 12<sup>th</sup> October 2016

Updated: 28<sup>th</sup> July 2017

Updated 1<sup>st</sup> November 2017

Updated 8<sup>th</sup> November 2018

**OWNER:** Head of Shared Revenues and Benefits

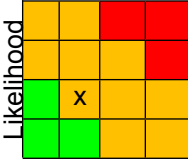
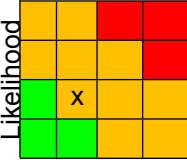
The matrix below, helps you define where the risk is by scoring it on a basis of 'Likelihood' and 'Impact'

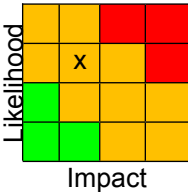
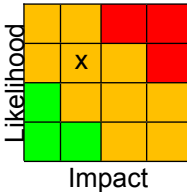
Likelihood	4 Almost certain	Retain	Transfer Modify Retain	Avoid Transfer Modify	Avoid Transfer Modify	Description of occurrence	Occurs several times per year. It will happen.
	3 Probable	Retain	Prioritise for Modifying Retain	Transfer Modify Retain	Avoid Transfer Modify		It has happened before and could happen again.
	2 Possible	Retain	Prioritise for Modifying Retain	Prioritise for Modifying Retain	Transfer Modify Retain		It may happen but it would be unusual.
	1 Hardly ever	Retain	Retain	Retain	Prioritise for Modifying Retain		Never heard of it occurring. We can't imagine it occurring.

Impact	Service Delivery	Finance	Reputation	People
Critical (4)	Prolonged interruption to service	Severe costs incurred	Adverse national coverage with significant change in stakeholder confidence	Fatality, disability or serious long term health problem
Major (3)	Key targets missed- some service compromised	Significant costs incurred	Adverse local media coverage with moderate change in stakeholder confidence	Series injuries. Exposure to dangerous conditions
Minor (2)	Management action required to over short – term difficulties	Some costs incurred (handled within management budgets)	Adverse local media for 1-7 days	Minor injuries or discomfort. Feeling unease
Negligible (1)	Handled within day to day routines	Little loss anticipated	No significant comment or media coverage	No injury

98

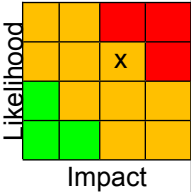
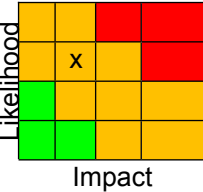
1 Negligible	2 Minor	3 Major	4 Critical
-----------------	------------	------------	---------------

Risk No:	Risk Description	Risk Owner	Risk Appetite (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	Current Controls/Actions	Current Risk Score	Target Risk Score at end of April 2019	Assurance -Status (Full, Substantial, Limited, No)	Assurance – Direction of Travel (Improving, Static, Declining)
1	<b>Failure to maintain performance / current levels of Council Tax and Business Rates Collection on behalf of the Shared Service</b>	Head of Shared Revenue s and Benefits	<b><u>Creative &amp; Aware</u></b>  Finance & Money	Controls in place: <ul style="list-style-type: none"> <li>Performance is monitored and managed on a regular basis</li> <li>Regular reporting into Revenues and Benefits Management Team, Revenue and Benefits Operational Board, Joint Committee</li> </ul>	 Impact	 Impact	<b>Substantial</b>	<b>N/A</b>

Risk No:	Risk Description	Risk Owner	Risk Appetite (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	Current Controls/Actions	Current Risk Score	Target Risk Score at end of April 2019	Assurance -Status (Full, Substantial, Limited, No)	Assurance – Direction of Travel (Improving, Static, Declining)
				<ul style="list-style-type: none"> <li>Effective management of daily workflow</li> </ul> <p>Range of customer experience initiatives ongoing such as e-billing, online Council Tax DD forms and other integrated e-forms.</p> <p>Discretionary Rate Relief Policy approved January 2018</p> <p>Council Tax Support Scheme approved January 2018</p> <p>Exceptional Hardship Fund increased to £20,000, approved January 2018.</p> <p><b>Further action required:</b></p> <p>Business Rates Growth Policy to be approved May 2018.</p> <p>Continuing challenge of working practices and moving resources to areas of demand.</p> <p>Agency support to be sourced for 'peak demand' periods (Feb-Apr)</p>				
2	<b>Failure to provide timely and accurate assessment of Housing Benefit, Council Tax Support and Discretionary Housing payment applications on behalf of the Shared Service</b>	Head of Shared Revenue s and Benefits	<u><b>Creative &amp; Aware</b></u>  <b>Reputation &amp; Public Confidence</b>  <b>Finance &amp; Money</b>	<b>Controls in place:</b> Daily management of workload through Document Management System Processes in place to deal with claims 'on demand' wherever possible Rolling review of subsidy data from Northgate System Management of incoming work and processes to minimize value of			<b>Limited</b>	<b>N/A</b>

Risk No:	Risk Description	Risk Owner	Risk Appetite (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	Current Controls/Actions	Current Risk Score	Target Risk Score at end of April 2019	Assurance -Status (Full, Substantial, Limited, No)	Assurance – Direction of Travel (Improving, Static, Declining)
				<p>overpayments raised</p> <p>Training and mentoring of staff</p> <p>Review of subsidy-quality assurance processes - reviewed</p> <p>More targeted and efficient quality control mechanisms, improving accuracy levels and rolling training plan to address any training requirement.</p> <p>Performance and quality assurance framework in place</p> <p><b>Further action required:</b></p> <p>Continued monitoring of resource allocation, (particularly to ADS and PBS) and consideration of recruitment to seconded roles – June 2018</p> <p>DWP Consultancy support engaged for Housing Overpayments – May 2018</p>				
3.	<b>Failure to ensure compliance with data protection governance arrangements within revenues and benefits shared service.</b>	Head of Shared Revenue s and Benefits	<b><u>Cautious</u></b> <b>Regulatory Standing &amp; Legal Compliance</b>	<p><b>Controls in place:</b></p> <ul style="list-style-type: none"> <li>• Clear, detailed and up to date Information Governance policies and procedures are in place at City of Lincoln Council</li> <li>• From the data collection forms reviewed both electronically and manually, privacy notices were present</li> <li>• Data Protection briefing sessions rolled out across the teams</li> <li>• Personal data is securely disposed of through the Council's confidential waste</li> </ul>			<b>Substantial</b>	<b>Improving</b>



Risk No:	Risk Description	Risk Owner	Risk Appetite (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	Current Controls/Actions	Current Risk Score	Target Risk Score at end of April 2019	Assurance -Status (Full, Substantial, Limited, No)	Assurance – Direction of Travel (Improving, Static, Declining)
				<p>provider</p> <ul style="list-style-type: none"> <li>Implementation of agreed actions from recent audit</li> <li>Transfer of bulk postage to Critiqom has significantly reduced manual input and risk of human error.</li> <li>Significantly reduced number of data protection breaches in that area</li> <li>Substantial work carried out to comply with the GDPR which came into force in May 2018</li> </ul> <p><b>Further actions required:</b></p> <ul style="list-style-type: none"> <li>Continue the current review of contracts for personal data</li> <li>Implementing and reviewing process for retaining and disposing of documents in systems</li> <li>Data protection sessions carried out across the teams and the e-learning package and low risk data protection training rolled out</li> </ul>				
4.	<b>Failure to respond to national Welfare Reform and Universal Credit agenda</b>	Head of Shared Revenue s and Benefits	<b><u>Opportunity</u></b> <b>People/Finance</b>	<p>Controls in place:</p> <p>Permanent Lead Welfare Reform Officer on the establishment</p> <p>Welfare Reform Strategy in place and approved in April 2015 (monitored by Revs and Bens Joint Committee)</p> <p>Effective partnerships with public and third sector bodies</p> <p>Co-location with DWP</p>			<b>Substantial</b>	<b>Improving</b>

Risk No:	Risk Description	Risk Owner	Risk Appetite (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	Current Controls/Actions	Current Risk Score	Target Risk Score at end of April 2019	Assurance -Status (Full, Substantial, Limited, No)	Assurance – Direction of Travel (Improving, Static, Declining)
				<p>UC Support team in place Effective comms in all welfare reform changes</p> <p>Further controls required:</p> <p>Consider future arrangements of contractual and funding for UC support</p>				