



## SHARED REVENUES AND BENEFITS JOINT COMMITTEE

**Wednesday, 5 February  
2020**

**2.00 pm**

**North Kesteven District  
Council Offices**

Membership:	Councillors Ray Cucksey (North Kesteven District Council), Nikki Dillon (North Kesteven District Council), Rosanne Kirk and Ric Metcalfe (City of Lincoln Council)
Substitute members:	Councillors Michael Kent (North Kesteven District Council), David Suiter (North Kesteven District Council) and Donald Nannestad (City of Lincoln Council)
Officers attending:	Democratic Services (City of Lincoln Council), Jaclyn Gibson (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)

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### **A G E N D A**

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

In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, notice is hereby given of items which will be considered in private, for which either 28 days' notice has been given or approval has been granted by the appropriate person specified in the Regulations. For further details please visit our website at <http://www.lincoln.gov.uk> or contact Democratic Services at City Hall, Beaumont Fee, Lincoln.

This item is being considered in private as it is likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations have been received in relation to the proposal to consider this item in private.

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|-------------------------|------------------|
| 11. Partnerships Update | <b>113 - 116</b> |
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- [Exempt Para(s) 3]**

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

**Apologies for Absence:** Councillor Nikki Dillon

**23. Confirmation of Minutes - 6 September 2019**

RESOLVED that the minutes of the meeting held on 6 September 2019 be confirmed.

**24. Related Matters**

The Head of Shared Revenues and Benefits advised that today agenda was a shortened version due to the current pre-election period. He advised that the Revenues and Benefits Shared Service Business Plan 2020/21 would be considered at the next meeting of Shared Revenues and Benefits Joint Committee to be held on 5 February 2020.

**25. Declarations of Interest**

No declarations of interest were received.

**26. 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

Updates were noted on the following aspects of the Shared Service (data contained within Appendix A):

*Council Tax*

The table at paragraph 4.2 of the report showed the in-year collection period for the current financial year 2019/20 up to the end of Quarter 2, compared to the same point in 2018/19.

As at the end of Quarter 2 2019/20, Council Tax in-year collection was up by 0.07% for the City of Lincoln and down by 0.35% for North Kesteven, respectively. For the City of Lincoln, not only was collection marginally higher than in the year prior (by 0.07% equivalent to £31,429), but the net collectable

debit had also increased by £2,955,109. With regard to North Kesteven, the reduced collection rate equated to £230,952, however, the net collectable debit had increased by £4,685,501 and total net receipt had increased by £2,471,812. In-year collection was down by 0.49% at the end of August 2019 (equivalent to a reduction of £323,221) – which showed the improvement in September 2019. There had been an additional 573 properties added to the taxbase compared to April 2018.

Committee were further updated that at the end of October 2019, Council Tax in-year collection was down for the City of Lincoln and North Kesteven, respectively, although not by a huge amount. Officers were not massively concerned, although keeping a watching brief. There had been a drop off in council tax support applications, the authority was carrying out a publicity campaign in this respect together with putting letters in council tax reminders.

### *Business Rates*

The table at paragraph 4.5 of the report showed the Business Rates in-year collection period for the current financial year 2019/20 up to the end of Quarter 2 2019/20, compared to the same point in 2018/19.

As at the end of Quarter 2 2019/20, Business Rates in-year collection was down by 0.99% for the City of Lincoln, and down by 0.31% for North Kesteven, however up by 0.41% for West Lindsey. For the City of Lincoln the reduced collection rate of 0.99% equated to £446,555 of the net collectable debit, with total net liability having increased by £60,882 and total net receipt having decreased by £411,427. In-year collection was down by 1.61% at the end of August 2019 (equivalent to a reduction of £784,462) – which demonstrated improvement in September 2019.

With regard to North Kesteven the decreased collection rate of 0.31% equated to £87,633 of the net collectable debit, with total net liability having increased by £808,072 and total net receipt had decreased by £367,226. For West Lindsey the increased collection rate of 0.41% equated to £73,424 of the net collectable debit, with total net liability having increased by £286,462 and total net receipt also increased by £241,829.

Committee were further updated that at the end of October 2019, Business Rates in-year collection remained down for North Kesteven and up for West Lindsey. Business Rates in-year collection was down by 1.78% for the City of Lincoln. There had been a number of re-set instalment plans/backdated rateable values and changes in ownership of businesses, together with a number of business rates not being due until December 2019 instalments, which attributed to this position. Also, a write-outs/ irrecoverable debts report was due to be presented to Executive this evening.

### *Outstanding Revenues Customers*

The table at paragraph 4.8 of the report showed how many items of revenues customers' correspondence was outstanding up to the end of Quarter 2 2019/20, compared to the same point in 2018/19, together with the position at the end of Quarter 2 2019/20 and the year outturn 2018/19.

Although outstanding numbers had increased by a total of 816 from the end of Quarter 1 2019/20 and by 606 compared to Quarter 2 2018/19, the team was now in a strong position to move forward. As previously advised to this committee

work had commenced, and was still taking place earlier in the financial year now, largely due to one of the e-forms developed which collected data sooner and in a more efficient manner. Also, vacant staff positions had now been filled which would have a positive impact over the second half of the financial year.

Improvements in the student verification process working in partnership with the Council Tax Administration Team and City of Lincoln Business Development Team were outlined at paragraph 4.9 to 4.10 of the report which had a significantly positive impact this year.

Committee were further updated that at the end of October 2019, outstanding revenues customers' correspondence figures were down to 969 for the City of Lincoln (from 1,177 at end of quarter 2) and to 502 for North Kesteven District Council (from 571 at end of quarter 2). Four new members of staff had been in post since November 2019 which had helped. The e-form verification of University of Lincoln students was down from 4,900 forms to only 400 still to be checked which was positive. It was expected also to see a further decrease as we progressed through the year.

### *Housing Benefit Overpayments*

The table at paragraph 4.12 of the report showed outstanding Housing Benefit debt up to the end of Quarter 2 2019/20 compared to the same point in 2018/19, together with the position at the end of 2018/19.

In terms of 'in-period' collection of Housing Benefit Overpayments – i.e. the £ collected as a percentage of the £ raised was shown at the table at paragraph 4.13 d.

Therefore, collection of Housing Benefit overpayments continued to be positive, with proactive arrangements in place. Officers had also written an article for a professional publication (IRRV Benefit magazine <https://www.irrv.net/homenew/item.php?iid=26067&wid=52&did=0> ) regarding the piece of work with Department for Work and Pensions to improve overpayments processes and performance, which had taken place over the last eighteen month. It was anticipated this article would appear in the December 2019 edition of this publication, which was really positive for our shared service and our commitment to both improving performance and to partnership working.

Committee were further updated that at the end of October 2019 collection of Housing Benefit overpayments continued to be positive.

### *Benefits Performance*

The table at paragraph 5.1 of the report showed the number of outstanding benefits customers awaiting assessment up to the end Quarter 2 2019, compared to the same point in 2018/19 and the final position at the end of 2018/19.

The proactive action plan in place to reduce outstanding work levels continued to work effectively although it was recognised that the level has increased by a total of 267 from the end of Quarter 1 to the end of Quarter 2 2019/20 – however it was 769 lower than at the end of Quarter 2 2018/19. Increased leave over the summer period had impacted on performance, however this continued to be tackled positively

In terms of Housing Benefit average processing times, the table at paragraph 5.2 of the report showed figures for new claims and changes in circumstances. Performance for all measures was now looking positive moving forward. Processes had been, and continued to be reviewed and it was envisaged that new claims performance could improve further as the financial year progressed.

Universal Credit (UC) continued to have an impact on processing times due to the number of Universal Credit related documents requiring processing. Our Benefits Service now had a reduced number of Housing Benefit (HB) new claims to process (as some customers moved on to UC) and some of those claims that we did receive related to exempt/supported accommodation which could often take longer to gather information and process. Effectively the 'baseline' for assessing HB claims compared to 'pre-UC' rollout had potentially increased.

Positively in terms of 'direction of travel' in the week ending 6 October 2019, new claims were processed in an average of 19 and 18 days for City of Lincoln and North Kesteven respectively.

Prompt processing of claims remained vital, but of equal importance was accuracy of processing. The table at paragraph 5.3 of the report set out the outcome of claims checked under the quality checking regime since the formation of the Shared Service. The level of performance continued to improve and was being maintained which was particularly pleasing in light of the rollout of Universal Credit making some assessments more complex. There had continued to be a concentration on checking claims more likely to be assessed incorrectly first time. It was reported that even £0.01p was counted as financially incorrect and in addition to these targeted checks, more checks were also carried out as part of the rolling annual subsidy claim checking regime.

Committee were further updated that at the end of October 2019 there was now a downward trend moving forward working to a two week cycle for payments, with new claims being processed in an average 22 days for City of Lincoln and 20 for North Kesteven. The position had further improved as at the end of last week with claims being processed in 15 days for the City of Lincoln and 16 days for North Kesteven.

## **27. Revenues and Benefits - Financial Monitoring Quarter 2 2019/20**

### Purpose of Report

To present the Joint Committee with the second quarter's performance for the Revenues and Benefits Shared Service for 2019/20.

### **Decision**

1. That the actual position at Quarter 2 be noted.
2. That the budget adjustments for 2019/20 as per paragraph 3.2 of the report be approved.
3. That projected budget underspend carried forward into 2020/21 to extend 2.0 Full Time Equivalent additional Council Tax Administration Officers recently appointed, for the whole of 2020/21 – approximate cost £51,934 be approved.

4. Agreement that extension of these positions would significantly assist with tackling Council Tax performance matters, as detailed in the Performance Update report on this Committee's Agenda be noted.

#### Alternative Options Considered and Rejected

None.

#### Reason for Decision

The approved budget for 2019/20 was agreed by the Revenues and Benefits Joint Committee on 19 February 2019 of £2,367,000 for the service, which had since been increased after receipt of New Grants Burdens, totalling £97,781. The budget had therefore subsequently been revised for New Burdens Grants notified to each authority in quarter 2 as set out in paragraph 3.2 of the report.

Financial performance for the first quarter of 2019/20 was detailed in Appendix 1 attached to the report. At quarter two there was an underspend against the approved budget of £26,967.

The forecast outturn for 2019/20 predicted that there would be an underspend against the approved budget of £94,190 as detailed at Appendix 2 to the report. A summary of the main forecast year-end variations against the approved budget for 2019/20 included:

- Revenues and Benefits Management: IT costs - £13,000
- Benefits: Salaries (Including Career Grades) - £(50,200)
- New Burdens Grants - £(26, 330)
- Benefits/Money Advice: Salaries - (13,800)
- Revenues Local Taxation: Agency spend - (20,600)

## **28. 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 national Universal Credit.

#### **Decision**

That the report be noted and a further update be presented at the next meeting of this Committee on 5 February 2020.

#### Alternative Options Considered and Rejected

None.

#### Reason for Decision

The following updates contained within the report were noted:

- Figures published on 15 October 2019 by the Department for Works and Pensions (DWP) with statistics relevant to the period up to 12 September 2019:

- 2,476,704 households were currently receiving Universal Credit, an increase from 2,171,997 as reported at the last meeting of this Committee
- 809,288 were in employment (33%), an increase from 697,789 as reported at the last meeting of this Committee
- The Department for Work and Pensions had announced that it was developing a Private Landlord Portal, whilst this was possibly better for the landlord to apply, this appeared to potentially come away somewhat from the original concept of UC being paid direct to the tenant and budgeting accordingly.
- Recent changes as a result of the Autumn 2018 budget and January 2019 announcements, along with how these would impact customers and the respective local authority.
- Progress with our shared service's 'high level' Welfare Reform Strategy Action Plan as detailed at Appendix 2 of the report, which was fluid and flexible to respond to changes in welfare reform related priorities, changes and demands, to be monitored by Joint Committee on a quarterly basis.
- Outcomes currently being considered on the UC Advice Review undertaken by the City of Lincoln Council to review the UC support arrangements/advice provision and potential options going forward for joint working between the Universal Credit Support team, Welfare Advice team and Housing team. Committee were verbally updated that current internal UC support arrangements had now been extended to 31 March 2020, with a review of processes taking place over the remainder of the financial year 2019/20.

## 29. **Business Rates Update**

### Purpose of Report

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

### **Decision**

That the report be noted.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

The following updates were noted:

#### *Supporting Small Business Relief Scheme 2017/18-2020/21*

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 did 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 April 2017. Further details relating to the support provided as part of this scheme were set out in paragraph 4.1 of the report.



The number of hereditaments that had been identified for 2018/19 and 2019/20 and had benefitted from the scheme as at 30 April 2019 for the City of Lincoln, North Kesteven and West Lindsey were set out in the tables at paragraph 4.1 of the report.

Once this relief had been announced, officers manually adjusted accounts – this had ensured those ratepayers who faced large increases as a result of the loss of small business or rural rate relief, were not left waiting for relief to be awarded. This was a mandatory relief for which the local authority was compensated for.

Officers noted that although the number of businesses awarded relief has reduced, the total award had increased. This was due to the increase in rateable value for 2019/20 – as a result of the annual uprating and reduction of transitional relief in year.

#### *Discretionary Relief Scheme*

The table at paragraph 4.2 of the report showed the number of accounts identified and the total cost of relief for the years 2017/18 to 2019/20 for comparison purposes. A review of awards for 2019/20 would take place in November 2019 and the initial banding scheme would be adjusted to allow for further relief to be awarded.

It was noted that this was a discretionary relief which the local authority was compensated for.

#### *Retail Discount - Autumn Budget 2018*

One of the announcements affecting Business Rates as part of the Autumn Budget 2018 related to high streets, recognised as crucial parts of communities and local economies. High street businesses were 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 was cutting bills by one third for retail properties with a rateable value below £51,000, benefitting up to 90% of retail properties for two years from April 2019, subject to aid status.

With regards to the High Streets, Retail Guidance was issued in November 2018. The guidance confirmed this measure was for 2019/20 and 2020/21 only. Eligibility criteria had been provided and local authorities would be reimbursed using a grant under Section 31 of the Local Government Act 2003

Retail discount awarded for 2019/20 was set out in the table at paragraph 4.3 of the report.

It was noted that this was a discretionary relief which the local authority was compensated for.

#### *Recent Court of Appeal Decision – Automated Transaction Machines*

Further to previous reports to this Committee on the Court of Appeal Decision regarding Automated Transaction Machines built into the front of a shop or petrol station no longer being given separate business rates bill, with a final appeal decision awaited by the Supreme Court, it was noted that this continued to have implications for local authorities. Automated Transaction Machines were now

included as an appeal threat and provision would need to be made for potential refunds. The potential impact for the City of Lincoln, North Kesteven and West Lindsey was noted as £498,739, £236,530 and £132,851 respectively.

#### *City of Lincoln Business Rates Growth Policy - Awards*

The City of Lincoln Council implemented its Business Rates Growth Policy from 1 April 2019 which aimed to a time-limited rate relief discount to new and extended business premises within the city in the interests of building the Business Rate base, supporting economic growth and job creation. This policy supported the Council's open and partnership focussed approach to delivering growth as set out in the Vision 2020 Strategic Plan, particularly the objectives and ambitions relating to economic growth and reducing inequality.

Since the introduction of the Policy, four businesses had been awarded this relief totalling £55,123.

#### *North Kesteven Business Rates Growth Policy - Awards*

North Kesteven District Council implemented its Business Rates Growth Policy in 2016. The rationale for offering businesses incentives to grow and locate in North Kesteven was derived from the 'Our Economy' priority published in the Council's Corporate Plan 2017-2020.

Since the introduction of the Policy, six businesses had been awarded this relief, totalling £411,230.

#### *Non-Domestic Rates Legislation Changes-2019 and Beyond*

There had been a number of changes to Non-Domestic Rates legislation due to the introduction of new reliefs to be awarded to businesses. In addition to this, there were significant legislation changes which were to be in place from 1 April 2020 and beyond. These legislation changes had formed part of the one-to-one process with the Non-Domestic Rates Team Leader, ensuring the Shared Service was prepared and proactive in undertaking the required work to introduce the new legislation. This would include system changes, training of staff and communication to businesses.

It was noted that some of the legislation was still in the early stages of conception, with requirements for Ministry of Housing, Communities and Local Government to engage with billing authorities. Details of all legislation was included in **Appendix 1** of the report.

### **30. Discretionary Housing Payments Update**

#### Purpose of Report

To provide the Joint Committee with an update regarding Discretionary Housing Payments (DHP) expenditure for 2019/20.

#### **Decision**

That the spend position in relation to Discretionary Housing Payment expenditure (as at October 2019) as well as the government grant figures for Discretionary Housing Payments in 2019/20 be noted.

## Alternative Options Considered and Rejected

None.

### Reason for Decision

Demand against 2019/20 Discretionary Housing Payment (DHP) grants remained high. City of Lincoln Council had a remaining budget of £4,213 and North Kesteven a remaining budget of £3,117. 2019/20 DHP government grants for both City of Lincoln and North Kesteven had decreased from 2018/19, but demands were higher due to welfare reforms in this new financial year – for example, due to Universal Credit (UC), the impact of which was constantly increasing.

Details of DHP spend to the end of October 2019 could be viewed at the table within paragraph 3.2 of the report.

There had been notification of 158 Council Tax support claims received and determined up to quarter 2 of 2019/20 for the City of Lincoln in relation to Universal Credit and 77 in relation to North Kesteven District Council.

The number of DHP applications for customers in receipt of Universal Credit has increased from 2018/19. This was indicative of the number of customers moving from legacy benefits to UC increasing throughout the year. Officers were also raising awareness of DHP, there was also a robust and consistent decision-making process in a highly-sensitive and complex area of administration.

Whilst the average award for DHP had reduced by £39 for City of Lincoln and £37 for North Kesteven, the total number of awards had increased by 80 for City of Lincoln and 34 for North Kesteven.

An internal DHP working group continued to review DHP procedures with the aim of ensuring that those most in need of additional help with their housing costs received appropriate support.

Each year, the DHP guidance is reviewed with recommendations made to Section 151 Officers of both City of Lincoln and North Kesteven for approval. Any changes proposed were with the aim to provide a positive impact in meeting local needs in relation to housing costs.

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<b>SUBJECT:</b>	<b>PERFORMANCE UPDATE</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE</b>
<b>REPORT AUTHOR:</b>	<b>MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS</b>

## 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 – up to the end of Quarter 3 2019/20.
- 2.2 The Revenues and Benefits Shared Service has now been in operation since 1<sup>st</sup> June 2011, and improved performance is being maintained 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 25<sup>th</sup> November 2019 meeting of this committee, a report was presented detailing Revenues and Benefits performance up to the end of Quarter 2 2019/20.
- 3.2 Performance is reported to this committee on a quarterly basis.

## 4. Revenues Performance

### 4.1 Council Tax

- 4.2 The table below shows Council Tax in-year collection period for the current financial year 2019/20 up to the end of Quarter 3, compared to the same point in 2018/19.

Financial Year	End Quarter 3 2019/20	End Quarter 3 2018/19
City of Lincoln	79.03%	79.47%
North Kesteven	85.46%	85.94%

- 4.3 As at the end of Quarter 3 2019/20, Council Tax in-year collection is down for both City of Lincoln and North Kesteven, by 0.44% and 0.48%, respectively.

In respect of City of Lincoln, the reduced collection rate of 0.44% equates to £196,266, - however the net collectable debit has increased by £2,829,150. Total net receipt has increased by £2,054,522.

For North Kesteven, the reduced collection rate of 0.48% equates to £316,588, - however the net collectable debit has increased by £4,629,294 and total net receipt has increased by £3,658,841. There has been an additional 573 properties added to the taxbase compared to April 2018.

#### 4.4 Business Rates

- 4.5 The table below shows Business Rates in-year collection period for the current financial year 2019/20 up to the end of Quarter 3, compared to the same point in 2018/19.

Financial Year	End Quarter 3 2019/20	End Quarter 3 2018/19
City of Lincoln	83.39%	86.23%
North Kesteven	84.29%	85.00%
West Lindsey	82.21%	82.77%

- 4.6 As at the end of Quarter 2 2019/20, Business Rates in-year collection is down for City of Lincoln, North Kesteven and West Lindsey, by 2.84%, 0.71% and 0.56%, respectively.

As at the end of Quarter 3 2019/20, in-year collection of Business Rates is 2.84% lower than at the end of Quarter 3 2018/19. A reduction in 2.84% equates to £1,276,089. A key reason for the reduction compared to 2018/19 performance is due to a business which overpaid their account by more than £450k last year, which was refunded in February 2019. Therefore, until the end of February 2020, it is difficult to compare 'like with like'. Officers have undertaken an analysis of a number of businesses whom it would be anticipated will fully pay their business rates in 2019/20, who currently have a level of arrears. Total net liability has increased by £54,888 and total net receipt has decreased by £1,225,008.

For North Kesteven, the decreased collection rate of 0.71% equates to £200,861 of the net collectable debit. Total net liability has increased by £1,111,479 and total net receipt has increased by £741,979.

For West Lindsey, the decreased collection rate of 0.56% equates to £100,323 of the net collectable debit. Total net liability has increased by £386,802, total net receipt also increasing (by £219,515).

Officers will continue to seek collection and recovery within the current financial year, wherever possible.

#### 4.7 Outstanding Revenues Customers

4.8 The table below shows how many items of Revenues Customers' correspondence is outstanding up to the end of Quarter 2 2019/20, compared to the same point in 2018/19. The table also shows the position at the end of Quarter 1 2019/20, and the year outturn 2018/19.

Financial Year	End Quarter 1 2019/20	End Quarter 2 2019/20	End Quarter 3 2019/20	End Quarter 3 2018/19	2018/19 (year outturn)
City of Lincoln	616	1,177	550	401	437
North Kesteven	316	571	263	241	201

4.9 It can be seen that significant progress has been made during quarter 3 2019/20, with an overall reduction of 53.5% in outstanding customers. Although the outstanding figure is higher than at the end of Quarter 3 2018/19, as highlighted previously to this committee significant work has been 'frontloaded' into the earlier part of the current financial year – so the Revenues team is in a strong position moving forward.

#### 4.10 Housing Benefit Overpayments

4.11 The table below shows outstanding Housing Benefit overpayment debt up to the end of Quarter 3 2019/20, compared to the same point in 2018/19. The table also shows the position at the end of Quarter 3 2018/19, and the year outturn 2018/19.

Financial Year	End Quarter 1 2019/20	End Quarter 2 2019/20	End Quarter 3 2019/20	End Quarter 3 2018/19	2018/19 (year outturn)
City of Lincoln	£4,009,365	£3,795,553	<b>£3,744,671</b>	£4,012,053	£3,973,125
North Kesteven	£1,658,209	£1,625,080	<b>£1,537,942</b>	£1,640,470	£1,643,394

4.12 In terms of 'in-period' collection of Housing Benefit Overpayments – i.e. the £ collected as a percentage of the £ raised, these are shown in the table below:

Financial Year	End Quarter 1 2019/20	End Quarter 2 2019/20	End Quarter 3 2019/20	End Quarter 3 2018/19	2018/19 (year outturn)
City of Lincoln	92.78%	101.25%	<b>99.61%</b>	98.57%	100.38%
North Kesteven	84.03%	95.63%	<b>107.65%</b>	116.08%	107.45%

4.13 Therefore, collection of Housing Benefit overpayments continues to be positive, with outstanding monies continuing to reduce.

## 5. Benefits Performance

5.1 The table below shows the number of outstanding Benefits customers awaiting assessment, up to the end of Quarter 3 2019/20, compared to the same point in 2018/19. The table also shows the position at the end of 2018/19.

Financial Year	End Quarter 1 2019/20	End Quarter 2 2019/20	End Quarter 3 2019/20	End Quarter 3 2018/19	2018/19 (year outturn)
City of Lincoln	624	939	1,025	1,344	897
North Kesteven	331	283	283	341	502

The proactive action plan in place aiming to reduce outstanding work levels continues to work effectively, although it is recognised the level has increased by a total of 86 from the end of Quarter 2 to the end of Quarter 3 2019/20 – although this is still 377 lower than at the end of Quarter 3 2018/19. It is envisaged that further progress will be made in Quarter 4.

5.2 In terms of Housing Benefit (HB) average processing times, the table below shows figures for New Claims and Changes of Circumstance:

Financial Year		End Quarter 1 2019/20 Average no. days	End Quarter 2 2019/20 Average no. days	End Quarter 3 2019/20 Average no. days	End Quarter 3 2018/19 Average no. days	2018/19 (year outturn) Average no. days
New Claims	Lincoln	27.10	23.43	21.73	27.00	25.82
	North Kesteven	27.50	21.59	20.19	23.61	27.49
Changes of Circumstance	Lincoln	5.09	5.22	5.84	8.03	4.12
	North Kesteven	5.31	5.20	4.58	5.15	2.98

Performance for all measures continues to look positive with New Claims in particular significantly improved compared to 2018/19.

As previously highlighted to this committee, Universal Credit (UC) continues to have an impact on processing times due to the number of UC-related documents requiring processing. Our Benefits Service now has a reduced number of HB new



claims to process (as some customers move on to UC) and some of those claims that we do receive are exempt/supported accommodation which can often take longer to gather information and process. Effectively the 'baseline' for assessing HB claims compared to 'pre-UC' rollout has potentially increased.

- 5.3 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, comparing to 2018/19:

<b>Financial Year</b>	<b>End Quarter 3 2019/20</b>	<b>End Quarter 3 2018/19</b>	<b>2018/19 (year outturn)</b>
<b>City of Lincoln</b>	95.56% <i>(452 out of 473 checked)</i>	86.34% <i>(158 out of 183 checked)</i>	86.07% <i>(210 out of 244 checked)</i>
<b>North Kesteven</b>	96.92% <i>(252 out of 260 checked)</i>	95.47% <i>(274 out of 287 checked)</i>	95.92% <i>(306 out of 319 checked)</i>

The level of performance continues to be maintained, which is particularly pleasing in light of the rollout of Universal Credit making some assessments more complex. There has continued to be concentration on checking claims more likely to be assessed incorrectly first time, - it should also be noted that even '£0.01p' is counted as financially incorrect.

In addition to these targeted checks, more checks are also carried out as part of the rolling annual subsidy claim checking regime.

## 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.

**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 to end Quarter 3 2019/20

**List of Background Papers:** None

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

5<sup>th</sup> February 2020 Revenues and Benefits Joint Committee  
Performance Update  
Appendix 1: Performance Data to end Quarter 3 2019/20

Measure	End Quarter 3 2019/2020		End Quarter 3 2018/2019		2018/19 Annual Outturn	
	NK	COL	NK	COL	NK	COL
Local Authority						
Council Tax collection (cumulative)	85.46%	79.03%	85.94%	79.47%	99.08%	96.76%
NNDR collection (cumulative)	84.29%	83.39%	85.00%	86.23%	99.42%	99.81%
NNDR collection – WLDC (cumulative)	82.21%		82.77%		98.63%	
No. Revenues customers awaiting change to be processed	263	550	241	401	201	437
Total Net Arrears for Council Tax prior years (i.e. not including current year)	£1,160,210	£2,863,934	£1,025,218	£2,498,642	£934,830	£2,252,680
Total Net Arrears for NNDR prior years (i.e. not including current year)	£134,682	£246,294	£87,681	£293,426	£178,580	£169,367
Housing Benefit overpayments collection in period	107.65%	99.61%	116.08%	98.57%	107.45%	100.38%
Housing Benefit New Claims: Average number of days to process (cumulative)	20.19 days	21.73 days	23.61 days	27.00 days	27.49 days	25.82 days
Housing Benefits Changes of Circumstances: Average number of days to process (cumulative)	4.58 days	5.84 days	5.15 days	8.03 days	2.98 days	4.12 days
No. Benefits customers awaiting assessment (cumulative)	283	1,025	341	1,344	502	897
% Benefits claims checked financially correct (cumulative)	96.92%	95.56%	95.47%	86.34%	95.92%	86.07%

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**SUBJECT: REVENUES AND BENEFITS - FINANCIAL MONITORING  
QUARTER 3 2019/20**

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

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

## 1. Purpose of Report

- 1.1 To present to Members the third quarter's performance for the Revenues and Benefits shared service for 2019/20.

## 2. Executive Summary

- 2.1 The forecast outturn for 2019/20 predicts that there will be an underspend against the approved budget of £82,889.

## 3. Background

- 3.1 The approved budget for 2019/20 was agreed by Revenues and Benefits Joint Committee on 19<sup>th</sup> February 2019. The Committee set a budget for 2019/20 of £2,367,000 for the service, which has since been increased after receipt of New Burdens Grants, totalling £135,195.
- 3.2 The budget, as mentioned in paragraph 3.1, has subsequently been further revised for the following New Burdens Grants notified to each Authority in quarter three:

<b>Budget adjustment</b>	<b>CoLC</b>	<b>NK</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
DWP Legislation Changes – Nov-19	10,742	10,742	21,484
Council Tax Annexe Discount	2,763	13,230	15,993
<b>TOTAL</b>	<b>13,505</b>	<b>23,972</b>	<b>37,477</b>

## 4. Quarter Three Financial Performance and Forecast Outturn 2019/20

### 4.1 Performance Quarter 3

Financial performance for the first quarter of 2019/20 is detailed in Appendix 1 to this report. At quarter 3, there is an underspend against the approved budget of £69,435.

### 4.2 Forecast Outturn 2019/20

The forecast outturn for 2019/20 predicts that there will be an underspend against the approved budget of £82,889. 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 2019/20 is shown below.
- 4.4 Of the forecast underspend of £82,889 Joint Committee, at its last meeting, agreed to carry forward £51,934 of the underspend to fund 2.0 FTE Council Tax Administrators for a further 12 months fixed term, this would result in a revised forecast underspend of £30,955 for 2019/20 which will be adjusted for at year end.

<u>Service Area</u>	<u>£</u>	<u>Reason for variance</u>
<b>Revenues and Benefits Management</b>		
IT Costs	13,000	Northgate System costs – budget to be realigned to reflect the actual value during 2020/21 budget setting process.
<b>Benefits</b>		
Salaries (Including Career Grades)	(60,330)	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	(26,320)	New Burdens funding offset by agency pay & specific IT costs incurred.
Non-Government Grants	(8,000)	Citizen Advice Funding
<b>Benefits/Money Advice</b>		
Salaries	(17,650)	Vacant staff hours.
Car Allowances Mileage	(4,000)	Underspend (impact of vacancies)
<b>Revenues Local Taxation</b>		
Agency Spend	(20,600)	Reduction in agency spend due to improved substantive position.
Repairs & Maintenance	12,640	Refurbishment of Revenues Team office
Consultant Fees	13,953	Liberata UK Ltd – Empty Homes Review

## 5. Organisational Impacts

- 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. Recommendations

- 7.1 Members are recommended to note the actual position at quarter 3.

**Service Area**

£

**Reason for variance**

7.2 Members are recommended to approve the budget adjustments for 2019/20 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  
Telephone 01522 873597

## Appendix 1 Actual Position as at Quarter 3 2019/20

	Profiled Budget			Actual			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits Management	134,900	134,900	269,800	139,662	139,662	279,324	4,762	4,762	9,524
Benefits	514,420	374,140	888,560	470,702	340,853	811,555	(43,718)	(33,287)	(77,005)
Revenues Local Taxation	254,970	272,390	527,360	262,044	283,881	545,926	7,074	11,491	18,566
Money Advice	85,340	85,340	170,678	75,080	75,080	150,160	(10,260)	(10,260)	(20,520)
<b>Total Q3 2019/20</b>	<b>989,630</b>	<b>866,770</b>	<b>1,856,398</b>	<b>947,488</b>	<b>839,476</b>	<b>1,786,965</b>	<b>(42,142)</b>	<b>(27,294)</b>	<b>(69,435)</b>



## Appendix 2 Forecast Financial Outturn for 2019/20

	Annual Budget			Forecast Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits Management	176,591	176,591	353,182	183,559	183,559	367,119	6,969	6,969	13,937
Benefits	678,206	493,254	1,171,460	620,583	451,345	1,071,928	(57,623)	(41,909)	(99,532)
Revenues Local Taxation	362,456	387,227	749,683	372,837	398,319	771,156	10,382	11,091	21,473
Money Advice	113,935	113,935	227,870	104,552	104,552	209,103	(9,383)	(9,383)	(18,767)
<b>Total 2019/20</b>	<b>1,331,188</b>	<b>1,171,007</b>	<b>2,502,195</b>	<b>1,281,531</b>	<b>1,137,775</b>	<b>2,419,306</b>	<b>(49,656)</b>	<b>(33,233)</b>	<b>(82,889)</b>

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**SUBJECT: REVENUES AND BENEFITS – BASE BUDGET FORECAST  
2020/21**

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

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

## **1. Purpose of Report**

- 1.1 To present to Members the Base Budget Forecast for the Revenues and Benefits shared service for 2020/21.

## **2. Executive Summary**

- 2.1 The Delegation and Joint Committee Agreement requires the Base Budget Forecast for the shared to be reported to Members. This report is designed to meet this requirement.
- 2.2 The Base Budget Forecast for 2020/21 is included as Appendix 1 to this report.
- 2.3 A full reconciliation to the previous Base Budget Forecast is included as Appendix 2 to this report.

## **3. Background**

- 3.1 The original Base Budget Forecast for the Revenues and Benefits shared service, was approved in 2011 and at that time delivered savings for both authorities in excess of £0.5 million per annum.

## **4. Base Budget Forecast 2020/21**

- 4.1 The Base Budget Forecast for the shared service has been prepared and is included as Appendix 1 to this report.
- 4.2 A full review of each line of the budget has taken place to ensure a fair representation of the activity of the service. This has led to budgets being transferred between different shared service functions. Although each Authority has a different percentage of each service, across the service as a whole this hasn't led to either Authority significantly paying more.
- 4.3 With the exception of 2020/21, where agreed 2019/20 underspends are still to be carried forward, there has been an increase each year in the base budget due to costs for the Northgate IT system and increased postage costs. In the most part these have been offset by reviewing all staff budgets and more accurately reflecting budgeting of career graded posts. A full reconciliation to the previous Base Budget Forecast is included as Appendix 2 to this report.

## 5. Organisational Impacts

- 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 Full financial risk assessments are included within both partner authorities Medium Financial Strategies.

## 7. Recommendation

- 7.1 Members are recommended to approve the Base Budget Forecast for the Revenues and Benefits shared service for 2020/21.

**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  
Telephone 01522 873597

## Appendix 1 Base Budget Forecast 2020/21

	2020/21		
	Shared Service £	NKDC £	CoLC £
<b>Management</b>			
Employees	296,540		
Supplies & Services	58,140		
<b>Sub Total</b>	<b>354,680</b>	<b>177,310</b>	<b>177,370</b>
<b>Revenues</b>			
Employees	721,920		
Transport	3,000		
Supplies & Services	197,220		
Recharge to WLDC	(76,000)		
Income	(12,000)		
CoLC only recovery	(88,680)		
<b>Sub Total</b>	<b>745,460</b>	<b>380,180</b>	<b>365,280</b>
<b>Benefits</b>			
Employees	1,026,860		
Transport	4,600		
Supplies & Services	59,800		
<b>Sub Total</b>	<b>1,091,260</b>	<b>458,330</b>	<b>632,930</b>
<b>Money Advice</b>			
Employees	221,850		
Transport	8,160		
Supplies & Services	5,220		
<b>Sub Total</b>	<b>235,230</b>	<b>117,590</b>	<b>117,640</b>
<b>TOTAL</b>	<b>2,426,630</b>	<b>1,133,410</b>	<b>1,293,220</b>

## Appendix 2 – reconciliation to previous Base Budget Forecast (19-24)

	2020/21		
	Shared Service	NKDC	CoLC
	£	£	£
Original budget - 2019 – 2024	2,433,720	1,133,970	1,299,750
Savings on Staffing (Including Career Grades & Agency)	(35,480)	(14,920)	(20,560)
Increased IT Costs (Northgate System)	13,310	6,670	6,640
Printing Costs	(44,350)	(21,210)	(23,140)
Postage (Critiqom contract - offset by reduction in Printing costs)	59,430	28,900	30,530
<b>Revised budget – 2020 - 2025</b>	<b>2,426,630</b>	<b>1,133,410</b>	<b>1,293,220</b>

**SUBJECT: BUSINESS RATES UPDATE**

**DIRECTORATE: CHIEF EXECUTIVE**

**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:-

- Spring Budget 2017;
- Discretionary Relief Policy;
- Local Government Finance Bill 2017; and
- Queens Speech 2019.

3.2 Focus for both Government and billing authorities since the last meeting of Joint Committee has been on modelling the measures announced in the Queens Speech 2019, regarding new reliefs and changes to existing reliefs for 2020/21. The latest position on these previous reliefs are covered in this report.

Additional updates are provided in this report and will update on the following non-domestic rate issues: -

- Autumn Budget 2018 budget 2019; and
- City of Lincoln Business Rates Growth Policy awards.

#### 4. Spring Budget 2017

There were a number of reliefs announced in the Spring Budget 2017 which are still ongoing, and provide challenges for officers to ensure relevant businesses are in receipt of all reliefs available to them.

##### 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 2019/20 and have benefitted from the scheme as at 30 April 2019 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	£6,473
North Kesteven	23	17	£23,684
West Lindsey	26	15	£19,926



## Loss of small business relief – 2019/20

Authority	No. identified	No responded	Total award	Comments
City of Lincoln	8	4	£6,445	RV decrease
North Kesteven	23	15	£24,313	Increase
West Lindsey	26	13	£24,487	No change

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. This is a mandatory relief for which the local authority is compensated for.

Officers have noted that although the number of businesses awarded relief has reduced, the total award has increased. This is due to the increase in rateable value for 2019/20 – as a result of the annual uprating and reduction of transitional relief in year.

### 4.2 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

### 2019/20 Scheme

Letters were sent to the Chief Financial Officers of each Billing Authority on 28 April 2017 to confirm the grant distributions, and for 2019/20 the grant distributions for the three authorities, is as follows:-

- City of Lincoln £40,000  
Council:
- North Kesteven DC: £37,000

- West Lindsey DC: £31,000

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 2019/20 to be delegated to Chief Finance Officers for a final decision.

During April 2019, Officers have identified those ratepayers that may be entitled to relief and calculated the cost of relief for all businesses affected by the revaluation, whereby the 2019/20 charge has increased as a result.

Relief has been awarded to all accounts identified and ratepayers have been issued with a decision notice and letter of explanation.

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

### **New Discretionary Relief Scheme – 2017/18 to 2019/20 comparison:**

The table below shows the number of accounts identified and the total cost of relief for all 3 years for comparison purposes.

<b>Authority – City of Lincoln</b>	<b>No. identified</b>	<b>Total awards made</b>	<b>Budget</b>	<b>Total award (£)</b>	<b>Current not spent (£)</b>
2017/18	675	413	£198,000	£196,125	£1,875
2018/19	366	359	£96,000	£95,864	£136
2019/20	359	311	£40,000	£37,207*	£2,793

\*There has been a small reduction of £92 due to a change in rateable value for one of the businesses in receipt of this relief

<b>Authority – North Kesteven</b>	<b>No. identified</b>	<b>Total awards made</b>	<b>Budget</b>	<b>Total award (£)</b>	<b>Current not spent (£)</b>
2017/18	540	339	£186,000	£184,430	£1,570
2018/19	278	262	£91,000	£90,816	£184
2019/20	262	86	£37,000	£25,308*	£11,692

\*There has been a reduction of £309 as one business has had a change to Rateable Value.

<b>Authority – West Lindsey</b>	<b>No. identified</b>	<b>Total awards made</b>	<b>Budget</b>	<b>Total award (£)</b>	<b>Current not spent (£)</b>
2017/18	329	217	£158,000	£102,084	£55,916
2018/19	197	176	£76,000	£75,551	£449
2019/20	176	159	£31,000	£30,805*	£195

\*There has been a small increase in awards for all 159 recipients to ensure as much relief is awarded to the funding level as possible.

#### **Review of 2019/20 awards:**

A review of the awards for 2019/20 has taken place for West Lindsey and additional awards have been made.

For North Kesteven and City of Lincoln, this review is taking place in January 2020. The initial banding scheme will be adjusted to allow for further relief to be awarded. The adjusted scheme will be issued to Chief Finance Officers for delegated authorisation. The relief will be awarded onto accounts before new bills are issued for 2020/21.

This is a discretionary relief for which the local authority is compensated for.

#### **4.3 Retail Discount – Autumn budget 2018**

The Autumn Budget 2018 was announced on 29<sup>th</sup> October 2018. One of those announcements affecting Business Rates was regarding high streets.

It was recognised that 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.

With regards to the High Streets, Retail Guidance was issued in November 2018. The guidance confirmed this measure was for 2019/20 and 2020/21 only. Eligibility criteria has been provided and local authorities will be reimbursed using a grant under section 31 of the Local Government Act 2003.

Retail discount has been awarded for 2019/20 as follows: -

## Retail relief – 2019/20

Authority	No. identified	No responded	Total award	Comments
City of Lincoln	703	366	£912,518	Increase of 14 awards
North Kesteven	240	139	£319,723	Increase of 4 awards
West Lindsey	212	82	£189,026	Increase of 3 awards

This is a discretionary relief for which the local authority is compensated for.

### 5. Queens Speech 2019

5.1 There were a number of announcements made in the Queens Speech for reliefs from 1 April 2020 as detailed below:

- Retail business rate discount will increase from 33% to 50% with an extension to this discount to cinemas and music venues;
- Extension to the duration of the local newspapers discount;
- Introduction of an additional discount for pubs.

5.2 These measures are not new (with pub relief being offered in 18/19). Processes are in place already for ensuring we award to relevant businesses once further details are announced – which is expected in the budget announcement on 11 March 2020.

5.3 It is currently unknown whether these measures will be in place prior to the annual billing process. Software systems need to be updated and the budget announcement is after the shared service annual billing processes. The Revenues and Benefits Manager is liaising with Finance teams to discuss potential risks if these reliefs were awarded prior to the budget announcement.

5.4 In addition measures are to be introduced to ensure business rate payers in England have bills that more accurately reflect current property values, ministers will bring forward legislation to increase the frequency of business rates revaluations.

Business rates revaluations will increase to every 3 years, from the current 5 years, and the next revaluation will be brought forward a year from 2022 to 2021 to ensure businesses see the benefits of this change as soon as possible.

Much of the above was already expected and legislation was due to be introduced prior to the General Election December 2019 but fell with the dissolution of the last Parliament.

## 6. Outstanding Court of Appeal Decision – ATM's

- 6.1 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.
- 6.2 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.
- 6.3 The Valuation Office Agency was refused leave to appeal, though they could petition the Supreme Court to hear the case.
- 6.4 On 10 December 2018, the Valuation Office Agency submitted an application for the right of appeal to the Court of Appeals ruling. Information received by Officers indicated the Supreme Court may take up until June 2019 to decide whether to hear the case, adding then a further 18 months to 2 years before a further decision is made.
- 6.5 This continues to have implications for local authorities as the ATM's are now included as an appeal threat, and provision will need to be made for potential refunds.

### City of Lincoln

Business	Potential RV Loss
1	£35,934
2	£5,0723
3	£13,404
4	£21,502
5	£35,933
6	£2,535
7	£37,530
8	£1,875
9	£2,765
10	£26,510
11	£18,845
12	£618
13	£2,875
14	£4,304
15	£4,152
16	£1,692
17	£1,757
18	£11,978
19	£25,343
19	£14,064
20	£7,230
21	£11,978
22	£22,180
23	£37,530

24	£22,475
25	£2,875
26	£45,394
27	£45,394
28	£34,994
<b>Total</b>	<b>£498,739</b>

### North Kesteven

<b>Business</b>	<b>Potential RV Loss</b>
1	£35,933
2	£37,530
3	£18,845
4	£17,212
5	£2,528
6	£15,425
7	£4,201
8	£11,978
9	£18,845
10	£3,615
11	£5,659
12	£5,659
13	£7,049
14	£26,259
15	£11,977
16	£13,815
<b>Total</b>	<b>£236,530</b>

### West Lindsey

<b>Business</b>	<b>Potential RV Loss</b>
1	£4,152
2	£1,402
3	£2,415
4	£9,476
5	£52,701
6	£5,489
7	£11,976
8	£37,530
9	£7,710
<b>Total</b>	<b>£132,851</b>

## 7. City of Lincoln Business Rates Growth Policy – awards

- 7.1 City of Lincoln implemented their Business Rates Growth policy from 1 April 2019.
- 7.2 The policy aims to a time-limited rate relief discount to new and extended business premises within the City, in the interest of building the Business Rates base, supporting economic growth and job creation. This policy supports the Council's

open and partnership focussed approach to delivering growth as set out in the Vision 2020 Strategic Plan, particularly the objectives and ambitions relating to economic growth and reducing inequality.

7.3 Eligibility for this scheme will be dependent on the extent of the business premises creation or extension, location and the impact of the new business or expansion plans has on the local economy.

7.4 Since the introduction of the policy, awards have been made as follows: -

Year	No. Businesses awarded	Total value of award (£)
2019	4	£55,123

## 8. North Kesteven Business Rates Growth Policy – awards

8.1 North Kesteven implemented their Business Rates Growth in 2016.

8.2 The rationale for offering businesses incentives to grow and locate in North Kesteven is derived from the **Our Economy** priority published in the Council's *Corporate Plan 2017-2020*.

8.3 Since the introduction of the policy, 6 businesses have been awarded this relief, totalling £411,230. The table below shows the date an award was initially made (the length if award could be for more than 1 year) and the total value awarded per year: -

Year	No. Businesses awarded	Total value of award (£)
2015	2	£152,380
2016	2	£159,360
2017	1	£29,491
2018	1 (1 pending)	£70,000
Total	6	£411,230

## 9. NDR Legislation Changes – 2020 and beyond

9.1 In recent years, there has been a number of changes to NDR Legislation due to the introduction of new reliefs to be awarded to businesses. In addition to this, there are significant legislation changes which are to be in place from 1 April 2020 and beyond.

9.2 The legislation changes have formed part of the 1-1 process with the NDR Team Leader, ensuring the Shared Service is prepared and proactive in undertaking the required work to introduce the new legislation. This will include system changes, training of staff and communication to businesses.

9.3 Some of the legislation is still in the early stages of conception, with requirements for Ministry of Housing, Communities and Local Government to engage with Billing Authorities. Details of all legislation is included in **Appendix 1** of this report.

- 9.4 Queens Speech 2019:  
There were a number of announcements made in the Queens Speech for reliefs from 1 April 2020, which are set out in Section 5 of this report.

## 10. Strategic Priorities

- 10.1 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 Council:
- North Kesteven DC:

- 10.2 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.

- 10.3 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.

## 11. Organisational Impacts

### 11.1 Finance

No direct financial implications arising from this report.

### 11.2 Legal Implications including Procurement Rules

No direct financial implications arising from this report.

### 11.3 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.

## 12. Risk Implications

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

## 13. Recommendation

- 13.1 Members are requested to note this report.



<b>Is this a key decision?</b>	No
<b>Do the exempt information categories apply?</b>	No
<b>Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?</b>	No
<b>How many appendices does the report contain?</b>	One
<b>List of Background Papers:</b>	None

**Lead Officer:** Claire Moses, Revenues and Benefits Manager  
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	<b>Legislation</b>	<b>Details and stage of legislation</b>
1.	Non Domestic Rate (Lists) Bill 2017-19	<p><b>Next Stage:</b> This was due to go to the House of Lords in September. However, Parliament was prorogued until 14 October and the subsequent decision of the Supreme Court resulted in Parliament reconvening. It is likely that this legislation is now at its former stage in the respective process and will be tabled again to go to the House of Lords, however, there is no date currently.</p> <p>Brings revaluation forward from 2022 to 2021 - changes revaluation from 5 years to 3 years - changes date of draft list from 30/9 to 31/12</p>
2.	NHS Mandatory Relief	<p><b>Decision Received:</b></p> <p>A preliminary hearing was held on the 4th November 2019 and the decision given on 12th December 2019.</p> <p>The case in question was Derby Teaching Hospitals NHS Foundation trust and 16 others Vs Derby City Council and 44 others and the Charity Commission for England and Wales.</p> <p>The view of the High Court is that Derby Teaching Hospitals NHS Foundation Trust <b>is not a charity</b> for the purposes of S43(6) of the Local Government Finance Act 1988, which means that mandatory rate relief is not appropriate.</p> <p>As the decision was made in the High Court there is a high possibility that this will be appealed to a higher court so we may see this issue continue for some time to come.</p>

Appendix 1 – 5 February 2020 - Revenues and Benefits Joint Committee – Business Rates Update

	Legislation	Details and stage of legislation
		The full decision can be seen <a href="#">here</a> .
3.	Breathing Space	<p><b>Action:</b> Officers to review policies during 2020/21</p> <p><b>Next Stage:</b> To be introduced from April 2021</p> <p>Bill not introduced yet - but before 31/12/2019</p> <p><a href="https://www.gov.uk/government/consultations/breathing-space-scheme-consultation-on-a-policy-proposal/breathing-space-scheme-consultation-on-a-policy-proposal">https://www.gov.uk/government/consultations/breathing-space-scheme-consultation-on-a-policy-proposal/breathing-space-scheme-consultation-on-a-policy-proposal</a></p> <p>Government commitment to support vulnerable consumers, stop problem debt occurring and help people out of problem debt. 60 day period of time to see advice and find a solution. For CT only monthly arrears, not ongoing debt, unless lost right to pay by instalments</p>
4.	Non Domestic Rates (Public lavatories) Bill	<p><b>Next Stage:</b> This was due to go to the House of Lords in September. However, Parliament was prorogued until 14 October and the subsequent decision of the Supreme Court resulted in Parliament reconvening. It is likely that this legislation is now at its former stage in the respective process and will be tabled again to go to the House of Lords, however, there is no date currently.</p> <p>Funding from central govt. to be confirmed</p> <p>Introduced 18.6.19, 2nd reading 10.7.19</p> <p>Provides 100% relief to public toilets - public and private owned - free or charge for use – mandatory</p>
5.	Hospital (Parking charges and business rates) Bill 2017-19	<b>Next Stage:</b> Awaiting next date for reading to be announced

Appendix 1 – 5 February 2020 - Revenues and Benefits Joint Committee – Business Rates Update

	Legislation	Details and stage of legislation
		<p>Introduced September 2017 2nd reading due 11.05.18 - objected and postponed to 15.3.19 - objected again and postponed</p> <p>To prohibit charging for car parking at NHS Hospitals for patients and visitors; to make provision for NHS Hospitals to be exempt from business rates; and for connected purposes.</p>
6.	<p>Central Rating List (England)(Amendments) Regulations 2019</p>	<p><b>Action Central Govt:</b> Laid 01.03.19, Effective 01.04.19</p> <p><b>Action / awareness for LA:</b> This will no longer be in the central list from 2021</p> <p>Updates central list regulations (SI 2005/551). Recognises split between national grid as an electricity generation asset and a system operator. From 2021 properties occupied by National Grid Electricity System Operator LTD will not be shown on the central list.</p>
7.	<p>Non Domestic Rating (Preparation for Digital Services) Bill 2017-19</p>	<p><b>Action Central Govt:</b> House of commons into 25.04.19, 2nd reading 13.05.19, committee and 3rd reading 20.05.19.</p> <p>Lords 1st reading 21.05.19, 2nd 11.06.19</p> <p><b>Action / awareness for LA:</b> Consultation and collaboration will be required. Allows HMRC to invest in digitising NDR. New design of the system will not come in to force until after the next reval in 2024</p>

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<b>SUBJECT:</b>	<b>DISCRETIONARY HOUSING PAYMENTS UPDATE</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE</b>
<b>REPORT AUTHOR:</b>	<b>CLAIRE MOSES, REVENUES AND BENEFITS MANAGER (SHARED SERVICE)</b>

**1. Purpose of Report**

1.1 To update Joint Committee regarding Discretionary Housing Payments (DHP) expenditure for 2019/20.

**2. Executive Summary**

2.1 Demand against 2019/20 DHP grants remains high. City of Lincoln have increased their budget by £27,000 and North Kesteven by £15,000 from existing cash-limited budgets, to help meet these increased demands. 2019/20 DHP central government grants for both City of Lincoln and North Kesteven have decreased from 2018/19, but demands are higher due to welfare reforms in this new financial year – for example, due to Universal Credit (UC).

2.2 The impact of UC in Lincoln and North Kesteven is constantly increasing, and will continue to do so as UC continues to be rolled out. The next stage of UC rollout is anticipated to begin in Summer 2020, with a managed migration process for all remaining legacy benefit customers.

**3. Discretionary Housing Payments – Update**

3.1 The table below updates on DHP spend to the end of December 2019:

3.2

Local Authority	Total funding = Central Government DHP Grant 2019/20 + Additional funding	DHP net spend as at Q3 2019/20	DHP committed for 2019/20	DHP Total spend for 2019/20	% Grant spent	Unallocated DHP Grant And/or Unallocated additional funding
City of Lincoln	Total = £205,674 £178,674 + £27,000	£151,836	£38,318	£190,154	100%	£0  £15,520
North Kesteven	Total = £123,943 £113,943 + £10,000	£97,439	£23,954	£121,034	100%	£0  £2,909

3.3 The table below breaks down the number of DHP applications received and determined up to Q3 2019/20

DHP applications – Year 2019/20	City of Lincoln	North Kesteven
Total number awarded	477 <i>(December 2018/19 = 462)</i>	281 <i>(December 2018/19 = 269)</i>
No. awarded for Housing Benefit	289 <i>(December 2018/19 = 378)</i>	181 <i>(December 2018/19 = 240)</i>
No. of HB awards who are Local Authority tenants	Unknown	Unknown
No. awarded for Universal Credit	188 <i>(December 2018/19 = 84)</i>	100 <i>(December 2018/19 = 29)</i>
Average DHP award	£399 <i>(December 2018/19 = £381)</i>	£431 <i>(December 2018/19 = £389)</i>



- 3.4 The number of DHP applications for customers in receipt of Universal Credit has increased from 2018/19. This is indicative of the number of customers moving from legacy benefits to UC increasing throughout the year. Officers are also raising awareness of DHP, there is also a robust and consistent decision-making process in a highly-sensitive and complex area of administration.
- 3.5 National DHP funding is £139.5 million for 2019/20, which is part of an announced 5-year 'settlement' period of DHP funding to help local authorities manage the impact of Housing Benefit reforms. This comprises of funding for four separate areas of support, being; Core funding, Local Housing Allowance (LHA), Removal of the Spare Room Subsidy (RSRS) and Benefit Cap. The distribution of the DHP funding is based on the effect of each element on individual local authorities.

The table below shows the grant figures for City of Lincoln and North Kesteven, also showing recent previous year grants, for comparison purposes.

	City of Lincoln	North Kesteven	Comments
<b>2019/20</b>	£178,674	£113,943	Grant decreases: City of Lincoln £29,950 (14.4%) North Kesteven £12,750 (10.1%)
<b>2018/19</b>	£208,624	£126,693	Grant decreases: City of Lincoln £33,881 (13.9%) North Kesteven £14,279 (10.1%)
<b>2017/18</b>	£242,505	£140,972	Grant increases: City of Lincoln £68,830 (28.4%) North Kesteven £33,458 (23.7%)
<b>2016/17</b>	£173,675	£107,514	Grant increases: City of Lincoln £33,997 (24.3%), North Kesteven £7,537 (7.5%)
<b>2015/16</b>	£139,678	£99,977	Grant decreases: City of Lincoln £54,630 (28.1%), North Kesteven £7,388 (6.9%)
<b>2014/15</b>	£194,308	£107,365	Grant in/decreases: City of Lincoln £5,433 (-0.03%), North Kesteven £9,136 (+0.09%)
<b>2013/14</b>	£199,741	£98,229	Grant increased City of Lincoln £100,882 (102%) North Kesteven £55,640 (130.6%)  Further additional grants successfully bid for: £40,000 (City of Lincoln), £35,000 (North Kesteven)

<b>2012/13</b>	£98,865	£42,589	
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It is disappointing that the grants have decreased, as the demands on DHP requirements is continuing to increase.

- 3.6 An internal DHP working group continues to review DHP procedures with the aim of ensuring that those most in need of additional help with their housing costs receive appropriate support.

Each year, the DHP guidance is reviewed with recommendations made to Section 151 Officers of both City of Lincoln and North Kesteven for approval. Any changes proposed are with the aim to provide a positive impact in meeting local needs in relation to housing costs.

#### **4. Strategic Priorities**

- 4.1 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. Organisational Impacts**

- 5.1 Finance: Decrease in DHP grants from central government for 2019/20 – by £29,950 for City of Lincoln, by £12,750 for North Kesteven. Any expenditure above these grants is borne by the individual local authority. Any central government grant not spent must be returned by the local authority to DWP.

City of Lincoln have increased their budget by £27,000 and North Kesteven by £15,000 from existing cash-limited budgets, to help meet these increased demands.

Future welfare reform related financial implications beyond 2019/20, are currently unclear.

- 5.2 Legal Implications including Procurement Rules: There are no direct Legal or Procurement implications arising from this report.
- 5.3 Equality, Diversity & Human Rights: There are no direct Equality, Diversity or Human Rights implications arising from this report.

#### **6. Risk Implications**

- 6.1 Levels of central government DHP grants have an impact on individual households in terms of affording their housing costs.
- 6.2 Welfare reform changes will have impacts on households in the districts – regarding which the shared service will endeavour to proactively respond.

## 7. Recommendation

7.1 Members note the 2019/20 (as at December 2019) spend positions in relation to Discretionary Housing Payment expenditure, as well as Government Grant figures for DHP 2019/20.

**Is this a key decision?** No

**Do the exempt information categories apply?** No

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

**How many appendices does the report contain?** None

**List of Background Papers:** None

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(Shared Service)  
Telephone (01522) 873764

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**REVENUES AND BENEFITS JOINT COMMITTEE**

**5 FEBRUARY 2020**

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

**1. Purpose of Report**

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

**2. Executive Summary**

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

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

**3. Background**

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

**4. National Progress – Statistics**

- 4.1 Latest figures published by the Department for Work and Pensions (DWP) were released on 17 December 2019, with statistics relevant to the period up to 14 November 2019.
- 2,675,833 households receiving UC (this is an increase from 2,254,973 as reported at the last meeting of this Committee)

An update has not been provided since this date and it is expected these will be issued quarterly and not monthly – with the next update expected mid-February.

## 5. Update – Private Landlord Portal

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

Although this will not mirror the product that Social Sector uses, it will be designed to move away from private landlords having to make an email request for direct payments.

## 6. Universal Credit changes

- 6.1 **Appendix 1** shows all recent announcements from the Autumn Budget 2018 to January 2020, along with updates as to how these will impact customers and the local authority.

### 6.2 Severe Disability Premium – increase in income for 64 customers:

There have been announcements regarding Severe Disability Premium (SDP) compensation scheme, SDP gateway closure and Pension increase since the last meeting of this Committee in September 2019.

The Welfare Reform Project Officer has undertaken a recent piece of work to identify those customers who are not currently in receipt of the SDP. In doing this, officers have been able to support customers in maximising their income, reviewing deductions due to under occupation and offering support due to other needs identified.

This was initially undertaken as a pilot for City of Lincoln tenants (LA and Housing Association (HA)) affected by under occupation.

As a result of the success of this work, officers then compiled a list of all customers who, based on our information could have been in receipt of the SDP. Officers identified 1,344 customers. Initially, letters were going to be issued to those customers, but, after the first 100 letters were issued, it was clear that a high percentage of customers would contact the team. The approach was adjusted and the Welfare Reform Support Team reviewed the remaining 1,244 customers themselves – using the DWP and Housing Benefit systems. This resulted in 231 customers being contacted, with a positive result for 64 customers (so far) with income being maximised by a total of £534,427 (based on current SDP of £66.15 per week). The outcomes are detailed below: -

	Number	Value (£)
Total Income maximised	64	£534,427
Backdated award	64	£314,280
Future award per annum	64	£220,147

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

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

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

## **8. Strategic Priorities**

- 8.1 **City of Lincoln: Let's drive economic growth and North Kesteven: Our economy and Our Community:** An understanding of Universal Credit and its wider impacts on City of Lincoln residents and arrears levels is important when reducing poverty and driving economic growth across the City. The aim of Universal Credit is to provide a simplified means tested benefits system, with the objective of avoiding the poverty trap, where there is a disincentive to work longer hours because of the loss of benefits and higher taxes.
- 8.2 **City of Lincoln: Let's drive economic growth and North Kesteven: Our economy and Our Community:** - A key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money / debt advice. There are strategic priorities when engaging with those in receipt of Welfare Benefits, Digital Inclusion, Channel Shift/ Customer Experience, Financial Inclusion and Partnership Working are all key priorities as part of this report.

## **9. Organisational Impacts**

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

## **10. Risk Implications**

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

## **11. Recommendation**

- 11.1 Joint Committee notes this report – and that an update will be presented at the next meeting of this Committee.

<b>Key Decision</b>	No
<b>Do the Exempt Information Categories Apply</b>	No
<b>Call In and Urgency:</b> Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
<b>Does the report contain Appendices?</b>	Yes
<b>If Yes, how many Appendices?</b>	Appendix 1: Universal Credit Changes Appendix 2: Welfare Reform Action Plan
<b>List of Background Papers:</b>	No
<b>Lead Officer:</b>	Rob Kay, Welfare Reform and Projects Officer, Telephone 01522 873767



**APPENDIX 1: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
January 2020**

<b>Autumn Budget 2018</b>		
<b>Update</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
<b>Universal Support</b>	<p><b>Universal Support</b> currently helps with digital support, such as using a computer to make or maintain their claim, and assistance in budgeting and managing their finances.</p> <p>DWP will enter into a new partnership with Citizens Advice immediately, and they will run their developing service alongside local authorities until 31 March 2019, when Citizens Advice will deliver the full service solely from April 2019.</p> <p>DWP will provide £39 million of funding from April 2019 to Citizens Advice and Citizens Advice Scotland to provide this service. DWP will fund Citizens Advice and Citizens Advice Scotland a further £12 million to set up delivery in the run up to April 2019 to ensure a smooth transition to the new delivery model. This funding is from Universal Support's £200 million budget, which was launched in 2015.</p> <p>There is still a great deal of clarity still required regarding how this arrangement may work, what the exact scope is, and what local authorities' role may be, with concerns as to how this model may operate and whether or not it will match the holistic service to UC customers currently being provided by our shared service to residents of Lincoln and North Kesteven.</p>	<p><b>January 2020: Citizens Advice 'Help to Claim' arrangements commenced 2019/20, supported by internal arrangements at both City of Lincoln and North Kesteven.</b></p>

**APPENDIX 1: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
January 2020**

<b>Autumn Budget 2018</b>		
<b>Update</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
<b>Universal Credit and Supported Housing</b>	<p>Consultation on a new way of providing funding for supporting housing and a “sheltered rent” closed earlier this year. The new arrangements were intended to start next year and this would have reduced drastically the number of Housing Benefit claims (including for those of pension age). Instead, ring fenced funding would have been provided to local authorities to provide support for these customers.</p> <p>On 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.</p>	
<b>Universal Credit Work Allowance increase</b>	<p>The Budget provides additional support for people transferring onto Universal Credit, and an increase in the Work Allowance that will mean 2.4 million households keep more of their income.</p> <p>The work allowance is the amount that households with children, and people with disabilities can earn before their Universal Credit award begins to be withdrawn.</p>	<p><b>January 2020: No new update since last Committee</b></p> <p>August 2019: No new update since last Committee</p> <p>The Work Allowance will be increased by £1,000 from April 2019. This means that 2.4 million households will keep an extra £630 of income each year.</p>

**APPENDIX 1: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
January 2020**

<b>Autumn Budget 2018</b>		
<b>Update</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		<p>Higher work allowance = £503pcm Lower work allowance = £287pcm</p> <p>However if you are a worker who has no children or you or your partner have not been assessed as having limited capability for work, you will still not receive help in the form of work allowances.</p> <p>The allowance will result in customers who are entitled to it will be better off by £1000 per year.</p>
<b>Extra help for households moving onto Universal Credit</b>	<p>The government has listened to representations made by stakeholders on Universal Credit, and the Budget announces an extensive package of extra support for claimants as they make the transition to Universal Credit.</p> <p>Building on the Autumn Budget 2017 announcement that Housing Benefit claimants will receive an additional payment providing a fortnight's worth of support during their transition to Universal Credit, the government will extend this provision to cover the income-related elements of Jobseeker's Allowance and Employment and Support Allowance, and Income Support. This will be effective from July 2020, and benefit around 1.1 million claimants.</p> <p>To support the transition to Universal Credit for all self-employed people, the government is also extending the</p>	<p><b>January 2020: No new update since last Committee</b></p> <p>August 2019: No new update since last Committee</p> <p>2 week run on for JSA, ESA and IS customers</p> <p>These means those who are migrated to UC from July 2020 will receive 2 weeks of HB, 2 weeks of either JSA/IS or ESA and 2 weeks of UC, which adds further financial security to dealing with moving to monthly payments and lessens the need for advanced loans and threat of eviction/court.</p>

**APPENDIX 1: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
January 2020**

<b>Autumn Budget 2018</b>		
<b>Update</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
	<p>12-month grace period (the period before the Minimum Income Floor applies) to all gainfully self-employed people; giving claimants time to grow their businesses to a sustainable level. This will be introduced from July 2019 and implemented fully from September 2020.</p> <p>From October 2019, the government will reduce the maximum rate at which deductions can be made from a Universal Credit award from 40% to 30% of the standard allowance. This will ensure that those on Universal Credit are supported to repay debts in a more sustainable and manageable way. From October 2021, the government will also increase the period over which advances will be recovered, from 12 to 16 months.</p>	<p>By reducing the maximum amount that deductions can be made and extended the repayments, this will reduce hardship.</p>
<b>Funding previously announced measures</b>	<p><b>for</b> In addition, the Budget provides funding for the announcements made by the Secretary of State for Work and Pensions in April and June 2018 to support the roll-out of Universal Credit. This provided additional protections for welfare claimants, including: enhancements to transitional protection for people moving onto Universal Credit; extending existing support for non-parental carers and adopters in tax credits and Universal Credit; and enhanced protections for those currently receiving the Severe Disability Premium to provide additional support as Universal Credit is implemented.</p>	<p><b>January 2020: No new update since last Committee</b></p> <p>August 2019: No new update since last committee</p>

**APPENDIX 1: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
January 2020**

<b>Autumn Budget 2018</b>		
<b>Update</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
	<p>The government will deliver these changes slowly and carefully. In response to feedback on Universal Credit, the implementation schedule has been updated: it will begin in July 2019, as planned, but will end in December 2023. The scope of the surplus earnings policy in Universal Credit will also be temporarily reduced: it will continue to affect large earnings spikes (above £2,500) until April 2020, when it will revert to affecting earnings spikes of £300.</p>	
<p><b>Support for 18 to 21 year olds and supported Housing</b></p>	<p>In the Autumn Budget 2017, Ministers have reversed a 2014 move stopping individuals under the age of 21 automatically being entitled to Universal Credit housing costs. This decision has not yet been passed through legislation, and it is likely this will not take place in Autumn 2018 as the legislation has been delayed by 6 months.</p> <p>As a result, currently, 18 to 21 year olds are not eligible for support towards their housing costs, unless they are classed as vulnerable (as defined by DWP). Around 90% of 18-21 year olds are in these categories.</p> <p>The DWP provides a programme of intensive support for all 18 to 21 year olds making a new claim to Universal Credit. This programme is being rolled-out in line with the roll-out schedule for Universal Credit. It aims to encourage and support all young people into employment, work-related training or an apprenticeship,</p>	<p><b>January 2020: No new update since last Committee</b></p> <p>August 2019: No new update since last Committee</p> <p>From 31/12/2018 there is no longer any conditionality attached to 18-21 year olds to get help with housing Costs, any tenant that was previously tuned down help with Housing Costs will automatically be awarded from their assessment period following 31/12/2018.</p> <p>Allows those 18-21 to have the rent element paid, they will still be subject to the intensive work scheme (providing they are not exempt) and will allow them to look to enter the labour market with the correct support, whilst being able to live in a stable environment.</p>

**APPENDIX 1: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
January 2020**

<b>Autumn Budget 2018</b>		
<b>Update</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
	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.	

<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
<b>Severe Disability Premium and Universal Credit</b>	<b>January 2019</b>	<p>Claimants receiving the Severe Disability Premium (SDP) in a legacy benefit will not be able to move on to Universal Credit for the foreseeable future.</p> <p>The SDP is an amount paid to severely disabled people as part of the following legacy benefits:</p> <ul style="list-style-type: none"> <li>• JSA(IB)</li> <li>• ESA(IR)</li> <li>• IS</li> <li>• HB</li> </ul> <p>These claimants also need to be in receipt of one of the following disability benefits, and live alone (or be classed as living alone) and no one must be in receipt of Carer's Allowance (CA) or</p>	<p><b>January 2020: No new update since October 2019 committee</b></p> <p>The 'transitional payments' will comprise of:  an ongoing monthly payment to those who are eligible for it; and  an additional lump-sum payment to cover the period since they moved to UC.</p> <p>The monthly 'transitional payments' reflect the amount of SDP that a claimant was receiving prior to migration, and are a flat rate of:  £285 a month for claimants not in the UC limited capability for work related activity (LCWRA) group (the broad monthly equivalent of the lower rate SDP at £65.85 a week) £120 a month where the UC claimant has been determined as having LCWRA, and who therefore already receives an additional amount in their UC award because of</p>

**APPENDIX 1: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
January 2020**

<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		<p>the UC Carer Element for caring for them:</p> <ul style="list-style-type: none"> <li>• Disability Living Allowance (DLA) care component at the middle or higher rate</li> <li>• Personal Independence Payment (PIP) daily living component at the standard or enhance rate</li> <li>• Attendance Allowance or Constant Attendance Allowance</li> <li>• Armed Forces Independence Payment (AFIP).</li> </ul> <p>If the claimants are in a couple, they get the higher amount of severe disability premium if the claimant and partner are eligible.</p> <p>Claimants who receive a legacy benefit which includes the SDP, will no longer receive SDP or any other premium once they make a claim to UC. These premiums are not payable under UC regulations.</p>	<p>their health condition. The higher rate of the LCWRA component is taken into account against the extra payments offered by the transitional protection £405 a month where joint claimants were receiving the higher couple rate SDP in their existing benefits</p> <p>£285 a month where joint claimants were receiving the lower couple rate SDP and are not receiving the LCWRA component in UC</p> <p>£120 a month where joint claimants were receiving the lower couple rate SDP and are receiving the LCWRA component in UC</p> <p>August 2019: The Universal Support team are currently reviewing cases who may be eligible for an SDP. All customers with Disability Living Allowance (DLA) Care and Personal Independence Allowance (PIP) will have a review where there is a deduction for under occupation. The team will look to reduce this through increasing the carers allowance within the claim calculation or Discretionary Housing Payment. There are 188 Lincoln tenants who are in receipt of either DLA or PIP – Officers are currently reviewing the best way to proceed with these cases.</p>

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January 2019			
Update	Effective Date	Details	Update for 5 February 2020
			<p>By retaining those with SDP under HB this allows for them to continue to receive disability premiums, which there are currently none under UC.</p> <p>Those that have already moved over before the regulations changed will be given backdated “compensation” payments as a transitional payment”.</p>
<b>Universal Credit Two-child Limit</b>	<b>1 February 2019</b>	<p>Families with more than two children who make new claims for Universal Credit will no longer be directed to claim Child Tax Credit.</p> <p>The two child limit will not apply to those families.</p> <p>Those who have been awarded Universal Credit after April 2017 and have two or fewer children but who then have a third or subsequent child will have the two-child limit applied.</p>	<p><b>January 2020: No new update since last Committee</b></p> <p>August 2019: No new update since last Committee</p> <p>Those that have more than 2 children before April 2017 will get the child element under UC for all children, if a subsequent child is born after April 2017 they will not get the child element for this child.</p> <p>Those who have a 3<sup>rd</sup> child after April 2017 will not get the child element for this child (they would still be entitled to any disabled elements).</p> <p>Those with more than 2 children, who get the child element will in most cases be subject to the</p>



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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
			Benefit Cap of £20,000, which in most cases will then not make then any better off financially.
<b>Pension Credit Child allowances</b>	<b>1 February 2019</b>	People of Pension Credit age who are responsible for a dependent child or children, will receive help with the child or children in the form of dependent allowances paid within their Pension Credit award. This is because you will no longer be able to make a new claim for Tax Credits (Child Tax Credit or Working Tax Credit) if you are Pension Credit age.	<b>January 2020: No new update since last Committee</b>
<b>Universal Credit Work Allowance Increases</b>	<b>April 2019</b>	Work allowances are the amount of your earnings from employment that you are allowed to keep before it is taken into account as income for Universal Credit. These will increase by £1000 for the year, meaning that people in work who have children or have limited capability for work (or their partner has limited capability for work) will benefit by up to £630 per year.	<b>January 2020: No new update since last Committee</b>
<b>National Minimum Wage Increase</b>	<b>April 2019</b>	The National Living Wage will increase by 4.9% from £7.83per hour to £8.21 per hour in April 2019.	<b>January 2020: No new update since last Committee</b>

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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		The National Minimum Wage increases from £7.38 per hour to £7.70 per hour for people aged 21 to 24; and from £5.90per hour to £6.15per hour for people aged 18 to 20.	
<b>Universal Credit and Mixed Aged Couples</b>	<b>16 May 2019</b>	<p>From 15 May 2019, mixed age couples (where one party of the couple is over Pension Credit qualifying age and the other under that age) will no longer be able to choose whether they claim Universal Credit or Pension Credit or pension age Housing Benefit. Both parties of a couple will have to reach the Pension Credit qualifying age before they can be entitled to Pension Credit and/or pension age Housing Benefit.</p> <p><b>Protections</b> There is a protection for existing mixed age couples as though the changes had not come into force. This means that where a mixed age couple were entitled to the following on 14 May 2019, they will continue to be entitled on or after 15 May 2019:</p>	<b>January 2020: No new update since last Committee</b>

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January 2019			
Update	Effective Date	Details	Update for 5 February 2020
		<ul style="list-style-type: none"> <li>• Pension age Housing Benefit</li> <li>• Pension Credit or</li> <li>• Both.</li> </ul> <p>The protection will cease for the working age member of the couple, on any day on or after 15 May 2019, when that person is not entitled to either pension age Housing Benefit or Pension Credit as a part of the same mixed age couple.</p> <p><b>Single Pensioner forms a partnership</b> If a single pensioner forms a couple with a person below the qualifying age on or after 15 May 2019, entitlement to pension age Housing Benefit and Pension Credit will end.</p> <p><b>Approaching mixed age:</b> Couples who are under State Pension age and have an award of HB assessed under the Housing Benefit Regulations 2006 (SI 2006/213), ‘working age HB’, will become a mixed age couple once one member reaches pension age.</p>	

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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		<p>At this point rather than re-assessing the claim under the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (SI 2006/214) ‘pension age HB’, the couple should be advised that they need to claim Universal Credit (UC). The relevant provision is Article 6(2)(b) and (3)(a) of SI 2019/37.</p> <p>Where the younger partner is in receipt of Income Support (IS), Jobseeker’s Allowance (income-based) (JSA(IB)), Employment and Support Allowance (income-related) (ESA(IR)), the couple will not be required to claim UC and can continue to receive working age HB if they have an existing claim until there is a relevant change in their circumstances which ends entitlement to those benefits. They will have to claim UC if they need further help with their housing costs.</p>	
<b>Managed Migration</b>	<b>July 2019</b>	The current plan in Great Britain is that DWP will begin testing the managed	<b>January 2020: No new update since August committee</b>

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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		<p>migration process from July 2019 to July 2020 through a pilot in Harrogate.</p> <p>During this period, up to 10,000 existing legacy benefit claimants (including some tax credit claimants) will be moved across to UC through the new process.</p> <p>Benefit claimants in Harrogate in North Yorkshire will be the first to be transferred to Universal Credit by managed migration under a pilot scheme for 12 months. Transitional protection will be available to those taking part in the pilot. Only once the pilot scheme has been completed and assessed, claimants will be moved over to Universal Credit in greater numbers.</p>	<p>August 2019: The Universal Support team will monitor the process and outcomes of the managed migration.</p>
<b>Self-employed minimum income floor grace period</b>	<b>July 2019</b>	<p>Self-employed people whose earnings are low, may have their Universal Credit worked out on higher earnings than they have. This is called the Minimum Income Floor (35hours per week x £8.21(NLW) x 52 weeks/12</p>	<p><b>January 2020: No new update since August committee</b></p> <p>August 2019: No new update since last Committee</p>

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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		<p>months). If the business has started within the last 12 months the minimum income floor does not affect the entitlement for the first 12 months of the Universal Credit claim. The government have announced that they will extend this 12-month ‘grace period’ to all people who are gainfully self-employed.</p> <p>However, this will only apply to people who have been transferred over to Universal Credit by managed migration from July 2019 at the earliest. Self-employed people who make a new Universal Credit claim or have a change of circumstance which moves them on to Universal Credit, will not benefit from this change until September 2020.</p>	
<b>Universal Credit Advance Recovery Reduction</b>	<b>October 2019</b>	From October 2019, the maximum rate at which deductions can be made from Universal Credit, to repay an advance payment, will be reduced from 40% to 30% of the standard allowance of Universal Credit.	<p><b>January 2020: No new update since August committee</b></p> <p>August 2019: No new update since last Committee</p>

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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		The period over which advances can be recovered will be extended from 12 to 16 months, from October 2021.	
<b>Parental Bereavement leave and pay</b>	<b>April 2020</b>	The government will introduce a new legal entitlement to two weeks' leave for employees who suffer the death of a child under 18, or a stillbirth after 24 weeks of pregnancy. Employed parents will also be able to claim pay for this period if they meet the qualifying conditions. However, we are awaiting further announcements on what the qualifying criteria is going to be.	<b>January 2020: No new update since August committee</b>  August 2019: No new update since last Committee
<b>New Year upratings for NLW, NMW, SRP</b>	<b>April 2020</b>	From 1 April 2020, the new hourly rates will be - <ul style="list-style-type: none"> <li>• £8.72 for workers aged 25 and over - 6.2 per cent increase;</li> <li>• £8.20 for 21-24 year olds - 6.5 per cent increase;</li> <li>• £6.45 for 18-20 year olds - 4.9 per cent increase;</li> <li>• £4.55 for under 18s - 4.6 per cent increase; and</li> <li>• £4.15 for apprentices - 6.4 per cent increase.</li> </ul>	<b>January 2020: No new update since August committee</b>

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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
<b>Benefit rates increase</b>	<b>April 2020</b>	<b>After four years the benefit freeze ends in April 2020....and the Government confirms rates will rise by 1.7 per cent approx. This will likely mean a rise in most local housing allowance (LHA) levels</b>	
<b>New update: State pension to rise at least 4%</b>	<b>April 2020</b>	<p>Millions of pensioners will receive at least a 4% pay rise next year, in line with annual wage growth – the biggest increase since 2012.</p> <p>Pensioners would see their payments rise by up to £351 a year.</p> <p>The state pension is protected by the ‘triple lock’, which means it increases each April by the greater of price inflation, earnings growth or 2.5%. While September’s inflation figures are yet to be released, pensioners are currently on track to earn a 4% bump in line with workers for the second year running.</p>	<b>Jan 2020: State retirement pension will increase by 3.9 per cent.</b>
<b>Removal of free TV Licence</b>	<b>June 2020</b>	The free TV licence will no longer be available to all people 75 or over. From 1 June 2020 the criteria will be aged 75 or over and getting Pension	<b>January 2020: No new update since August committee</b>



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<b>January 2019</b>			
<b>Update</b>	<b>Effective Date</b>	<b>Details</b>	<b>Update for 5 February 2020</b>
		Credit in order to qualify for the free licence.	August 2019: No new update since last Committee
<b>2 weeks transitional payment for passported incomes</b>	<b>July 2020</b>	Claimants will receive an additional fortnight's worth of Income-based Jobseekers' Allowance, Income-related Employment and Support Allowance or Income Support if they are on one of these benefits when they move over to Universal Credit	<b>January 2020: No new update since August committee</b>  August 2019: No new update since last Committee
<b>Self-employed Minimum Income Floor Grace Period</b>	<b>September 2020</b>	Available to everyone	<b>January 2020: No new update since August committee</b>  August 2019: No new update since last Committee
<b>New update: Close SDP Gateway</b>	<b>January 2021</b>	The new regulations abolish, from January 2021, the SDP Gateway that prevents claimants entitled to the SDP from making a claim to UC if they have a relevant change of circumstances.  Once the Gateway is removed claimants will move to UC if they have a relevant change of circumstances and may be eligible to be considered for transitional payments.	<b>January 2020: No new update since last committee</b>  October 2019: This is a new update

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**APPENDIX 2: 5 February 2020 - Revenues and Benefits Joint Committee – Welfare Reform Strategy Action Plan update  
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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
WR3	Analysis of any shared service staff training and development needs, identification of transferrable skills	Head of Shared Revenues and Benefits	Ongoing throughout 2019/20	<p><b>January 2020: No change to update since August 2019 Committee.</b></p> <p>August 2019: Ongoing – UC changes are being included within staff training and quality checks are undertaken for UC assessments.</p> <p>Update May 2019: Outcome of 2018/19 UC Support has been reviewed. North Kesteven have retained UC Support Officer for 2019/20 and 2020/21. City of Lincoln are currently reviewing the level of support.</p>
WR4	Assess impacts of COL/NK funding changes regarding national UC rollout	Head of Shared Revenues and Benefits	Ongoing	<p><b>January 2020: No change to update since August 2019 Committee. Awaiting national funding announcement. Unknown whether Citizen Advice will continue to provide this support</b></p> <p>August 2019: No update since last meeting of this Committee.</p> <p>UC funding for Local Authorities ceased on 31 March 2019 with funding being transferred to Citizens Advice for Help to Claim.</p>

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
				LA's still receive DWP funding for other areas relating to UC. Currently a total of £68,562 funding has been received for new burdens and mixed age couples: - <ul style="list-style-type: none"> <li>• City of Lincoln = £47,478</li> <li>• North Kesteven = £21,084</li> </ul>
WR11	Training delivery plan for UC and USDL to be formulated	Revenues and Benefits Manager	Ongoing throughout 2019/20	<p><b>January 2020: No change to update since August 2019 Committee.</b></p> <p>August 2019: Ongoing – UC changes are being included within staff training and quality checks are undertaken for UC assessments. All shared service staff have Universal Credit training with assessment guides. UC Support team have a detailed understanding of legislation and the impacts this has on customers.</p> <p>Training is delivered as and when new legislation is announced.</p>
WR13	Other opportunities for co-location to support USDL work identified	Head of Shared Revenues and Benefits	Ongoing throughout 2019/20	<p><b>January 2020: CA co-location is not currently being taken forward for City of Lincoln</b></p> <p>October 2019: CA co-location undertaken at NK and this has worked well.</p>

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
				<p>August 2019: Citizens Advice is undertaking Help to Claim from their office. For NK, co-location will be trialled from 2 September for 8 weeks</p> <p>Potential for co-location of Lincoln Citizens Advice at City Hall, particularly due to the Help to Claim process and close link needed to Lincoln teams.</p>
WR17	Quarterly updates to Revenues and Benefits Joint Committee on welfare reform strategy progress	Revenues and Benefits Manager	Quarterly throughout 2019/20	<p><b>January 2020: 5 February 2020 Joint Committee meeting</b></p> <p>25 November 2019 Joint Committee meeting</p> <p>6 September 2019 Joint Committee meeting.</p> <p>3 June 2019 Joint Committee meeting</p>
WR28	Review of DHP procedures for COL + NK for 2019/20	Benefits Team Leader (Lincoln)	Ongoing through 2019/20	<p><b>January 2020: Separate DHP update report will be presented to this committee. Funding details not yet confirmed for 2020/21</b></p> <p>October 2019: DHP process and policy will be reviewed in readiness for 2020/21</p> <p>August 2019: No update since last meeting of this Committee.</p>

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
				DHP process is reviewed regularly as part of monthly DHP meetings. Full review is undertaken annually.
WR29	Monthly monitoring of 2019/20 Council Tax Support Schemes COL + NK	Revenues and Benefits Manager	Ongoing through 2019/20	<p><b>January 2020: No change to update since last meeting of this Committee.</b></p> <p>Ongoing through taxbase: No concerns currently. Reduction in caseload each month as a result of UC and less generous scheme.</p>
WR31	Assessment of options for 2020/21 Council Tax Support Schemes COL+NK – including links into UC such as banding	Revenues and Benefits Manager	30 January 2020	<p><b>January 2020: 2020/21 CTS scheme executive and decision dates as follows: -</b></p> <ul style="list-style-type: none"> <li>• <b>COL Scheme</b> <ul style="list-style-type: none"> <li>○ <b>Policy Scrutiny Committee – 14 January 2020</b></li> <li>○ <b>Executive – 20 January 2020</b></li> <li>○ <b>Council – 21 January 2020</b></li> </ul> </li> <li>• <b>NK Scheme</b> <ul style="list-style-type: none"> <li>○ <b>Executive – 16 January 2020</b></li> <li>○ <b>Council – 30 January 2020</b></li> </ul> </li> </ul> <p>October 2019: 2020/21 CTS Scheme options have been modelled and are currently out for consultation. Consultation dates are: -</p> <ul style="list-style-type: none"> <li>• COL scheme is 30.10.19 to 11.12.19</li> </ul>

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
				<ul style="list-style-type: none"> <li>NK scheme is 21.10.19 to 22.11.19</li> </ul> <p>August 2019: No update since last meeting of this Committee.</p> <p>Modelling for 2020/21 scheme to start in June 2019</p> <p>Committee timetable to begin in August 2019 with public consultation. Final scheme decision by January 2020</p>
WR32	Produce annual COL/NK welfare reform report	Revenues and Benefits Manager	November 2019	<p><b>January 2020: No change to update since last meeting of this Committee.</b></p> <p>Report to be produced and brought to this Committee</p>
WR33 Vision 2020	Preparing for Universal Support group to meet between COL and NK (working with partners as required)	Revenues and Benefits Manager as part of Vision 2020	Ongoing through 2019/20	<p><b>January 2020: No change to update since last meeting of this Committee</b></p> <p>Monthly meetings arranged for 2019/20 between COL and NK</p>
WR34 Vision 2020	Further Support for residents to adapt to welfare reform	Revenues and Benefits Manager	Ongoing throughout 2019/20 and beyond	<p><b>January 2020: No change to update since last meeting of this Committee</b></p> <p>August 2019: Welfare Reform and Project Officer has been tasked with looking at ways the team can support</p>

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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
				customers to reduce inequality. This is included on the project leads 1-1 and will be fed back to Lincoln Reducing Inequality Vision Group meeting in September 2019.  Welfare Reform report and Universal Credit report which is brought to this Committee provides updates
WR35 Vision 2020	Maintaining support for people moving to Universal Credit	Revenues and Benefits Manager	Ongoing throughout 2019/20 and beyond	<b>January 2020: No change to update since last meeting of this Committee</b>  August 2019: UC Advice review currently being undertaken.  Welfare Reform report and Universal Credit report which is brought to this Committee provides updates
WR36	Analyse potential impacts of key welfare reform announcements from Budgets in 2017	Revenues and Benefits Manager	Ongoing throughout 2019/20 and beyond	<b>January 2020: No change to update since last meeting of this Committee</b>  August 2019: Welfare Reform and Project Officer has been tasked with looking at ways the team can support customers to reduce inequality. This is included on the project leads 1-1 and will be fed back to Lincoln Reducing Inequality Vision Group meeting in September 2019.



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Ref.	Action	Responsible Officer/ Organisation	Target Date	Comments/ Updates
				Welfare Reform report and Universal Credit report which is brought to this Committee provides updates

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**SUBJECT: REVENUES AND BENEFITS SHARED SERVICE BUSINESS PLAN 2020/21**

**DIRECTORATE: CHIEF EXECUTIVE**

**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. Due to the purdah period prior to the 12<sup>th</sup> December 2019 general election, this report was deferred from the 25<sup>th</sup> November 2019 to the 5<sup>th</sup> February 2020 Joint Committee.

## **2. Executive Summary**

2.1 This report sets out the Revenues and Benefits Shared Service Business Plan for 2020/21.

## **3. Business Plan**

3.1 The Revenues and Benefits Shared Service Business Plan for the financial year 2020/21 is included as Appendix 1 to this report.

3.2 Key features of the plan, are:

- Key Achievements in 2019/20;
- Savings in 2019/20;
- Key Activities for 2020/21;
- Strategic Priority schemes 2020/21;
- Towards Financial Sustainability projects 2020/21
- Key Risks;
- Performance Management;
- Safeguarding;
- Equality actions;
- Working in Neighbourhoods;
- Workforce Development;
- Social Value;
- Data Protection and Information Governance.

#### **4. Summary of Plan**

- 4.1 The year 2019/20 has been another very positive year for our shared service with most areas of performance progressing well, continued implementation and embedment of integrated e-forms, as well as a whole host of improvement and partnership projects. Again, these notable achievements have been carried out under the significant environment of 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 (UC) has had an impact on Benefit processing times due to the volume of related documents requiring to be processed by the team, as well as the time it takes for UC-related evidence to be collated for ‘exempt accommodation’ Housing Benefit claims.
- 4.3 Response times to all customer channels are continually monitored, and a review of these will take place in 2020/21 – particular in relation to Council Tax e-mails, due to significant demand and increases in domestic properties in both districts.
- 4.4 Our Universal Credit (UC) Support arrangements have continued to assist customers to maintain their claims, provide digital assistance, provide or refer to personal budgeting support, as well as a variety of related areas. It is vital, once central government has announced support plans for 2020/21, that officers consider the effects on support in our districts and respond accordingly.
- 4.5 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 2019/20 meant that a reduction in staffing levels (1 FTE officer) was implemented, however considered budget management has provided opportunities to place resources in ‘hotspots’ of demand as required – and it is important that management continues to consider allocation of resources proactively ready for 2020/21.
- 4.6 The plan for 2020/21 continues to look at a range of key initiatives, with Business Rates retention, e-services, welfare reforms and standards of performance unsurprisingly still crucial areas for the new financial year.
- 4.7 The shared service has started to increase its focus on seeking partnership working opportunities and new areas of work which fit within the service’s wider remit, as well as successfully maintaining current arrangements, some of which have agreements due to be reviewed in advance of 2021/22.
- 4.8 In very challenging times for local government in general, not least of which being in respect of Revenues and Benefit – due to the nature of the service each household and business in the districts is impacted in some way by the services we provided. This highlights just how important it is that our shared service is not seen as a ‘transactional service’, but a key strategic service that has tangible impacts on people’s lives – it is important the impacts we have are positive wherever possible, aiming to help people become financially and digitally included and helping those in a position to find employment. Our shared service is extremely well placed to tackle the challenges, and positive opportunities, ahead.

## 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 Communities”.
- 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/ Customer Experience, 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. A verbal update regarding central government funding announcements for 2020/21 will be provided to this Committee.
- 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 2020/21 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 the report contain?**

Appendix 1 – Business Plan 2020/21  
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 2020 to 31<sup>st</sup> March 2021



## 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 almost 10,000, a Council Tax Support caseload of over 14,000, and bills almost 98,000 domestic and almost 9,800 commercial properties.**



V1 Prepared by: M.Walmsley, 31<sup>st</sup> October 2019

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 2019/20

### A. Key activities delivered include:

Key activities	Completed by	Summary of outcome achieved
Performance	Shared service	<p>Continued high levels of performance in most areas, despite ongoing economic challenges and impacts on household incomes due to factors such as, for example, welfare reforms.</p> <p>Key highlights:</p> <ul style="list-style-type: none"> <li>• Positive Council Tax and Business Rates in-year collections - <i>City of Lincoln's Business Rates in-year collection rate was ranked 5<sup>th</sup> out of 326 billing authorities;</i></li> <li>• Reduction in outstanding level of Housing Benefit overpayments, as well as in-period recovery rates of over 100%;</li> <li>• Housing Benefit Changes of Circumstances processed promptly.</li> </ul>
Localised Business Rates  Tax bases	Shared service	<p>Continued implementation and review of reliefs as introduced through the Spring Budget 2017 and subsequent announcements.</p> <p>North Kesteven's Business Rates 'Growth Policy' now established, - City of Lincoln's equivalent Policy approved by Executive in July 2018 and implemented.</p>
Welfare Reform Strategy	Shared service	<p>Ongoing monitoring and management of Welfare Reform Strategy approved in April 2015.</p> <p>Over 3,000 customers assisted with Universal Credit support – including digital assistance and personal budgeting support.</p> <p>Provision of modelled options of Local Council Tax Support 2020/21 schemes, with consultation and scrutiny, with approval to take place prior to 31<sup>st</sup> January 2020.</p>
Discretionary Housing Payments (DHPs)	Shared service	<p>Proactive utilisation of DHP grants to support those most in need of help with their housing costs:</p>

Key activities	Completed by	Summary of outcome achieved
		<ul style="list-style-type: none"> <li>- City of Lincoln 100.5% of government grant spent;</li> <li>- North Kesteven 95.2% of government grant spent.</li> </ul>
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>Fourth (and final) year of 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> <p>Preparation for further 'marketing' of shared service.</p>
Customer Experience / Channel Shift	Shared service	<p>Embedment of a number of integrated customer self-serve e-forms in Revenues Team, resulting in more efficient, automated and customer-focussed processes.</p> <p>Continued utilisation of Northgate Citizen Access Benefits product for customers to claim via on an online self-service product.</p>
Anti Poverty	Shared service	<p>Responsibility and progression of a number of projects under City of Lincoln's 'Let's Reduce Inequality' priority, including completion of a project relating to 'Promotion of a range of financial products'.</p>

Key activities	Completed by	Summary of outcome achieved
		<p>Delivery of initiatives contributing to North Kesteven's priorities relating to Our Communities.</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> <p>Role on Steering Group of Lincolnshire Financial Inclusion Partnership (<a href="https://www.lincscreditunion.org.uk/financial-inclusion-partnership">https://www.lincscreditunion.org.uk/financial-inclusion-partnership</a>).</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 2019 in response to a reduction of central government funding, through a 1 FTE in staffing levels.</p>

## C. All other key achievements

<p>Include in this section any other achievements – for example, independent reviews, awards, nominations etc.</p>
<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> <p><b>Audit Lincolnshire assurances:</b></p> <ul style="list-style-type: none"> <li>• Council Tax – Substantial Assurance</li> <li>• North Kesteven Housing Benefit Subsidy – Substantial Assurance.</li> </ul>

## Section Two: Key activities in the group's forward plans for 2020/21

### 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 2020/21
	Ascertain, working with DWP and Citizens Advice, Universal Credit Support arrangements in place, pending a national announcements on arrangements after 2019/20 – Consider Councils' role in these arrangements		Prior to 2020/21
	Continue work with co-located Jobcentre Plus to improve customer experience and maximise opportunities for joint-working where possible and appropriate.		Prior to and throughout 2020/21
	Ascertain arrangements in place to support Universal Credit 'managed migration' process, pending an announcement on the rollout schedule		2020/21
Fit for purpose job roles and staffing arrangements	To review job roles and arrangements in the shared service to ensure these meet current and forthcoming internal and external impacts – for example; <ul style="list-style-type: none"> <li>• 'One Council' approach to working, potentially including Universal Credit advice/support, and tenancy sustainment.</li> <li>• Potential for increased demands on recovery of debts due to impact</li> </ul>	Head of Shared Revenues and Benefits	Prior to and throughout 2019/20

Key activity	Outcome/savings sought	Owner	Timescale
	<p>of Universal Credit.</p> <ul style="list-style-type: none"> <li>• Consideration of steep increase in the number of residential properties being built in the districts and the level of administration required within the shared service.</li> <li>• Level of resources committed to subsidy, quality control and training.</li> <li>• Level of resources committed to collection and recovery of Housing Benefit overpayments.</li> </ul>		
Business growth	<p>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</p> <p>Continued utilisation of Discretionary/Growth Relief Policy for both City of Lincoln and North Kesteven</p> <p>Proactive preparation for full Business Rates retention scheme, potentially in 2021</p> <p>Working with Finance/Revenues internally and across Lincolnshire to continue to improve ability to forecast business</p>	<p>Head of Shared Revenues and Benefits, Revenues and Benefits Manager</p> <p>Head of Shared Revenues and Benefits</p> <p>Head of Shared Revenues and Benefits , Revenues and Benefits Manager</p> <p>Revenues and Benefits Manager</p>	<p>2019/20</p> <p>2019/20</p> <p>Prior to and throughout 2020/21</p>

Key activity	Outcome/savings sought	Owner	Timescale
	rates/understand appeals/make more informed decisions		
Reducing Inequality / Anti-Poverty	To ensure the service helps to reduce poverty in the districts, working with other internal and external stakeholders to provide proactive responses to poverty-related issues	Head of Shared Revenues and Benefits	Throughout 2020/21
Customer Experience/ Channel Shift:	Identification of further e-form self-serve solutions in Revenues and Benefits	Revenues and Benefits Manager	Throughout 2020/21
	Identification of efficiencies (both financial and otherwise) through customer experience initiatives	Head of Shared Revenues and Benefits	Throughout 2020/21
	Embed standards of response (to be agreed) for all customer channels – focus on e-mails to take place	Head of Shared Revenues and Benefits	Prior to and throughout 2020/21
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 and throughout 2020/21
Delivery of Revenues and Benefits Shared Service between City of Lincoln Council and North Kesteven District Council. opportunities to deliver other work areas	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  The 2020/21 budget for the Revenues and Benefits	Head of Shared Revenues and Benefits	Throughout 2020/21 and ongoing

<b>Key activity</b>	<b>Outcome/savings sought</b>	<b>Owner</b>	<b>Timescale</b>
	<p>shared service will continue to deliver savings for the partner local authorities.</p> <p>Review existing partnership arrangements – those with West Lindsey District Council – current agreements which are due to expire 31<sup>st</sup> March 2021</p>	Head of Shared Revenues and Benefits	To commence Q1 2020/21
Performance maintenance/improvement – particularly around Council Tax and Business Rates in-year collection, Council Tax e-mail responses, Benefits processing times and outstanding workload	Maintenance and/or improvement of current in-year collection levels	Revenues and Benefits Manager	2020/21
	Maximisation of Council Tax and Business Rates taxbases	Head of Shared Revenues and Benefits, Revenues and Benefits Manager	2020/21
	Improvement in Benefits claim processing times and reduction in outstanding workload	Benefits Team Leaders	2020/21
	Reduce response time to Council Tax e-mails	Revenues and Benefits Manager	2020/21
	Utilise Discretionary Housing Payment grants in the most appropriate and effective manner	Monthly monitoring of DHP spend and issues	Revenues and Benefits Manager
Optimising Housing Benefit subsidy	To achieve 100% subsidy on local authority error overpayments, and optimisation of subsidy in other areas such as exempt accommodation.	Subsidy and Quality Control Lead Officer	2020/21
	Analyse impacts on subsidy claim from continued rollout of Universal Credit.	Subsidy and Quality Control	2020/21



Key activity	Outcome/savings sought	Owner	Timescale
		Lead Officer	
Review and secure arrangement for new Revenues and Benefits ICT contract	Agree new contract effective from 1 <sup>st</sup> January 2020	Revenues and Benefits Manager	Prior to 1 <sup>st</sup> January 2020
Reacting to funding challenges 2020/21 and in preparation for 2021/22 – 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 2020/21 and responses made accordingly, as well as preparation of a budget for 2021/22.	Head of Shared Revenues and Benefits	In advance of and throughout 2020/21

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

Service	Key activity/project	Outcomes sought	Owner	Timescale
Revenues and Benefits shared service	Vision 2025/Reducing Inequality	Identify projects for 2020/21 ensuring these are delivered on time and within any associated budget	Head of Shared Revenues and Benefits	In advance of and throughout 2020/21
Revenues and Benefits shared service	NK Plan 2019-22	Identify projects for 2020/21 ensuring these are delivered on time and within any associated budget	Head of Shared Revenues and Benefits	In advance of and throughout 2020/21

#### **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	Continuing active consideration of other shared service options – e.g. other areas	R	Efficiencies/savings through shared service opportunities	Head of Shared Revenues and Benefits	Prior to and 2020/21

	of work, potential opportunities				
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## F. Other agreed delivery projects

N/A

Service	Activity	Outcomes sought	Owner	Timescale

## Section Three: Other Service Planning considerations in 2020/21

### G. Key risks for the area

Risks from Service Managers and those allocated from CMT strategic risk register	Action we will take to mitigate the risk	Who and by When?
Failure to maintain Council Tax and Business Rates Collection Levels on behalf of the Shared Service.	<p><b>Controls in place:</b></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>• Range of customer experience initiatives ongoing such as e-billing, online Council Tax DD forms and other integrated e-forms.</li> <li>• Council Tax Support Schemes approved January 2019</li> </ul> <p><b>Further action required:</b></p> <ul style="list-style-type: none"> <li>• Continuing challenge of working practices and moving resources to areas of demand.</li> <li>• Continue to review of staffing arrangements and 'pressure points' in</li> </ul>	Head of Shared Revenues and Benefits, Revenues and Benefits Manager – Throughout 2020/21

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>advance of and throughout 2020/21</p> <ul style="list-style-type: none"> <li>• Working with Finance colleagues, to ensure effective arrangements are in place for Business Rates retention (from 2021?)</li> <li>• Review Council Tax Support Scheme 2020/21 and options for 2021/22</li> <li>• Review of Exceptional Hardship Fund 2020/21 and options for 2021/22</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>• Rolling review of subsidy data from Northgate System</li> <li>• Management of incoming work and processes to minimize value of overpayments raised</li> <li>• Training and mentoring of staff</li> <li>• Review of subsidy-quality assurance processes - reviewed</li> <li>• More targeted and efficient quality control mechanisms, improving accuracy levels and rolling training plan to address any training requirement.</li> <li>• Performance and quality assurance framework in place</li> </ul>	<p>Head of Shared Revenues and Benefits, Revenues and Benefits Manager – Throughout 2020/21</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>• HB New Claims process review project plan scoped and implemented Q1 2019/20</li> </ul> <p><b>Further action required:</b></p> <ul style="list-style-type: none"> <li>• Continued monitoring of resource allocation – e.g. HB /CTS, Universal Support and other Benefits-related projects</li> <li>• Maintaining improvements in HB Overpayments processes and collection taking into account resources required</li> <li>• Ongoing weekly/monthly monitoring of New Claims and Change of Circumstances process improvements and positive impacts on KPIs</li> </ul>	
Failure to respond to national Welfare Reform and UC agenda	<p><b>Controls in place:</b></p> <ul style="list-style-type: none"> <li>• Permanent Lead Welfare Reform</li> <li>• Officer on the establishment</li> <li>• Welfare Reform Strategy in place and approved in April 2015 (monitored by Revs and Bens Joint Committee)</li> <li>• Effective partnerships with public and third sector bodies</li> <li>• Co-location with DWP</li> <li>• UC Support team in place</li> <li>• Effective comms in all welfare reform changes</li> <li>• UC support arrangements working in conjunction with Citizens Advice Help to Claim arrangements in place</li> </ul>	Head of Shared Revenues and Benefits, Revenues and Benefits Manager – Throughout 2020/21

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>from 1.4.19</p> <p><b>Further controls required:</b></p> <ul style="list-style-type: none"> <li>• Quarterly updates to RB Joint Committee</li> <li>• Executive 25.11.19 to consider/ make decision on UC support arrangements in Lincoln 1.12.19-31.3.20</li> <li>• Consider future arrangements for UC support and how this may be delivered, pending central government announcement in respect of 2020/21</li> <li>• Review of Sleaford-based UC support arrangements to take place in advance of 2020/21</li> </ul>	

## 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/challenged 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 2020/21, to ensure all measures are still appropriate and whether or not any further development of, for example, 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.</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>• Council Tax Support Schemes for 2020/21 and 2021/22.</li> </ul>
<b>What actions need to be taken to meet the area’s Safeguarding Duties? How will the delivery of your services take into account the need to safeguard and promote the welfare of children and vulnerable adults?</b>
<p>Ensure appropriate staff in the shared service receive/ have received (refresher) training on safeguarding requirements and processes, as required.</p> <p>In line with corporate training place, ensure any new/ refresher Safetalk/ ASIST training takes place, as required.</p>

## 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

<b>Workforce Development</b>	<b>Planned action</b>	<b>Service</b>
What are the key plans for training and developing staff?		

<b>Workforce Development</b>	<b>Planned action</b>	<b>Service</b>
Proactive response to changing climate in relation to Revenues and Benefits	Ongoing review job roles, skill sets and staff development/training requirements.	Revenues and Benefits Shared Service
Improving workforce capability	Appraisals April 2020-July 2020	Revenues and Benefits Shared Service
City of Lincoln Council Workforce Development Strategy / One Council Organisational Development Pillar	Delivery of actions as required within the Strategy action plan / Throughout 2020/21	Revenues and Benefits Shared Service

## L. Social Value

<b>Social Value</b>	<b>Planned action</b>	<b>Service</b>
<b>What are the key plans for delivering social value through your services?</b>		
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

<b>Data Protection and Information Governance</b>	<b>Planned action</b>	<b>Service</b>
<b>What are the key plans/ considerations in respect of Data Protection and Information Governance in respect of your services?</b>		
<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 (MoU) with Department for Work and Pensions, with annual sign-off of MoUs for both City of Lincoln and North Kesteven.</li> </ul>		

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5<sup>th</sup> February 2020 Revenues and Benefits Joint Committee  
 Appendix 2: Revenues and Benefits Shared Service Business Plan 2020/21 – Risk Register



## Risk Register Template

Likelihood	4 Almost Certain				
	3 Probable		2, T2, T4		4
	2 Possible		1, T1	3	
	1 Hardly Ever				
		1 Negligible	2 Minor	3 Major	4 Critical
	<b>Impact</b>				

**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

Updated 3<sup>rd</sup> December 2018

Updated 2<sup>nd</sup> May 2019

Updated 31<sup>st</sup> October 2019

Updated 10<sup>th</sup> January 2020

**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’

**5<sup>th</sup> February 2020 Revenues and Benefits Joint Committee**  
**Appendix 2: Revenues and Benefits Shared Service Business Plan 2020/21 – Risk Register**

<b>Likelihood</b>	<b>4 Almost certain</b>	Retain	Transfer Modify Retain	Avoid Transfer Modify	Avoid Transfer Modify	<b>Description of occurrence</b>	Occurs several times per year. It will happen.
	<b>3 Probable</b>	Retain	Prioritise for Modifying Retain	Transfer Modify Retain	Avoid Transfer Modify		It has happened before and could happen again.
	<b>2 Possible</b>	Retain	Prioritise for Modifying Retain	Prioritise for Modifying Retain	Transfer Modify Retain		It may happen but it would be unusual.
	<b>1 Hardly ever</b>	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

<b>1 Negligible</b>	<b>2 Minor</b>	<b>3 Major</b>	<b>4 Critical</b>
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		<b>Risk Owner</b>	<b>Risk Appetite</b> (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	<b>Current Controls/Actions</b>	<b>Current Risk Score</b>	<b>Target Risk Score at end of 2020/21</b>	<b>Assurance -Status</b>  (Full, Substantial, Limited, No)	<b>Assurance – Direction of Travel</b> (Improving, Static, Declining)

**5<sup>th</sup> February 2020 Revenues and Benefits Joint Committee**  
**Appendix 2: Revenues and Benefits Shared Service Business Plan 2020/21 – Risk Register**

		<b>Risk Owner</b>	<b>Risk Appetite</b>  (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	<b>Current Controls/Actions</b>	<b>Current Risk Score</b>	<b>Target Risk Score at end of 2020/21</b>	<b>Assurance -Status</b>  (Full, Substantial, Limited, No)	<b>Assurance – Direction of Travel</b> (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 Revenues and Benefits	<b><u>Creative &amp; Aware</u></b>  Finance & Money	<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>- Range of customer experience initiatives ongoing such as e-billing, online Council Tax DD forms and other integrated e-forms.</li> <li>- Council Tax Support Schemes approved January 2019</li> </ul> <p><b>Further action required:</b></p> <ul style="list-style-type: none"> <li>- Continuing challenge of working practices and moving resources to areas of demand.</li> <li>- Continue to review of staffing arrangements and 'pressure points' in advance of and throughout 2020/21</li> <li>- Working with Finance colleagues, to ensure effective arrangements are in place for Business Rates retention (from 2021?)</li> <li>- Review Council Tax Support</li> </ul>			Substantial	Range of indicators, but in the main performance is either improving or being maintained

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**5<sup>th</sup> February 2020 Revenues and Benefits Joint Committee  
Appendix 2: Revenues and Benefits Shared Service Business Plan 2020/21 – Risk Register**

		<b>Risk Owner</b>	<b>Risk Appetite</b>  (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	<b>Current Controls/Actions</b>	<b>Current Risk Score</b>	<b>Target Risk Score at end of 2020/21</b>	<b>Assurance -Status</b>  (Full, Substantial, Limited, No)	<b>Assurance – Direction of Travel</b> (Improving, Static, Declining)
				Scheme 2020/21 and options for 2021/22 - Review of Exceptional Hardship Fund 2020/21 and options for 2021/22				
108	2	Head of Shared Revenues and Benefits	<b><u>Creative &amp; Aware</u></b>  <b>Reputation &amp; Public Confidence</b>  <b>Finance &amp; Money</b>	<b>Controls in place:</b> <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>Rolling review of subsidy data from Northgate System</li> <li>Management of incoming work and processes to minimize value of overpayments raised</li> <li>Training and mentoring of staff</li> <li>Review of subsidy-quality assurance processes - reviewed</li> <li>More targeted and efficient quality control mechanisms, improving accuracy levels and rolling training plan to address any training requirement.</li> <li>Performance and quality assurance framework in place</li> <li>HB New Claims process review project plan scoped and implemented Q1 2019/20</li> </ul>			Substantial	Range of indicators, but in the main performance is either improving or being maintained

**5<sup>th</sup> February 2020 Revenues and Benefits Joint Committee**  
**Appendix 2: Revenues and Benefits Shared Service Business Plan 2020/21 – Risk Register**

		<b>Risk Owner</b>	<b>Risk Appetite</b>  (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	<b>Current Controls/Actions</b>	<b>Current Risk Score</b>	<b>Target Risk Score at end of 2020/21</b>	<b>Assurance -Status</b>  (Full, Substantial, Limited, No)	<b>Assurance – Direction of Travel</b> (Improving, Static, Declining)
				<b>Further action required:</b> <ul style="list-style-type: none"> <li>Continued monitoring of resource allocation – e.g. HB /CTS, Universal Support and other Benefits-related projects</li> <li>Maintaining improvements in HB Overpayments processes and collection taking into account resources required</li> <li>Ongoing weekly/monthly monitoring of New Claims and Change of Circumstances process improvements and positive impacts on KPIs</li> </ul>				
3.	<b>Failure to respond to national Welfare Reform and Universal Credit agenda</b>	Head of Shared Revenues and Benefits	<b>Opportunity</b>  <b>People/Finance</b>	<b>Controls in place:</b> <ul style="list-style-type: none"> <li>Permanent Lead Welfare Reform</li> <li>Officer on the establishment</li> <li>Welfare Reform Strategy in place and approved in April 2015 (monitored by Revs and Bens Joint Committee)</li> <li>Effective partnerships with public and third sector bodies</li> <li>Co-location with DWP</li> <li>UC Support team in place</li> <li>Effective comms in all welfare reform changes</li> <li>UC support arrangements</li> </ul>			Substantial	Improving

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**5<sup>th</sup> February 2020 Revenues and Benefits Joint Committee  
Appendix 2: Revenues and Benefits Shared Service Business Plan 2020/21 – Risk Register**

		<b>Risk Owner</b>	<b>Risk Appetite</b> (How much risk are we prepared to take and the total impact of the risk we are prepared to accept)	<b>Current Controls/Actions</b>	<b>Current Risk Score</b>	<b>Target Risk Score at end of 2020/21</b>	<b>Assurance -Status</b> (Full, Substantial, Limited, No)	<b>Assurance – Direction of Travel</b> (Improving, Static, Declining)
				<p>working in conjunction with Citizens Advice Help to Claim arrangements in place from 1.4.19</p> <p><b>Further controls required:</b></p> <ul style="list-style-type: none"> <li>• Quarterly updates to RB Joint Committee</li> <li>• Consider future arrangements for UC support and how this may be delivered, pending central government announcement in respect of 2020/21</li> <li>• Review of Sleaford-based UC support arrangements to take place in advance of 2020/21</li> </ul>				

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<b>SUBJECT:</b>	<b>EXCLUSION OF THE PRESS &amp; PUBLIC</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>CAROLYN WHEATER, MONITORING OFFICER</b>

**1. Purpose of Report**

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

**2. Recommendation**

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

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