

PERFORMANCE SCRUTINY COMMITTEE

Thursday, 20 August 2020

5.00 pm

Virtual Meeting Via Zoom

- Membership: Councillors Gary Hewson (Chair), Helena Mair (Vice-Chair), Thomas Dyer, Rebecca Longbottom, Bill Mara, Laura McWilliams, Lucinda Preston, Pat Vaughan and Loraine Woolley
- Substitute member(s): Councillors Jackie Kirk and Adrianna McNulty
- Officers attending: Democratic Services, Jaclyn Gibson, Pat Jukes, Claire Moses and Martin Walmsley

VIRTUAL MEETING

To join this meeting please click on the link below:

<https://zoom.us/j/92380314278>

Or join via phone by calling:

0330 088 5830

And using the following ID: **923 8031 4278**

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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 item(s) because it is likely that if members of the press or public were present, there would be disclosure of 'exempt information'

SECTION B

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| 9. Strategic Risk Register - Quarterly Review | [Exempt Para(s) 3] | 51 - 64 |
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Present: Councillor Gary Hewson (*in the Chair*),
Councillor Helena Mair, Councillor Thomas Dyer,
Councillor Rebecca Longbottom, Councillor Bill Mara,
Councillor Laura McWilliams, Councillor Lucinda Preston
and Councillor Pat Vaughan

Apologies for Absence: Councillor Loraine Woolley

1. Confirmation of Minutes - 20 February 2020

RESOLVED that the minutes of the meeting held on 20 February 2020 be confirmed.

2. Declarations of Interest

Councillor Pat Vaughan declared a Personal Interest in relation to agenda item titled 'Financial Performance - Outturn 2019/20'. Reason: His granddaughter worked in the Finance Section of the City of Lincoln Council.

Councillor Pat Vaughan declared a Personal Interest in relation to agenda item titled 'Treasury Management Stewardship and Actual Prudential Indicators Report 2019/20 (Outturn)'. Reason: His granddaughter worked in the Finance Section of the City of Lincoln Council.

Member Statement

In the interest of transparency Cllr Helena Mair requested it be noted that her husband's employer was involved in several local projects which involved the City of Lincoln Council including the Rookery Lane and Central Market refurbishment. If any reference was made to these projects, she would leave the room at that point and not take part in discussions thereon.

3. Strategic Risk Register

Jaclyn Gibson, Chief Finance Officer,

- a) provided Members with a status report for the City of Lincoln Councils Strategic Risk Register:
- b) highlighted that since reporting in February 2020, the COVID-19 pandemic had fundamentally affected the environment in which the Council operated and as such the risks that it faced. Whilst the strategic risks that were previously included in the register remained valid, the level of assessed risk (likelihood and impact), target risk scores and mitigating action needed to be reviewed and updated to reflect the new landscape, as well as identifying any new strategic risks.
- c) explained that considering these circumstances the quarter four strategic risk register for 2019/20, which would ordinarily include an assessment of whether the target risk for the year had been met or not, had not be prepared. Instead setting out in this report what were now considered to be the strategic risks/opportunities facing the Council having taken into

consideration the impact that the pandemic and lockdown arrangements had, as well as the path to recovery.

d) highlighted ten existing strategic risks that were all still felt to be relevant, although re-framed to reflect the effects of the pandemic and focus of the Council in 2020/21:

1. Failure to engage and influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2025.
2. Failure to deliver a sustainable Medium-Term Financial Strategy (that supported the delivery of Vision 2025).
3. Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council.
4. Failure to ensure compliance with statutory duties/functions and appropriate governance arrangements are in place.
5. Failure to protect the local authority's Vision 2025 due to changing structures and relationships in local government and impact on size, scale and scope of the Council.
6. Unable to meet the emergency changes required in the Council's culture, behaviour and skills to support the delivery of the Council's Vision 2020/2025 and the transformational journey to One Council approach.
7. Insufficient levels of resilience and capacity exist in order to deliver key strategic projects & services within the Council.
8. A decline in the economic prosperity within the City Centre.
9. Failure to mitigate against the implications for the Council following the outcome of Brexit.
10. Failure to deliver key strategic projects.

e) explained in addition to the ten existing strategic risks, three new risks relating to the impact of the pandemic had emerged and were as follows:

- Failure of the Council's key contractors and partners to remain sustainable and continue to deliver value for money.
- Failure to work in partnership to sustain support to vulnerable residents post COVID-19.
- Failure to put in place safe working practices and social distancing measures to protect officers and service users.

f) invited members' questions and comments.

Question: Members asked whether checks on contractors could be carried out?

Response: The City of Lincoln Council did have the ability to do financial checks on contractors if there were concerns.

RESOLVED that:

- a) the status of the current Strategic Risk Register be noted
- b) a full Strategic Risk Register be presented to Performance Scrutiny Committee in August 2020.

4. Financial Performance - Outturn 2019/20

Colleen Warren, Financial Services Manager,

- a) presented performance scrutiny committee with the provisional 2019/20 financial outturn position on the Council's revenue and capital budgets
- b) explained that in relation to the General Fund Revenue Account, the financial performance quarterly monitoring report for the 3rd quarter predicted a shortfall against the revised budget of £222,080. The provisional outturn for 2019/20 now indicated that this shortfall had decreased by £88,258, resulting in an overall budget shortfall of £133,822. This represented a variance against the revised budget of 0.99%. The key variances were as follows:
 - City Hall, Industrial Estates & Lincoln Properties – Increased Income (£167,351)
 - Housing Benefit Overpayments – Reduced Income £389,536
 - Other Interest – Increased Income (£88,080)
 - Car Parking – Increased Income (£90,912)
 - Housing Regeneration – Reduced Expenditure/Increased Income (£98,366)
 - MRP – Reduced Expenditure (£288,200)
 - Direct Revenue Financing – Reduced Expenditure (£230,475)
 - External Interest Payable – Reduced Expenditure (£222,139)
 - Yarborough LC – Reduced Income – (£53,400)
 - TFS Savings Target – Shortfall in delivery (£201,705)
- c) advised that in relation to the Housing Revenue Account, the financial performance quarterly monitoring report for the 3rd quarter predicted an underspend of £79,582. The provisional outturn for 2019/20 now indicated an overspend of £71,514. This resulted in HRA balances at 31 March 2020 of £1,007,095. The main over and underspends included within the provisional outturn were detailed in Appendix D, while the key variances were below:
 - HRS Surplus – Additional Income (£72,487)
 - Council Tax – Additional Expenditure £94,286
 - Depreciation – Revaluation of properties – additional expenditure (£383,122)
 - Loan Charges – Interest on additional borrowing – increased expenditure (£71,869)
 - Major Repairs Reserve – DRF adjustment to fund additional depreciation and loan charges – (£440,526)

d) stated that in regard to the Housing Repairs Service, the financial performance quarterly monitoring report for the 3rd quarter predicted a £117,075 surplus outturn for 2019/20. The provisional outturn for 2019/20 showed a trading surplus of £72,487. The net trading surplus of £72,487 was the result of several year-end variations in income and expenditure against the approved budget. The main over and underspends included within the provisional outturn were detailed in Appendix F and the key variances were as follows:

- Reduced recharges for internal work and change to sub-contractor – reduced income (£181,936)
- Reduction in material costs – reduced expenditure (£104,741)
- Increased hire of equipment costs – additional expenditure (£87,633)

e) highlighted that in relation to the General Investment Programme, – the last quarterly report approved a General Fund Investment Programme for 2019/20 of £12,509,748. Movements in the programme since the approved revised budget decreased actual capital expenditure in 2019/20 to £10,056,747.

New projects/changes that required the approval of the Executive were:

- Disabled Facilities Grant – 2020/21 budget increased by £456,020 to match grant funding allocation.
- Car Park Improvements – Ticket Machines - £87,360 within 2020/21 funded by borrowing to purchase 16 new ticket machines to ensure all car parks were able to take contactless or chip & pin payments.

The changes that had been approved by Executive and were included within the final quarter were:

- **Boultham Park Lake Restoration** – a scheme to support the restoration of the lake supported by National Lottery Heritage Funding. £267,121 capital expenditure element was required and approved by Executive on 24/2/20.
- **Greetwell Hollow** – settlement of dilapidations claim with Lindum of £150k agreed and sale of freehold asset for £100k capital receipt funded from unallocated resources. This was approved by Executive on 24/2/20.

f) referred to the Housing Investment Programme and explained that the last quarterly report approved a Housing Investment Programme for 2019/20 of £14,906,247. Movements in the programme since the approval of the revised budget decreased actual capital expenditure to £11,977,262 in 2019/20.

The overall spending on the Housing Investment Programme for 2019/20 was £11,977,262 which was 80.19% of the revised 2019/20 programme as per MTFS 2019-24. Although this appeared to be low compared to previous financial years, the following points were taken in consideration:

- Due to COVID-19 various scheduled work programmes had slipped or been delayed into 2020/21, with the 2020/21 budget impact still being assessed and would be reflected within 2020/21 reports.

- 9 property acquisitions were ongoing with delegated authority to start as at the 31st March 2020, totalling £1.1m.
- £590k had been released into available resources from the 2019/20 HIP programme
- The budgets for large new build schemes, DeWint, Markham House and Rookery Lane had been reprofiled into 2020/21 in line with expected expenditure outflows.

g) invited members' comments and questions.

Question: Could more details on the Disabled Facilities Grant be provided?

Response: Every year a budget was allocated to the City of Lincoln Council from Lincolnshire County Council. There was always a delay as the spend was governed by Occupation Health assessing cases. This made it hard to deliver the estimated spend within the financial year.

Question: Members recognised that there was some money to be saved from previous years and asked what needed to take place for further savings to be made?

Response: There were technical issues with an outstanding review regarding an asset swap between the HRA and the general fund which meant that the asset swap was not completed within the financial year. This would though be progressed in 2020/21.

Question: Members asked what the allocated COVID-19 response money would be spent on?

Response: The money was spent on mitigating incomes as there was still a significant loss for what had been spent on COVID-19.

Members commented that it was good to see income (in 2019/20) for car parking had exceeded it's budget, considering the current pandemic (note income in 2020/21 is significantly deteriorated).

RESOLVED that the financial performance outturns for 2019/20 be noted.

5. Treasury Management Stewardship and Actual Prudential Indicators Report 2019/20 (Outturn)

Sarah Hardy, Principal Finance Business Partner:

- a) presented Performance Scrutiny with the annual Treasury Management Stewardship Report
- b) explained that the prudential system for capital expenditure was well established. For the 2019/20 financial year the minimum reporting requirements were that members received the following reports:
 - an annual Treasury Management Strategy in advance of the year (Council 26th February 2019)
 - a mid-year Treasury update report (Executive 21st November 2019)

- an annual report following the year describing the activity compared to the strategy.

c) Key issues to note from activity during 2019/20 were:

- The Council's total debt (including leases and lease-type arrangements) at 31st March 2019 was £120.258m as identified at appendix A of the report compared with the Capital Financing Requirement of £130.736m. This represented an under-borrowing position of £10.478m, which was currently being supported by internal resources. Additional long-term borrowing would be undertaken in future years to bring levels up to the Capital Financing Requirement, subject to liquidity requirements, if preferential interest rates were available.
- The Council's Investments at the 31st March 2020 were £30.55m as outlined in Appendix A of the report, which was £1.35m higher than at 31st March 2019. Average investment balances for 2019/20 were £28.833m, which was higher than estimated balances of £24.1m in the Medium-Term Financial Strategy 2019-24 due to the timing of borrowing taken. It was noted that this referred to the principal amounts of investment held, whereas the investment values included in the balance sheet were based on fair value. In most cases, this would be equal to the principal invested, unless the investment had been impaired.
- Actual investment interest earned on balances was £240k compared to £125k estimated in the Medium-Term Financial Strategy 2019-24 identified at Appendix A of the report
- The interest rate achieved on investments was 0.84% which was 0.31% above the target average 7-day LIBID rate (for 2019/20 the average was 0.53%)

d) advised that the following reported outturn position against the security and liquidity benchmarks in the Treasury Management Strategy were as follows:

- Security:
 - The Council's actual average security risk for the portfolio as at 31st March 2020 was 0.004%, which compared with the 0.005% for the budgeted portfolio. This gave the estimated default rate on the investment counterparties which comprised the portfolio at 31st March 2020. This equated to a potential financial loss of £1,222 on the investment portfolio of £30.5m.
 - Specified investments were high security sterling investments (i.e. high credit quality) with a maturity of no more than one year. Non-specified investments were all over investments representing a potentially greater risk; however, the risk was still minimal due to the stringent controls over counterparty credit quality contained within the Investment Strategy. The 2019/20 strategy set a maximum limit of 75% of the portfolio to be held in non-specified investments. At 31st March 2020, 80% of the investment portfolio was held in specified investments with the

remaining 20% held in deposits with other local authorities. The Chief Finance Officer reported that the investment portfolio was maintained within this limit throughout the year.

- Liquidity – In respect of this area the Council set liquidity benchmarks to maintain:
 - Liquid short-term deposits of at least £5million available with a week's notice.
 - Weighted Average Life benchmark was expected to be 0.35 years (128 days).

The actual liquidity indicators at 31st March 2020 were as follows:

- Liquid short-term deposits of £18.55 million as at 31st March 2020.
- Weighted Average Life of the investment portfolio was 0.10 years (38 days). This reflected that larger amounts of investments were deposited in short term accounts to deal with cash flow requirements.

The Chief Finance Officer reported that liquidity arrangements were adequate throughout the year.

RESOLVED that the actual prudential indicators contained within appendices A and B and the annual Treasury Management Report for 2019/20 was noted.

6. A Review of 2019/20 including our COVID-19 Response

Pat Jukes, Business Manager – Corporate Policy:

- a) presented Members with a review of 2019/20 including the City of Lincoln Councils COVID-19 response in the following areas:
- b) explained that in relation to COVID-19 Business Support, the government had made available a number of different grant funding options for businesses affected by COVID-19, so to ensure that Lincoln businesses benefit as much as possible, the Council's Major Development Team set up a cross directorate working group of up to 20 people from ten services who used their skill sets to work together to maximise support for businesses.
- c) advised that regarding COVID-19 Community Support, members of staff across many departments of the council were working from home to deliver vital services to prevent additional hardship to some of the most vulnerable in Lincoln. This included working with partner organisations across the community to fill any gaps in service and finding new ways to make it easier for people to ask for and access help, as well as seeking out groups of people impacted by COVID-19 and putting measures in place to allow them to access support such as:
 - Befriending Service
 - Community Signposting Helpline

- Online mapping of community groups
 - Pensioner voucher scheme
 - Free school meals
 - Lincoln Community Foundation Crisis Fund
- d) highlighted that in relation to helping the vulnerable, homeless and rough sleepers, *the Homelessness Team* were very busy dealing with historic and complex cases rather than seeing significant increases in homelessness. However, emergencies and helping people coming into the city needing accommodation and young and vulnerable people who had been asked to leave home or who were being exploited were dealt with by the team.

The Rough Sleeping Team had seen a definite increase in workload following the push to ensure all street sleepers were provided with safe internal accommodation. This included those who were in bed and breakfast and hotel accommodation which had closed as a result of COVID-19. Twenty-one people were offered accommodation as a result of this scheme.

Supported Housing – this service supported our most vulnerable tenants and as a result of the COVID-19 impact, had adapted its service to both protect and support tenants.

Lincare Home Support – Lincare had continued to operate its 24/7 telecare services for all its clients throughout the crisis. This was a critical service at the best of times, but even more so during the current COVID-19 crisis.

Customer Services – the number of calls consistent with what would be expected in a normal Q4 had been taken, at 29,739, which paid testament to the hard work that the team had put in. There had not been a day when the team were unable to offer a telephone response to the public.

Our Communications – this had been a year of change for the City Council's Communication Team. Of the four people who began the year, only one remained. Luckily all three leavers had now been replaced and the team, since mid-March, was back operating at full capacity. This presented a wide range of challenges for the team. We knew that social media would be key.

Revenues and Benefits – quarter 4 was always the period which brought about the highest level of demands on our Revenues and Benefits Service, as the team sent out new Council Tax and Business Rates bills to every household and business in the city (plus to other partner local authorities who were part of the Revenues and Benefits shared service), as well as customers' incomes receiving annual up-ratings, rent increases etc. Despite all of these demands, and the sudden impacts of COVID-19 on working and process arrangements, the team had continued to perform positively.

Bereavement Services – in the year up to March 31st there were 1970 cremations and 314 burials in our cemeteries. As the effects of the pandemic rolled out through March, staff implemented a robust business continuity plan to ensure the council maintained services.

Community Services – the team had continued to work throughout, attending sites and dealing with complaints and enquiries from the outset to ensure that services to the public had not been impacted beyond government stipulated changes.

Emergency Housing Repairs – maintenance teams had to be re-focussed since the start of the lockdown, but that didn't mean repairs were not being completed. 24-hour repairs were still being completed and 3-day urgent repairs, albeit with a reduced workforce.

Food Health & Safety and Enforcement – although the team were generally not visiting businesses to do inspections post lockdown, some were visited where persistent complaints were received. Investigations into complaints were still being carried out.

e) invited members' questions and comments.

Comment: The committee wanted to pass on their thanks to all the staff at the City of Lincoln Council and that they were very proud.

Question: The befriending service had been very successful and had a positive outcome for volunteers and residents of the City, would this continue?

Response: Officers that had been helping on the befriending service were starting to return to their job roles, so the service needed to come to a close. The residents who required the service had dropped by half and the residents that still required interaction would be offered 4 options which they could choose one if they wished. The befriending service was not just for the elderly but was for all ages and health issues.

Question: Members commented that the report was positive and gave special thanks to the IT Team. Was the amount of staff that had been moved over to Microsoft Teams being monitored?

Response: The amount of staff that had been moved over to Microsoft Teams was monitored. Officers agreed to forward this information to the committee.

Question: Members asked for an update position for Council Housing?

Response: There were approximately 30 voids.

Question: There were still parks that were closed in the city. Members asked what the position was with play areas?

Response: Destination play areas had been opened, which were ones with a lot of equipment in them. The Director of Communities and Environment agreed to forward the list of play areas that had been opened to the committee.

Question: Members asked whether our website could still be used as a signposting service as it had worked well during the pandemic?

Response: Activities were posted already, and an interactive map was produced which was to be kept up to date by a charity sector. The Director of Communities and Environment agreed to find out the position of this piece of work and feed it back to the committee.

Question: The closure of the public toilets was a concern as well as anti-social behaviour. Members asked whether this needed to be reviewed as it was having a massive impact on the city centre?

Response: Anti-social behaviour was lower in the city, but this was due to less footfall. It was more visible due to there being less pedestrian traffic. Going forward there would be a bigger presence to help tackle anti-social behaviour.

Question: Members were worried about the economy in the city centre due to the toilets being closed and residents not wanting to visit due to this.

Response: There was one toilet open in Castle Square and the toilet in the bus station was open. Toilets in Hartsholme park and the toilets in the café in Boutham Park were also open.

Question: Members asked what the cost would be for the re-opening of the remaining toilets within the city centre?

Response: The Director of Communities and Environment agreed to forward the figures to the committee.

RESOLVED that:

- a) the figures for staff that had been moved over to Microsoft Team be forwarded to the Committee
- b) the list of the play areas that had been opened be forwarded to the committee
- c) a position update on the interactive map for services within the city be forwarded to the committee
- d) the cost to re-open the remaining toilets be forwarded to the committee
- e) the contents of the report be noted and referred to Executive.

7. Work Programme 2020/2021

Clare Stait, Democratic Services Officer:

- a) presented the draft work programme for 2020/21 as detailed at Appendix A of her report
- b) advised that the work programme for the Performance Scrutiny Committee was put forward annually for approval by Council; the work programme was then regularly updated throughout the year in consultation with the Performance Scrutiny Committee and its Chair
- c) reported that items had been scheduled in accordance with the existing work programme and officers' guidance regarding the meetings at which the most up-to-date information could be reported to the committee; the work programme also included the list of portfolio holders under scrutiny

- d) requested any relevant comments or changes to the proposed work programme for 2020/21.

RESOLVED that the work programme 2020/21 as detailed at Appendix A to the report be noted with the following amendments:

- a) the Portfolio Holder for Our People and Resources be asked to attend the next meeting in August
- b) the Portfolio Holders for Economic Growth, Housing and Customer Experience and Review to remain on the work programme with the Portfolio Holders for Reducing Inequality and Remarkable Place taken off unless deemed that they needed to be in attendance.

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PORTFOILO HOLDER RESPONSIBILITIES

Economic Growth

1. Building Control
2. Car Parks
3. Climate Change (linkage to Local Plan)
4. Commercial Development
5. Contaminated Land
6. Cultural Activities Including:
 - Christmas Market
 - Christmas Lights
7. Economic Development and Growth, including:
 - Western Growth Corridor
 - Sustainable Urban Extensions
8. Heritage
9. Innovation and Inward Investment including:
 - Lincoln Science and Innovation Park
 - Smart City initiatives
10. Markets
11. Planning, including:
 - Central Lincolnshire Local Plan
 - Regional and National Planning Policies
12. Public Realm including:
 - City Centre Masterplan
 - Cornhill Area Redevelopment
13. Regeneration Including:
 - Neighbourhood Revitalisation
 - Community Planning
14. Small Business Support
15. Tourism and Marketing
16. Transport including:
 - Transport Hub
 - Connectivity
 - Infrastructure

Reducing Inequality

1. Anti-Poverty Strategy
2. Asylum Seekers
3. Benefits Advice and take-up, including:
 - Housing Benefit
 - Council Tax Support
4. Community Cohesion Strategy
5. Community Strategies and Policies
6. Corporate Social Responsibility including:
 - Hate Crime
 - Lincolnshire Safer Communities
7. Discretionary Rate Relief Policy
8. Equality and Diversity:
 - Employer perspective
 - Service user perspective
9. Financial Inclusion, including:
 - Adult Learning;
 - Young People.
10. Prevent
11. Public Protection including:
 - Antisocial Behavior
 - Noise Nuisance
 - CCTV
 - Domestic Violence
11. Skills and Training, including The Network;
12. Social Value Policy
13. Universal Credit
14. Welfare Advice
15. Welfare Reform

Quality Housing

1. Affordable Housing
2. Discretionary Housing Payments
3. Estate Management
4. Fleet Management
5. Health and Wellbeing, particularly its links to good quality housing
 - Physical and Mental Health
 - Suicide
6. Homelessness Prevention
7. House Building
8. Housing Investment and Decent Homes
9. Housing Repairs and Maintenance
10. Housing Revenue Account and Landlord Services including:
 - Tenant Engagement
 - Housing Stock Options
11. Lettings and Allocations including:
 - Rogue Landlords
 - Trusted Landlord Accreditation Scheme
12. Rough Sleepers
13. Strategic Housing
14. Supported Housing

Remarkable Place

1. Allotments
2. Cemeteries and Crematorium
3. Community Centres
4. Environmental Contracts including:
 - Refuse Collection and Recycling
 - Highways

- Open Space and Grounds Maintenance
 - Public Conveniences
 - Cleansing
5. Food Health and Safety
 6. Licensing
 7. Low Carbon Agenda
 8. Parks and Recreation
 9. Pollution Control
 10. Sport and Leisure facilities to promote physical activity

Our People and Resources

1. Asset Management
2. Civic and Twinning
3. Corporate Communications and Media Relations
4. Corporate Strategy including
 - Strategic Plan (Vision 2020)
 - Annual Report
 - Strategic Partnerships
5. Corporate Health and Safety
6. Emergency Planning
7. Finance including:
 - Financial Strategy
 - Financial Position
8. Human Resources including:
 - People Strategy
 - Apprenticeships
 - Trade Union Liaison
 - Organisational Culture and Core Values
9. Legal Services (excluding Electoral and Democratic Services)
10. Procurement (excluding social value)

11. Regional and Sub-Regional Governance Arrangements including Devolution
12. Revenues
13. Risk Management and Governance including
 - Insurance
14. Specific Major Projects (Excluding Major Developments)
15. Towards Financial Sustainability including Commercialisation

Customer Experience and Review

1. Audit
2. Central Support Services
3. Complaints Handling

4. Corporate Reviews
5. Customer Engagement including:
 - Customer Services
 - Contact Centre
6. Democratic and Electoral Services including
 - Voter Registration
 - Democratic Engagement
7. ICT
8. Performance including Systems and Process
9. Strategic Information including:
 - Corporate Evidence Bases
 - Lincoln City Profile

Report by Councillor R Metcalfe, Portfolio Holder for 'Our People and Resources'

In light of the significant effects of the COVID19 virus on our services, the way we are currently working and ongoing recovery process, I am bringing to committee a very different style of annual report, in which I have focussed primarily on what has happened in the last 6 months.

Like all other organisations, we have had to make dramatic changes, not only to ensure that we kept our critical services functioning since the start of the outbreak, but also so we could perform our community leadership role for our city in this time of crisis.

Our People

Officers and Members alike have risen to the challenges presented over the last six months.

We have seen both take on completely new roles, either instead of, or alongside their reduced main role. Many still work from home with only a small proportion working from our sites at any one time.

HR has developed significant support for all - available on City People. This includes:

- Plans for looking after our most vulnerable staff and members
- Wellbeing action plans for staff, members and managers
- Introduction of the new cycle to work scheme
- Links to Every Mind Matters, 'One You' and MIND advice
- Policy adaptations to allow staff to work effectively and safely
- Tips on everything from yoga, fitness, working from home to preventing burnout

Our IT team has provided, at very short notice, the backbone of a new structure which has allowed us to function as a cohesive One Council unit

- We have 630 full Team Licenses in operation across the council
- We have distributed new 300 mobile devices to allow home working
- Over a recent 90-day period there were 380 (unique) active users of 'Teams'
- IT have provided on-line training solutions, tips and hints for all

Members have been able to continue with decision making through the media of Zoom, with key committee meetings held remotely. For those members with poor internet connections in their area this has posed a challenge for some.

Members have been kept up to date with the current situation via the Members Bulletin produced by the Comms team.

As a contribution towards balancing the books this year, a number of staff agreed to accept a furlough period.

Our financial resources

It is evident that COVID19 has had, and will continue to have, a significant and unprecedented effect on the Council's financial position. Income streams have plummeted, and it has been necessary to incur additional costs to ensure services continue to be provided throughout this difficult period and to respond to the consequences of the pandemic.

In response to calls from the sector the Government has allocated a total of £3.2bn of grant funding to support local authorities. To date the Council has received funding support of £1.255m for COVID19 related pressures. In addition, the Government has recently announced an income compensation scheme which seeks to reimburse Council's for every 75p in the £1 of lost sales, fees and charges income after allowing for a 5% deductible. Although final specific details of the scheme are yet to be confirmed it is estimated that £2.5m of lost income will be reimbursed.

Despite this Government financial support, the Council is currently still forecasting a shortfall on the General Fund budget of £1.834m in 2020/21. The Housing Revenue Account is forecasting a £0.671m shortfall for which no government support has been provided. Although there is still a considerable amount of uncertainty over some of the forecasts the Council faces a significant budget shortfall and action therefore needs to be taken in 2020/21 in order to maintain a balanced budget. Proposals for mitigating this shortfall will be presented to the Performance Scrutiny Committee and Executive as part of the Quarter 1 Financial Performance report in September.

Despite proposed action to ensure that a balanced budget position is maintained for 20/21, beyond this the Council is set to face ongoing reductions in resources and increased service costs from the legacy of impacts of COVID19. The combined potential impact in future years is possibly greater than that experienced in 20/21 and will require ongoing reductions in the net cost base in order to live within a significantly reduced resources envelope.

Further work will take place during the summer to assess the ongoing impacts on the Council's resources and to analyse any further Government announcements on local government finance. A report updating the financial planning assumptions for the Budget 2021/22 and MTFS 2021-2026 will be presented in early Autumn. Work will also continue to develop a TFS Phase 7 programme aimed at delivering an increased savings target which will be required to ensure a sustainable Medium-Term Financial Strategy.

Our services

We have seen our key services continue with minimal negative effect on residents and businesses and we have had significant recognition from the public for this.

Some key points to note include:

- All defined critical services remained functional throughout lockdown
- Excellent communication to all sectors of the community through a strong series of branded support and advice – pushed out on our website and social media
- All street sleepers and those in hotels and B&B which closed were provided with accommodation at the start of the lockdown, 21 people benefited from this
- Supported Housing conducted between 200 and 300 welfare checks daily

- Staff were trained as back up staff for critical services in case of need
- Customer services dealt with emails within one working day maximum
- Revenues and Benefits dealt with five times as many new claims as usual
- Despite restriction, our Bereavement team provided sympathetic services
- Waste and recycling collections continued throughout lockdown and bulky waste collections started again in May after a short close-down period. Green waste services have continued and relaunched for the new service year
- CCTV has kept a close eye on our city centre, working closely with the police and other partners.
- Our Food H&S team provided advice on the new government guidance
- Emergency Housing repairs and work on void properties continue throughout
- Lincare took over the Housing tenants befriending service in June
- Two rent-free weeks were brought forward to April to ease financial difficulties
- Tenancy Services set up a Tenancy Hardship fund to directly help those tenants impacted on financially
- All public parks and commons, including Hartsholme Country Park, remained open for use throughout lock down period, and provided vital opportunities for health and recreation.
- Street cleaning teams remained working, and modified work to take advantage of reduced footfall, tackling other troublesome issues such as graffiti.
- Although the general grounds maintenance functions reduced initially, they resumed quickly, keeping basic services running throughout.
- The allotments service never stopped, the annual renewals were undertaken, and we now have numbers of tenants not seen for many years, including a new site.
- Scaled back parking services were maintained to ensure support for those who needed to park
- The bus station, and its public toilets, has remained open to ensure travelling key workers were supported.
- Maintained progress with the Boutham Park lake restoration project, recognising the increasing importance of good quality open spaces not just under covid, but on public health longer term

In our community leadership role, we have instigated new community support activities:

- Business support - a cross directorate working group of up to 20 people from ten services contacted Lincoln businesses to ensure they benefited from available support and achieved any business rate relief they were entitled to
- Almost 500 residents signed up to our Befriending Service manned by staff and members, with vulnerable residents receiving weekly calls to help them through issues from isolation and maintain their mental health
- We launched a Community Signposting Helpline to point residents towards all sorts of support from Foodbanks to a new map of local community groups
- Working with partners we launched the Lincoln Community Foundation Crisis Fund in early May to provide financial grants for charities and community groups delivering support to Lincoln residents

As we commenced our strong re-mobilisation plans we have:

- Worked with our partners to enable the re-opening of the city centre safely
- Agreed with the Unions guidance and risk assessments for staff to return to work safely
- Opened Customer Services in City Hall on an appointment basis from July
- Reduced CoLC car parking fees to encourage people back into the city centre
- Developed an exit plan for people still using the Befriending Service, so they can still access calls if they need them
- Taken the decision taken to cancel all large volume events for the rest of 2020 – this includes civic events including the Christmas lights switch on, mayoral activity - as well as our key sporting events and of course the Christmas Market
- Reopened uphill toilets to ensure there are facilities available both uphill and downhill for shoppers return. Some facilities however do remain closed
- Re-opened our play areas
- Deep cleaned the city centre in preparation for retailer re-openings
- Our housing building projects restarted and are all making good progress
- We currently have 123 open homelessness applications and are working hard to prevent homelessness or find alternative accommodation
- Welcomed back and re-opened the Visitor Information Centre in uphill Lincoln
- Helped develop a Local Outbreak Plan to deal with a possible second Covid19 wave in Lincolnshire
- Reopened our camp site at Hartsholme Park to support the visitor economy

Vision 2025

Vision 2025 was completed in February this year and was due to be launched at the Growth conference in March. However, circumstances overtook this plan, the conference was cancelled, and our focus has been on service delivery and recovery. However, once we are operating at near normal levels and have fully assessed the financial impact, we will be able to re-consider a formal launch date for the new Vision.

Restructuring Local Government

Some weeks ago, Lincolnshire County Council approached the Government to ask for a review of the two-tier system of local government in Lincolnshire. This was without the knowledge or consent of the District Councils

I wrote immediately to the secretary of state disassociating ourselves from this request and making the strongest possible case for concentrating on recovery from Covid 19 and playing our full part in getting the country back on its feet.

To date I have received no reply to that and a further letter I sent to the Secretary of State on the same subject.

At the time of writing this report, it is rumoured (nothing more) that the Secretary of State is intent on issuing an invitation very soon to all councils in Lincolnshire to submit their proposals for change by the preposterous deadline date of 7th September 2020.

If the City of Lincoln Council's hand is forced, we will need to submit proposals within this timescale and our proposals for change will need to be approved by our Council by no later than the 7th September.

Performance challenges for the coming year in Lincolnshire.

We are seeing or expecting an increased workload in many areas such as:

- Revenues and Benefits teams – expect to continue seeing higher new claims for example Business rate relief and local council tax support scheme claims
- Welfare Advice team
- PPASB – especially instances of domestic abuse
- Homelessness

Moving forward

Importantly, we have learned much about how we can do things differently; how we can use the positive learning from the last three months to drive long term change in the way we work and interact with our customers.

We have proved we can work at distance; we can work on-line, and we now have the technology to make choices about what a new operating model for the future could look like.

Where staff need to travel in to work – we will encourage walking and cycling as healthier and safer options and will promote this as good practice across the city and play our part in achieving a net zero carbon city by 2030.

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SUBJECT:	REVENUES AND BENEFITS SHARED SERVICE UPDATE
DIRECTORATE:	CHIEF EXECUTIVE
REPORT AUTHOR:	MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS

1. Purpose of Report

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

2. Executive Summary

- 2.1 This report provides an update on Revenues and Benefits performance information for City of Lincoln Council, up to the end of 2019/20.

3. Background

- 3.1 Our Revenues and Benefits function is administered as part of a shared service with North Kesteven District Council, with City of Lincoln Council being the host authority for the shared service.
- 3.2 Performance for both City of Lincoln and North Kesteven is monitored by the Revenues and Benefits Joint Committee on a quarterly basis – the next report is to be presented to the Joint Committee in September 2020. This report focuses on performance for City of Lincoln.

4. Revenues Performance

4.1 Council Tax

- 4.2 Annual in-year collection outturns for Council Tax, since the shared service formed (1st June 2011), are shown in the table below:

Financial Year	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	96.77%	96.76%	97.17%	97.09%	97.12%	96.93%	96.56%	96.32%	96.80%

Compared to 2018/19, Council Tax in-year collection increased by 0.01%. In the present climate, in particular taking into account the economic challenges in March 2020 due to the coronavirus outbreak, this is considered a positive collection outturn. Also, it should be noted that the net collectable debit increased from 2018/19 by £2.57m.

4.3 Business Rates

4.4 The table below shows in-year collections for Business Rates, from 2011/12 to 2019/20:

Financial Year	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	99.46%	99.81%	98.87%	99.43%	99.78%	99.46%	99.31%	99.08%	99.20%

4.5 Maintenance of high collection rates of Business Rates can be demonstrated, with over 99% being collected in-year in every year since the shared service formed, (other than in 2017/18).

4.6 Outstanding Revenues Customers

4.7 The table below shows the number of outstanding Revenues correspondence in our Document Management System, at the end of each of the last nine financial years.

2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
371	437	121	296	448	1,025	683	939	1,713

4.8 The number of outstanding Revenues Customers at end of quarter 4 2019/20 showed a 15% increase compared to the same point in 2018/19. The workload was up-to-date going into new year billing, however an influx of documents during the billing period from early-mid March created the increased figure at the end of the financial year. Also, in the Council Tax base there are now an additional 150 properties to administer, - as well as staffing resources on the Council Tax Team being reduced at points throughout the year due to unforeseen circumstances – which have now been resolved.

4.9 The Council Tax Administration team has, and continues to, work with our Business Development Team to implement and improve processes to 'channel shift' customer contact and further adopt 'lean' principles. These have included online e-forms for 'reporting a move', Direct Debits and reporting changes for student accommodation. The e-forms are populated by the customer with their information, and this is integrated into the back-office system. This generates efficiencies in these processes, meaning resources can be allocated to more complex procedures and customer enquiries.

4.10 Housing Benefit Overpayments

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

Financial Year	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13
City of Lincoln	105.52%	100.38%	81.81%	76.38%	75.22%	68.60%	72.98%	89.14%
North								

Kesteven	106.12%	107.45%	88.31%	70.16%	77.76%	64.61%	85.40%	92.85%
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4.12 A process review, in partnership with Department for Work and Pensions (DWP), has culminated in significant and maintained improvements in Housing Benefit (HB) Overpayments collection and recovery. This can also be demonstrated in the table below, showing an overall reduction in the amount of HB Overpayments debt outstanding to the Council since the end of 2017/18.

Date	End 2019/20	End 2018/19	End 2017/18	End 2016/17	End 2015/16	End 2014/15
Outstanding Housing Benefit overpayments (£)	£3,573,112	£3,973,125	£4,219,349	£4,081,552	£3,510,797	£3,186,971

4.13 The vast majority of these outstanding overpayments are under arrangement – but due to the amounts involved frequently take extended periods of time to be repaid to the Council. The cause of most overpayments is out of the local authorities’ direct control, being due to delays in changes in circumstances being reported by customers. Whilst the value of overpayments outstanding is decreasing, staff are still creating overpayments – through delays in changes in circumstances being processed – these delays can be caused by customers, DWP or by ourselves.

5. Benefits Performance

5.1 Outstanding Benefits Customers

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

31st March	2020	2019	2018	2017	2016	2015	2014	2013	2012
City of Lincoln	1,510	897	696	555	1,064	1,267	2,396	2,004	2,401

Although the overall position is not as positive as in recent financial years, the impacts of Covid-19 from mid-end March 2020 cannot be underestimated – with a significant increase in benefit claims, in addition to the usual increase in workload prior to the start of a new financial year – relating to income and rent increases, etc. As evidence of this, on 16th March there were 940 customers awaiting Benefits assessment. By 31st March, the number outstanding had increased to 1,510 – oldest date 11th March. The number of Universal Credit (UC) documents requiring processing had a real impact, with 56% of outstanding Lincoln documents being UC-related.

5.3 Average Processing times

5.4 In terms of Housing Benefit average processing times, the table below shows the

figures for New Claims and Changes of Circumstance for the last eight financial years:

Financial Year		2019/20 Average no. days	2018/19 Average no. days	2017/18 Average no. days	2016/17 Average no. days	2015/16 Average no. days	2014/15 Average no. days	2013/14 Average no. days	2012/13 Average no. days
New Claims	Lincoln	20.60	25.82	24.29	29.44	25.45	26.14	28.33	23.60
Changes of Circumstance	Lincoln	3.17	4.12	4.00	4.49	5.40	5.07	6.97	8.10

Through process changes and allocating appropriate assessment resources, significant improvements have been made across the board – most prominently with new claims being assessed on average more than 5 days quicker.

5.6 Financial Accuracy of processing

5.7 Prompt processing of claims remains vital, but of equal importance is accuracy of processing and ‘getting it right, first time’. The table below the outcomes of claims checked under our quality checking regime, since the formation of the shared service: An enormous amount of work has been put into addressing financial accuracy of processing, and the table below demonstrates how performance has improved and been maintained in recent financial years.

Financial accuracy of processing	
2011/12	65%
2012/13	72%
2013/14	77%
2014/15	79%
2015/16	83%
2016/17	91%
2017/18	88%
2018/19	86%
2019/20	95%

In 2019/20, for 589 claims were checked with 560 being right first time. These levels of accuracy are pleasing, and show real overall improvement. In addition to these targeted checks, more checks are also carried out as part of the rolling annual subsidy claim checking regime.

6. Welfare and Benefits Advice

- 6.1 Providing benefits and money advice continues to be key, with a team of dedicated and knowledgeable officers providing invaluable support to residents of Lincoln. In 2019/20, the Welfare Team;
- Provided benefits advice to 7,372 customers;
 - Helped customers to secure £1.4m in additional benefits on an annual basis;
 - Helped customer to secure a total of £210k in lump sum benefit payments;
 - Provided money advice to help customers manage debt totalling £912k.

7. Summary

- 7.1 Despite the ongoing challenges in terms of frequently-changing legislation and ongoing welfare reforms, performance of the Revenues and Benefits Shared Service on the whole continues to be positive, at the same time delivering significant savings to the partner local authorities. The impacts of Covid-19, like in many other service areas, have been significant and are likely to be continue to be for some considerable time going forward – with increased contact from taxpayers and businesses struggling to pay their bills, as well as increased levels of benefit claims and associated support.

Officers continue to be proactive in implementing new innovative processing methods, embracing technology, and being involved in positive partnership working to not only deliver Revenues and Benefits but to also play a key role in projects to improve residents lives- for example, projects which help people gain new skills and move into work. Success in ‘channel shift’ and improving ‘customer experience’ has been demonstrated through Covid-19 lockdown with customers able to access a whole host of Revenues and Benefits e-forms online and to contact teams via telephone, meaning face-to-face appointments have not been essential thus far.

Tackling ongoing welfare reform changes and providing required support continues to be a key focus for the team too, with a wealth of knowledge and experience – including in relation to Universal Credit support – embedded within the team with customers receiving as seamless path as possible through the welfare reform system.

8. Strategic Priorities

- 8.1 Let’s reduce inequality: The Revenues and 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. A Fair Collection and Debt Recovery Policy is in place.

9. Organisational Impacts

- 9.1 Financial: Prompt and efficient recovery of amounts due to the Council helps to ensure that income receivable is collected in order to finance critical services.
- 9.2 Legal Implications including Procurement Rules: There are no direct legal implications from this report.

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

10. Risk Implications

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

11. Recommendation

11.1 Members note the information as set out in this report.

Key Decision Yes/No

Do the Exempt Information Categories Apply? Yes/No

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

How many appendices does the report contain? None

List of Background Papers: None

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

SUBJECT: INCOME AND ARREARS MONITORING

DIRECTORATE: CHIEF EXECUTIVE

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

1. Purpose of Report

- 1.1 To update Members on the position with regard to amounts of monies owed to the City Council as at 1st April 2020, (and Business Improvement District (BID) levy to the end of June 2020).

2. Executive Summary

- 2.1 This update is provided to Members of this Committee each year once all figures have been collated.
- 2.2 The report summarises the in-year collection of Council Tax, Business Rates, the Business Improvement District (BID) levy, Housing Rents, Former Tenant Rent Arrears, Sundry Debtors and Housing Benefit Overpayments to the 31st March 2020, and sets out the arrears brought forward position at 1st April 2020, (BID to the end of June 2020).
- 2.3 As figures in this report relate to the end of March 2020 (other than the BID levy), this means that the full and extended impacts of Covid-19 had not yet become fully apparent. Due to factors such as elements of recovery being put ‘on hold’ in the subsequent months, it is likely that figures for 2020/21 will look very different – with economic challenges on taxpayers and businesses likely to have a real impact on officers’ ability to recover monies in as prompt manner as would have been the case in previous years.

3. Background

- 3.1 2019/20 continued to provide challenges for the Revenues and Benefits service, not least of which was the continuing rollout of Universal Credit in Lincoln as well as the cumulative effect of welfare reforms, as well as the impacts of Covid-19 in the latter part of the financial year.

4. Council Tax Collection

- 4.1 The Council Tax net collectable debit for 2019/20 after Council Tax Support, discounts and exemptions had been granted was £44,334,821. This is an increase of £2,566,992 from 2018/19.
- 4.2 Total payments received in respect of 2019/20 were £42,900,788. This is an increase of £2,517,769 from 2018/19.

4.3 Council Tax arrears brought forward from all previous years at 1st April 2019 totalled £5,175,548. By 31st March 2020 these arrears decreased to £3,474,427.

4.4 The table below shows comparisons between 2018/19 and 2019/20 in respect of; in-year collection rate, arrears brought forward and number of arrears cases.

Council Tax	2018/19	2019/20	Increase/ (Decrease)
Collection Rate	96.76%	96.77%	0.01%
Arrears @ 1 st April (Value)	£5,175,548	£5,749,749	£574,201
Arrears @ 1 st April (Cases)	14,874	14,871	(3)

4.5 The new arrears figure of £5,749,749 brought forward represents; the balance of arrears outstanding from previous years at 31st March 2019 as set out in 4.3 above, the Council Tax due in 2019/20 and not collected, court costs raised in 2019/20 and still unpaid, other adjustments made in 2019/20 in respect of previous years, and excludes credits.

4.6 In terms of the amount of Council Tax written-out during the financial year 2019/20 (which could be outstanding Council Tax from any financial year), the figure was £206,855. This compares to £152,609 written-out during 2018/19.

4.7 It is important to note that just because a debt has been written-out, this does not mean it cannot be written back on and collected if new information is received. During 2019/20, £15,395 was written back on.

5. Business Rates Collection

5.1 The Business Rates net collectable debit for 2019/20 after empty voids, charity entitlements and other reliefs had been granted was £44,549,447. This is an increase of £90,439 from 2018/19.

5.2 Total payments received in respect of 2019/20 were £44,308,107. This is a decrease of £66,868 from 2018/19.

5.3 Business Rates arrears brought forward from all previous years at 1st April 2019 was £1,095,823. By 31st March 2020 these arrears had decreased to £371,662.

5.4 The table below shows comparisons between 2018/19 and 2019/20 in respect of; in-year collection rate, arrears brought forward and number of arrears cases.

Business Rates	2018/19	2019/20	Increase/ (Decrease)
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Collection Rate	99.81%	99.46%	(0.35%)
Arrears @ 1 st April (Value)	£1,095,823	£1,076,584	(£19,239)
Arrears @ 1 st April (Cases)	198	103	(95)

5.5 The new arrears figure of £1,076,584 brought forward represents; the balance of arrears outstanding from previous years at 31st March 2020 as set out in 5.3 above, the Business Rates due in 2019/20 and not collected, the balance of court costs raised in 2019/20 and still unpaid, any other adjustments made in 2019/20 in respect of previous years, and excludes credits.

5.6 As with Council Tax, it is important to note that just because a debt has been written-out, this does not mean it cannot be written back on and collected if new information is received. During 2019/20, £17,326 was written back on.

6. Business Improvement District (BID) Levy Collection 2019/20

6.1 Members will be aware that the Authority is responsible for the administration and collection of the BID Levy.

6.2 The BID financial year runs from July to June and the figures given below represent collection up to the end of June 2020.

6.3 The 2019/20 net collectable debit raised in respect of the Levy was £413,321.

6.4 A comparison of in-year collection rates between the BID financial years ending 30th June 2019 and 30th June 2020 is shown in the table below. Although a reduction in in-year collection, the outturn performance is still a very positive achievement, particularly in light of the last four months of the BID year (March to June 2020) being under the climate of Covid-19 'lockdown'. Only £11,217 was outstanding as at 30th June 2020.

Year ending 30 th June 2020	97.29%	Increase/ (Decrease) (2.67%)
Year ending 30 th June 2019	99.96%	

7. Housing Rents Collection

7.1 The net Housing Rent debit for 2019/20 (collectable rent) excluding Housing Benefits and other adjustments was £15,207,509 of which 97.77% was collected. This is an increase of 0.23% on 2018/19 collection of 97.54%.

- 7.2 For administration purposes, Housing Rent Arrears are split between 'current' and 'former' tenants. The table below shows comparisons between 2017/18 and 2018/19 in respect of: in-year collection rate, arrears brought forward and number of arrears cases.

Housing Rents	2018/19	2019/20	Increase/ (Decrease)
Collection Rate	97.54%	97.77%	0.23%
Arrears @ 1 st April (Value)	£1,681,905	£1,794,240	£112,335
- Current	£737,513	£825,238	£87,725
- Former	£944,392	£969,002	£24,610
Arrears @ 1 st April (Cases)	2,308	2,346	38

- 7.3 Income collection continued to be challenging with the further roll out of Universal Credit and the 53 week rent year leaving our Universal Credit claimants with an approximate shortfall of £90,000 between claimant's entitlement in Housing Element and the rent due. Despite this, officers still managed to exceed target and achieve 100% collection rate excluding arrears/credit brought forward (97.77% including arrears/credits brought forward).

Arrears at the end of March were 2.87% which was ahead of the 3.65% target.

- 7.4 Former tenant arrears collection for 2019/20 was 13.69% at the end of February 2020 – unfortunately due to technical reasons the required report could not be run at the end of March 2020, therefore the outturn figure is not currently available. (2018/19 outturn was 23.58%).

8. Sundry Debtors Collection

- 8.1 A total of 11,563 new debtor accounts were raised in 2019/20 amounting to £18,025,866 in cash terms.
- 8.2 The table below shows comparisons between 2018/19 and 2019/20 in respect of arrears brought forward and number of arrears cases.

Sundry Debtors	2018/19	2019/20	Increase/ (Decrease)
Arrears @ 1 st April (Value)	£2,144,535	£2,502,273	£357,738
Arrears @ 1 st April (Cases)	3,678	3,771	93

Sundry debt invoices to the value of £899,768 were raised in March 2020, with expectation that some of these would not be paid in year (i.e. in 2019/20). The

collection rate for 2019/20 was 91.04% - this is a decrease from 2018/19 of 7.54%, - however 2019/20 in-year collection is 8.26% higher than in 2017/18 – demonstrating the fluctuating nature of this type of debt.

9. Housing Benefit Overpayments Collection

- 9.1 The balance of outstanding Housing Benefit Overpayments as at 1st April 2020 was £3,573,112 and compares to £3,973,125 at 1st April 2019, a decrease of £400,013.
- 9.2 A total of £1,508,349 in Housing Benefit overpayments was raised in 2019/20. Total credits received in 2019/20 were £1,591,558 – this includes card payments, direct deductions from ongoing benefit, payments from our collection agents, underlying entitlement and payments via attachments from the Department for Work and Pensions (DWP) and employers.
- 9.3 The total number of cases with a debt outstanding in the Debtors system at the 1st April 2020 was 2,866.

The table below shows comparisons between 2018/19 and 2019/20 in respect of arrears brought forward and number of arrears cases in the Debtors system.

Housing Benefit Overpayments	2018/19	2019/20	Increase/ (Decrease)
Arrears @ 1 st April (Value)	£3,973,125	£3,573,112	(£400,013)
Arrears @ 1 st April (Cases)	3,885	2,866	(1,019)

10. Strategic Priorities

- 10.1 Let's reduce inequality: The Revenues and Benefits Service has a key role in reducing poverty and disadvantage; by ensuring residents receive the benefits they are entitled to, providing money/debt advice, as well as collecting monies due to the Council in line with a Fair Collection and Debt Recovery Policy.

11. Organisational Impacts

- 11.1 Financial: Prompt and efficient recovery of amounts due to the Council helps to ensure that income receivable is collected in order to finance critical services.
- 11.2 Legal Implications including Procurement Rules: There are no direct legal implications from this report.

12. Risk Implications

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

13. Recommendation

13.1 Members are asked to note the contents of this report.

Key Decision Yes/No

Do the Exempt Information Categories Apply? Yes/No

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

How many appendices does the report contain? None

List of Background Papers: None

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

9 July 2020

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Work Programme for 2019-20 – Update	Democratic Services	Regular Report
Quarter 4 Performance Report	Pat Jukes	Quarterly Report
Financial Performance (Detailed): Outturn 2018/19 Quarter 4	Jaclyn Gibson/ Colleen Warren	Quarterly Report Professional High Performing Services
Treasury Management Stewardship and Actual Prudential Indicators Report 2019/20 (Outturn)	Jaclyn Gibson/Colleen Warren	Six Monthly Report Professional High Performing Services
Strategic Risk Register – Quarterly Report	Jaclyn Gibson/Colleen Warren	Quarterly Report Professional High Performing Services

20 August 2020 (Monitoring Overview)

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Confirmation of Housing Scrutiny Sub-Committee Minutes	Democratic Services	Regular Report Lets Deliver Quality Housing
Work Programme for 2019-20	Democratic Services	Regular Report
Portfolio under Scrutiny Session: Our People and Resources	Cllr R Metcalfe	
Monitoring Items		
Quarterly Strategic Risk Register Report-Quarter1	Jaclyn Gibson	Quarterly Report Professional High Performing Services
Revenues and Benefits Shared Service Update	Martin Walmsley	Annual Report Professional High Performing Services
Income/Arrears Monitoring report	Martin Walmsley	Annual Report Professional High Performing Services

16th September 2020 – additional meeting

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Financial Performance (Detailed) – Quarterly Monitoring: Quarter 1	Colleen Warren	Quarterly Report Professional High Performing Services

1 October 2020 (Thematic Reviews)

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Housing Scrutiny Sub-Committee Minutes	Democratic Services	Regular Report Lets Deliver Quality Housing
Work Programme for 2019-20 – Update	Democratic Services	Regular Report
Portfolio Under Scrutiny Session – Economic Growth (To include recovery plans for the City and businesses)	Portfolio Holder	Annual Session Lets Drive Economic Growth
Other Item(s)		
Central Lincolnshire Local Plan Annual Report 2019/20 including Financial Update	Toby Forbes-Turner	Annual Report Lets Drive Economic Growth

19 November 2019 (Monitoring Overview)

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Housing Scrutiny Sub-Committee Minutes	Democratic Services	Regular Report Lets Deliver Quality Housing
Work Programme for 2019-20 – Update	Democratic Services	Regular Report
Monitoring Items		
Financial Performance (Detailed) – Quarterly Monitoring: Quarter 2	Colleen Warren	Quarterly Report Professional High Performing Services
Performance Quarterly Monitoring: Q1 & Q2 (including an update on service Covid recovery plans)	Heather Grover/Nathan Walker	Quarterly Report Professional High Performing Services
Strategic Risk Register – Quarterly Report Quarter 2	Jaclyn Gibson	Quarterly Report Professional High Performing Services Services
Treasury Management and Prudential Code Update Report – Half Yearly Report	Colleen Warren	Half Yearly Report Professional High Performing Services
Other Items:		
Budget Theme Group – Nominees	Jaclyn Gibson	Annual Appointment Professional High Performing Services
The Lincoln City Profile	Pat Jukes/Nathan Walker	

21 January 2021

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Housing Scrutiny Sub-Committee Minutes	Democratic Services	Regular Report Lets Deliver Quality Housing
Work Programme for 2019-20 - Update	Democratic Services	Regular Report
Portfolio Under Scrutiny Session – Quality Housing	Portfolio Holder	Annual Session Lets Deliver Quality Housing
Monitoring Item(s)		
Performance Report-HRS	Gareth Griffiths	Annual Report Lets Deliver Quality Housing
Fire Safety Update	Andrew McNeil/Matt Hillman	Annual Report
Scrutiny Annual Report	Democratic Services	Annual Report Professional High Performing Services

18 February 2021 (*Monitoring Overview*)

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Housing Scrutiny Sub-Committee Minutes	Democratic Services	Regular Report Lets Deliver Quality Housing
Work Programme for 2019-20 - Update	Democratic Services	Regular Report
Monitoring Items		
Financial Performance (Detailed) – Quarterly Monitoring: Quarter 3	Colleen Warren	Quarterly Report Professional High Performing Services
Performance Quarterly Monitoring: Quarter 3	Pat Jukes	Quarterly Report Professional High Performing Services
Strategic Risk Register – Quarterly Report Quarter 3	Colleen Warren	Quarterly Report Professional High Performing Services
Feedback from Budget Review Group	Colleen Warren	Annual Report Professional High Performing Services

25 March 2021

Item(s)	Responsible Person(s)	Strategic Priority/ Comments
Standard Items		
Housing Scrutiny Sub-Committee Minutes	Democratic Services	Regular Report Lets Deliver Quality Housing
Draft Work Programme for 2021/22	Democratic Services	Regular Report
Portfolio Under Scrutiny Session – Customer Experience and Review	Portfolio Holder	Annual Session Vision 2020 (Mixed)
Other item(s)		
Section 106 Contributions Update	Nicola Collins	Annual Report Lets Drive Economic Growth

Portfolio Under Scrutiny Sessions

Date	Portfolio
20 August 2020	Our People and Resources
1 October 2020	Economic Growth
	Reducing Inequality
21 January 2021	Housing
	Remarkable Place
25 March 2021	Customer Experience and Review

SUBJECT: STRATEGIC RISK REGISTER – QUARTERLY REVIEW

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: JACLYN GIBSON, CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To provide Members with a status report of the revised Strategic Risk Register as at the end of the first quarter 2020/21.

2. Background

- 2.1 An interim report on the status of the strategic risks that the Council faces was presented to this Committee in August 2020. At that time, and as a result of the COVID pandemic, rather than provide the full strategic risk register the report only set out the thirteen strategic risks.
- 2.2 Since reporting in August 2020 officers have now undertaken a full assessment of those risks in terms of the level of assessed risk (likelihood and impact), target risk scores, control measures in place and mitigating actions required in order to; avoid, seek, modify, transfer or retain the risks.
- 2.3 The outcome of this work has resulted in a refreshed Strategic Risk Register for 2020/21, which reflects the significant change in circumstances in which the Council is now operating and the different challenges and opportunities it faces. This refreshed register, contained in Part B of the agenda, will be performance monitored on a quarterly basis, reported to both the Performance Scrutiny Committee and the Executive.

3. Strategic Risks

- 3.1 The Strategic Risk Register currently contains thirteen risk, as follows:
- 1) Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2025
 - 2) Failure to deliver a sustainable Medium Term Financial Strategy (that supports delivery of Vision 2025).
 - 3) Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council.
 - 4) Failure to ensure compliance with statutory duties/functions and appropriate governance arrangements are in place.

- 5) Failure to protect the local authority's vision 2025 due to changing structures and relationships in local government and impact on size, scale and scope of the Council.
- 6) Unable to meet the emerging changes required in the Council's culture, behaviour and skills to support the delivery of the council's Vision 2020/2025 and the transformational journey to one Council approach.
- 7) Insufficient levels of resilience and capacity exist in order to deliver key strategic projects & services within the Council.
- 8) Decline in the economic prosperity within the City Centre.
- 9) Failure to mitigate against the implications for the Council following the outcome of Brexit.
- 10) Failure to deliver key strategic projects.
- 11) Failure of the Council's key contractors and partners to remain sustainable and continue to deliver value for money
- 12) Failure to work in partnership to sustain support to vulnerable residents post COVID19.
- 13) Failure to put in place safe working practices and social distancing measures to protect officers and service users.

3.2 The assessed level of each of these thirteen risks is as follows:

Risk No.	Risk Rating	Likelihood	Impact
5 & 8.	Red/High	Almost Certain	Critical
2, 3 & 11.	Red/High	Probable	Critical
7.	Red/High	Almost Certain	Major
1, 10 & 12.	Amber/Medium	Probable	Major
4, 6, 9 & 13.	Amber/Medium	Possible	Major

3.3 The revised Strategic Risk Register is contained within Part B of this agenda.

4. Strategic Priorities

4.1 Sound risk management is one way in which the Council ensures that it discharges its functions in accordance with its expressed priorities, as set out in the Vision 2025, and that it does so in accordance with statutory requirements and within a balanced and sustainable budget and MTFS.

5. Organisational Impacts

5.1 Finance - There are no direct financial implications arising as a result of this report. The Council's Strategic Risk Register contains two specific risks in relation to the Medium-Term Financial Strategy and the Towards Financial Sustainability Programme, the risk registers that support these are also being reviewed in light of the current financial challenges the Council is facing.

5.2 Legal Implications including Procurement Rules - The Council is required under the Accounts and Audit Regulations 2011 to have a sound system of Internal Control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk. The maintenance of a Strategic Risk Register and the control actions which the Council undertakes are part of the way in which the Council fulfils this duty.

5.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities.

6. Risk Implications

6.1 The Strategic Risk Register contains the key strategic risks to the delivery of the Council's medium and longer term priorities. A failure to monitor the action that is being taken to manage these risks would undermine the Council's governance arrangements.

7. Recommendation

7.1 Members are asked to note and comment on the Strategic Risk Register as at the end of the first quarter 20/21.

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

1. Purpose of Report

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

2. Recommendation

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

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