

**Present:** Councillor Sue Burke, Councillor Ray Cucksey,  
Ric Metcalfe and Councillor Sally Tarry

**Apologies for Absence:** None.

**1. Election of Chair**

RESOLVED that Councillor Ric Metcalfe be elected as Chair of the Shared Revenues and Benefits Joint Committee for 2021/2022.

**COUNCILLOR RIC METCALFE IN THE CHAIR**

**2. Confirmation of Minutes - 23 February 2021**

RESOLVED that the minutes of the meeting held on 23 February 2021 be confirmed and signed by the Chair.

**3. Declarations of Interest**

No declarations of interest were received.

**4. Covid-19 Impacts on Revenues and Benefits Service**

Purpose of Report

To provide Members with an update regarding Covid-19 impacts on the Revenues and Benefits Shared Service.

**Decision**

That the report be noted and any future impacts of Covid-19 be reflected in the quarterly Performance Update report to Revenues and Benefits Joint Committee.

Alternative Options Considered and Rejected

None.

Reason for Decision

The report outlined the key impacts on the shared service following the first 'lockdown' and subsequent lockdowns in the United Kingdom as at Quarter 4 2020/21.

It was reported that the impacts of workload and priorities had been significant. In terms of collection and recovery of monies due to the Council, levels of benefit and Council Tax Support claims, requests for data extracts from the Revenues and Benefits ICT system, delivery of Test and Trace Support Payments, as well as being central to this assessment and delivery of grants and reliefs to qualifying businesses.

In terms of staffing, all members of the Revenues and Benefits had been mobilised to work from home during a two-week period during March 2020.

Around one-quarter of the team already had working from home IT facilities in place, mainly for ad hoc purposes and specific tasks, so the concept was proven – however, the large scale deployment of staff to work from home (not only within the shared service, but across the partner Councils as a whole too) had been unprecedented.

It was reported that staff wellbeing continued to be at the heart of the response to the Covid-19 pandemic and regular liaisons with all teams were carried out as explained in more detail within the report.

In respect of Business Rates, there had been a 35% increase in telephone calls and a 48% increase in incoming correspondence in Quarter 4 2020/21 (in comparison to Quarter 4 2019/20). Council Tax had increased by 176% in relation to e-forms and there had been a 1% increase in incoming emails in Quarter 4 2020/21 (in comparison to Quarter 4 2019/20). There had also been a 4% increase in telephone calls and a 24% increase in incoming post. Benefits had received a 37% increase in Council Tax Support new claims and 71% increase in Council Tax Support changes in Quarter 4 2020/21 (compared to Quarter 4 2019/20) and a 61% increase in Universal Credit related documents in Quarter 4 2020/21 (compared to Quarter 4 2019/20).

## **5. 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 and an update be presented at the next meeting of this Committee on 9 September 2021.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

The report provided information on Revenues performance with regard to Council Tax for the City of Lincoln Council and North Kesteven District Council, together with business rates in respect of the City of Lincoln Council, North Kesteven District Council and West Lindsey District Council. This provided figures for the current year 2020/21 up to the end of financial year 2020/21, including annual outturn Revenues and Benefits performance for 2020/21.

Performance continued to be impacted by Covid-19 – a separate report on the impacts on Revenues and Benefits was included on today's Committee Agenda. Officers had proactively responded to Covid-19, including;

- Reduced levels of recovery action being taken in the first half of 2020/21 – only courts dates for summoned monies had been available (on 16<sup>th</sup> December 2020 and 21<sup>st</sup> January 2021);
- Deferrals of Council Tax and Business Rates payments being permitted;
- Processing a significant increase in Housing Benefit and Council Tax

- Support claims, and Universal Credit related documents;
- Assessment and award of new government reliefs and grants

The Revenues and Benefits Shared Service had now been in operation since 1<sup>st</sup> June 2011, and performance had been maintained and improved whilst continuing to provide value for money. Continual improvement and success was being achieved in terms of both statistical and financial performance, as well as positive outcomes for customers of the partner local authorities. However, the Covid-19 global pandemic had understandably impacted on some areas of performance, - these impacts were likely to continue for many more months.

In respect of Council Tax for the financial year 2020/21, in-year collection was down for both the City of Lincoln and North Kesteven by 1.99% and 1.43% respectively, compared to the same point in 2019/20.

In respect of Business Rates, for the financial year 2020/21 (compared to the end of Quarter 2 2019/20), 2020/21 in-year collection was up by 0.08% for Lincoln, but down by 2.22% and 0.98% for North Kesteven and West Lindsey respectively.

The Lincoln figure in particular by the demographic of business types, remained somewhat 'skewed' by the new reliefs available this year in light of the new measures announced as part of the government's Covid-19 response, predominantly the Expanded Retail Discount. North Kesteven collection was also significantly impacted by an unforeseeable large rateable valuation reduction (£1.5 million) from the Valuation Office Agency in March 2021.

Further outlined the NDR figures for 2020/21 which showed the key movements in the business rates bases over the last year as detailed at paragraph 4.8 of the report.

Further information relating to outstanding revenues customers and housing benefit overpayments was set out in the report. The latest figures as at the end of the financial year 2020/21, outstanding revenues stood at a total of 2,111- 1,309 of which 1650 were from the City of Lincoln and 461 were from North Kesteven. Although this figure had increased in recent months, this was as a direct result of the first and second Covid-19 national lockdowns ending and house moves increasing resulting in increased enquiries to the Revenues Team. The usual annual billing period during February and March also created significant levels of Council Tax enquiries – largely by telephone and email, limiting resources available to work on outstanding items in the Document Management System. The equivalent figure at the end of the financial year 2019/20 was 526 (split 371 Lincoln, 155 North Kesteven) – so there had been a notable increase in outstanding work.

In terms of benefits performance, the table at paragraph 5.2 of the report highlighted the time to process benefit claims at the end of the financial year 2020/21 for new claims compared to the end of financial year 2019/20 showed the City of Lincoln performing at 16.91 days and North Kesteven performing at 15.42 days. In relation to changes of circumstances the time to process benefit claims at the end of financial year 2020/21 compared to the end of the financial year 2019/20 showed the City of Lincoln Council performing at 2.88 days and North Kesteven performing at 2.56 days.

Provision of welfare and benefit advice given continued to be key with a team of dedicated and knowledgeable officers providing invaluable support to residents of Lincoln, as set out in further detail within the table at Paragraph 6.1 of the officer's report.

## **6. Revenues and Benefits Financial Outturn 2020/21**

### Purpose of Report

To provide the Joint Committee with the financial outturn for the Revenues and Benefits Shared Service for 2020/21.

### **Decision**

That the report be noted and the budget adjustments as set out in paragraph 3.3 of the report be approved.

### Alternation Options Considered and Rejected

None.

### Reason for Decision

The approved budget for 2020/21 was agreed by the Revenues and Benefits Joint Committee on 5 February 2020 which set a budget of £2,426,630 for the service.

The budgets for 2020/21 were increased by £111,740, over and above the base budget assumption. At Q1 the budget was increased by the agreed carry forward budget from 2019/20 totalling £51,940. North Kesteven District Council has been recharged throughout the year for the agreed value of £27,010.

At quarter 2 the budget was subsequently reduced by the sum of £16,050, being the net of a £43,500 reduction to reflect the expenditure reductions arising through a change in operations during the Covid19 pandemic and a £27,450 increase relating to New Burdens grants.

At quarter 3 the budget has been further increased to reflect additional New Burdens grants totalling £48,660.

At quarter 4 the budget has been increased by a further £27,180 to reflect additional New Burdens grants.

The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend of £66,323 against a revised budget after considering the budget adjustments in paragraph 3.3 of the report.

The main year-end variations against the approved budget for 2020/21 were noted as follows:

- Staffing and overtime, National pay award of 2.75% above budget of 2% and additional hours required as a result of Covid19 pandemic response;
- Postage, underspend on postage as a result of Covid19 pandemic response;

- Supplies & Services, underspends related to changes in working during the pandemic;
- Recharges to other Local Authorities;
- IT costs, new DWP legislation;
- New Burdens.

## 7. **Business Rates Update**

### Purpose of Report

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

### **Decision**

That the content of the report be noted.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

The following updates were noted:

#### *Expanded Retail Discount*

In the budget on 29 October 2018, Government announced that it would provide Business Rates Retail Discount to apply in the years 2019/20 (33% discount) and 2020/21 (50%) discount.) This would be for businesses with a rateable value up to (but not including) 51,000.

In response to Covid-19, in the Budget on 11 March 2020, Government announced that it would increase the discount for 2020/21 to 100% and extend it to include the leisure and hospitality sectors. On 23 March 2020, further measures were announced which resulted in the relief being applied to occupied retail, leisure and hospitality properties in the year 2020/21, as well as removing the rateable value limit.

As announced at the Budget on 3 March 2021 by the Chancellor, the government would continue to provide eligible retail, hospitality and leisure properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021. This would be followed by 66% business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £2 million per business for properties that were required to be closed on 5 January 2021, or £105,000 per business for other eligible properties.

#### *Nursery Discount*

In response to Covid-19 Government announced a business rates Nursery Discount on 18 March 2020.

As announced at the Budget on 3 March 2021 by the Chancellor, the government would continue to provide eligible nursery properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021. This would be followed

by 66% business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £105,000 per business for other eligible properties

### *Discount for businesses affected by Covid-19*

On 25 March 2021, central government announced a £1.5 billion package for businesses affected by Covid-19.

The announcement included:

*Ministers have today set out plans to provide an extra, targeted support package for businesses who have been unable to benefit from the existing £16 billion business rates relief for retail, hospitality and leisure businesses. Retail, hospitality and leisure businesses have not been paying any rates during the pandemic, as part of a 15 month-long relief which runs to the end of June this year.*

*Many of those ineligible for reliefs have been appealing for discounts on their rates bills, arguing the pandemic represented a 'material change of circumstance' (MCC).*

*The government is making clear today that market-wide economic changes to property values, such as from COVID-19, can only be properly considered at general rates revaluations, and will therefore be legislating to rule out COVID-19 related MCC appeals.*

*Instead the government would provide a £1.5 billion pot across the country that would be distributed according to which sectors had suffered most economically, rather than on the basis of falls in property values, ensuring the support is provided to businesses in England in the fastest and fairest way possible.*

*Allowing business rates appeals on the basis of a 'material change in circumstances' could have led to significant amounts of taxpayer support going to businesses who have been able to operate normally throughout the pandemic and disproportionately benefitting particular regions like London.*

At the time of writing this report, the required detail regarding the relief nor the individual local funding allocations were available.

### *Fire Station Hospitals – potential reduction to rateable value*

On 4 December 2020, the Valuation Office Agency (VOA) contacted all Local Authorities to advise they may start to see changes in rateable values of hospitals and fire stations. These categories had been in discussion under the VOA'S Group Pre-Challenge Review (GPCR) procedure.

Rating agents had requested GPCR discussions in early 2020 and submitted checks against representative sample properties within each class. The GPCR'S facilitated the provision and exchange of evidence culminating in agreed valuation schemes.

### *Public Toilet Relief*

After a significant period of time since this relief was first brought forward the Bill allowing for relief to be awarded on public lavatories had finished its passage in

Parliament and had received Royal assent. The Non-Domestic Rating (Public Lavatories) Act 2021 was enacted on the 29 April 2021 and made changes to the Local Government Finance Act 1988 . This relief applied retrospectively to 1st April 2020 and therefore refunds would be issued for the Non Domestic Rating Accounts pain in 2020/21.

100% mandatory business rates relief would be given to hereditaments that consisted wholly or mainly of public lavatories.

## **8. Welfare Reform 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 the local advice referral process, COVID-19 support and Discretionary Housing Payments (DHP)

### **Decision**

That the content of the report be noted and an update be presented at the next meeting of this Committee.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

This report provided Joint Committee with an update on national Universal Credit changes; including a reference to the national statistics and national legislation changes.

The report also provided Joint Committee with an update regarding local advice referral into the Welfare Reform Support team, national and local changes made to support those financially adversely affected by COVID-19 and an update on the financial position for Discretionary Housing Payments.

The report outlined details of the COVID-19 Test and Trace Self Isolation Payments (TTSP) introduced from 28 September 2020 to support those who had been told to self-isolate. The TTSP was due to end on the 31st January 2021 but was extended on the 1st February 2021 and was now due to end on 30th June 2021. Ministers were currently assessing the scheme to decide if it should continue, and a decision was expected regarding this in early June.

As at 14th May 2021, in total the Welfare Reform Support Team had received 1,312 applications for Lincoln and 797 for North Kesteven for Test and Trace Self Isolation Payments or through the Winter Grant Scheme, with 488 clients for Lincoln and 270 for North Kesteven having received a payment.

In April 2021, additional Winter Grant Scheme funding was awarded to each authority to help those customers facing financial hardship, and in particular to help with payments of utility bills. The Welfare Support team identified these cases using data from the Test & Trace applications along with referrals made by Welfare, Revenues & Benefits and Housing Officers. A total of £65,000 was

awarded to each authority and of this £59,500 was spent for City of Lincoln and £64,200 for North Kesteven.

A further round of Winter Grant Scheme funding was secured in May 2021, and as at the time of writing this report, this 'June 2021 scheme' has been agreed and identified cohorts of customers are being assessed regarding potential entitlement.

Latest figures for Discretionary Housing Payments spend showed an unallocated grant of £23,478 remaining for City of Lincoln and £36,544 for North Kesteven, This figure could be reflected against a total allocated fund of £250,113 for City of Lincoln and £172,612 for North Kesteven in 2020/21. Despite not spending the full allocation of central government DHP grant in 2020/21 spend was still £21,303 higher than in 2019/20 for Lincoln and £5,4640 higher than in 2019/20 for North Kesteven

As a result of COVID-19, the Welfare Reform Support Team had been able to provide vital support to new and existing customers – both over the phone and via email. The team were able to explain to customers what support was available to them (national and local), undertake assessments for Universal Credit, Housing Benefit, Council Tax Support and Discretionary Housing Payments and provide advice and guidance to the Revenues and Benefits staff regarding changes to legislation.

The report stated that the 2021/22 DHP government grants were £138,379 for Lincoln and £95,525 for North Kesteven. However, these initial allocations were only based on 71% of the national grant allocation – a mid year review would take place nationally and further DHP grants awarded to local authorities as appropriate.

The report outlined the Council Tax Hardship Fund which was part of the Governments response to COVID-19. The expectation was that the majority of the hardship fund would be used to provide council tax relief, alongside existing local Council Tax Support schemes for 2020/21. Grant allocation was made based on the Council Tax Support (CTS) working age caseload and City of Lincoln were awarded £1,209,846, and North Kesteven £535,715. The amounts spent up to 21st May 2021 – paid towards the year 2020/21 were:

City of Lincoln Council	£678,946	towards 3,893 individual Council Tax accounts
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North Kesteven	£279,681	towards 2,562 individual Council Tax accounts
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The remaining balance of the awards would be allocated towards helping the most vulnerable with further council tax relief alongside existing local Council Tax Support schemes for the year 2021/22. Modelling was currently taking place to establish how to help the most vulnerable with a real urgency to get this delivered as soon as possible.



## 9. Welfare Team Annual Report

### Purpose of Report

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

### **Decision**

- (1) That the report be noted.
- (2) That the success stories be publicised to illustrate the difficulties in negotiating the benefit system or dealing with debt and how the Welfare Team could support residents.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

The Welfare Team offered two distinct but closely linked services, noted as benefits advice and money advice. The benefits advice service offered a help-desk facility during Council opening times and was effectively a duty officer who was available to answer customers' enquiries, book appointments and home visits, calculate individual entitlement to means-tested benefits and see drop-in customers if necessary, help with crisis situations, such as the provision of food larder vouchers. The money advice side of the service was operated under the administrative umbrella of Community Money Advice and was regulated by the Financial Conduct Authority which required that there was a clear and distinct separation between the line management of staff who were responsible for the collection of income. As a result of this requirement the Welfare Team reported to the Customer Services Manager at the City of Lincoln Council.

The report provided an overview of the 2020/21 financial year which highlighted that the team had dealt with 6,830 customers for benefit related queries. This was a small decrease on the previous 12 months when the total was £7372. However, this was excellent performance given that the team had spent much of the year working from home and had not been able to see customers at drop-in sessions or complete home visits.

In the year 2020/21 the team issued a total of 1,047 food vouchers for local community larders and food banks. This was a very large increase on the previous year when the total was 535 vouchers. Previous years had shown very small and gradual increases in numbers seeking emergency food and prior to the current Covid-19 situation it seemed that demand was reaching a plateau.

Additional benefits claimed by customers who had sought the advice and assistance of the Welfare Team were set out in paragraph 4.6 of the report and the total value of additional income paid over 52 weeks for both districts in the Shared Service equated to a weekly value of £1,515,510.44.

In addition to the weekly amounts of benefit awarded to individuals, in many cases customers had backdated awards or lump-sum payments, which were

outlined in paragraph 4.10 of the report. This equated to £423,467.49 for 2020/21.

In terms of money advice casework, in 2020/21 the team received 152 referrals for money advice, compared to 281 in the previous year. 104 individuals, couples and families were signed up for casework and given support to deal with their debts. This was about two thirds of the number of casework customers as the previous year. It was believed that the reduction in money advice casework because during the restrictions less debt recovery work had been undertaken and therefore customers had not been facing debt crisis. It was expected that this would mean that there would be an increase in demand as the freeze recovery action started to be lifted,

The total debt managed for 2020-2021 was £153,992 for 38 North Kesteven Residents and £299,480 for 66 City of Lincoln Residents compared to £281,252 for 59 North Kesteven residents and £491,550 for 97 City of Lincoln Residents for 2019/20. The total level of debt managed across the shared service was £453,472.

The committee discussed the individual success stories highlighted within the report and requested that these be publicised to illustrate the difficulties in negotiating the benefit system or dealing with debt and how the Welfare Team could support residents.