



SHARED REVENUES AND BENEFITS JOINT COMMITTEE

Tuesday, 22 June 2021

2.00 pm

Committee Rooms 1-2, City Hall

- Membership: Councillors Ray Cucksey (North Kesteven District Council), Sally Tarry (North Kesteven District Council), Ric Metcalfe (City of Lincoln Council) and Sue Burke (City of Lincoln Council)
- Substitute members: Councillors Ian Carrington (North Kesteven District Council) and Donald Nannestad (City of Lincoln Council)
- Officers attending: Democratic Services (City of Lincoln Council), Jaclyn Gibson (City of Lincoln Council), Philip Roberts (North Kesteven District Council), Russell Stone (North Kesteven District Council), Martin Walmsley (City of Lincoln Council), Tracey Parker and Lauren Smith

AGENDA

If members are unable to attend the meeting, please advise Claire Turner (Democratic Services Officer) on 01522 873619 as soon as possible. Substitute members will be contacted if they are required to attend the meeting.

SECTION A	Page(s)
1. Election of Chair	
2. Confirmation of Minutes - 23 February 2021	3 - 10
3. Declarations of Interest	
Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
4. Covid-19 Impacts on Revenues and Benefits Service	11 - 16
5. Performance Update	17 - 24

6. Revenues and Benefits Financial Outturn 2020/21	25 - 30
7. Business Rates Update	31 - 38
8. Welfare Reform Update	39 - 46
9. Welfare Team Annual Report	47 - 54

Details of Next Meeting: Thursday, 9 September 2021 (2.00 pm) in Venue: TBC

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

Apologies for Absence: None.

57. Confirmation of Minutes - 26 November 2020

RESOLVED that the minutes of the meeting held on 26 November 2020 be confirmed.

58. Declarations of Interest

No declarations of interest were received.

59. 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 an update be presented at the 22 June 2021 meeting of this 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 3 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 34% increase in telephone calls and a 37% increase in incoming correspondence in Quarter 3 2020/21 (in comparison to Quarter 3 2019/20). Council Tax had increased by 37% in relation to e-forms and there had been a 13% increase in incoming emails in Quarter 3 2020/21 (in comparison to Quarter 3 2019/20). There had also been a 14% reduction in telephone calls and a 3% reduction in incoming post. Benefits had received a 55% increase in Council Tax Support claims and changes in Quarter 3 2020/21 (compared to Quarter 3 2019/20) and a 75% increase in Universal Credit related documents in Quarter 3 2020/21 (compared to Quarter 3 2019/20).

60. 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 22 June 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 Quarter 3 2020/21, including annual outturn Revenues and Benefits performance for 2019/20.

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 16th December 2020 and 21st 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 1st 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 due to the cumulative effect of Covid-19 on household and business incomes.

In respect of Council Tax, up to the end of Quarter 3 2020/21, in-year collection was down for both the City of Lincoln and North Kesteven by 2.83% and 1.47% respectively, compared to the same point in 2019. Members were further updated that as at the end of January 2021 in-year collection was down for both the City of Lincoln Council and North Kesteven by 2.69% and 1.35% respectively, compared to the same point in 2019.

In respect of Business Rates, up to the end of Quarter 3 2020/21 (compared to the end of Quarter 2 2019/20), 2020/21 in-year collection was up by 7.03% for Lincoln, but down by 0.78% and 1.01% for North Kesteven and West Lindsey respectively. Members were further updated that as at the end of January 2021 (compared to the end of Quarter 2 2019/20), 2020/21 in-year collection was up by 2.92% for Lincoln, but down by 2.10% and 1.36% 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.

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 Quarter 3 2020/21 indicated that outstanding revenues stood at a total of 1,309 of which 936 were from the City of Lincoln and 373 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, as well as a temporary reduction in the level of staffing resources on the team due to unforeseen circumstances.

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 Quarter 3 2020/21 for new claims compared to the end of Quarter 3 2019/20 showed the City of Lincoln performing at 16.72 days and North Kesteven performing at 14.98 days. In relation to changes of circumstances the time to process benefit claims at the end of Quarter 3 2020/21 compared to the end of Quarter 3 2019/20 showed the City of Lincoln Council performing at 4.27 days and North Kesteven performing at 3.10 days. The latest figures as at the end of January 2021 showed the City of Lincoln performing at 16.84 days for new claims and 4.11 days for changes of circumstances. North Kesteven as at the end of January 2021 were performing at 15.07 days for new claims and 3.07 days for changes in circumstances.

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 6.2 of the officer's report.

61. Revenues and Benefits - Financial Monitoring Quarter 3 2020/21

Purpose of Report

To provide the Joint Committee with the third quarter's financial performance for the Revenues and Benefits Shared Service for 2020/21.

Decision

That the actual position at Quarter 3 be noted and the budget adjustments for 2020/21 as set out in paragraph 3.2 of the report be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The approved budget for 2020/21 was agreed by the Joint Committee on 5 February 2020 and had been set as £2,426,630 for the Shared Service which had since been increased by the agreed carry forward budget from 2019/20 totalling £51,940. North Kesteven District Council would be recharged throughout the year for the agreed value of £27,010

At quarter 2 the budget had been 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.

Financial performance for the third quarter of 2020/21 was detailed in Appendix 1 of the report and it was noted that there was an underspend against the approved budget of £66,323.

Following the application of additional New Burdens grants and a reduction in anticipated expenditure levels for the remainder of the year, the forecast outturn for 2020/21 predicted that there would be an underspend against the approved budget of £89,197 as detailed at Appendix 2 to the report.

A summary of the main forecast year-end variations against the approved budget were set out in the report including Staffing, Overtime, Supplies and Services, IT costs, Recharges to Other Local Authorities and New Burdens Grants.

62. Revenues and Benefits - Base Budget Forecast 2021/22

Purpose of Report

To present the Base Budget Forecast for the Revenues and Benefits Shared Service for 2021/22.

Decision

1. That the Base Budget Forecast for the Revenues and Benefits Shared Service for 2020/21 be approved.
2. That the deletion of vacant hours as detailed at Paragraph 4.4 of the report and reduction of the base budget accordingly be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Base Budget Forecast for 2020/21 was included at Appendix 1 to the report, including a full reconciliation to the previous Base Budget Forecast outlined in Appendix 2.

Despite inflationary cost pressures the Base Budget Forecast for 2021/22 of £2.520m was only £171.6k higher than the initial Base Budget set for 2012/13, demonstrating the ongoing efficiencies being delivered by the Shared Service.

Deletion of some vacant hours within the Share Revenue & Benefits Shared Service were proposed with effect from 1 April 2021 to make savings of approximately £57,416, with no significant impact on service provision anticipated.

A full review of each line of the budget had taken place to ensure a fair representation of the activity of the service. This had led to budgets being transferred between different shared service functions but had not resulted in either authority significantly paying more.

63. 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.

At the time of writing this report (28 January 2021), the relief for 2021/22 had not yet been announced. Officers expected this announcement as part of the budget on 3 March 2021.

Nursery Discount

In response to Covid-19, Government announced a business rates Nursery Discount on 18 March 2020. The relief would be applied to hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and were subject to businesses rates in the year 2020/21. There was no indication at the current time whether the relief would be continued in 2021/22.

Support for Businesses – Lockdown Grants

On 4 January 2021, the Prime Minister announced that from 5 January 2021 there would be a period of new national restrictions which required certain businesses and venues to close - or restrict how they provided goods and services. In addition to the grants previously provided, the Government announced the following would also be available from 5 January 2021 as follows:

- Local Restrictions Support Grant (LRSG) (Closed) Addendum; and
- Closed Businesses Lockdown Payment

Local Authorities (LA's) were responsible for delivering the funding to eligible businesses with Government reimbursing the payments made by LA's, in line with set criteria. The support would continue until 31 March 2021.

Local Restrictions Support Grant-Closed Addendum Payment

This scheme was an extension of the LRSG (Closed) scheme but had been adapted for the period of the national restrictions. The principal feature was that the payment period was initially extended to 42 days from 5 January 2021 rather than the 14-day payment cycle for tier lockdown.

The level of funding for this grant was as follows:

- City of Lincoln - £3,272,346
- North Kesteven - £1,967,193

Closed Businesses Lockdown Payment (CBLP)

This payment would be in addition to LRSG (Closed) Addendum. Local Authorities would receive a one-off lump sum payment to deliver a one-off payment for businesses that had been required to close from 5 January 2021 due to the introduction of national restrictions. The funding was not retrospective.

The level of funding was as follows:

- City of Lincoln - £6,543,000
- North Kesteven - £3,933,000

Fire Stations and Hospitals-Potential Reductions in Rateable Value

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

On average reductions would be around 10% on NHS and private hospitals, and 9% on fire stations however this would be subject to wide variation dependant on the age of the properties.

The impact of the changes was currently being reviewed and would be included in the budget process as part of the completion of the NDR1 budget return.

64. Welfare Reform, Test and Trace Support Payments, Discretionary Housing Payment - 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 introduced from 28 September 2020 to support those who had been told to self-isolate. At the end of June 2021 the eligibility criteria would be extended to include anyone who had to stay off work to look after someone who was self isolating. Funding would continue to be reviewed

In total the Welfare Reform Support Team had received 1,431 applications for Test and Trace Self Isolation Payments with 421 clients having received a payment.

Members were further updated on the latest figures available in respect of payments made:

	NKDC	COLC
--	------	------

PAID	Mandatory	Discretionary	Mandatory	Discretionary
	92	116	205	161
In progress	62		101	
Ineligible	413		642	

In respect of reasons for rejection, the majority fell under the following:

- Mandatory criteria:
 - Applicant did not have NHS code (mandatory requirement)
 - There was no loss of earnings
- Discretionary criteria:
 - No evidence of financial hardship
 - Excess capital over £1k limit
 - Did not provide all information needed

Latest figures for Discretionary Housing Payments spend showed an unallocated grant of £55,000 remaining for City of Lincoln and £50,000 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

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.

Councillors Ray C Cucksey and Ric Metcalfe thanked Claire Moses, Revenues and Benefits Manager for her excellent professional advice over the years as she prepared to leave the City of Lincoln Council authority at the end of this week to start a new venture.

She was an outstanding officer who would be sadly missed and she was wished all the best in her future career and new role.

SUBJECT:	COVID-19 IMPACTS ON REVENUES AND BENEFITS SERVICE
REPORT BY:	CHIEF EXECUTIVE & TOWN CLERK
LEAD OFFICER:	MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS

1. Purpose of Report

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

2. Executive Summary

- 2.1 The international Covid-19 pandemic has clearly had a significant impact on a whole range of Council services, and continues to do so, – with Revenues and Benefits being no exception. This report sets out key impacts on the shared service.

3. Background

- 3.1 The first national ‘lockdown’ in the United Kingdom, announced on 23rd March 2020, resulted in the remaining members of the Revenues and Benefits shared service team being mobilised to work from home – with all IT facilities, - i.e. computers and telephones. Further mobilisation of homeworking had already commenced the week prior, as officers identified in the more vulnerable categories were addressed earlier. Some initial ‘teething problems’ were soon dealt with and this critical service has been operating successfully. Telephony is also being upgraded across the shared service, to ensure an appropriate response for customer telephone enquiries is in place.
- 3.2 Regarding workload and priorities for our shared service, the impacts have 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, Winter Grants Scheme payments, as well as being central to the assessment and delivery of grants and reliefs to qualifying businesses.

4. Staffing Matters

- 4.1 All members of the Revenues and Benefits Shared Service were 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) has been unprecedented.
- 4.2 The rollout of ICT provision for the whole of the shared service has successfully considered and delivered:

- Provision of ICT hardware suitable for secure homeworking, which also meets standards as required through the Department for Work and Pensions (DWP) Memorandum of Understanding with regard to access to sensitive and confidential DWP data;
- Telephone services upgrade from the initial solution, better enabling taking higher volumes of calls – for example, when Council Tax reminders are issued;
- Rollout of ICT to ‘Microsoft 365’ is currently underway, which will improve system performance across all teams, enabling more efficient ways of working as well as better communication tools between colleagues at all levels.

4.3 Staff wellbeing continues to be at the heart of the response to the Covid-19 pandemic, by partner Councils. In terms of Revenues and Benefits specifically, communications include;

- At least weekly catch-up Teams calls between Head of Shared Revenues and Benefits, and Revenues and Benefits Manager;
- Regular catch-up calls with Team Leaders;
- Regular catch-up calls with team members;
- Revenues and Benefits Management Team WhatsApp group;
- Individual teams’ WhatsApp groups and Teams meetings;
- Groups and conversations being set up within Microsoft Teams, as part of 365 rollout.

In addition to this, ‘all team member’ Revenues and Benefits staff briefings have been delivered by the Head of Shared Revenues and Benefits on 22nd September 2020, 9th December 2020 and 28th April 2021 (through 4 x 45-minute sessions on each day). The Head of Shared Revenues and Benefits has regularly delivered such sessions since the shared service commenced, however delivering these briefings via Microsoft Teams was new – but has been a real success, with positive attendance and engagement from team members – particularly as more colleagues within the team have received MS Teams functionality and become more proficient in using this vital communication tool.

The briefings set out some key messages around:

- Performance;
- Impacts on workload due to Covid-19;
- Communication and wellbeing;
- New ways of working.

A Human Resources Associate from City of Lincoln Council also attended each session on 28th April, presenting an update on key HR issues,

In addition to the all staff briefings, both the Head of Shared Revenues & Benefits and Revenues & Benefits Manager attended individual team meetings for all areas of the shared service, over two days – 20th and 21st April 2021. These smaller meetings enabled more focus in each individual team looking at working successes, priorities and future arrangements.

5. Impacts – Service demands and Financial impacts

5.1 In 2020/21, financial impacts on partner Councils, have been (*information as at 31 March 2021*):

Council Tax:

	Lincoln		North Kesteven	
Liability 2019/20	£44,334,821		£65,859,910	
Liability 2020/21	£45,062,366		£68,625,265	
Difference in liability	£727,545		£2,765,355	
Payments rec'd 2019/20	£42,902,806		£65,504,266	
Payments rec'd 2020/21	£42,710,110		£67,273,347	
Difference in payments	-£192,696		£1,769,081	
Direct Debit 2019/20	271,280	£32,399,054	390,039	£55,288,478
Direct Debits 2020/21	266,299	£32,889,308	387,716	£57,594,778
Collection 2019/20 %	96.77%		99.46%	
Collection 2020/21 %	94.78%		98.03%	
Difference in collection	-1.99%		-1.43%	
Deferrals 2020/21 no.	638		1181	
Deferrals 2020/21 value	£135,429		£296,587	
CTS claims received since 1.4.2020	479		385	
CTS additional cost since 1.4.2020	£367,066		£248,194	
CTS Hardship carried forward into 2021/22	£533,242		£255,956	

Business Rates

	Lincoln	North Kesteven	West Lindsey
Liability 2019/20	£44,547,447	£28,118,394	£17,772,197
Liability 2020/21	£18,520,249	£20,085,110	£11,632,777
Difference	-£26,027,198	-£8,033,284	-£6,139,420
Payments rec'd 19/20	£44,052,970	£27,958,119	£17,573,148
Payments rec'd 20/21	£18,328,636	£19,524,856	£11,388,486
Difference in payments	-£25,724,334	-£8,433,263	-£6,184,662
Collection 2019/20 %	98.89%	99.43%	98.88%
Collection 2020/21 %	98.97%	97.21%	97.90%
Difference in collection	+0.08%	-2.22%	-1.08%
Deferrals 2020/21 no.	9	7	9
Deferrals 2020/21 value	£14,377	£218,461	£29,854
Expanded retail discount and nursery awards	£27,113,32	£9,508,103	£6,863,720

5.2 In addition to the above, significant increases in demands on the shared service have included – all comparing Quarter 4 2020/21 (to Quarter 4 2019/20):

- Council Tax:
 - 176% increase in e-forms;
 - 1% increase in incoming e-mails;
 - 4% increase in telephone calls;
 - 24% increase in incoming post.
- Business Rates:
Comparing Quarter 4 2020/21 (to Quarter 4 2019/20):
 - 48% increase in customer contact by e-mail or post- this includes the contact from customers regarding the retail relief for 2021/22;
 - Increase in telephone calls by 35% (peaks and troughs, around closedown announcements).
- Benefits:
 - 37% increase in Council Tax Support new claims;
 - 71% increase in Council Tax Support changes;
 - 61% increase in Universal Credit related documents.

5.3 Collection and recovery of monies due to the Council has clearly been more challenging in 2020/21, although reminders were issued in the latter half of 2020/21, with two court dates taking place in December 2020 and January 2021. Six court dates have been scheduled for the first six months of 2021/22.

5.4 Despite all these additional challenges and demands on the shared service, performance has generally continued to hold up relatively well in most areas. It is recognised cumulative effects from Covid-19 are likely to impact on performance in the coming months, and potentially even years – particularly taking into account the ending of certain national ‘protections’ – for example, the furlough scheme ending on 30th September 2021. Performance data is set out in a separate report to today’s Committee.

6. Strategic Priorities

6.1 Both City of Lincoln and North Kesteven have a number of strategic priorities. Three that have an impact on the Revenues and Benefits Service are:-

- Lincoln: “Let’s reduce all kinds of inequality”.
- North Kesteven: “Our Communities”, “Our Economy”.

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

7. Organisational Impacts

7.1 Finance: there are no direct financial implications arising as a result of this report.

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

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

8. Risk Implications

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

9. Recommendations

9.1 Note the information as set out in this report.

9.2 Note that any future impacts of Covid-19 will be reflected in the quarterly Performance Update reports to Revenues and Benefits Joint Committee.

Is this a key decision? ~~Yes~~/No

Do the exempt information categories apply? ~~Yes~~/No

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

How many appendices does the report contain? None

List of Background Papers: None

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

This page is intentionally blank.

SUBJECT: PERFORMANCE 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, in respect of annual outturns for the financial year 2020/21.

- 2.2 The Revenues and Benefits Shared Service has recently passed its ten-year anniversary of formation, having been in operation since 1st June 2011. Levels of performance has largely been maintained and improved whilst continuing to provide value for money. Continual improvement and success is being achieved in terms of both statistical and financial performance, as well as positive outcomes for customers of the partner local authorities. However, the Covid-19 global pandemic has understandably impacted on some areas of performance, - these impacts are likely to continue for many more months.

3. Background

- 3.1 At the 23rd February 2021 meeting of this Committee, a report was presented detailing Revenues and Benefits performance up to the end of Quarter 2 2020/21.

- 3.2 Performance is reported to this Committee on a quarterly basis.

- 3.3 Performance continues to be impacted by Covid-19 – a separate report on the impacts on Revenues and Benefits is also included on today's Committee Agenda. Officers have continued to proactively respond to Covid-19, including;

- Reduced levels of recovery action being taken in the first half of 2020/21 – the only courts dates for summoned monies have been available (on 16th December 2020 and 21st January 2021);
- Deferrals of Council Tax and Business Rates payments being permitted where applicable and appropriate;
- 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.

Performance is likely to continue being impacted for many more months due to the cumulative effects of Covid-19 on household and business incomes.

4. Revenues Performance

4.1 Council Tax

4.2 For the financial year 2020/21, in-year collection for Lincoln and North Kesteven is down by 1.99% and 1.43% respectively, compared to 2019/20. Due to the financial impacts of Covid-19 on residents' incomes, officers have been allowing deferrals of payments in relevant circumstances, although this means that these deferred monies will still need to be collected – however over an extended period. Therefore, in the current climate, these reduced levels of collection are not unexpected. Whilst every effort is being made to collect monies due, in the current climate this is a real challenge – and, with the latest Covid-19 lockdown 'lifting' being part of a longer-term roadmap, as well as removal of certain national 'protections' being lifted – such as the furlough scheme ending after September 2021 – is unlikely to improve to any significant degree in the immediate future.

4.3 The table below showing how performance has progressed since the shared service formed in June 2011.

Financial Year	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	94.78%	96.77%	96.76%	97.17%	97.09%	97.12%	96.93%	96.56%	96.32%	96.80%
North Kesteven	98.03%	98.89%	99.08%	99.20%	99.14%	99.16%	99.25%	99.16%	99.13%	99.40%

4.4 Net collectable debit for 2020/21 (compared to 2019/20) increased by £727,545 for Lincoln and £2,746,516 for North Kesteven.

4.5 Business Rates

4.6 For the financial year 2020/21 in-year collection for Lincoln is up by 0.08%, but down by 2.22% and 0.98% for North Kesteven and West Lindsey, respectively. The Lincoln figure in particular due to the demographic of business types, was 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 value reduction (£1.5 million) from the Valuation Office Agency in March 2021.

4.7 The table below showing how performance has progressed since the shared service formed in June 2011.

Financial Year	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	98.97%	98.89%	99.81%	98.87%	99.43%	99.78%	99.46%	99.31%	99.08%	99.20%
North Kesteven	97.21%	99.43%	99.42%	99.89%	99.09%	99.46%	99.78%	99.53%	99.93%	99.70%
West Lindsey	97.90%	98.88%	98.63%	98.53%	97.34%	99.44%	99.17%	99.12%	99.13%	98.90%

4.8 The tables below show key movements in the Business Rates bases over the last year.

2021/21 NDR 1 Figures and comparison – City of Lincoln Council				Key business movements
NNDR Account information as at £	Original Budget NDR 1 for 2020/21 £ <i>These figures include an estimate for growth/decline</i>	Final figures for 2020-21 as at 31 st March 2021 £	NDR3 total (current and prior years) £	<p>For the year 2020-21 the biggest factor affecting the bottom line figure for the Net Rates Payable was the introduction of the Expanded Retail Discount. This was introduced due to the Covid-19 pandemic and provided a full exemption for a number of properties which were used for retail, hospitality and leisure. This was to aid the businesses over the periods where they were mandated to close to visiting members of the public.</p> <p>In addition to these losses, a number of businesses went into insolvency in the retail sector and their properties became empty, resulting in insolvency exemptions on the properties whilst still in the hands of the insolvency practitioner.</p> <p>Landlords also stated that they were struggling to fill empty properties due to the covid pandemic and a lack of appetite for new business.</p> <p>Therefore, even though the NDR1 includes an estimate for the growth in the empty rate relief during the year, the covid pandemic resulted in much higher empty rate relief being applied to the accounts.</p>
Forecast Gross Rates	56,961,775	56,117,583	54,352,953	
Transitional Arrangements	15,101	21,370	241,170	
Mandatory Relief – inc SBRR and charity relief	-8,210,464	-8,066,275	-8,202,029	
Unoccupied Property relief	-1,500,000	-2,345,425	-2,397,665	
Discretionary relief includes charity top up , not for profit and rural rate relief (unfunded)	-169,782	-74,929	-79,215	
S31 Grant Discretionary Relief – this includes the original retail relief scheme at 50%	-927,627	-26,955,397	-27,237,761	
Net Rates Payable	46,169,003	18,696,927	16,677,453	

2021/21 NDR 1 Figures and comparison – North Kesteven District Council				Key business movements
NNDR Account information as at £	Original Budget NDR 1 for 2020/21 £ <i>These figures include an estimate for growth/decline</i>	Final figures for 2020-21 as at 31 st March 2021 £	NDR3 total (current and prior years) £	<p>For the year 2020-21 the biggest factor affecting the bottom line figure for the Net Rates Payable was the introduction of the Expanded Retail Discount. This was introduced due to the Covid-19 pandemic and provided a full exemption for a number of properties which were used for retail, hospitality and leisure. This was to aid the businesses over the periods where they were mandated to close to visiting members of the public.</p>
Forecast Gross Rates	36,932,611	36,714,246	34,975,395	
Transitional Arrangements	-350,686	-334,955	-167,082	
Mandatory Relief – inc SBRR and charity relief	-5,265,646	-5,706,430	-5,881,036	

Unoccupied Property relief	-894,742	-779,922	-694,383	The NDR1 did not include an estimate for growth in the mandatory reliefs, this includes reliefs such as small business rate relief, and Charitable occupation. However, on the announcement of the grants in March 2021, there was an influx of changes to the small businesses that had registered with the Council. A number of these customers were running undeclared businesses from garages, garden summer houses etc or from properties where the landlords had not informed the Revenues Team regarding new tenants and were showing on our systems as empty properties.
Discretionary relief includes charity top up , not for profit and rural rate relief (unfunded)	-259,344	-277,224	-334,207	
S31 Grant Discretionary Relief – this includes the original retail relief scheme at 50%	-381,825	-9,530,606	-9,630,265	
Net Rates Payable	28,800,368	20,082,039	18,268,422	

4.9 Outstanding Revenues Customers

4.10 As at the end of the financial year 2020/21, outstanding Revenues customers stood at a total of 2,111 - 1,309 (split Lincoln 1,650, North Kesteven 461). Although this figure has continued to increase in recent months, this is 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 e-mail – 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 has been a notable increase in outstanding work. This is being tackled as a matter of urgent priority, and an update will be provided to Joint Committee on 22nd June.

4.11 Housing Benefit Overpayments

4.12 As at the end of the financial year 2020/21, in-year collection rates and outstanding monies are as shown in the table below:

Financial year 2020/21 outturn	City of Lincoln	North Kesteven
In-year collection rate	160.84%	104.40%
Amount collected	£1,025,966	£383,708
Outstanding Housing Benefit overpayments debt	£3,153,505	£1,471,374

4.11 Performance in this area continues to be positive – outstanding debt continues to decrease and in-period collection exceeds 100% for both partner Councils.

5. Benefits Performance

5.1 As at the end of the financial year 2020/21, there were 2,866 Benefits customers outstanding (awaiting assessment) – split Lincoln 2,123, North Kesteven 743. This is significantly above the outstanding figure of 1,966 at the end of 2019/20. This is largely due to the substantial impacts of Covid-19 and the associated increase in Benefits workload – also, the number of Universal Credit (UC) documents requiring processing continues to have a real impact. The level of outstanding work continues to be addressed, - an update will be provided to Joint Committee on 22nd June.

5.2 Despite the increase in claims and outstanding workload, due to efficient and proactive processes in place, Benefit claims were assessed on a timely basis – as shown in the table below.

Financial Year 2020/21	City of Lincoln	North Kesteven
New Claims – average time to process	16.91 days <i>(2019/20 20.60 days)</i>	15.42 days <i>2019/20 19.60 days)</i>
Changes of Circumstance – average time to process	2.88 days <i>2019/20 3.17 days)</i>	2.56 days <i>2019/20 2.83 days)</i>

5.3 The importance in processing Benefits claims accurately remains of paramount importance, – i.e. ‘getting it right, first time’. In 2020/21, City of Lincoln’s ‘right first time’ assessment of cases checked is 93% (547 out of 589) and for North Kesteven 96% (831/868).

It should be noted that these checks are in addition to those carried out through the checks required to be carried out under the requirements of the annual Housing Benefit Subsidy claims.

6. Welfare and Benefits Advice

Financial Year 2020/21	City of Lincoln	North Kesteven
Advice provided enabling weekly value of additional benefits	£19,522	£9,581
Advice provided enabling lump sum award of additional benefits	£311,249	£112,219
No. of customers to whom help provided	5,806	1,024
No. money advice referrals	102	50

7. Strategic Priorities

7.1 Both City of Lincoln and North Kesteven have a number of strategic priorities. Three that have an impact on the Revenues and Benefits Service are:-

- Lincoln: “Let’s reduce all kinds of inequality”.
- North Kesteven: “Our Communities”, “Our Economy”.

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

8. Organisational Impacts

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

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

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

9. Risk Implications

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

10. Recommendations

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

10.2 Note that a performance update will be presented at the next meeting of this committee on 9th September 2021.

Is this a key decision? Yes/No

Do the exempt information categories apply? Yes/No

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

How many appendices does the report contain? Appendix 1: Performance Data for the Financial Year 2020/21

List of Background Papers: None

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

Revenues and Benefits Joint Committee 22nd June 2021
 Performance Update
 Appendix 1: Performance Data Financial Year 2020/21

Measure	2020/21 Annual Outturn		2019/20 Annual Outturn	
	NK	COL	NK	COL
Local Authority				
Council Tax collection (cumulative)	98.03%	94.78%	98.89%	96.77%
NNDR collection (cumulative)	97.21%	98.97%	99.43%	98.89%
NNDR collection – WLDC (cumulative)	97.90%		98.88%	
No. Revenues customers awaiting change to be processed	461	1,650	155	371
Total Net Arrears for Council Tax prior years (i.e. not including current year)	£1,506,747	£3,243,876	£1,094,825	£2,602,690
Total Net Arrears for NNDR prior years (i.e. not including current year)	£61,847	£121,299	£96,205	£104,160
Housing Benefit overpayments collection in period	104.40%	160.84%	106.12%	105.52%
Outstanding Housing Benefit overpayments debt	£1,471,374	£3,153,505	£1,530,967	£3,573,112
Housing Benefit New Claims: Average number of days to process (cumulative)	15.42 days	16.91 days	19.60 days	20.60 days
Housing Benefits Changes of Circumstances: Average number of days to process (cumulative)	2.56 days	2.88 days	2.83 days	3.17 days
No. Benefits customers awaiting assessment (cumulative)	743	2,123	456	1,510
% Benefits claims checked financially correct (cumulative)	96%	93%	98%	95%

This page is intentionally blank.

SUBJECT: REVENUES AND BENEFITS - FINANCIAL OUTTURN 2020/21

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

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

1. Purpose of Report

- 1.1 To provide Members with the financial outturn for the Revenues and Benefits shared service for 2020/21.

2. Executive Summary

2.1 2020/21 Outturn

The 2020/21 financial outturn for the Revenues and Benefits shared service resulted in an underspend of £154,544, a variance of 2.4% of the revised budget. This is prior to a recharge for new IT Kit totalling £13,460.92 split 50/50 between both authorities.

3. Background

3.1 2020/21 Outturn

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

- 3.2 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.

3.3 The budget has been revised as follows: -

	CoLC	NK	Total
	£	£	£
Original Budget	1,293,220	1,133,410	2,426,630
Carry Forward from 19/20	24,930	27,010	51,940
Budget reductions resulting from revised operating model	(21,620)	(21,880)	(43,500)
New Burdens – Q2 (detailed in previous report)	15,600	11,850	27,450
New Burdens – Q3 (detailed in previous report)	26,990	21,670	48,660
New Burdens – Q4 Discount for Family Annexe	3,650	19,400	23,050
New Burdens – Q4 Savings Credit Uplift	2,070	2,060	4,130
REVISED BUDGET	1,344,840	1,193,520	2,538,360

4. Financial Outturn 2020/21

- 4.1 The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend of £66,323 against the revised budget, after considering the above budget adjustments year-to-date.
- 4.2 A summary of the main year-end variations against the approved budget for 2020/21 is shown below.

<u>Service Area</u>	<u>£</u>	<u>Reason for variance</u>
Management Staffing	10,190	National pay award of 2.75% above budget of 2% and additional hours required as a result of Covid19 pandemic response.
Benefits Staffing	(20,300)	National pay award of 2.75% above budget of 2%, offset by turnover/vacancies.
Overtime	23,310	Additional hours required as a result of increased demand due to the Covid-19 pandemic response.
Postage – Direct	(24,930)	Underspend on postage as a result of Covid-19.
Supplies & Services	(19,490)	Underspends related to changes in working during the pandemic - predominantly Car Mileage, Training, Stationery & Office Equipment.

Recharges to Other Local Authorities	(12,580)	Income in excess of budget for recharges to other Local Authorities.
IT Costs	34,190	New DWP Legislation changes.
New Burdens	(33,570)	New Burdens received to date, details as per para 3.2.
Revenues Local Taxation		
Staffing	(10,150)	National pay award of 2.75% above budget of 2%, offset by turnover/vacancies.
IT Costs	17,420	New Software requirements & Cloud managed Telephony service to enable remote working.
Postage – Direct	(23,910)	Underspend on postage as a result of Covid-19.
Supplies & Services	(5,920)	Underspends related to changes in working during the pandemic - predominantly Training & Collection/Tracing Agent fees.
Recharges to Other Local Authorities	(10,170)	Income in excess of budget for recharges to other Local Authorities.
New Burdens	(69,720)	New Burdens received to date, details as per para 3.2.
Benefits/Money Advice		
Staffing	(8,840)	National pay award of 2.75% above budget of 2%, offset by turnover/vacancies.
Supplies & Services	(2,670)	Underspends related to changes in working during the pandemic - predominantly Car Mileage savings offset by increased Mobile Phone expenditure.
New M365 IT Kit	13,460	Split 50/50 between NKDC & CoLC (billed separately alongside Q4 Outturn recharges – See Appendix 2)

5. Organisational Impacts

5.1 The financial implications are contained throughout the report.

5.2 There are no legal implications arising from this report.

5.3 There are no equality and diversity implications as a direct result of this report.

6. Risk Implications

6.1 A full financial risk assessment is included in the Council's Medium Financial Strategy.

7. Recommendation

7.1 Members are recommended to note the financial outturn for 2020/21, including the budget adjustments as set out in paragraph 3.3.

Key Decision No

Do the Exempt Information Categories Apply? No

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

How many appendices does the report contain? Two

List of Background Papers: None

Lead Officer: Martin Walmsley
Telephone 01522 873597

Appendix 1 Financial Outturn for 2020/21

Running Costs

	Annual Budget			Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits									
Management	177,370	177,310	354,680	183,875	183,813	367,688	6,505	6,503	13,008
Benefits	645,620	468,460	1,114,080	614,691	446,018	1,060,709	(30,929)	(22,442)	(53,371)
Revenues Local Taxation	404,210	430,160	834,370	354,535	377,296	731,831	(49,675)	(52,864)	(102,539)
Money Advice	117,640	117,590	235,230	111,818	111,770	223,588	(5,822)	(5,820)	(11,642)
Outturn 2020/21	1,344,840	1,193,520	2,538,360	1,264,919	1,118,897	2,383,816	(79,921)	(74,623)	(154,544)
<u>Final Adjustments</u>									
Money Advice - New M365 IT Kit				6,730	6,730	13,461	6,730	6,730	13,461
Final Outturn 2020/21	1,344,840	1,193,520	2,538,360	1,271,649	1,125,627	2,397,277	(73,191)	(67,893)	(141,083)

Appendix 2 Money Advice & Welfare Team - New M365 IT Kit 2020/21

Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72
Welfare Officer	Chief Executive Directorate	Type 4	£1,223.72

	£13,460.92
50% Recharge NKDC:	£6,730.46

SUBJECT: BUSINESS RATES UPDATE

DIRECTORATE: CHIEF EXECUTIVE

REPORT AUTHOR: EMMA-JANE BRODRICK, RECOVERY AND NNDR/BID TEAM LEADER

1. Purpose of Report

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

2. Executive Summary

- 2.1 This report provides Joint Committee with an update on non-domestic rate, to include reference to City of Lincoln Council and North Kesteven District Council. The report is not intended to include non-domestic rate performance matters, as this is covered in the 'Performance Update' report before this Joint Committee today.

3. Background

- 3.1 The report focuses on the changes announced as a result of Covid-19 and the support provided to businesses in the form of relief, – as grants are not directly paid by the Revenues and Benefits shared service, these are not covered in this report. The report also focuses on the financial impact of recent appeals and reductions to rateable values.
- 3.2 Focus for both Government and billing authorities since the last meeting of Joint Committee has been a continuing response to Covid-19 measures, which have been announced since 11 March 2020.

4. Expanded Retail Discount

- 4.1 The Government announced in the Budget on 29 October 2018 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.
- 4.2 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.
- 4.3 As announced at the Budget on 3 March 2021 by the Chancellor, the government will 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 will 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.

- 4.4 Eligibility criteria was set out by the Ministry of Housing, Communities and Local Government (MHCLG) and issued to Local Authorities on 2 April 2020. This can be found here:
- <https://www.gov.uk/government/publications/business-rates-retail-discount-guidance>
 - [Business rates: expanded retail discount 2021 to 2022 - local authority guidance - GOV.UK \(www.gov.uk\)](#) .
- 4.5 Properties that will benefit from the relief will be occupied hereditaments that are wholly or mainly being used:
- a) as shops, restaurants, cafes, drinking establishments, cinemas and live music venues;
 - b) for assembly and leisure; or
 - c) as hotels, guest & boarding premises and self-catering accommodation.
- 4.6 MHCLG guidance provided further detailed lists of properties which fell into the above categories but made it clear that the list is not intended to be exhaustive. The list was intended to be a guide for Local Authorities (LA's) as to the types of uses that the Government considers for the purpose to be eligible for relief. LA's were required to determine for themselves whether particular properties not listed are broadly similar in nature to those above, and if so, to consider them eligible for the relief.
- 4.7 Government will reimburse LA's that use their discretionary relief powers under Section 47 of the Local Government Finance Act 1988 (amended). LA's had already completed their NDR1 for 2020/21 and as a result, were asked to provide further and separate estimates of their likely total cost for providing the relief. These costs are provided to Government on a weekly basis.
- 4.8 The total awarded under this relief, is shown in the table below, and details the number and value as at the last meeting of this Committee and as at 31 March 2021: -

City of Lincoln	Total awards	Value of awards
10.09.20	1,018	£26,899,415
09.11.20	1,029	£26,976,268
18.01.21	1,049	£26,987,892
31.03.21	1055	£26,955,397

North Kesteven	Total awards	Value of awards
10.09.20	527	£9,163,133
09.11.20	542	£9,276,621
18.01.21	547	£9,320,542
31.03.21	561	£9,338,295

West Lindsey	Total awards	Value of awards
10.09.20	357	£6,749,196
09.11.20	366	£6,770,734
18.01.21	369	£6,852,459
31.03.21	378	£6,829,136

5. Nursery Discount

5.1 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 will continue to provide eligible nursery properties in England with 100% business rates relief from 1 April 2021 to 30 June 2021. This will 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.

5.2 Eligibility criteria was set out by the Ministry of Housing, Communities and Local Government (MHCLG) and issued to Local Authorities on 2 April 2020. This can be found here:

- <https://www.gov.uk/government/publications/business-rates-nursery-childcare-discount-2020-to-2021-coronavirus-response-local-authority-guidance>
- [Business rates: nursery \(childcare\) discount 2021 to 2022 – local authority guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/business-rates-nursery-childcare-discount-2021-to-2022-local-authority-guidance) .

5.3 The relief was to be applied to hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and which are subject to businesses rates in the year 2020/21.

5.4 There is no rateable value limit on the relief and where necessary, Ofsted were able to provide Local Authorities (LA's) with access to the register to help identify eligible hereditaments.

5.5 Government will reimburse LA's that use their discretionary relief powers under Section 47 of the Local Government Finance Act 1988 (amended). LA's had already completed their NDR1 for 2020/21 and as a result, were asked to provide further and separate estimates of their likely total cost for providing the relief. These costs are provided to Government on a weekly basis.

5.6 The total awarded under this relief, is shown in the table below, and details the number and value as at the last meeting of this Committee and as at 31 March 2021: -

City of Lincoln	Total awards	Value of awards
10.09.20	16	£173,915
09.11.20	15	£168,302
18.01.21	15	£163,935
31.03.21	15	£163,935

North Kesteven	Total awards	Value of awards
10.09.20	16	£168,127
09.11.20	17	£169,729
18.01.21	17	£168,947
31.03.21	17	£169,808

West Lindsey	Total awards	Value of awards
10.09.20	9	£27,254
09.11.20	9	£27,254
18.01.21	9	£27,254
31.03.21	10	£34,626

All potentially affected businesses have been advised in writing that they need to complete a form for the rate relief and payments have not been taken where no business rates would have been due. For the 66% relief, an application form needs to be submitted, these were sent out in March and officers have (on 17th May) undertaken a further mail merge exercise for those accounts where the form has not been received, advising the customer that bill when issued will be issued without the 66% unless the enclosed form is completed and returned. For late applications, amended bills will have to be issued.

The 3-month Expanded Retail Discount and Nursery discount were applied to accounts on 23 May 2021, following required software being made available.

6. Discount for businesses affected by Covid-19

- 6.1 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 will provide a £1.5 billion pot across the country that will be distributed according to which sectors have 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.

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

7. Fire Stations and Hospitals – potential reduction to rateable value

- 7.1 On 4 December 2020, the Valuation Office Agency (VOA) contacted all Local Authorities to advise they may start to see changes in the rateable values of hospitals and fire stations. These categories have been in discussion under the VOA's Group Pre-Challenge Review (GPCR) procedure.
- 7.2 Rating agents have requested GPCR discussions in early 2020 and submitted checks against a representative sample of properties within each class. The GPCRs facilitated the provision and exchange of evidence culminating in agreed valuation schemes.
- 7.3 On average reductions will be around 10% on NHS and private hospitals, and 9% on fire stations however this will be subject to wide variation dependant on the age of the properties.

Most reductions are needed to reflect the application of new age and obsolescence scales for non-industrial properties, following guidance given in the Upper Tribunal decision *Hughes v York Museum*. Larger reductions, in the region of 23%, are likely on:

- hospitals built after 2010 (further building costs were produced by the agents to support this); and
 - older 1960s/70s built hospitals (particular those of a 'tower block design'; these having greater functional obsolescence).
- 7.4 Whilst the initial reductions will flow from GPCR Challenges, the scheme reductions the VOA have agreed will likely be actioned on any existing and future Check cases; these can be actioned as soon as the VOA have confirmation all physical factors they hold in their surveys are correct.
- 7.5 On 20 May 2021 we received a further notification from the Valuation Office that there was a GPCR Challenge regarding Court Buildings. This has been completed on a representative group of around 30 Courts. The agreed basis results in average reductions of around 18% - 1970's buildings may have higher reductions of around 28%. These reductions could go back to 1st April 2017.

Affected numbers within the shared service, are as below:

Local Authority	No. hereditaments	Charge for 2021/22
City of Lincoln	Combined (x2)	£325,120 £61,952
North Kesteven	0	
West Lindsey	0	

8. Public Toilet Relief

- 8.1 After a significant period of time since this relief was first brought forward the Bill allowing for relief to be awarded on public lavatories has finished its passage in Parliament and has received Royal assent. The Non-Domestic Rating (Public Lavatories) Act 2021 was enacted on the 29 April 2021 and makes changes to the Local

Government Finance Act 1988. This relief applies retrospectively to 1st April 2020 and therefore refunds will be issued for the Non Domestic Rating Accounts paid in 2020/21.

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

Affected numbers within the shared service, are as below:

Local authority	No. hereditaments	Value £
City of Lincoln	6	11,556.85 for 2020 11,556.85 for 2021
North Kesteven	4	5848.29 for 2020 5848.29 for 2021
West Lindsey	2	2775.50 for 2020 2775.50 for 2021

9. Strategic Priorities

9.1 Both authorities look to protect the poorest people. The Non-Domestic Rate Service is mindful of the strategic priorities when engaging with business ratepayers as they look to recover the business rate.

10. Organisational Impacts

10.1 Finance

Local Authorities will be compensated in full for the costs of the new business rates reliefs announced as part of the March 2020 and March 2021 Budgets and in response to COVID 19.

Each local authority will need to take into consideration the implications arising for fire stations and hospitals when preparing their NNDR1 returns, as well as ATM's and GP surgeries (as reported to this committee previously) as part of their provision for appeals calculations when preparing their NNDR3 returns, with a consequent impact on the level of surplus or deficit to be declared. There will also be an ongoing loss of NNDR which will be accounted for during the preparation of future NNDR1 forecasts.

10.2 Legal Implications including Procurement Rules

No direct financial implications arising from this report.

10.3 Equality, Diversity & Human Rights

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

11. Risk Implications

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

12. Recommendation

12.1 Members are requested to note this report.

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

Lead Officer: Emma-Jane Brodrick, Recovery and NNDR/BID Team Leader
Telephone: 01522 873598

This page is intentionally blank.

SUBJECT:	WELFARE REFORM UPDATE
DIRECTORATE:	CHIEF EXECUTIVE
LEAD OFFICER:	REBECCA COX, WELFARE REFORM AND PROJECT LEAD

1. Purpose of Report

- 1.1 To provide Joint Committee with an update regarding the national and local position of welfare reform, with a specific focus on the local advice referral process, COVID-19 support and Discretionary Housing Payments (DHP) for this report.

2. Executive Summary

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

The report also provides Joint Committee with updates regarding:

- Local advice referrals into the Welfare Reform Support team;
- National and local changes made to support those financially adversely affected by COVID-19;
- Financial position for Discretionary Housing Payments.

3. Background

- 3.1 The national Welfare Reform agenda has had a significant impact on residents of Lincoln and North Kesteven since 2013 when certain changes were introduced – such as Removal of Spare Room Subsidy, and Benefit Cap – and has continued as further changes have been introduced, such as the ongoing rollout of Universal Credit. These changes have resulted in major changes to the operating of our shared service, to ensure a proactive and positive response to welfare reform and the impacts on residents.

4. National Progress – Statistics

- 4.1 Latest figures published by the Department for Work and Pensions (DWP) were released on 18 May 2021 with statistics relevant to the period up to March 2020.

- 5,972,017 households receiving UC (this is an increase from 5,911,783 as reported at the last meeting of this Committee)

Local authority statistics are also available as at March 2021: -

- City of Lincoln – 10,981 (10,689 as at the last report)
- North Kesteven – 6,752 (6,601 as at the last report)

5. Advice Referrals to Welfare Reform Support Team

- 5.1 Referrals come from Councils' service areas, customers and external stakeholders into the Shared Service Welfare Reform Support team (formerly Universal Support Team).
- 5.2 The advice referral process has resulted in all internal teams and partners working together with the objective of improving the customer journey.
- 5.3 As a result of COVID-19, the Welfare Reform Support Team has been able to provide vital support to new and existing customers – both over the phone and via email. The team is able to explain to customers what support is available to them (national and local), undertake assessments for Universal Credit, Housing Benefit, Council Tax Support and Discretionary Housing Payments.

The team also provides advice and guidance to the Revenues and Benefits staff regarding changes to legislation.

6. COVID-19 National support for customers affected

- 6.1 As a result of the outbreak of COVID-19, there have been a number of changes made to legacy benefits, Universal Credit and support for those in or retaining employment, - which have been reported to this Committee previously.

7. COVID-19 Test and Trace Self Isolation Payments

- 7.1 From 28 September 2020, anyone who has been told to self-isolate has a legal obligation to do so. To support those who self-isolate, the Department for Health and Social Care (DHSC) introduced the Test and Trace Self Isolation Payment (TTSP).
- 7.2 The TTSP scheme is administered by Local Authorities, with guidance from DHSC. There are two schemes – the mandatory and discretionary. Both schemes are payments of £500 and certain eligibility criteria need to be met.

7.3 The mandatory scheme:

This is a national scheme and eligibility criteria has been set by the Department for Health and Social Care. The payment is £500 providing the individual lives in England and meets all the following criteria: -

- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive; and
- employed or self-employed; and
- unable to work from home and will lose income as a result of self-isolating; and
- currently receiving at least one of the following:
 - Universal Credit

- Working Tax Credit
- income-based Employment and Support Allowance
- income-based Jobseeker's Allowance
- Income Support
- Housing Benefit
- Pension Credit.

7.4 The discretionary scheme:

There are three national eligibility criteria which have been set by the Department for Health and Social Care, then each Local Authority can include their own discretionary criteria.

7.5 The shared service has approved the same policy for both City of Lincoln and North Kesteven District Council. The eligibility criteria is as follows: -

- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive; and
- employed or self-employed; and
- unable to work from home and will lose income as a result of self-isolating; and
- have capital of less than £1,000 (*this limit is under review*); and
- have income which does not exceed expenditure.

7.6 The Welfare Reform Support Team has received all applications and undertaken assessment decisions. Also, the team secured further funding from Lincolnshire County Council to make TTSP-related payments utilising Winter Grant Scheme monies.

In total, the team have received 1,312 applications for City of Lincoln, of which at the time of writing this report on the 14th May 2021, 488 have received a payment. A breakdown of the applications is shown in the table below:

City of Lincoln:

	Received	Pending	Unsuccessful	Total Paid/Eligible	Value
Mandatory	397	11	188	198	£99,000
Discretionary	822	24	556	242	£121,000
Winter Grant Scheme	93	0	45	48	£24,000

Total	1312	36	788	488	£244,000
-------	------	----	-----	-----	----------

In total, the team have received 797 applications for North Kesteven, of which at the time of writing this report on the 14th May 2021, 270 have received a payment. A breakdown of the applications is shown in the table below:

North Kesteven:

	Received	Pending	Unsuccessful	Total Paid/Eligible	Value
Mandatory	207	10	87	108	£54,000
Discretionary	545	44	368	135	£67,500
Winter Grant Scheme	45	0	18	27	£13,500
Total	797	54	473	270	£135,000

- 7.7 The national TTSP scheme was due to end on the 31st January 2021 but was extended on the 1st February 2021 and is now due to end on the 30th June 2021. Ministers are currently assessing the scheme to decide if it should continue, and a decision is expected regarding this in early June.
- 7.8 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.
- 7.9 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. A verbal update will be provided to Joint Committee, on 22nd June.

8. Discretionary Housing Payments

- 8.1 City of Lincoln's government grant for 2020/21 was £250,113 and North Kesteven's £172,612. 2020/21 DHP central government grants for both City of Lincoln and North Kesteven had increased from 2019/20.
- 8.2 The impact of Universal Credit (UC) in Lincoln and North Kesteven is constantly increasing and will continue to do so as UC continues to be rolled out. COVID-19 has had an impact on the number of UC claims being made – seeing an increase in claims, and as a result an increase in UC-related DHP awards. The next stage of UC rollout is still due to be undertaken, with a managed migration process for remaining legacy benefit customers – however this may not be commencing in our Districts, for 1-2 years.

8.3 The table below updates on DHP spend to the 31st March 2021.

LA	Total funding = Central Government DHP Grant 2020/21	DHP net spend as at 31 March 2021	DHP committed for 2020/21	DHP Total spend for 2020/21	% Grant spend	Unallocated DHP Grant
City of Lincoln	£250,113	N/A	N/A	£226,635	90.61%	£23,478
North Kesteven	£172,612	N/A	N/A	£136,068	78.82%	£36,544

8.5 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 £5,640 higher than in 2019/20 for North Kesteven. The team has been, as always, extremely proactive at publicising, assessing and awarding DHPs.

8.6 The table below breaks down the number of DHP applications received and determined up to 31st March 2021.

DHP applications – Year 2020/21	City of Lincoln	North Kesteven
Total number awarded	589 (2019/20 = 575)	293 (2019/20 = 331)
No. awarded for Housing Benefit	349 (2019/20 = 345)	144 (2019/20 = 202)
No. awarded for Universal Credit	240 (2019/20 = 230)	149 (2019/20 = 129)
Average DHP award	£384.78 (2019/20 = £357.10)	£464.40 (2019/20 = £397.64)

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

The team has reviewed our DHP policy for the new financial year 2021/22, with a view to allocating central government grant effectively under the backdrop of Covid-19 recovery.

8.8 Due to Covid, there has been a temporary suspension of evictions and house moves, which has resulted in authorities seeing an underspend in their DHP. Officers undertook the following actions to address this:

- Reports sent to both Lincoln and North Kesteven Housing Teams which identified those customers that had a shortfall but no DHP currently in payment;
- Lincoln Housing contacted tenants and supported with telephone applications;
- Communications was sent out to advise the public to apply if they met the criteria;
- Email sent to all large private landlords advising them of budget left and the new quick way to apply;
- Amended DHP guidance on the application process (shortened form created), backdating and amount of award; and
- All staff within Benefits, Customer Services, Welfare Team, Housing Departments and Homeless Departments proactively promoted DHP's.

8.9 2021/22 DHP government grants are as follows:

- City of Lincoln: £138,379
- North Kesteven: £95,525

However, these initial allocations are only based on 71% of the national grant allocation – a mid-year review is to take place nationally and further DHP grants awarded to local authorities as appropriate.

9. Council Tax Hardship Fund

9.1. As part of its response to COVID-19, the Government announced in the Budget on 11th March 2020 that it would provide local authorities in England with £500m of new grant funding to support economically vulnerable people and households in their local area.

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. The Guidance notes were released on 24th March 2020 with confirmation of the grant allocation.

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.

Amounts spent up to 21st May 2021 – paid towards the year 2020/21:

City of Lincoln Council £678,946 towards 3,893 individual Council Tax accounts

North Kesteven £279,681 towards 2,562 individual Council Tax accounts

9.2 The remaining balance of the awards will 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 is currently taking place to establish how to help the most vulnerable with a real urgency to get this delivered as soon as possible.

City of Lincoln Council approximately £530,899 to spend;

North Kesteven approximately £256,033 to spend.

10. Strategic Priorities

10.1 **City of Lincoln: Let's drive economic growth and North Kesteven: Our economy and Our Community:** An understanding of Universal Credit and its wider impacts on City of Lincoln residents and arrears levels is important when reducing poverty and driving economic growth across the City. The aim of Universal Credit is to provide a simplified means tested benefits system, with the objective of avoiding the 'poverty trap', where there is a disincentive to work longer hours because of the loss of benefits and higher taxes.

10.2 **City of Lincoln: Let's drive economic growth and North Kesteven: Our economy and Our Community:** - A key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money / debt advice. There are strategic priorities when engaging with those in receipt of Welfare Benefits, Digital Inclusion, Channel Shift/ Customer Experience, Financial Inclusion and Partnership Working are all key priorities as part of this report.

11. Organisational Impacts

11.1 **Finance:** There are no direct financial implications arising as a result of this report.

11.2 **Legal implications inc Procurement Rules:** There are no direct Legal or Procurement implications arising from this report.

12. Risk Implications

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

13. Recommendation

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

Key Decision No

Do the Exempt Information Categories Apply No

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

Does the report contain Appendices? No

**If Yes, how many
Appendices?**

None

**List of Background
Papers:**

No

Lead Officer:

Rebecca Cox, Welfare Reform and Project Lead,
Telephone 01522 873347

SUBJECT: WELFARE TEAM ANNUAL REPORT

DIRECTORATE: CHIEF EXECUTIVE

**REPORT AUTHOR: JOANNE CROOKES, CUSTOMER SERVICES MANAGER,
CITY OF LINCOLN COUNCIL**

1 Purpose of Report

- 1.1 To provide committee members with an update on the activity undertaken and the outcomes achieved by the Welfare Advisers in the Revenues and Benefits shared service.

2. Background

- 2.1 This report provides an update on the previous financial year.
- 2.2 The Welfare Team is an integral part of the Revenues and Benefits Shared Service. The team has 7.5 FTE advisers based in both Lincoln and Sleaford. The advisers deliver the service by agile working. They have the technology to enable them to work from any location and they can tailor service delivery to the needs of the customer.
- 2.3 The team offer two distinct but closely linked services – Benefits Advice and Money Advice. The Benefits Advice Service offers a help-desk facility during council opening times. This is effectively a ‘duty’ officer who is available to answer customers’ enquiries, book appointments, calculate individual entitlement to means-tested benefits and if necessary, help customers with crisis situations, such as the provision of food larder vouchers.
- 2.4 Under normal circumstances, the advisers run a series of outreach sessions and see customers in office appointments and where necessary in their own homes. Due to the Covid-19 Government advice and restrictions all outreach activity and home visits ceased for virtually the whole of the financial year. Customers were helped over the phone throughout the pandemic, and since April 12th 2021 office appointments have been available at City Hall. North Kesteven District Council offices are also anticipated to allow for the provision of office appointments, shortly.
- 2.5 The Money Advice side of the service is operated under the administrative umbrella of Community Money Advice and is regulated by the Financial Conduct Authority (FCA). The FCA require that there is a clear and distinct separation between the line management of staff giving regulated debt advice and the line management of staff who are responsible for the

collection of income. The Welfare Team report to the Customer Services Manager at City of Lincoln Council.

3. **Team performance**

- 3.1 Performance data is collated quarterly and distributed to the Head of the Revenues and Benefits Shared Service and housing management at both authorities. Information on money advice caseloads and debt levels are also monitored and reported through to Community Money Advice and the FCA.
- 3.2 The team do not have performance targets as such. This is due to the nature of the role and the service that is provided. Many of the customers are very vulnerable and they present with a range of challenges. It is imperative that the welfare advisers can spend as long as necessary to provide the support that each individual needs.

4. **Performance statistics**

- 4.1 The team have been as busy as ever this year providing advice and support to some of the most vulnerable and disadvantaged residents in the districts. In total the team have dealt with 6,830 customers for benefit related queries. This is a small decrease on the previous 12 months when the total was 7,372. However, this is an excellent performance given that the team have spent much of the year working from their homes and have not been able to see customers at drop-in sessions or complete home visits.
- 4.2 As well as advising people about the benefits they are entitled to claim the team also help with the completion of forms which can be difficult for customers to understand. Some of the forms are extremely lengthy and complex and without this assistance there is no doubt that some eligible people would be discouraged from applying and accessing their entitlements.
- 4.3 Assistance is given with every type of Department for Work and Pensions (DWP) benefit as well as Her Majesty's Revenue and Customs (HMRC) tax credits and local authority benefits. The team also advise on charitable awards and grants from a wide range of providers.
- 4.4 **Food Vouchers.** In the year 2020-2021 the team issued a total of 1,047 food vouchers for local community larders and food banks. This is a very large increase on the previous year when the total was 535 vouchers. Previous years have 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 something of a plateau.
- 4.5 When approached for a food parcel, the team will also endeavour to help resolve the long-term issues affecting the individual's ability to afford food for themselves and their families. In many cases this will result in the person becoming part of the money advice casework.

4.6 **Additional benefits** claimed by customers who have sought the advice and assistance of the Welfare Team are set out in the table below. The figures are weekly amounts of benefit awarded. The amounts reported are confirmed as in payment. Where customers qualify for a benefit but choose not to apply for it this amount is not counted as awarded.

4.7 **Additional benefits** claimed by customers who have sought the advice and assistance of the Welfare Team are set out in the table below. The figures are weekly amounts of benefit awarded. The amounts reported are confirmed as in payment. Where customers qualify for a benefit but choose not to apply for it this amount is not counted as awarded.

4.8

Benefit Type	Weekly value awarded (£) NK District	Weekly value awarded (£) City of Lincoln
Attendance Allowance	2,846.60	2,675.90
Bereavement Benefits	0.00	123.07
Carer's Allowance	201.75	239.34
Child Benefit	0.00	56.05
Child Tax Credit	0.00	120.20
Council Tax discount and band	0.00	47.77
Council Tax Support	549.38	2,372.62
DHP	211.81	1,874.37
DLA Child	225.50	535.60
EHP	3.64	204.41
Employment Support Allowance	141.30	386.60
Housing Benefits	1,019.49	2,331.63
Jobseeker's Allowance	0.00	73.10
Maternity Allowance	0.00	151.20
Pension Credit	895.91	1,995.63
Personal Independence payment	2,236.22	5,168.23
State Retirement Pension	733.98	0.00
Universal Credit	452.52	976.55
Grants	0.00	178.30
Other	62.50	14.80
TOTAL value of additional income weekly	£9,580.60	£ 19,525.37
TOTAL value of additional income paid over 52 weeks	£498,191.20	£1,015,319.24
TOTAL additional income paid (52 weeks) for both councils	£1,513,510.44	

4.9 It should be noted that there are many instances where people are advised that they do not qualify for anything. Many of the enquiries made will result in the team giving bad news about the likelihood of a benefit being awarded or explaining that a change in circumstances might bring an entitlement to an end.

4.10 In addition to the weekly amounts of benefit awarded to individuals and listed above at 4.5, in many cases customers have backdated awards or lump–sum payments. These payments are shown in the following table.

Benefit Type	Lump sum payments (€) NK District	Lump sum payments (€) City of Lincoln
Attendance Allowance	19,834.96	20,801.17
Bereavement Benefits	0.00	5,000.00
Carer's Allowance	1,867.61	1,994.60
Child Benefit	0.00	35.00
Council Tax Discounts	1,255.03	2,529.98
Council Tax Support	6,992.90	14,502.71
DHP	2,874.39	10,414.34
DLA Child	761.05	2,240.25
EHP	47.11	310.52
Employment Support Allowance	1,272.05	10,195.94
Housing Benefits	6,884.86	24,380.65
Jobseeker's Allowance	0.00	292.40
Pension Credit	9,440.43	35,496.72
Personal Independence payment	54,733.94	152,349.76
State Retirement Pension	806.76	0.00
Universal Credit	1,709.60	1,693.61
Grants	3,738.19	29,010.96
TOTAL value of lump sum payments	€112,218.88	€311,248.61
TOTAL value of lump sum payments to both districts	€423,467.49	

4.11 The statistics and figures of additional benefits claimed across the board are impressive when viewed in isolation. It is the individual cases and the incredible impact that the team can have which is particularly inspiring and gratifying

5 Money Advice Casework

5.1 A crucial service offered by the team is the FCA regulated debt advice which is the Money Advice caseworker support. Half of the team are trained in debt casework and they offer a full service, starting with the preparation of the Standard Financial Statement (SFS). Customers' income and expenditure levels are explored to establish whether there are

options to claim any additional state benefits or increase income in some other way.

5.2 Expenditure levels are explored to establish whether they reasonable and where possible these are reduced. Often this can be a discussion with the client about their expectations and their financial maturity. Sometimes it is a matter of looking at cheaper tariffs for utilities or taking a relatively simple step such as installing a water meter.

5.3 All debts are tackled, and the advisers will engage with creditors, negotiating where possible to agree affordable repayment plans. Where this is not feasible other options including Debt Relief Orders (DRO) and bankruptcy are explored. The team have their own registered and authorised DRO intermediary with another officer in training.

5.4 In 2020-2021 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 is about two thirds of the number of casework customers as the previous year. We believe that we have seen a reduction in money advice casework because during the restrictions less debt recovery work has been undertaken and therefore customers have not been facing debt crisis. We expect that this means that there will be an increase in demand as the freeze on recovery action starts to be lifted.

5.5 The total debt managed was:

2020-2021

£153,992 for 38 North Kesteven Residents

£299,480 for 66 City of Lincoln Residents

£453,472 Total debt

This compares to the previous year's figures of:

2019-2020

£281,252 for 59 North Kesteven Residents

£491,550 for 97 City of Lincoln Residents

£772,802 Total debt

5.6 In the North Kesteven District area 64% of the Money Advice clients are local authority tenants. In the City of Lincoln this figure is 67%

5.7 The total level of debt managed across the shared service was £453,472. The average (mean) debt for the clients assisted works out at £4,360 per client which is a lower figure than the previous year when it was £5,849 per client and continues a downward trend. It should be noted however that there are vast differences between the individuals helped. Some people present with relatively small rent and Council Tax arrears and other clients have huge mortgage arrears and multiple loan and credit card debts.

6. Individual Successes

- 6.1 It is difficult to quantify how much the Welfare Team means to residents in terms of alleviating the stress and confusion caused by the difficulties in negotiating the benefit system or dealing with debt which has got out of control. However, it is worth looking at some more qualitative data to underline how the team impact on the circumstances of some of last year's key success stories.
- 6.2 A lady in Lincoln was assisted with an appeal against her PIP decision. This was successful and she was awarded standard rate for both Daily Living and Mobility backdated to 17/2/20. This also meant that her Housing Benefit, Council Tax Support and Working Tax Credit also increased by the amounts below. She was awarded lump sum awards of £4930.50 for PIP; £3697.41 for Housing Benefit; £722.18 in Council Tax support and £3,010.42 in Tax credits. Total backdated award of £12,360.51. Her monthly income increased by £800.45
- 6.3 A lady in Metheringham, claimed PIP with help from the welfare team. It was not initially awarded, nor was it successful when a reconsideration was requested. However, we advised her to appeal and in April 2021 she was awarded PIP of £83.70 per week. This was backdated to the original claim date and arrears of £4,828.40 were paid.
- 6.4 A man was referred by Wellbeing Lincs as he was struggling financially following a change in his personal circumstances. This was affecting his mental health. Our adviser found that he had not notified the DWP of his new address and the fact that he was now living alone. This was rectified and that simple task meant that his ESA IR award was reassessed to include a premium for people with severe disabilities. His benefit increased by £66.95 weekly and he got arrears of £1,272.05.
- 6.5 A couple from Heighington made enquiries about help with their Council Tax. After asking a few questions, claims for Attendance Allowance for both were made and successful. They were awarded £89.15 per week each and lump sum backdates of over £2,000 were received. In addition to increasing their annual income by £9,271.60 of AA payments, they also got a discount on their Council Tax of £360.25.

7 Future priorities

- 7.1 The team are making better use of technology and embracing video calls. They are trialling assisting people remotely using a combination of on-line claims and telephone meetings. This is not feasible for all clients but has the potential to increase their efficiency, so that more time can be spent with the most vulnerable customers.

We are likely to see a peak in debt work and money advice referrals are expected to increase once recovery agents revert to using their full

powers. The team have all been trained in the new respite scheme “Breathing Space” which may prove to be a lifeline, particularly for customers experiencing mental health issues.

8. Strategic Priorities

8.1 Both City of Lincoln and North Kesteven have several strategic priorities. Two that are directly affected by the work undertaken and the outcomes achieved by this team are: -

- Lincoln: “Let’s Reduce Inequality”.
- North Kesteven: “Our Community Our Economy”.

8.1 The Welfare Team plays a key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money /debt advice.

Digital Inclusion, Channel Shift/Customer Experience, Financial Inclusion and Partnership Working are all key priorities for the shared service.

9. Organisational Impacts

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

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

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

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.

10. Risk Implications

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

11. Recommendations

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

Is this a key decision? Yes/No

Do the exempt information categories apply? Yes/No

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

How many appendices does the report contain? None

List of Background Papers: None

Lead Officer: Joanne Crookes,
Customer Services Manager City of Lincoln
Council
Telephone (01522) 873407