



SHARED REVENUES AND BENEFITS JOINT COMMITTEE

Thursday, 30 May 2024

2.00 pm

Committee Room 1, City Hall

Membership:	Councillors Sue Burke (City of Lincoln Council), Mary Green (North Kesteven District Council), Sally Tarry (North Kesteven District Council) and Naomi Tweddle (City of Lincoln Council)
Substitute members:	Councillors Rebecca Longbottom, Donald Nannestad (City of Lincoln Council) and Councillor Mark Smith (North Kesteven District Council)
Officers attending:	Democratic Services (City of Lincoln Council), Jaclyn Gibson (City of Lincoln Council), Tracey Parker (City of Lincoln Council), Philip Roberts (North Kesteven District Council), Julie Schofield (North Kesteven District Council), Russell Stone (North Kesteven District Council) and Martin Walmsley (City of Lincoln Council)

A G E N D A

If members are unable to attend the meeting, please advise Ali Hewson (Senior Democratic Services Officer) on 01522 873372 as soon as possible. Substitute members will be contacted if they are required to attend the meeting.

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Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
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Details of Next Meeting: Thursday, 5 September 2024 (2.00 pm) in NKDC, Council Offices Sleaford

Present: Councillor Ric Metcalfe (*in the Chair*),
Councillor Mary Green and Councillor Sally Tarry

Apologies for Absence: Councillor Sue Burke

21. Confirmation of Minutes - 23 November 2023

RESOLVED that the minutes of the meeting held on 23 November 2023 be confirmed.

22. Declarations of Interest

No declarations of interest were received.

23. Performance Update

Purpose of Report

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

Decision

That the report be noted, with an update to be presented to the next meeting of the Committee on 30 May 2024.

Alternative Options Considered and Rejected

None.

Reason for Decision

The report provided an update on Revenues and Benefits performance in respect of Quarter 3 for the financial year 2023/24.

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

In respect of Council Tax, up to the end of Quarter 3 2023/24, in-year collection for Lincoln was down by 1.47% and North Kesteven was up by 1.05% respectively. Figures for the end of January 2024 were similar again.

Council Tax Support caseloads had recently been falling following a sharp rise during Covid-19, however, with ongoing cost of living pressures on residents there was potential this fall in caseloads may not continue. Officers were also

looking into CTS take-up activity as it was felt that this possibly was being underclaimed by residents.

In respect of Business Rates, up to the end of Quarter 3 2023/24 compared to the same point in 2022/23, in-year collection was up for Lincoln by 0.09%, North Kesteven down by 2.92% and West Lindsey down by 0.24%. As at the end of January 2024, Lincoln and West Lindsey were still up, however, North Kesteven was down by 0.02%

The number of outstanding Revenues Customers at the end of Quarter 3 2023/24 was 849 (split Lincoln 550, North Kesteven 299) This was a slight increase from the figure at end of Quarter 2 2023/24 (total 782), however with significant demands on the team plus recruitment taking place in respect of vacant positions – the team had performed well to maintain (relatively) this position. Two out of three newly recruited staff members were starting work on 18 March 2024.

As at the end of Quarter 3 2023/24, in period collection of Housing Benefit overpayments stood at 107.42% for City of Lincoln, and North Kesteven 103.78%. This was still the same as at the end of January 2024 and collection monies continued to reduce.

Outstanding Housing Benefit overpayments debt also continued to decrease overall. As at the end of Quarter 3 2023/24: at £2,324,486 for City of Lincoln and £1,233,565 for North Kesteven.

As at the end of Quarter 3 2023/24, there were 2,099 Benefits customers outstanding and awaiting assessment (split Lincoln 1,481, North Kesteven 618). This was an increase from the total outstanding (1,696) at end of Quarter 2 2023/24. However, the team were working hard to further improve the position – which was generally positive, with significant demand on the Benefits Team not just in terms of ‘core’ processing work (i.e. Housing Benefit and Council Tax Support) but also in terms of cost of living support (including Household Support Fund), Universal Credit documents and Discretionary Housing Payments. We were working to a backlog within 3 weeks for the oldest benefit claims outstanding at the current time, although we were approaching a very busy time of year.

Despite the significant demands on the Benefits Team, officers continued to turn around claims and reported changes of circumstance promptly, and accurately. As at the end of January 2024, Lincoln was processing new claims in an average of 14.92 days and North Kesteven in 18.48 days. For changes of circumstance as at the end of January 2024, Lincoln was processing claims at an average of 5 days and North Kesteven at 3.5 days

The latest national data available showed that in Quarter 2 2023/24 New Claims were processed in an average of 20 days by Councils, with Changes of Circumstance being processed in an average of 9 calendar days. Although, these national figures were for a specific quarter only (i.e., Quarter 2 2023/24) and not cumulative over the financial year – which was how officers reported these areas of performance for our shared service.

As at the end of Quarter 3 , in terms of processing times for new benefit claims, City of Lincoln took an average of 15.24 days and North Kesteven 18.81 days respectively.

In terms of the claims checked that were 'correct, first time' (with even £0.01p 'out' being classified as an incorrect assessment), at the end of Quarter 3 2023/24:

- City of Lincoln: 92.29% (1,641 out of 1,778 checked),
- North Kesteven: 98.26% (678 out of 690 checked).

As at the end of January 2024, accuracy figures stood at 92.58% for Lincoln and 98.5%

City of Lincoln's reduced level of performance in quarter 1 was due to 200 more checks during the quarter than in the same quarter last year, including due to less experienced officers being part of the team. 100% of claims were being checked, which could mean more (small) errors being identified- and then corrected. Performance had improved by 4.44% from end of Quarter 1 to Quarter 3, demonstrating a positive direction of travel.

The table at paragraph 6.1 of the officer's report showed the invaluable support provided by the Welfare Team to the residents of Lincoln and North Kesteven in Quarter 3 2023/24.

There were a number of key reasons why the levels of Welfare/Money advice in Lincoln was higher than in North Kesteven, including:

- Differences in demographics;
- 'Customer journey' different at each Council;
- Significant number of foodbank vouchers issued at Lincoln) compared to North Kesteven)

Demands and processes for the Welfare Team continued to be reviewed on an ongoing basis.

Both City of Lincoln Council and North Kesteven District Council residents were affected either directly or indirectly by Storm Babet in October 2023, and/or by Storm Henk in January 2024 .

Three departments of the Government announced 5 separate schemes to help with flood victims:

1. Council Tax relief for a minimum of 3 months
2. Business Rates relief for a minimum of 3 months
3. Council Tax Community Support Grant of £500
4. Business Recovery Grant of £2,500
5. Flood resilience Grants of £5,000 – to future proof flooded properties.

Schemes 1-4 were administered by the Revenues and Benefits Service and scheme 5 was administered by the Lead Flood Authority, Lincolnshire County Council.

The statistics for grants awarded by the Revenues and Benefits Service, were shown in the table at paragraph 7.2 of the report.

The District authorities would be repaid for any of the Grants that they provided and for Council Tax and/or Business rate relief. The end date for the Council Tax Relief and the Business rate relief was when the customer returned to their

property, or 31 March 2025. The Revenues and Benefits Service was tasked with continuing to monitor these properties until all residents had returned to their properties.

(Personal thanks were given to Tracey Parker, Revenues and Benefits Manager, for all her hard work during the recent storm damage).

24. Revenues and Benefits - Financial Monitoring Quarter 3 2023/24

Purpose of Report

To provide the Shared Revenues and Benefits Joint Committee with the third quarter's (ending 31 December 2023) performance for the Revenues and Benefits Shared Service for 2023/24, as detailed at Appendix 1 to the report.

Decision

That the actual position at Quarter 3 as detailed within the report be noted.

Alternation Options Considered and Rejected

None.

Reason for Decision

The forecast outturn for 2023/24 predicted there would be an underspend against the approved budget of £34,940, which included the newly confirmed 2023/24 pay award, which was paid in December 2023.

The approved budget for 2023/24 was agreed by the Shared Revenues and Benefits Joint Committee on 23 February 2023, which set a budget of £2,878,930 for the service.

At Quarter 1 the budget was increased to reflect New Burdens grants totalling £61,950, giving a revised budget of £2,940,890, there were no further changes as at Quarter 2. At quarter 3 further new burdens received totalled £13,300.

Financial performance for the third quarter of 2023/24 as detailed at Appendix 1 of the officer's report resulted in an underspend against the approved budget of £9,000.

The forecast outturn for 2023/24 predicted that there would be an underspend against the approved budget of £34,940, which included the impact of the National Pay Awards paid in December 2023, which reflected an improvement of £35,250 from quarter 2.

The main forecast year-end variations against the approved budget for 2023/24 were noted within the table at paragraph 4.3 of the officer's report.

A Job Evaluation Panel held on 11 July 2023 had evaluated and approved the Benefits Appeal Officer role at Grade 6 (previously Grade 5). This was now reflected in the current forecast outturn position. The impact of this job evaluation totalled £1,485.88, which had been split as follows: City of Lincoln £861.81 and North Kesteven £624.07

Each Council had received a new burdens grant from Central Government to administer the Energy Support Scheme to the value of £14,950 for City of Lincoln Council and £21,790 for North Kesteven. By agreement these grants sat outside of the shared service budget.

The key factor behind the improved position as at quarter three was the ongoing staffing vacancies which, as at quarter two, were expected to be recruited to during the second half of the year but were now expected to remain vacant until the end of the financial year. These savings were partly offset by the National Pay Award, which was significantly higher than the budgeted pay award estimate of 3% assumed within the Medium Term Financial Strategy (MTFS), alongside overtime costs which had been incurred due to the volume of vacancies that remained within the teams.

25. Revenues and Benefits - Base Budget Forecast 2024/25

Purpose of Report

To present the Base Budget Forecast for the Revenues and Benefits Shared Service for 2024/25.

Decision

1. That the Base Budget Forecast for the Revenues and Benefits Shared Service for 2024/25 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Delegation and Joint Committee Agreement required the Base Budget Forecast for the Revenues and Benefits Shared Service to be reported to members; this report met this requirement.

The Base Budget Forecast for 2024/25 was included at Appendix 1 to the report, including a full reconciliation to the previous Base Budget Forecast outlined in Appendix 2.

As a result of inflationary pressures there had been a significant increase in the base budget from last year, in the main, due to the significantly higher than anticipated pay award in 2023/24. As agreed nationally, the pay award reflected the higher of either, a flat rate increase of £1,925, or 3.5-3.8% to all employees, equivalent to a 9.4% increase for the lowest paid members of staff and with the majority of officers receiving pay rises above 5% for the second consecutive year, in comparison to the original budgeted estimate of 3%.

A minor numerical typographical error was noted within the appendices which would be corrected.

26. Business Rates Update

Purpose of Report

To provide the Shared Revenues and Benefits Joint Committee with an update on current issues within non-domestic rates, related to City of Lincoln Council, North Kesteven District Council and West Lindsey District Council. The report was not intended to include non-domestic rate performance matters, as this was covered within the Performance Update reported to Joint Committee today.

Decision

That the content of the report be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

The report included some of the changes announced as a result of the Governments financial support provided to businesses in the form of business rates relief. The report also focused on the financial impact of recent appeals and reductions to rateable values.

The following updates were noted:

NDR Changes and Significant Reliefs/Discounts

At the Autumn Statement on 22 November 2023, the Chancellor announced that the Government would continue to provide a package of business rates measures to support businesses in England.

- The retail, hospitality and leisure relief would continue for 2024/2025 at 75% up to £110,000 per business
- A freezing of the small multipliers for a further year at 49.9p and an increase in the standard multiplier from 51.2p to 54.6p

Retail, Hospitality and Leisure Relief 2023-24

Eligibility criteria for the Retail, Hospitality and Leisure Relief was set out by the Department for Levelling Up, Housing and Communities (DLUHC) and issued to Local Authorities on 20 December 2021, with no changes to the qualifying criteria for the year 2023/24. The table at paragraph 5.5 of the officer's report reflected the significant reduction in the amounts awarded in the last three years (previously known as the Expanded Retail Discount (ERD) scheme), with an estimate on the award to be granted in 2023/24.

Potential reductions to rateable values were contained within paragraph 6, which included fire stations, hospitals, museums and hotels occupied by asylum seekers.

Business Rates Review

The final report for a Business Rates Review was also published at the Budget. The Budget and the Review committed in the longer term to improvements to the Business Rates system – which included;

- More frequent revaluations, moving to a revaluation every three years starting from the next revaluation which came into force on 1 April 2023, the next being 1 April 2026 and so on.
- The process of revaluation started approximately 2 years before the new valuations came into force. For the revaluation due on 1 April 2023, the rateable value would be assessed based on the rental evidence on 1 April 2021. There would be a new duty on the ratepayer to provide the Valuation Office with the information

For each revaluation, the Government introduced a Transitional Relief scheme. Transitional relief limited how much a bill could change each year. As the NDR system was self-financing, historically these limits had limited both large increases and large decreases. In the Budget, the government announced a change to the Transitional relief scheme so that only increases were limited. For any reduction in the rateable value, a ratepayer would receive the full benefit of the reduction immediately.

Heat Network Rate Relief Scheme

The Government had published the guidance for Local Authorities on the operation of the Heat Network Rate Relief Scheme for 2023/24, substantially unchanged from 2022/23. Local Authorities were to continue to deliver the discretionary relief using their discretionary powers for 2023-24 until the relief was made mandatory through the Non-Domestic Rating Bill. The relief was targeted at hereditaments used wholly or mainly as heat networks with its own rating assessment, to provide relief for those networks generating from a low carbon source to ensure the policy supported decarbonisation.

Business Rates Avoidance and Evasion Consultation

In the Spring budget on 15 March 2023, the Chancellor announced that the government would consult on measures to tackle business rates and avoidance and evasion.

A consultation paper was provided in July 2023 with a target date of 27 September 2023 for responses.

The topics that formed part of the consultation were:

1. Measures to reform rates on unoccupied properties
2. Wider business rates avoidance and evasion
3. 'Rogue' agents

The Shared Service partners would be responding to this consultation.

Non Domestic Rating Bill – Royal Assent 26 October 2023

This bill would make a number of changes to Non Domestic Rating .

One of the changes removed the 6 month backdating rule for discretionary rate relief decisions in England.

The Act created section 47(6A) which said that a decision, by a billing authority in England, with regards a day was invalid if the day fell before 31 March 2023 and the decision was made more than 6 months after the end of the financial year to which it related, i.e. the backdating rule would not apply to decisions in respect of 2023-24 onwards.

This was likely to mean that with effect from 1 April 2024 decisions would be made on discretionary reliefs fully retrospectively (in respect of the financial year 2024/25 onwards....")

The other significant change was the decoupling of the multipliers and, in effect, the abolition of the small business supplement from 1 April 2024.

This meant that Government could choose to raise the two multipliers by different amounts.

This was going to require extensive discussions between the government and the software suppliers as to how this required data could be extracted before the Local Authorities had to issue the return for the NDR1 (assessment for the rating income for 2024) which was due on 31 December 2023.

The bill also paved the way for data sharing between the VOA, HMRC and billing authorities. The authorities already had a sharing agreement with the VOA but due to the changes with what they could now share, it was expected that a new sharing agreement and protocol would be announced by the VOA.

27. Cost of Living Support

Purpose of Report

To provide Shared Revenues and Benefits Joint Committee with an update regarding various areas relating to the national welfare reform agenda, as well as current cost of living initiatives to support residents.

Decision

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

Alternative Options Considered and Rejected

None.

Reason for Decision

The report provided Shared Revenues and Benefits Joint Committee with an update with regard to the national and local position of welfare reform/other initiatives, with a specific focus on Universal Credit, Discretionary Housing Payments, Household Support Fund, Energy Bill Support Schemes, Council Tax Support Fund and Financial Inclusion matters.

The national Welfare Reform agenda 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 had continued as further changes had been introduced, such as the ongoing rollout of Universal Credit. These changes had 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.

The Covid-19 pandemic and cost of living related matters, had caused major challenges to households locally and nationally. The Revenues and Benefits Shared Service played a lead and key role in developing deliverable schemes to help mitigate some of the impacts of cost-of-living challenges. Some of these schemes were directly delivered by this Service, some in partnership with other teams within the Councils, also with organisations such as those in the voluntary sector.

Universal Credit

The latest national figures published by the Department for Work and Pensions (DWP) were released on 16 January 2024, with statistics relevant to the period up to December 2023:

- 6,220,096 households receiving UC (this was an increase from 6,043,162 as reported at the last meeting of this Committee).

Local authority statistics:

- City of Lincoln – 11,878 (11,478 as at the last report).
- North Kesteven – 7,289 (6,946 as at the last report).

A letter was published by DWP and sent to local authorities on 4 December 2023, setting out managed migration plans in 2024/25, and beyond. As at the time of writing this report, further information is awaited from DWP in terms of anticipated numbers of cases anticipated as moving from a legacy benefit (for example, Housing Benefit (HB)) to UC in 2024/25, - as well as a more definitive timescale. Under current plans, our shared service would continue to be responsible for administering and processing HB claims for those of pension age, all Council Tax Support claims, and Exempt/temporary accommodation HB claims, - as well as other related work such as Discretionary Housing Payments. Revenues and Benefits management continued to keep the whole LiNK team aware of UC managed migration and the potential impacts moving forward.

DWP had invited all local authorities to a conference on 25 March 2024 to view plans for future years.

Discretionary Housing Payments (DHP)

City of Lincoln's DHP initial government grant for 2023/24 was £132,330 and North Kesteven's £86,931.

Overall DHP funding for 2022/23 was reduced nationally from £140m to £100m. Consequently, grants for City of Lincoln and North Kesteven were also reduced by more than 29% each.

On 23 February 2023, DWP announced DHP government grants for 2023/24. For City of Lincoln and North Kesteven, these were exactly the same amounts as for 2022/23; and the announcement also stated that the national DHP allocation for 2024/25 would be the same as for 2023/24 – so individual local authorities may well receive the same figures for 2024/25 – although this would be confirmed later this year.

The average award for both City of Lincoln and North Kesteven had increased for 2023/24 compared to 2022/23 due to more applications being turned down this financial year because of officers now taking into account Personal Independence Allowance, Disability Living Allowance and Attendance Allowance as part of the consideration, meaning more customers had income that exceeded their outgoings. This allowed officers to award larger DHP payments to those customers living in the private sector where rents had significantly increased, whilst the Local Housing Allowance (LHA) figures had remained the same. However, it should be noted that LHA rates had recently been announced as increasing for 2024/25

As the full government grant for the City of Lincoln had been spent, an extra £10,000 had been provided out of the Homeless Prevention Fund to help support the DHP budget for Lincoln residents until the end of the current financial year.

Household Support Fund

In his Autumn statement the Chancellor of the Exchequer announced an extension to the Household Support Fund, running from 1 April 2023 to 31 March 2024. Guidance was issued to local authorities on 20 February 2023, with allocations for this round of funding. For Lincolnshire, Household Support Fund 2023/24 funding was £10,929,370 – to cover the whole financial year.

In Quarter 1 2023/24, Lincolnshire County Council confirmed plans in respect of Household Support Fund Wave 4 2023/24 with main details contained at paragraph 6.3 of the officer's report.

For Housing Benefit recipients in Lincolnshire who were not entitled to the national Cost of Living Payment 2023/24, the payment would be replicated in three phases, the first payment of (£301) was issued in August through Post Office vouchers with a total of £184,212 awarded to 612 eligible households within the City of Lincoln and £181,804 awarded to 604 eligible households within North Kesteven. A second wave of the scheme was delivered in December 2023 with a payment of £300 to eligible households. A total of £172,500 was awarded to 575 households within the City of Lincoln and £174,300 awarded to 581 households within North Kesteven. The third wave (£299 per payment) of these payments would be made in February 2024.

In terms of District Councils' separate allocations of HSF4 to be utilised to work with partners to provide payments, including through an application-based process in part (a requirement of the national HSF4 guidance), these had now been communicated to District Councils' HSF4 lead officers, - for City of Lincoln £202,676 had been allocated, and for North Kesteven £139,340.

Officers were working in partnership with an established range of referral partners and application processes – as well as some new partners/routes – to ensure these HSF4 monies (through vouchers, food parcels, energy top-ups, etc.) were delivered to those identified as in need. A key focus would again be on reducing foodbank dependency wherever possible, working with partners to help signpost residents to other means of support (e.g., money advice), - as well as supporting a drive to further increase usage of community groceries. A strategic aim of HSF4, was also to try and leave a ‘legacy’ of impact – as there was no guarantee of HSF5 (or of another form of local welfare provision) from 2024/25 onwards.

Council Tax Support Scheme 2023/24

On 23rd December 2022, Central Government provided guidance to local authorities regarding a £100 million Council Tax Support Fund for 2023/24, whereby awards of up to £25 were to be made to Council Taxpayers in receipt of Council Tax Support, - with an element of funding also to be made for discretionary local funds in 2023/24. Funding allocations for City of Lincoln and North Kesteven were £222,303 and £142,500, respectively.

Payments of up to £50.00 (the prescribed maximum was £25.00) were made to City of Lincoln and North Kesteven taxpayers as part of the 2023/24 Council Tax annual billing process. Remaining funding would be considered for local schemes in 2023/24. These figures were £101,705 for City of Lincoln, and £38,628 for North Kesteven.

The remaining funding was to be allocated in a detailed breakdown explained at paragraph 7.2 of the officer’s report.

Financial Inclusion

Financial inclusion continued to be a key objective and factor in many areas of LiNK’s work. The Lincolnshire Financial Inclusion Partnership (LFIP) was currently chaired by the Assistant Director of Shared Revenues and Benefits for North Kesteven District Council and City of Lincoln Council, - which brought together organisations and partners to promote and raise the profile of financial inclusion across the county.

Two key areas of high-profile engagement by LFIP in 2023/24, were:

- Co-ordination of ‘Talk Money Week’ activities in Lincolnshire during the week-commencing 6th November 2023
- A conference to be held on 20th February 2024 (likely to be in Grantham), to follow-up from the highly successful conference held at the Jakemans Community Stadium in Boston, in February 2023.

As at the time of writing this report, it was unclear what cost of living support funding would be made available to local authorities during 2024/25, with Household Support Fund due to end, also no announcement on national Cost of Living Payments beyond 2023/24. The Spring Budget on 6 March 2024 could be a key date in terms of whether any future support of this type was announced, otherwise a potential ‘cliff edge’ of such support could occur from April 2024. City of Lincoln Council had approved funding for some cost of living projects through the UK Shared Prosperity Fund, for 2024/25. Appendix 1 of the report gave some actual anonymised Lincoln and North Kesteven cases, showing how LiNK has

been able to support residents during 2023/24 through the Household Support Fund and other means.

28. Revenues and Benefits Shared Service Business Plan 2024/25

Purpose of Report

As set out in the Shared Revenues and Benefits Business Case Delegation and Joint Committee Agreement, an annual Business Plan was presented to this committee each year for consideration and approval.

Decision

That the Revenues and Benefits Shared Service Business Plan 2024/25 be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Revenues and Benefits Shared Service Business Plan for the financial year 2024/25 was attached at Appendix 1 to the report and featured the following:

- Key Achievements in 2023/24;
- Savings in 2023/24;
- Key Activities for 2024/25;
- Strategic Priority Schemes 2024/25;
- Towards Financial Sustainability projects 2024/25;
- Key Risks;
- Performance Management;
- Safeguarding;
- Equality Actions;
- Working in Neighbourhoods;
- Workforce Development;
- Social Value;
- Data Protection and Information Governance
- Corporate Social Responsibility.

It was reported that the year 2023/24 had been another positive year for the Revenues and Benefits Shared Service, albeit very challenging with a whole host of post Covid-19 pandemic and Cost of living support related-initiatives. The impacts from Covid-19 had been significant and could not be underestimated, as were the ongoing impacts of rising cost of living challenges. The financial impacts on taxpayers and businesses had been substantial, which had understandably impacted on revenues collection – particularly in relation to Council Tax. The service continued to promote the ‘Get in touch, not in debt’ message – with a real focus on ‘welfare’ and income-maximisation for customers when making payment arrangements. Also, the increase in the overall Benefits workload as cost of living challenges continued to significantly impact, meant that staffing resources and priorities needed to be regularly ‘juggled.’

A number of additional demands had been placed on our Revenues and Benefits Service over the last twelve months, including;

- Household Support Fund;
- Council Tax Support Fund
- Business Rates Relief
- Increase in Benefits claims/changes/Universal Credit Changes
- Alternative Energy Support Funds
- Storm Babet Flood Support
- Pressures and impacts from temporary accommodation, and reduced Discretionary Housing Payments funding.

These additional demands should not be underestimated and understandably impacted on levels of performance in some areas. However, despite these major challenges, performance in most areas remained positive – officers were wholly committed to achieving the best possible standards of service to our customers.

The plan for 2024/25 continued to look at a range of key initiatives relating to areas including e-services, cost of living, as well as standards of performance.

It was agreed that officers would talk to our Communications team with an objective of bringing alive the business plan in order to celebrate its achievements for the wider audience to see.

29. Other Matters- Pending Retirement Councillor Ric Metcalfe

Councillor Ric Metcalfe highlighted that he had been involved in the Revenues and Benefits Joint Committee and the Shared Partnership since its conception. He gave thanks to Martin, Tracey and all their staff for their extremely hard work over the years. This partnership was exemplary of benefits that could flow from working together. This was his last meeting, before he retired however, it was a superb service and he was happy to leave it in good hands and in great shape.

Councillor Sally Tarry thanked Councillor Metcalfe for all his support from the outset of the shared service and this committee over the past 13 years. She wished him a very happy retirement.

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SUBJECT:	PERFORMANCE UPDATE
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	MARTIN WALMSLEY, ASSISTANT DIRECTOR 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 2023/24.
- 2.2 The Revenues and Benefits Shared Service has now been in operation for thirteen years, forming on 1st June 2011. Levels of performance have 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 and then cost of living challenges have understandably impacted on some areas of performance, - these impacts are likely to continue for many more months.

3. Background

- 3.1 At the 22nd February 2024 meeting of this Committee, a report was presented detailing Revenues and Benefits performance up to the end of Quarter 3 2023/24.
- 3.2 Performance is reported to this Committee on a quarterly basis.

4. Revenues Performance

4.1 Council Tax

- 4.2 For the financial year 2023/24, in-year collection for Lincoln and North Kesteven is down by 0.11% and up by 0.07% respectively, compared to 2022/23.
- 4.3 The table below showing how performance has progressed, over the last ten financial years.

Financial Year	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
City of Lincoln	94.04%	94.15%	94.00%	94.78%	96.77%	96.76%	97.17%	97.09%	97.12%	96.93%
North Kesteven	98.48%	98.41%	98.38%	98.03%	98.89%	99.08%	99.20%	99.14%	99.16%	99.25%

- 4.4 Net collectable debit for 2023/24 (compared to 2022/23) increased by £2,795,216 for Lincoln and £4,654,674 for North Kesteven.

4.5 Although performance has not yet returned to pre-pandemic levels of collection, cost of living pressures on residents have to be taken into account. Evidence locally on as well as on a wider national basis is showing that more people are struggling to pay Council Tax and that this could continue for some time. Officers continue to ensure Council Tax is collected proactively, however with the importance of also looking to ensure taxpayers are receiving all the help (e.g. discounts, benefits) they are entitled to, and making payment arrangements to take account of residents' welfare and avoiding undue exceptional hardship. Officers continue to benchmark in-year Council Tax collection with other local authorities, and national collection rates for 2023/24 should be publicly available for inclusion in the next report to this Committee on 5th September 2024.

4.6 **Business Rates**

4.7 For the financial year 2023/24 in-year collection for Lincoln is down by 0.87%, North Kesteven down by 0.31% and West Lindsey up by 0.95%. It should be noted that performance in financial years since the start of the Covid-19 pandemic is not wholly comparable 'like for like' due to differing levels of discounts/reliefs available, - however all three collection outturns are positive – particularly in light of the economic climate and significant challenges for businesses over the last few years.

4.8 The table below showing how performance has progressed, over the last ten financial years.

Financial Year	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
City of Lincoln	98.32%	99.19%	98.45%	98.97%	98.89%	99.81%	98.87%	99.43%	99.78%	99.46%
North Kesteven	99.03%	99.34%	99.74%	97.21%	99.43%	99.42%	99.89%	99.09%	99.46%	99.78%
West Lindsey	98.34%	97.39%	96.75%	97.90%	98.88%	98.63%	98.53%	97.34%	99.44%	99.17%

4.9 **Outstanding Revenues Documents**

4.10 As at the end of the financial year 2023/24, outstanding Revenues documents stood at a total of 2,679 (split Lincoln 1,745, North Kesteven 934). This figure is higher than at the end of 2022/23 (total 935 – split Lincoln 637, North Kesteven 298), however with significant demands on the team plus recruitment having only just taken place in respect of vacant positions – the team has performed well. As expected, Quarter 4 2023/24 (as is always the case in the final quarter of the financial year) brought extremely high levels of customer contact – mainly due to issuing annual Council Tax and Business Rates bills.

As at the time of writing this report, direction of travel in respect of reducing outstanding documents is positive in 2024/25.

Also, it should be noted that from 2024/25 Revenues items outstanding will also include those from the Citizens Access Revenues self-serve portal, so there will effectively be a new 'baseline' for this measure of performance.

4.11 To give some context as to the workload of the Revenues Team, in 2023/24 110,970 items of correspondence were received, as well as 39,805 telephone calls taken.

4.12 Housing Benefit Overpayments

4.13 As at the end of the financial year 2023/24, in-year collection rates and outstanding monies are as shown in the table below:

Financial year 2023/24 outturn	City of Lincoln	North Kesteven
In-year collection rate	118.30%	113.36%
Amount collected	£846,401	£460,615
Outstanding Housing Benefit overpayments debt	£2,199,302	£1,181,329

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

4.15 The table below shows how outstanding Housing Benefit overpayments debt has decreased since 2018, when previously this had been rising. This is a result of a review of practices and processes in this area, dedicated resources being allocated to tackle this issue, partnership working with Department for Work and Pensions to look at this area, as well as a reduction in overpayments being raised.

Financial Year	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
City of Lincoln	£2,199,302	£2,458,833	£2,661,801	£3,153,505	£3,573,112	£3,973,125	£4,219,349	£4,081,552	£3,510,798	£3,186,971
North Kesteven	£1,181,329	£1,267,664	£1,418,662	£1,471,374	£1,530,967	£1,643,394	£1,824,908	£1,793,997	£1,482,271	£1,324,672

5. Benefits Performance

5.1 As at the end of the financial year 2023/24, there were 3,449 Benefits customers outstanding (awaiting assessment) – split Lincoln 2,281, North Kesteven 1,168. This is a rise on numbers outstanding at the end of 2022/23 (2,720 – split Lincoln 1,792, North Kesteven 928). It should be recognised that demands on the team have continued to be significant throughout the year, not only having to keep on top of the incoming workload, but delivering other schemes such as the Household Support Fund, Discretionary Housing Payments, as well as advice to customers around cost of living support. The number of Universal Credit (UC) documents requiring processing continues to have a real impact on the team too, and is likely to increase moving forward. At points there have been reductions in Benefits Officer resources too, due to vacancies and sickness absence.

Despite the significant increase in incoming work items to be processed during Quarter 4 2023/24, for example rent increases and benefits upratings, as at the time of writing this report the oldest item of work outstanding is 4 weeks.

5.2 Despite the team's 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 2023/24	City of Lincoln	North Kesteven
New Claims – average time to process	14.32 days (2022/23 15.85 days)	17.60 days (2022/23 19.18 days)
Changes of Circumstance – average time to process	3.42 days (2022/23 3.08 days)	2.86 days (2022/23 2.77 days)

Average processing times for Housing Benefit New Claims has decreased by 1.53 days and 1.58 days for Lincoln and North Kesteven, respectively.

To give some context, the latest national data available shows that in Quarter 3 2022/23 New Claims were processed in an average of 18 days by Councils, with Changes of Circumstance being processed in an average of 8 calendar days (although it should be noted for Changes of Circumstance the average normally decreases in Quarter 4, due to high volumes of '1-day' changes processed due to annual rent, pension changes, etc). This helps to reaffirm the positive nature of Lincoln and North Kesteven average processing times.

Despite the improvement from 2022/23 to 2023/24, the aim is to further improve North Kesteven New Claims performance. 2023/24 performance was detrimentally affected by some landlords delaying in providing information required regarding rents, - officers will continue to try and prevent this occurring moving forward. Also, with the demographics and make-up of the North Kesteven caseload having fewer new claims than City of Lincoln and less temporary/supported accommodation claims, it is difficult to compare performance as exactly 'like for like' between the two authorities.

- 5.3 The importance in processing Benefits claims accurately remains of paramount importance, – i.e. 'getting it right, first time.' In 2023/24, City of Lincoln's 'right first time' performance regarding assessment of cases checked is 93.05% (2,437 out of 2,619) and for North Kesteven 98.68% (1,119 out of 1,134). City of Lincoln's performance improved throughout the year – in quarter 1 an increased number of checks had taken place including in respect of less experienced team members.

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

- 6.1 The table below shows the vital monies that our Welfare Team has continued to assist customers to access during 2023/24 (comparing to 2022/23). The demographics and demands are different between the two districts, with Covid-19 undoubtedly having an impact in North Kesteven where home visits (which had pre-Covid been key in offering welfare/benefits advice) not being possible to deliver in the same way – and new ways of working as residents access Councils' services in different ways. Officers continue to review demands and processes for the Welfare Team.

	City of Lincoln		North Kesteven	
	2023/24	2022/23	2023/24	2022/23
Advice provided enabling weekly value of additional benefits	£31,246	£28,257	£18,433	£10,094
Advice provided enabling lump sum award of additional benefits	£347,975	£299,598	£235,469	£143,282
No. of customers to whom help provided	6,324	7,637	2,032	1,571
No. money advice referrals	157	127	84	49

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, Employment, Skills 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 5th September 2024.

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? Appendix 1: Performance Data for the Financial Year 2023/24

List of Background Papers: None

Lead Officer: Martin Walmsley, Assistant Director Shared Revenues and Benefits
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Revenues and Benefits Joint Committee 30th May 2024
Performance Update
Appendix 1: Performance Data Financial Year 2023/24

<u>Measure</u>	<u>2023/24 Annual Outturn</u>		<u>2022/23 Annual Outturn</u>	
	NK	COL	NK	COL
Local Authority				
Council Tax collection (cumulative)	98.48%	94.04%	98.41%	94.15%
NNDR collection (cumulative)	99.03%	98.32%	99.34%	99.19%
NNDR collection – WLDC (cumulative)	98.34%		96.75%	
No. Revenues documents awaiting change to be processed	934	1,745	298	637
Total Net Arrears for Council Tax prior years (i.e. not including current year)	£2,323,943	£5,691,740	£1,219,061	£4,328,881
Total Net Arrears for NNDR prior years (i.e. not including current year)	£198,003	£154,762	£119,791	£168,921
Housing Benefit overpayments collection in period	113.36%	118.30%	143.02%	114.59%
Outstanding Housing Benefit overpayments debt	£1,181,329	£2,199,302	£1,267,664	£2,458,831
Housing Benefit New Claims: Average number of days to process (cumulative)	17.60 days	14.32 days	19.18 days	15.85 days
Housing Benefits Changes of Circumstances: Average number of days to process (cumulative)	2.86 days	3.42 days	2.77 days	3.08 days
No. Benefits customers awaiting assessment (cumulative)	1,168	2,281	928	1,792
% Benefits claims checked financially correct (cumulative)	98.68%	93.05%	96.70%	95.26%

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SUBJECT: REVENUES AND BENEFITS - FINANCIAL OUTTURN 2023/24

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: MARTIN WALMSLEY, ASSISTANT DIRECTOR, 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 2023/24.

2. Executive Summary

- 2.1 The 2023/24 financial outturn for the Revenues and Benefits shared service resulted in an underspend of £82,720, a variance of 2.8% of the revised budget.

3. Background

- 3.1 The approved budget for 2023/24 was agreed by Revenues and Benefits Joint Committee on 23rd February 2023. The Committee set a budget for 2023/24 of £2,878,930 for the service.
- 3.2 At quarter one, the budget was increased to reflect New Burdens grants totalling £61,950.
- 3.3 No further New Burdens were issued in quarter two.
- 3.4 At quarter three, further new burdens totalling £13,300 were received.
- 3.5 At quarter four, the budget has been increased by a further £12,730, to reflect additional new burdens grants as detailed in paragraph 3.6 giving a revised budget of £2,966,910.
- 3.6 The budget has been revised as follows:

	CoLC	NK	Total
	£	£	£
Original Budget	1,524,940	1,353,990	2,878,930
New Burdens Q1 – DWP – NEC ICT Costs-HB Stock cases (YE Acc)	8,220	5,190	13,410
New Burdens Q1 – DWP – LA-PED IT Costs (IP Address Online Supplier & IP Address IT Supplier)	1,500	1,500	3,000
New Burdens Q1 – DWP - Single Housing Benefit Extract Automation (SHBE API)	10,100	10,090	20,190

New Burdens Q1/3 – DWP - Housing Benefit Review (HBR)	240	240	480
New Burdens Q1 – DLUCH - Local Council Tax Support Scheme	14,050	11,060	25,110
New Burdens Q3 – DWP – LA Data Sharing Programme: Payment for IT costs	5,790	5,790	11,580
New Burdens Q3 – DWP – LA Data Sharing Programme: Payment for IT costs	740	740	1,480
New Burdens Q4 – DWP - Data Sharing Programme: Payment for IT costs	0	12,730	12,730
REVISED BUDGET	1,565,580	1,401,330	2,966,910

4. Financial Outturn 2023/24

- 4.1 Financial performance for the year 2023/24 is detailed in Appendix 1 to this report. At outturn, quarter 4, after the application of the above budget adjustments, there is an underspend against the approved budget of £82,720, an improvement against the forecast underspend of £34,940 as at quarter 3.
- 4.2 A summary of the main year-end variations against the approved budget for 2023/24 is shown in the table in paragraph 4.8.
- 4.3 Each Council has received a new burdens grant from Central Government to administer the Energy Support Scheme, for which City of Lincoln received £14,950 and North Kesteven received £21,790, by agreement these grants sit outside of the shared service budget.
- 4.4 The most significant variance against the approved budget is the ongoing staffing vacancies. These savings are partially offset by the National Pay Award, which was significantly higher than the budgeted pay award estimate of 3% assumed within the MTFS, alongside overtime costs which have been incurred due to the volume vacancies that remain within the teams.
- 4.5 The main driver for the improvement since quarter three is as a result of savings on postage costs, within the Revenues Local Taxation team, which was previously forecast to budget, prudently, following an overspend last year due to additional costs for administering the Council Tax Energy Rebate payments.
- 4.6 Main variances:

<u>Service Area</u>	<u>£</u>	<u>Reason for variance</u>
R&B Management		
Pay Award	12,210	Budgetary impact of the National pay award over and above MTFS assumptions.
Benefits		

Pay Award	42,750	Budgetary impact of the National pay award over and above MTFS assumptions.
Salary costs	(96,720)	Vacancy savings pending recruitment. Partially offset by overtime costs.
Overtime	51,680	Additional hours required as a result of vacancies.
Postage	17,360	Additional costs as a result of increased requirements.
IT Costs	63,010	New Software requirements, partially funded through New Burdens funding.
New Burdens	(75,600)	Additional grant funding to offset new IT cost pressures.
Revenues Local Taxation		
Pay Award	38,380	Budgetary impact of the National pay award over and above MTFS assumptions.
Staffing Costs	(65,790)	Vacancy savings pending recruitment, now not expected until the new financial year, partially offset by overtime costs.
Overtime	36,540	Additional hours required as a result of vacancies.
Postage Costs	(39,890)	Reduction in postage costs as a result of changes in distribution.
New Burdens	(25,110)	Additional grant funding for administration of the Local Council Tax Support Scheme.
Benefits/Money Advice		
Pay Award	10,200	Budgetary impact of the National pay award over and above MTFS assumptions.
Staffing Costs	(39,940)	Vacancy savings pending recruitment.

5. Organisational Impacts

- 5.1 The financial implications are contained throughout the report.
- 5.2 There are no legal implications arising from this report.
- 5.3 There are no equality and diversity implications as a direct result of this report.

6. Risk Implications

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

7. Recommendations

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

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? One

List of Background Papers: None

Lead Officer: Martin Walmsley
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Appendix 1 Financial Outturn for 2023/24

	Annual Budget			Outturn			Variance		
	CoLC	NK	Combined	CoLC	NK	Combined	CoLC	NK	Combined
Revenues & Benefits Management	225,020	225,020	450,040	229,350	229,350	458,700	4,330	4,330	8,660
Benefits	716,450	535,840	1,252,290	722,430	540,310	1,262,740	5,980	4,470	10,450
Revenues Local Taxation	488,210	504,580	992,790	450,640	469,030	919,670	(37,570)	(35,550)	(73,120)
Money Advice	135,900	135,890	271,790	121,540	121,540	243,080	(14,360)	(14,350)	(28,710)
Total 2023/24	1,565,580	1,401,330	2,966,910	1,523,960	1,360,230	2,884,190	(41,620)	(41,100)	(82,720)
Grand total							(41,620)	(41,100)	(82,720)

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SUBJECT: BUSINESS RATES UPDATE

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

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 Shared Revenues and Joint Committee with an update on non-domestic rate, to include reference to City of Lincoln Council, North Kesteven District Council and West Lindsey 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 includes some of the changes that have been announced as a result of the Government's financial support provided to businesses in the form of business rates relief. The report also focuses on the financial impact of recent appeals and reductions to rateable values.

4. NDR Charges and Significant Reliefs/Discounts

- 4.1 At the Autumn Statement on 22 November 2023, the Chancellor announced that the Government would continue to provide a package of business rates measures to support businesses in England.
- The retail, hospitality and leisure relief will continue for 2024/2025 at 75% up to £110,000 per business.
 - A freezing of the small multipliers for a further year at 49.9p and an increase in the standard multiplier from 51.2p to 54.6p.

5. Retail, Hospitality and Leisure Relief 2023-24

- 5.1 Eligibility criteria for the Retail, Hospitality and Leisure Relief was set out by the Department for Levelling Up, Housing and Communities (DLUHC) and issued to Local Authorities on 20 December 2021. No changes were made to the qualifying criteria for the year 2023/2024. This can be found here:
- [Business Rates Information Letter 9/2021 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1154441/business-rates-information-letter-9-2021.pdf)
 - [Business Rates Relief: 2023/24 Retail, Hospitality and Leisure Scheme -](#)

- 5.2 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.
- 5.3 DLUHC 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.
- 5.4 Government will reimburse LA's that use their discretionary relief powers under Section 47 of the Local Government Finance Act 1988 (amended).
- 5.5 In terms of Retail, Hospitality and Leisure Relief (previously known through the Expanded Retail Discount (ERD) scheme), the figures below reflect the significant reduction in the amounts awarded in the last three years with an estimate on the award to be granted in 2023/24.

Awarded	City of Lincoln	North Kesteven	West Lindsey	Annual Reduction
2020/21	£28,002,354	£6,748,970	£5,048,076	100%
2021/22	£9,544,369	£3,890,932	£2,288,599	66%(Apr-Jun) 100%(Jul-Mar)
2022/23	£2,840,236	£1,691,974	£1,032,508	50%
2023/24 End March 2024	£4,043,245 (estimate on ndr1 £3,906,616)	£2,326,887 (estimate on ndr1 £2,383,359)	£1,423,924 (estimate on ndr1 £1,486,748)	75%
2024/25	(estimate on ndr1 £4,003,220)	(estimate on ndr1 £2,336,514)	(estimate on ndr1 £1,509,920)	75%

Capping applies to all years with exception of 2020/21.

6. Potential Reductions to Rateable Value

6.1 Fire Stations and Hospitals

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.

- 6.2 Rating agents 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.
- 6.3 On average reductions will be around 10% on NHS and private hospitals, and 9% on fire stations however this will 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).

- 6.4 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.

6.5 **Hotels Occupied by Asylum Seekers**

Under Section 66(1) of the Local Government Finance Act 1988, a property is domestic if it is used for living accommodation with the only exception being in Section 66(2) which says a property is not domestic if it is being used in the course of a business providing short-stay accommodation to individuals whose sole or main residence is somewhere else.

Where a hotel is used to as accommodation for refugees/asylum seekers, the occupants do not have a sole or main residence elsewhere. Therefore, the hotel should be brought into the Council Tax listings with the maximum charge being a Band H property.

The Valuation Office have recently removed a hotel from the Non Domestic Rating list and brought this into the Council Tax listings as a Band H Council Tax dwelling.(not in our districts) The result of this is a loss of Non Domestic Rating income to the authority which is not offset by the amount of a Council Tax paid for a Band H dwelling.

The Valuation Office are making changes to properties that they know about, but as the Home Office will likely to have a register of the properties being used to house refugees/asylum seekers, this may increase the number of hotels that are removed from Non Domestic Rating listings.

6.6 **Museums**

Following a series of landmark cases regarding the valuation of museums, the Valuation Office confirmed that they would change the assessment of Museums for the purposes of business rates.

They announced that from 1st April 2023, museums in older buildings would be assessed on income and expenditure receipts, these had previously been assessed by the contractor's method which assesses the rateable value according to the cost of a rebuild. Sector bodies have long argued that this unfairly penalises museums for occupying historic properties or large spaces required to house and display collections. The result of this being that the rateable value is calculated at much higher levels of values that most museums could ever afford as rent.

The Valuation Office also announced that newer built museums, built after 2001, would continue to be assessed on the contractors' calculation.

For any of the older buildings that were to have their rateable value reduced to £1 from 1st April 2023, the Valuation Office informed ratepayers that they must appeal the 2017 listings under the Check, Challenge and Appeal system on their website.

Three museums, one built after 2001, put in appeals regarding the 2017 listings. The appeal in respect of the hereditament built after 2001 has been founded and appears to have been calculated on the receipts and expenditure process and not the contractors' basis as announced by the Valuation Office. Officers have now received the schedules with the backdated reduction of the rateable value to £1 with effect from 1st April 2017. These were actioned on the accounts before the 31st March 2024.

7. Business Rates Review

- 7.1 The final report for a Business Rates Review was also published at the Budget. The Budget and the Review commits in the longer term, to making improvements to the Business Rates system – these include the following;

More frequent revaluations, moving to a revaluation every three years starting from the revaluation which came into force on 1st April 2023, the next being 1st April 2026 and so on.

The process of revaluation starts approximately 2 years before the new valuations come into force. For the revaluation due on 1st April 2023, the rateable value will have been assessed based on the rental evidence on 1st April 2021. There will be a new duty on the ratepayer to provide the Valuation Office with the information.

- 7.2 For each revaluation, the Government introduces a Transitional Relief scheme. Transitional relief limits how much a bill can change each year. As the Ndr system is self-financing, historically these limits have limited both large increases and large decreases. In the Budget, the government announced a change to the Transitional relief scheme so that only increases were limited. For any reduction in the rateable value, a ratepayer will receive the full benefit of the reduction immediately.

Rateable values at 31st March 2023 are shown below:

Total RV	City of Lincoln	North Kesteven	West Lindsey
2017 list – RV	111,657,102	76,676,924	49,669,995
Hereditaments	3,589	3,458	3,051
2023 draft list – RV	109,146,624	84,565,162	53,638,108
Hereditaments	3,589	3,457	3,051
		Reduction is due to one assessment entering the Central Listings	
Changes to RV from 2017 to 2023	-2,510,478 -2.25%	7,888,238 10.3%	3,968,113 8.0%

7.3 Heat Network Rate Relief Scheme

As set out in the business rates information letter the government has published the guidance for Local Authorities on the operation of the Heat Networks relief scheme for 2023/24. The scheme is substantially unchanged from the guidance published for 2022/23. Local Authorities are to continue to deliver the discretionary relief using their discretionary powers for 2023-24 until the relief was made mandatory through the Non Domestic Rating Bill. This is now mandated from 1st April 2024.

This relief is targeted at hereditaments being used wholly or mainly as heat networks and has its own rating assessment. The relief is for those networks generating from a low carbon source to ensure that the policy supports decarbonisation.

Heat networks take heat or cooling from a central source(s) and deliver it to a variety of different customers such as public buildings, shops, offices, hospitals, universities and homes. By supplying multiple buildings, they avoid the need for individual boilers or electric heaters in every building. Heat networks have the potential to reduce bills, support local regeneration and be a cost-effective way of reducing carbon emissions from heating.

For these purposes, a heat network is a facility, such as a district heating scheme, which supplies thermal energy from a central source to consumers via a network of pipes for the purposes of space heating, space cooling or domestic hot water. Hereditaments wholly or mainly providing heat for a different purpose (such as an industrial process) are not eligible. The government will keep under review the incidence of heat networks in any industrial process context and whether they should benefit from the relief.

The test should be applied to the hereditament as a whole and heat network relief is not available on part of a hereditament. Many small and medium scale heat networks, such as common heating systems in multi-occupied buildings or estates, do not give rise to a separate business rates bill. In these cases, the heat network forms part of the services of the properties which have a wider purpose (e.g. offices) and therefore would not be eligible for Heat Network Relief.

8. Business Rates Avoidance and Evasion Consultation

- 8.1 In the Spring budget on 15 March 2023, the Chancellor announced that the government would consult on measures to tackle business rates avoidance and evasion.

A consultation paper was provided in July 2023, with a target date of 27 September 2023 for responses.

The Ministerial Foreword of this consultation stated -

The vast majority of those who engage with the business rates system do so honestly and transparently. Ratepayers pay the taxes that are due and enjoy the benefits of the reliefs and exemptions to which they are entitled. Rating agents assist their clients competently and adhere to a high professional standard when dealing with billing authorities and the Valuation Office Agency (VOA).

But there is also a small minority who seek to exploit the business rates system, either through false reporting, or through contrived means which circumvent the spirit and intention of the law. The former is evasion, the latter, avoidance. These practices unfairly shift the burden of business rates onto the honest majority, and result in loss of revenue which should be used for vital public services.

One of the most prevalent rates avoidances schemes is to 'reoccupy' a property for 6 weeks and 1 day, empty the property again and claim a further 3 month exemption. The occupation is contrived for the sole purpose of claiming a further period of empty exemption. Due to caselaw involving Makro Properties v Nuneaton and Bedworth (2012) and Principled Offsite Logistics Ltd v Trafford Council, the occupation has to be minimal such as moving a few boxes into a warehouse. Estimated losses to the shared service over 2022-23 for this type of rates avoidance is estimated to be - City of Lincoln £636k, North Kesteven £87k, and West Lindsey £65k.

Whilst not illegal, the practice is considered to be rates avoidance and companies have been set up for the sole purpose of abusing this loophole in the legislation.

In March 2024, the consultation resulted in:

- the extension of the empty property relief 'reset period' to be increased from six weeks to three months with effect from 1.4.2024.
- the announcement of a further consultation on adopting a 'general anti-avoidance rule' for business rates in England
- and a commitment from the government to improve communication about 'rogue' business rates agents.

9. Non Domestic Rating Bill – Royal Assent 26th October 2023

9.1 This bill made a number of changes to Non Domestic Rating.

One of the changes removed the 6 month backdating rule for discretionary rate relief decisions in England.

The Act creates section 47(6A) which says that a decision, by a billing authority in England, with regards a day is invalid if the day falls before 31 March 2023 and the decision is made more than 6 months after the end of the financial year to which it relates, i.e. the backdating rule does not apply to decisions in respect of 2023-24 onwards.

This is likely to mean that with effect from 1 April 2024 we will be able to make decisions on discretionary reliefs fully retrospectively (in respect of the financial year 2024/25 onwards....").

The other significant change is the decoupling of the multipliers and, in effect, the abolition of the small business supplement from 1 April 2024. This means that Government can choose to raise the two multipliers by different amounts.

The bill also paves the way for data sharing between the VOA, HMRC and billing authorities. The authorities already have a sharing agreement with the VOA but due to the changes with what they can now share, we expect a new sharing agreement and protocol to be announced by the VOA.

10. Strategic Priorities

- 10.1 Both authorities look to protect those who may be experiencing financial hardship. The Revenues Team is mindful of the strategic priorities when engaging with business ratepayers as they look to recover the business rate.

11. Organisational Impacts

11.1 Finance

There are no direct financial implications arising as result of this report.

11.2 Legal Implications including Procurement Rules

There are no legal nor procurement implications as a direct result of this report.

11.3 Equality, Diversity & Human Rights

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

12. Risk Implications

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

13. Recommendation

- 13.1 Members are requested to note this report.

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:	<p>Emma-Jane Brodrick, Recovery and NNDR/BID Team Leader</p> <p>Emma Jane.Brodrick@lincoln.gov.uk</p>

SUBJECT: COST OF LIVING SUPPORT

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

LEAD OFFICER: REBECCA COX, WELFARE REFORM AND PROJECT LEAD

1. Purpose of Report

- 1.1 To provide Joint Committee with an update regarding various areas relating to the national welfare reform agenda, as well as current cost of living initiatives to support residents.
- 1.2 To seek support for and approval of implementation with regard to Household Support Fund wave 5.

2. Executive Summary

- 2.1 This report provides Joint Committee with an update with regard to the national and local position of welfare reform/ other initiatives, with a specific focus on Universal Credit, Discretionary Housing Payments, Household Support Fund, Council Tax Support Fund and Financial Inclusion matters. The report also sets out proposals for Household Support Fund wave 5.

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 (UC). 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.

Covid-19 pandemic and cost of living related matters, have caused significant challenges to households locally and nationally. The Revenues and Benefits Shared Service plays a lead and key role in developing and delivering schemes to help mitigate some of the impacts of cost of living challenges. Some of these schemes are directly delivered by this Service, - some in partnership with other teams within the Councils, also with organisations such as those in the voluntary sector.

4. Universal Credit (UC)

- 4.1 The latest national figures published by the Department for Work and Pensions (DWP) were released on 16th April 2024, with statistics relevant to the period up to February 2024:
 - 6,458,756 households receiving UC (this is an increase from 6,220,096 as reported at last meeting of this Committee).

Local authority statistics are also available:

- City of Lincoln – 12,495 (11,878 as at the last report).
- North Kesteven – 7,857 (7,289 as at the last report).

- 4.2 On 25th April 2022, then Secretary of State for Work and Pensions Therese Coffey made a statement in the House of Lords ([Written statements - Written questions, answers and](#)

[statements - UK Parliament](#)) regarding managed UC migration for working-age legacy benefits – with the aim of completing this migration by the end of 2024. A ‘Discovery Phase’ of migration has been taking place, with a number of areas around the country (not Lincolnshire) with a relatively small number of UC cases.

DWP released information to state those in receipt of Tax Credits would be asked to apply for UC by the end of 2024 ([Tax credits are ending - Understanding Universal Credit](#)). DWP also announced, through the Autumn Statement 2022, that the managed migration of Employment and Support Allowance (ESA) cases had been delayed to 2028/29. A further announcement was made on the 19th April 2024 with plans to bring forward the managed migration of ESA cases. Notifications for this group are now planned to commence in September 2024 with the aim of notifying everyone to make the move to UC by December 2025, - however no definitive timescale has yet been announced and could change.

As at the time of writing this report, further information is awaited from DWP in terms of estimated numbers of cases anticipated as moving from a legacy benefit (for example, Housing Benefit (HB)) to UC in 2024/25, - as well as a more definitive timescale. Under current plans, our shared service would continue to be responsible for administering and processing HB claims for those of pension age, all Council Tax Support claims, and Exempt/temporary accommodation HB claims, - as well other related work such as Discretionary Housing Payments. Revenues and Benefits management continue to keep the whole LiNK team aware of UC managed migration and the potential impacts moving forward.

5. Discretionary Housing Payments (DHP)

- 5.1 On 13th March 2024, DWP announced DHP government grants for 2024/25. As expected, for City of Lincoln and North Kesteven. these are the same amounts as for 2023/24. The table below includes the confirmed 2024/25 allocations, also showing previous years’ grants.

	City of Lincoln Council central government DHP grant	North Kesteven central government DHP grant
2024/25	£132,330	£86,931
2023/24	£132,330	£86,931
2022/23	£132,330	£86,931
2021/22	£186,707	£122,652
2020/21	£250,113	£172,612
2019/20	£178,674	£113,943
2018/19	£208,624	£126,693
2017/18	£242,505	£140,972
2016/17	£173,675	£107,514
2015/16	£139,678	£99,977
2014/15	£194,308	£107,365
2013/14	£199,741	£98,229
2012/13	£98,865	£42,589

- 5.2 The table below breaks down the number of DHP applications received and determined for 2023/24.

DHP applications – 2023/24	City of Lincoln	North Kesteven
Total number awarded	278 (Quarter 4 2022/23 = 327)	153 (Quarter 4 2022/23 = 262)
No. awarded for Housing Benefit	53 (Quarter 4 2022/23 = 105)	30 (Quarter 4 2022/23 = 77)
No. awarded for Universal Credit	225 (Quarter 4 2022/23 = 222)	123 (Quarter 4 2022/23 = 185)
Average DHP award	£511.52 (Quarter 4 2022/23 = £429.99)	£533.67 (Quarter 4 2022/23 = £351.42)

The average award for both City of Lincoln and North Kesteven has increased for 2023/24 compared to 2022/23 due to more applications being turned down this financial year because of officers now taking Personal Independence Allowance, Disability Living Allowance and Attendance Allowance into consideration, meaning more customers have income that exceeds their outgoings. This has allowed officers to award larger DHP payments to those customers living in the private sector where rents have significantly increased, whilst the Local Housing Allowance (LHA) figures have remained the same. However, it should be noted that LHA rates have recently been announced as increasing for 2024/25 [Local Housing Allowance \(LHA\) rates applicable from April 2024 to March 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/local-housing-allowance-lha-rates-applicable-from-april-2024-to-march-2025) .

5.3 The table below shows DHP spend for 2023/24:

	Central Government - DHP Grant 2023/24	DHP total spend as at 31st March 2024	% Grant spent
City of Lincoln	£132,330	£142,202	107.46 %
North Kesteven	£86,931	£81,652	93.93%

As the full government grant for the City of Lincoln has been spent, an extra £10,000 was provided out of the Homeless Prevention Fund to help support the DHP budget for Lincoln residents until the end of the 2023/24.

6. Household Support Fund

6.1 Previous reports to this Committee updated on Household Support schemes going back as far as October 2021. This report updates on the current position in relation to Household Support Fund wave 4, as well as proposed plans in respect of Household Support wave 5.

In his Autumn statement the Chancellor of the Exchequer announced an extension to the Household Support Fund, running from 1st April 2023 to 31st March 2024. Guidance was issued to local authorities on 20th February 2023, and allocations for this round of funding.

For Lincolnshire, Household Support Fund 2023/24 funding is £10,929,370 – to cover the whole financial year.

In Quarter 1 2023/24, Lincolnshire County Council confirmed plans in respect of Household Support Fund wave 4 2023/24 (HSF4), and updated its HSF website page ([Household Support Fund – Lincolnshire County Council](#)), including the following:

- *Approximately 43% of the funding will be delegated to schools and early years providers to support for children eligible for benefit-related free school meals, early years pupil premium and families with a 2-year-old eligible for early years entitlement.*
- *Approximately 44% will be directed through Lincolnshire's district councils to provide financial support to housing benefit only claimants not in receipt of other support provided via the national scheme.*
- *1% of the grant funding will be used to provide financial support to eligible care leavers in supported living accommodation.*
- *The remaining grant funding will be directed towards other vulnerable households via local schemes, with approximately 11% of the local grant made available to district councils on a proportionate basis. District councils and other third sector/voluntary organisations will work to provide an application-based process to ensure this funding is distributed through local channels in line with the grant conditions. Further details on this process will be published on district council websites once agreed.*

For Housing Benefit recipients in Lincolnshire who were not entitled to the national Cost of Living Payment 2023/24 ([Cost of Living Payments 2023 to 2024 - GOV.UK \(www.gov.uk\)](#)), this payment is being replicated in three phases, the first payment of (£301) was issued in August through Post Office vouchers with a total of £184,212 awarded to 612 eligible households within the City of Lincoln and £181,804 awarded to 604 eligible households within North Kesteven. A second wave of the scheme was delivered in December 2023 with a payment of £300 to eligible households. A total of £172,500 was awarded to 575 households within the City of Lincoln and £174,300 awarded to 581 households within North Kesteven. The third and final wave was delivered in February 2024 with a payment of £299 to eligible households. A total of £174,616 was awarded to 584 households within the City of Lincoln and £171,925 awarded to 575 households within North Kesteven.

In terms of District Councils' separate allocations of HSF4 to be utilised to work with partners to provide payments, including through an application-based process in part (a requirement of the national HSF4 guidance), these were communicated to District Councils' HSF4 lead officers, - for City of Lincoln £202,676 was initially allocated, and for North Kesteven £139,340. In March 2024 a further £60,458 was awarded to City of Lincoln and £30,940 to North Kesteven.

The first wave of the open scheme online application process opened for two weeks from 2 October 2023; applications continued to be paid after that date until a second wave of the online process was delivered in January 2024. Households continued to be supported after that date by making telephone applications to the fund or being referred for support by established partners.

Officers worked in partnership with an established range of referral partners and application processes – as well as some new partners/routes – to ensure these HSF4 monies (through vouchers, food parcels, energy top-ups, etc.) were delivered to those identified as in need. A key focus was again reducing foodbank dependency wherever possible, working with partners to help signpost residents to other means of support (e.g. money advice), - as well as supporting a drive to further increase usage of community groceries. A strategic aim of

HSF4, was also to try and leave a 'legacy' of impact – as there was no guarantee of HSF5 (or of another form of local welfare provision) from 2024/25 onwards.

Between October 2023 and March 2024, the following awards were made through Household Support Fund 4 to support with the cost of Food, Energy & Water, Wider Household Essentials & Housing Costs – the figures include those payments delivered as part of our Cost-of-Living equivalent payment.

City of Lincoln

Household Composition	Households with a Disabled Person	Households with Children	Households with a Pensioner	Other	
Number of Households Helped	270	556	1,660	1,582	
Amount of Award	£51,578	£78,949	£478,596	£185,339	Total Paid £794,462

North Kesteven

Household Composition	Households with a Disabled Person	Households with Children	Households with a Pensioner	Other	
Number of Households Helped	219	383	1,709	597	
Amount of Award	£50,906	£68,798	£499,022	£77,893	Total Paid £696,619

7. Household Support Fund wave 5 (HSF5) 2024/25

- 7.1 In the Spring 2024 budget, the Government confirmed that a further £421 million would be made available to county councils and unitary authorities in England via the Household Support Fund (HSF) for the period 1st April to 30th September 2024. The fund is intended to support vulnerable households most in need with the cost of essentials, such as food, energy and water.

Following the publication of the scheme guidance on 2nd April 2024, Lincolnshire County Council presented a report to its Overview and Scrutiny Management Board (modern.gov.co.uk), setting out details of the scheme and options to utilise the Lincolnshire allocation of £5,464,685.20 for the benefit of residents most in need of support. This is the fifth round of funding and as with earlier rounds, collaboration with District Councils is required to effectively deliver the scheme. Relationships with delivery partners and mechanisms are now well established with learning taken from previous funding rounds. As with previous rounds, Lincolnshire County Council has proposed that funding is allocated to schools and early years providers to distribute to targeted cohorts and to support eligible care leavers in supported living accommodation. The remainder would be allocated to District Councils using the Indices of Multiple Deprivation (IMD), to support the delivery of an application-based element and locally determined schemes that meet the specific needs of communities.

Lincolnshire County Council has proposed, as follows:

- Approximately 64% of Lincolnshire grant funding will be provided to Schools and Early Years providers, targeting children eligible for benefit related 'Free School Meals' (FSM), 'Early Years Pupil Premium' (EYPP) and families with a 2-year-old eligible for 'Early Years Entitlement' (EYE).
- 1% of the grant funding will be used to provide financial support to eligible care leavers in supported living accommodation.

- Approximately 34% of the grant funding to made available to Lincolnshire district councils to provide support to vulnerable households via local schemes. District councils (or third sector/Voluntary organisations operating on their behalf) will provide an application-based process to ensure the funding is distributed in line with the grant conditions across local areas.
- 1% of the grant funding will be used to support the administration of the scheme.

7.2 The indicative shares of HSF5 for our shared service local authorities, are:

- City of Lincoln: £297,278
- North Kesteven: £204,379.

Officers are working with an established range of referral partners and application processes – as well as potentially some new partners/routes – to ensure these HSF5 monies (through vouchers, food parcels, energy top-ups, etc.) are delivered to those identified as in need. A key focus will again be on reducing foodbank dependency wherever possible, working with partners to help signpost residents to other means of support (e.g. money advice), - as well as supporting a drive to further increase usage of community groceries. A strategic aim of HSF5, is also to try and leave a ‘legacy’ of impact – as there is no guarantee of a further Household Support Fund scheme (or of another form of local welfare provision) after September 2024.

In terms of an ‘open application’ scheme, officers will continue to work other District Council colleagues to try and ensure a consistent approach wherever possible, but with reference to City of Lincoln and North Kesteven specific requirements and available funding too. It is envisaged that the best way to ensure the most effective used of HSF5 monies, will be to open up the scheme in a number of phases, with Districts’ schemes envisaged to commence in late May/ early June 2024.

In terms of administrative costs incurred by the shared service for delivery of HSF5, it is proposed that in the region of 5% of Lincoln and North Kesteven’s allocations be allocated to these costs – as is allowable under the scheme. A range of % administrative costs have been claimed by District Councils, in previous rounds of HSF.

8. Council Tax Support Fund 2023/24

- 8.1 On 23rd December 2022, central government provided guidance to local authorities regarding a £100 million Council Tax Support Fund for 2023/24, whereby awards of up to £25 are to be made to Council Taxpayers in receipt of Council Tax Support (CTS), - with an element of funding also to be made for discretionary local funds in 2023/24. Funding allocations for City of Lincoln and North Kesteven were £222,803 and £142,500, respectively.

Payments of up to £50.00 (the prescribed maximum was £25.00) were made to City of Lincoln and North Kesteven taxpayers as part of the 2023/24 Council Tax annual billing process. Remaining funding was to be allocated via local schemes in 2023/24; £101,705 for City of Lincoln, and £38,628 for North Kesteven.

- 8.2 Officers have worked proactively to ensure this fund is allocated to accounts as appropriate, and moving into 2024/25 only relatively small percentages of original funding are left to be allocated.

9. Financial Inclusion

- 9.1 Financial inclusion continues to be a key objective and factor in many areas of LiNK's work. The Lincolnshire Financial Inclusion Partnership (LFIP) is currently chaired by the Assistant Director Shared Revenues and Benefits for North Kesteven District Council and City of Lincoln Council, - which brings together organisations and partners to promote and raise the profile of financial inclusion across the county.

Two key areas of high-profile engagement by LFIP in 2024/25, will be:

- Co-ordination of 'Talk Money Week' activities in Lincolnshire during November 2024: [Talk Money Week | Money and Pensions Service \(maps.org.uk\)](#) ;
- A conference to be held in February 2025, date and venue to be confirmed, to follow-up from the highly successful conferences held at the Jakemans Community Stadium in Boston in February 2023, and Jubilee Church Life Centre in Grantham in February 2024.

- 9.2 In terms of the well-documented ongoing national cost of living pressures, both our partner Councils continue to review and update web pages dedicated to initiatives to try and assist our residents with cost of living support:

- [Cost of Living Support – City of Lincoln Council](#)
- [Cost of Living Support | North Kesteven District Council \(n-kesteven.gov.uk\)](#) .

- 9.3 City of Lincoln Council has approved funding for some cost of living projects through the UK Shared Prosperity Fund, for 2024/25. Appendix 1 to this report gives some actual anonymised Lincoln and North Kesteven cases, showing how LiNK has been able to support residents during 2023/24 through the Household Support Fund and other means.

10. Strategic Priorities

- 10.1 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".

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, Employment, Skills and Partnership Working are all key priorities for the shared service.

10.2 Organisational Impacts

10.3 Finance

Discretionary Housing Payments, Household Support Fund payments and Council Tax Support Fund payments are funded through local government grants (subject to specified limits).

10.4 Legal implications inc Procurement Rules

There are no direct Legal or Procurement implications arising from this report.

11. Risk Implications

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

11.2 If central government does not announce extension of cost of living support schemes, such as Household Support Fund, for 2024/25 – there is a real risk that residents may suffer financial hardship without local or national welfare provision to further support.

12. Recommendations

12.1 That Shared Revenues and Benefits Joint Committee notes this report, also that a further update will be presented at the next meeting of this Committee.

12.2 That Members note the updates with regard to Household Support Fund wave 5, approving and supporting implementation as outlined.

Key Decision	No
Do the Exempt Information Categories Apply	No
Call In and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain Appendices?	Yes
If Yes, how many Appendices?	One – Anonymised Lincoln and North Kesteven case examples 2023/24
List of Background Papers:	No
Lead Officer:	Rebecca Cox, Welfare Reform and Project Lead, Welfare.Reform@lincoln.gov.uk

Cost of Living Support

Appendix 1: Anonymised Lincoln and North Kesteven case examples, 2023/24

- A gentleman struggling with day to day rising cost of living. A neighbour had been helping him to buy food. He was keeping on top of utility bills but had nothing at the end to live off and was relying on foodbanks. A £60 shopping voucher was issued and £25 in vouchers to help with gas & electric. The customer was grateful for the help but more grateful that he was listened to, and the support made him feel cared about.*
- Self-referral – Mum and child were struggling with rising cost of living on her income of Universal Credit. A £200 direct award was made to support with food and gas & electric. It was also noticed that this person had arrears on her council tax. She had not previously been engaging with us, but we contacted her by telephone and completed a council tax reduction form with her. She is now in receipt of full council tax reduction for this year.*
- A lady who has been diagnosed with breast cancer and is undergoing treatment so cannot work. She has claimed an income of Employment and Support Allowance, but due to still having a mortgage she is having to use her small amount of savings to make monthly repayments to that. On top of the worry of her illness she is also aware that she will eventually run out of savings. A Household Support Fund award was made as a direct payment to help with gas, electric & utility bills. We were also able to award her shopping vouchers to help with her food costs.*
- 1 adult & 3 children in the household. Universal Credit is their only income. They are in debt & payment plans have been set up but this leaves them short on money for food. After checking our records, we noticed that their Council Tax account was £175 in credit which we arranged to be credited to them. A supermarket voucher was also issued. The customer was so grateful as she didn't realise that she had a credit on her Council Tax account, so that was a bonus.*
- Referral from a nurse, City Hospital Nottingham, for an 18-year-old dependent child having ongoing treatment. (City of Lincoln Council) The family have 4 children and are struggling with the rising cost of living & keeping the house warm for their daughter who was receiving treatment for cancer. They have one wage to live off but were also paying out extra each week on petrol having to travel to Nottingham with their daughter. A £200 voucher award was made. In a follow up call to the family the father said it was great as he was able to use the voucher to pay towards petrol, food, & gas/electric tops up. We also referred them through to Development Plus for a warm pack. They were really pleased with their pack and said the radiator heat reflectors were making a real difference.*
- Gentleman has a disabled child but as he doesn't live with him full-time, he doesn't receive any income in Child Benefit or Universal Credit for him. When he comes to stay for weekends, he has a feeding machine that needs to be kept on overnight & the heating constantly on to keep him warm. It was a struggle with the cost of this from a single low income. An award of £100 in vouchers was made for help with food and a gas & electric top up.*
- A lady in need with extreme anxiety and suicidal thoughts. A referral had already been made for a food parcel, but we contacted the Lincoln Community Larder & arranged for the parcel to be delivered to the customer so that she did not need to leave the house. Also, a cash award of £100 HSF was made to help with gas/electric costs working in partnership with The Community Larder to ensure the parcel and award were made as soon as possible.*
- Self-referral from a resident who was on maternity pay but had just found out that she would have no job to return to as her place of work was closing due to rising costs. Due to reduction in her maternity pay she was struggling with household bills. Support was given with a £200 award of food shopping vouchers for her & her 3 children.*
- Customer living alone and only income is Employment and Support Allowance and Personal Independence Payment. This customer has arthritis and her only transport is her mobility*

Cost of Living Support

Appendix 1: Anonymised Lincoln and North Kesteven case examples, 2023/24

scooter. She travels to the shops and then ends up so cold from the journey but does not like to put the heating on when she gets back as it is too expensive, but this impacts on her health. A referral was made to our partnership organisation at The New Life church Sleaford and they were able to make a payment towards the customers gas/electric bill.

- A family whose only source of income is Universal Credit. The family were struggling with bills, a broken oven, needed fuel for their car and have numerous health conditions. The customer was already a member of a community grocery but had no fuel to get there. A referral was made to our partnership organisation at the New Life Church, who made a cash award of £100. A referral was also completed for support with white goods and their details also passed to our Welfare Team to provide debt advice to the customer who was grateful and very emotional.*
- A gentleman who lives alone and cannot work due to various health conditions. He receives the basic amount of Universal Credit for a single person. He has two children who come to stay for weekends, but he is struggling to pay for his household bills and provide food for them when they stay. He was also worried he would not be able to provide for them at Christmas. A direct award was made to the customer of £100 in HSF4 wave 1 and £100 in wave 2 to support with food and transport costs to hospital as he didn't qualify for a Taxi to get there. We were also to arrange the delivery of a Christmas food hamper and gifts for his children which was delivered with our partnership organisation at the New Life Church, Sleaford.*

SUBJECT: STAFFING CHANGES

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: MARTIN WALMSLEY, ASSISTANT DIRECTOR SHARED REVENUES AND BENEFITS

1. Purpose of Report

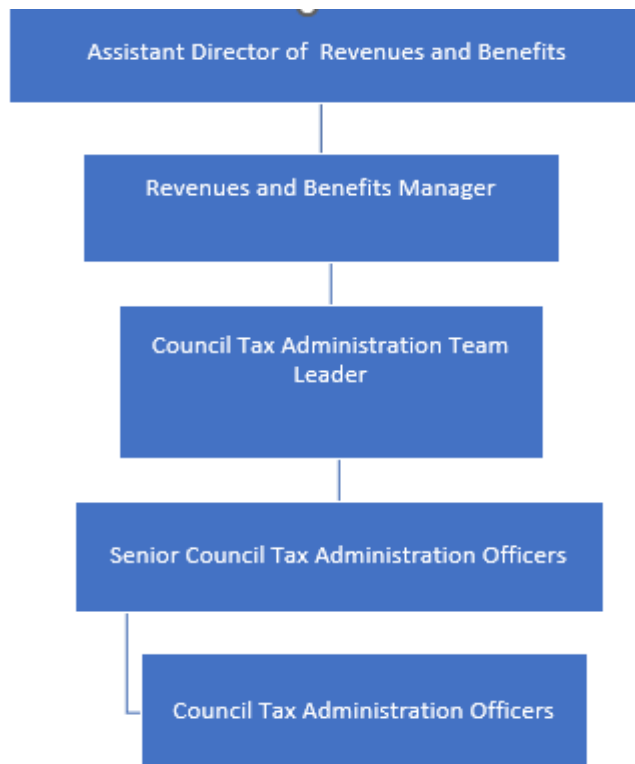
- 1.1 To request an amendment to the allocated hours in the LiNK staffing structure regarding:
- Senior Council Tax Administration Officer, and
 - Council Tax Administration Officer.
- 1.2 To request that certain staffing structural changes be delegated to Revenues and Benefits Operational Board.

2. Executive Summary

- 2.1 This report provides a business case for changes to Senior Council Tax Administration Officer and Council Tax Administration Officer hours on the permanent staffing structure establishment.
- 2.2 The report also sets out a rationale regarding future such 'relatively minor' staffing structural changes being delegated to Revenues and Benefits Operational Board.

3. Background and Business Case for Changes to Council Tax Administration Team

- 3.1 The Revenues and Benefits Shared Service (LiNK) staffing structure is well established, being in place since 1st February 2012 – with mainly only relatively minor 'tweaks' being made to the staffing structure since then. The structure is, however, fit for purpose and flexible to adapt quickly and effectively to the changing needs of the service. Job roles have been designed which such flexibility, as well as short-term secondment roles being utilised as and when appropriate.
- 3.2 An extract of the current LiNK staffing structure, is shown below:



- 3.3 There are currently 12.0 FTE (full-time equivalent) Council Tax Administration Officer positions in the structure, - a mix of full time and part time officers. Of the fifteen officers currently in post, five have been in post for less than one year and understandably need support with their day to day activities. It is expected that the level of support that these officers will require will reduce over the next twelve months. However, officers have seen a relatively high turnover of staff in the Council Tax Administration Team over the last two years, and a further officer has recently handed in their notice for retirement in June 2024, so this has meant further recruitment to fill this post.
- 3.4 Managing fifteen staff is time consuming, which includes management of hybrid working. The Senior Officers and Team Leader deal with a variety of staffing issues including;
- Rotas for working on the phones and correspondence,
 - Training,
 - 1-1 meetings,
 - Appraisals,
 - Recruitment,
 - Personal matters;
 - Changes to work patterns
 - Changes to contractual hours
 - Dealing with the first stages Human Resources policy processes, where required
 - Sickness management
 - Performance and training, including;

- Training new staff in Council Tax legislation
- Maintaining internal manuals and communication of changes to legislation
- Monitoring of performance and providing statistics to line manager.

3.5 In addition to staffing matters, cost of living challenges has had an effect regarding contact with the public and officers have noted an increase in the following contacts –

- Requests from customers to reduce or remit their Council Tax under Discretionary Policy (Section 13a). This is due to an increase in awareness of the Discretionary Policy through Citizens Advice, national media etc, and at times because some Council Tax payers just cannot afford to pay and are directed to make an application by either Citizens Advice, Customer Services, Council Tax Officers etc. These requests are dealt with by the Council Tax Administration Team Leader and Senior Officers.
- Challenges to Council Tax, this has resulted in an increase in Valuation Tribunal cases.
- Challenges to the changes to the empty property premium .
- Officers expect to receive challenges to the Second Home premium to be introduced in April 2025, although challenges to the introduction of this scheme have been minimal so far.

3.6 Additional Senior Council Tax Administration Officer resource has been trialled since October 2023, and the requirement for this resource to continue is clear, due to reasons including those as set out in paragraph 3.5 (above).

4. Proposal – Council Tax Administration Team

- 4.1
- 1) To increase permanent establishment Senior Council Tax Administration Officer capacity from 1.59 FTE (59 hours per week) to 1.78 FTE(66 hours per week), and
 - 2) In order to fund the above additional Senior officer hours from existing cash-limited budgets, to reduce Council Tax Administration Officer hours by 8.5 hours (0.23 FTE). These hours are currently vacant.

5. Future Potential Changes to LiNK Staffing Structure

5.1 The Delegation Agreement for the LiNK Revenues and Benefits Shared Service includes the below (extract):

30. *The responsibilities of the Operational Board shall be to:*

- *Manage the performance of the shared revenues and benefits services to be in relation to the Joint Committee Functions so as to ensure, so far as is possible and practicable, ensure the delivery of such services in accordance with the delivery plan approved by the Joint Committee and the progress and performance targets set by the Joint Committee.*
- *To report to the Joint Committee meetings on the progress and performance of the services provided in connection with the performance of functions delegated to the Shared Service against the delivery plan and targets set by the Joint Committee.*
- *Strive to ensure that the services provided are delivered equitably between*

both Councils, so far as may be practicable.

- Prepare and submit to the Joint Committee for its approval on or before 30th November in each year an annual business plan, annual budget and annual delivery plan for the next Financial Year.*
- To report to the Joint Committee on the income and expenditure of the shared service against the approved budget.*
- To seek to ensure so far as is practicable that the functions delegated to the shared service are performed within the budget approved by the Joint Committee and to notify the Joint Committee of any material divergence from the annual budget and the reasons therefore.*
- To recommend to the Joint Committee the resources required to perform the functions delegated to the shared service to the requisite performance standards and any changes required in such resources to maintain such performance standards.*

To make appropriate recommendations to the Joint Committee on any matter of relevance to the business of the Joint Committee and of the shared service

SHARED REVENUES AND BENEFITS (NORTH KESTIVEN DISTRICT COUNCIL AND CITY OF LINCOLN COUNCIL)

JOINT COMMITTEE TERMS OF REFERENCE

- 1. To approve and monitor the Shared Revenues and Benefits Service Delivery Plan for each Financial Year.*
- 2. To approve the annual budget for the Joint Committee and the Shared Revenues and Benefits.*
- 3. To approve the annual report of the Joint Committee and the Shared Revenues and Benefits.*
- 4. To monitor expenditure and income of the Joint Committee and Shared Revenues and Benefits Service against the agreed annual budget.*
- 5. To set progress and performance targets for the functions delegated to the shared service, approve the delivery plan for the performance of such functions and monitor and review the performance of such functions against such targets and delivery plan.*
- 6. To approve changes to staffing structures and any associated management of change procedures including redundancies.*

5.2 Whilst understood that it is correct that any fundamental changes to the LiNK staffing structure should be considered/approved by Joint Committee, for relatively minor 'tweaks' to the structure it is proposed that these should be delegated for Revenues and Benefits Operational Board (comprising of Section 151 Officers of both partner Councils) to consider/approve. This could be for changes which have;

- No financial impact on the shared service;
- Does not place any LiNK member of staff 'at risk;'

- Does not permanently delete any post.

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, Employment, Skills and Partnership Working are all key priorities for the shared service.

7. Organisational Impacts

7.1 Finance

The increase of the Senior Council Tax Administration Officer hours and the decrease in Council Tax Administration Officer hours is cost neutral, with no impact on the overall Revenues staffing budgets.

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 Revenues and Benefits Joint Committee approve an increase in permanent establishment Senior Council Tax Administration Officer capacity from 1.59 FTE (59 hours per week) to 1.78 FTE (66 hours per week).
- 9.2 Revenues and Benefits Joint Committee approve a decrease of permanent establishment Council Tax Administration Officer capacity by 0.23 FTE (8.5 hours per week).
- 9.3 Revenues and Benefits Joint Committee approve that with immediate effect Revenues and Benefits Shared Service staffing structural changes be delegated to Revenues and Benefits Operational Board to consider/approve, in the following circumstances:
- Where there is no financial impact on the shared service, and
 - Where no member of LiNK staff is placed ‘at risk;’ and
 - Where there is no permanent deletion of any post.

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