

**Present:** Councillor Sally Tarry (*in the Chair*),  
Councillor Donald Nannestad and Councillor Sue Burke

**Apologies for Absence:** Councillor Mary Green and Councillor Naomi Tweddle

**44. Appointment of Chair**

RESOLVED that Councillor Sally Tarry be appointed as Chair for this meeting in the absence of Councillor Mary Green.

**45. Confirmation of Minutes - 19 September 2024**

RESOLVED that the minutes of the meeting held on 19 September 2024 be confirmed and signed by the Chair as a true record, subject to the following typographical amendment to Page 13, Minute Number 43, 'Cost of Living Support' to read as follows:

*On 2 September 2024, the Government announced an extension to the Household Support scheme. Department for Work and Pensions (DWP) stated there would be an extension to the Household Support Fund, for the next six months – i.e. 1 October 2024 to 31 March 2025.*

**46. Declarations of Interest**

No declarations of interest were received.

**47. 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 26 February 2025.

Alternative Options Considered and Rejected

None.

Reason for Decision

The report provided an update on Revenues and Benefits performance in respect of Quarter 2 for the financial year 2024/25.

The Revenues and Benefits Shared Service had now been in operation for thirteen years forming on 1 June 2011, and performance had largely been maintained and improved whilst it continued 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 some time

In respect of Council Tax, up to the end of Quarter 2 2024/25, in-year collection for Lincoln was down by 0.20% and North Kesteven down by 0.36% respectively. At the end of November 2024, (comparing to end November 2023), all Lincolnshire Districts' Council Tax and Business Rates in-year collections were down. The figures would be circulated to members of Shared Revenues and Benefits Joint Committee after this meeting.

At this early stage in the financial year, neither rate was a cause for concern, although, as previously flagged to this Committee, Council Tax collection was generally lower at both regional and national levels - seeming to indicate that some tax payers were struggling to pay their bills as a consequence of cost of living pressures.

In terms of the national context, the latest figures for annual Council Tax in-year collection outturns 2023/24 saw City of Lincoln Council at 246<sup>th</sup> (2022/23- 240<sup>th</sup>) and North Kesteven 20<sup>th</sup> (2022/23- 9<sup>th</sup>) out of 296 local authorities of those whose performance was reported. Out of the seven Lincolnshire Districts, for 2023/24 City of Lincoln and North Kesteven achieved 6<sup>th</sup> and 1<sup>st</sup> highest collections, respectively.

In respect of Business Rates, up to the end of Quarter 2 2024/25 compared to the same point in 2023/24, in-year collection was up by 1.44% for Lincoln; North Kesteven down by 0.42% and West Lindsey down by 1.32%.

In terms of the national context, the latest available figures were for annual Business Rates in-year collection outturns 2023/24. City of Lincoln Council's in-year collection was 96<sup>th</sup> (2022/23 22<sup>nd</sup>), North Kesteven 39<sup>th</sup> (2022/23 14<sup>th</sup>) and West Lindsey 95<sup>th</sup> (2022/23 162<sup>nd</sup>) out of 296 local authorities whose performance was reported. Out of the seven Lincolnshire Districts, for 2023/24, City of Lincoln, North Kesteven and West Lindsey achieved 4<sup>th</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> highest collections, respectively.

There were no major concerns with in-year collection at this early stage of the year. It should also be noted that collection had been 'skewed' somewhat in recent financial years due to varying criteria/awards of the Expanded Retail Discount (ERD).

The number of outstanding Revenues Customers at the end of Quarter 2 2024/25 was 3,365 (split Lincoln 2,317, North Kesteven 1,048) – this compared to 1,376 split Lincoln 688, North Kesteven 688) at Quarter 2 2023/24. There had been, and continued to be, significant demands on the team plus recruitment having only just taken place in respect of vacant positions. It should also be noted that from 2024/25 Revenues items outstanding also included those from the Citizens Access Revenues self-serve portal, so there would effectively be a new 'baseline' for this measure of performance. Officers could report that direction of travel since the end of September 2024 had been positive, but challenging.

To give some context as to the workload of the Revenues Team, in Quarter 2 2024/25 10,643 items of post were received, 7,683 telephone calls taken, and 6,417 e-mails received.

As at the end of Quarter 2 2024/25, in period collection of Housing Benefit overpayments stood at City of Lincoln 127.16%, and North Kesteven 83.87%.

Outstanding Housing Benefit overpayments debt also continued to decrease overall. As at the end of Quarter 2 2024/25: at £1,918,146 for City of Lincoln and £1,167,258 for North Kesteven.

As at the end of Quarter 2 2024/25, there were 2,554 Benefits customers outstanding and awaiting assessment (split Lincoln 1,670, North Kesteven 884). This figure was higher than that at the same point last year (1,697 Benefits customers outstanding and awaiting assessment (split Lincoln 1,156, North Kesteven 540)). Demands on the team continued to be high, as well as there being a number of unforeseen staffing absences. However, direction of travel was positive – the outstanding figure had reduced by 2,354 from the end of Quarter 1 2024/25 to the end of Quarter 2 2024/25. As of today, 5 December 2024, there were 1,145 Benefits customers outstanding for Lincoln and 493 for North Kesteven.

There continued to be a significant demand on the Benefits Team, particularly in relation to (but not exclusively) Universal Credit - related information which impacted on Housing Benefit and Council Tax Support claims. At the same time, Benefits Officers were also working on other schemes, such as Discretionary Housing Payments, and Household Support Fund.

Direction of travel was positive at the time of writing this report, with overall outstanding work reducing to 2,842 (split Lincoln 1,936, North Kesteven 906) by 5 September 2024.

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 Quarter 2 2024/25 City of Lincoln turned around new benefits claims in 13.78 days and North Kesteven in 17.46 days respectively. Changes of circumstances notifications were dealt with by City of Lincoln in 5.18 days and 6.93 days for North Kesteven respectively. As of today, 5 December 2024, figures for new benefits claims stood at approximately 13 days for Lincoln and 16 days for North Kesteven.

To give this position some context, the latest national data available showed that in Quarter 1 2024/25 New Claims were processed in an average of 21 days by Councils, with Changes of Circumstance being processed in an average of 8 calendar days.

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 2 2024/25:

- City of Lincoln: 95.13% (684 out of 719 checked),
- North Kesteven: 97.95% (525 out of 536 checked).

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

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

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 2 2024/25.

Outcomes and demands had generally increased throughout the team, for both partner local authorities. 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.

Members offered their thanks to all members of staff in recognition of performance achievements within the Revenues and Benefits Shared Service, particularly with added pressures.

#### **48. Revenues and Benefits - Financial Monitoring Quarter 2 2024/25**

##### Purpose of Report

To present to Members the first quarter's (ending 30 September 2024) performance for the Revenues and Benefits Shared Service for 2024/25, as detailed at Appendix 1 to the report.

##### **Decision**

That the actual position at Quarter 2 as detailed within the report be noted.

##### Alternation Options Considered and Rejected

None.

##### Reason for Decision

The forecast outturn for 2024/25 predicted there would be an overspend against the approved budget of £29,390, as set out in Appendix 2.

The current Medium Term Financial Strategy (MTFS) assumptions reflected a pay award of 3% in 2024/25, however the nationally agreed pay award was in excess of this, and whilst the offer had since been accepted by the Trade Unions it was not paid until November 2024, as such an estimate of the impact had been calculated at £41,180, split between each authority as follows; City of Lincoln £21,640 and North Kesteven £19,540

The approved budget for 2024/25 was agreed by the Shared Revenues and Benefits Joint Committee on 22 February 2024, which set a budget of £3,075,650 for the service.

At Quarter 1 the budget was increased to reflect New Burdens grants totalling £27,480, with no further changes at quarter two.

It should be noted that through Household Support Fund wave 5 (HSF5) 2024/25, the following internal administrative costs to the Revenues and Benefits Shared Service have been claimed for, to be paid by Lincolnshire County Council (with national funding for HSF5 coming from Department for Work and Pensions); City of Lincoln £18,618, North Kesteven £19,175. These amounts would however not come into the Revenues and Benefits shared service budget, and stay in the individual local authorities' budgets. Also, it was likely that internal administrative costs would also be claimed through Household Support Fund wave 6 (HSF6), in respect of 2024/25.

Financial performance as at the second quarter of 2024/25 as detailed in Appendix 1 to this report resulted in an overspend against the approved budget of £1,837, including the nationally agreed pay award.

The main forecast year-end variations against the approved budget for 2024/25 were noted within the table at paragraph 4.3 of the officer's report.

## **49. 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 Government's financial support provided to businesses in the form of NDR relief, as well as forthcoming changes to the NDR system.

The following updates were noted:

### ***NDR Changes and Significant Reliefs/Discounts***

At the Autumn Statement on 30 October 2024, the Chancellor announced that the Government would continue to provide a package of NDR measures to support businesses in England.

- The retail, hospitality and leisure relief (RHL) would continue for 2025/26 at 40% up to £110,000 per business. Although this relief was to continue, the reduction from 75% to 40% would be significant for a lot of businesses.
- The multipliers were announced for 2025/26 – the small business multiplier would be frozen at 49.9p again. The standard multiplier would be updated by the September 2024 CPI rate to 55.5p (2024/25 54.6p)

- Going forward from 2026/27 the Government intended to introduce two permanently lower multipliers for retail, hospitality and leisure properties. This would be paid for by a higher multiplier for properties with a rateable value (RV) of above £500,000. This meant that overall, there would be 5 different multipliers depending on the rateable value of the hereditament and the activities carried out at the hereditament. The details of these multipliers were not expected to be announced until the 2025 budget.
- Private schools were to lose their mandatory charity relief (80%) with effect from 1<sup>st</sup> April 2025, subject to Parliamentary process. Private schools which were 'wholly or mainly' concerned with providing full time education to pupils with an Education, Health and Care plan would remain eligible for the relief.

### *Retail, Hospitality and Leisure Relief*

Eligibility criteria for the Retail, Hospitality and Leisure Relief was set out by the Department for Levelling Up, Housing and Communities (DLUHC), now called Ministry of Housing, Communities and Local Government (MHCLG) and issued to Local Authorities on 20 December 2021. No changes were made to the qualifying criteria for the year 2024/25.

This relief had been extended for the year 2025/26 –whether there were any changes to the currently eligibility was pending the details being released by Government.

This was expected to end on 31 March 2026, with the introduction of the Retail, Hospitality and Leisure (RHL) multipliers.

The table at paragraph 4.5 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 2024/25.

### *Multipliers from 2026*

The most significant announcement for NDR in the budget was the announcement of alternative multipliers for qualifying properties from 1 April 2026.

The full details of this were not yet known as this would require changes to the legislation and more information was expected to be released as the legislation was developed.

Like most current reliefs, the RHL was currently delivered using discretionary powers found in Section 47 of the Local Government Finance Act 1988. In order to provide more certainty, the Government wanted to make the RHL a permanent feature of the NDR system and to level up NDR between online retailers and the High Street – the changes to the multipliers may go some way to doing this. Once this became part of the way the liability was calculated, it would no longer be a 'discretionary relief' under Section 47.

The five multipliers for 2026 were expected to be–

- Standard multiplier
- Small business multiplier

- Standard multiplier RHL
- Small business multiplier RHL
- Premium multiplier.

Any property with an Rateable Value in excess of £500,000 would have their rates calculated based on the premium multiplier, although properties in the RHL sector were expected to be based on either the Standard RHL or the Small business RHL. All other properties would therefore be calculated on either the standard or the small business multiplier as they were now.

Significant changes would need to be made to the current software in order for officers to be able to override the standard and small business multiplier in favour of the RHL where the activities at the property met the RHL eligibility.

#### *Transforming NDR – Information taken from CIPFA*

This paper was published by the Treasury as part of the Budget papers. The Government wanted to “create a fairer NDR system that protects the high street, supports investment, and is fit for the 21st century”.

The first step was the introduction of lower multipliers for retail, hospitality and leisure from 2026-27.

The paper invited business and other stakeholders to discuss how the government could deliver a transformed system.

The impact on the local government funding system would be considered in the review of NDR which the paper acknowledged was an important source of revenue for local government. The Government wanted to ensure that local government funding was not affected by these tax reforms.

The temporary RHL reliefs had meant uncertainty for businesses. The Government were looking to bring in more certainty by introducing a permanent reduction for retail properties with the introduction of the additional multipliers.

Other areas of reform included looking at the effectiveness of Improvement Relief, the loss of small business relief when taking on a second property, cliff edges in the system and empty property relief.

## **50. 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, and Financial Inclusion matters.

The national Welfare Reform agenda had impacted significantly 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 significant 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 (UC)*

The latest national figures published by the Department for Work and Pensions (DWP) were released on 12 November 2024, with statistics relevant to the period up to September 2024:

- 7,078,771 households receiving UC (an increase from 6,757,693 as reported at the last meeting of this Committee).

Local authority statistics:

- City of Lincoln – 13,142 (12,900 as at the last report).
- North Kesteven – 8,475 (8,172 as at the last report).

On 25 April 2022, the Secretary of State for Work and Pensions 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 had 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 19 April 2024 with plans to bring forward the managed migration of ESA cases. Notifications for this group commenced in September 2024.



DWP issued a letter to local authorities on 12 November 2024, which stated the aim of issuing the last UC migration notices in early December 2025, so that all in scope customers could be moved to UC and close legacy benefits (where appropriate) by the end of March 2026.

There had been numerous changes to the UC rollout/ migration timeline over the last decade, and the latest stated aimed timeline could be subject to change.

#### *Discretionary Housing Payments (DHP)*

On 13 March 2024, DWP announced DHP government grants for 2024/25. For City of Lincoln and North Kesteven, these were exactly the same amounts as for 2023/24 at £132,330 for City of Lincoln and £86,931 for North Kesteven respectively.

The table at paragraph 5.2 of the report broke down the number of DHP applications received and determined in Quarter 2 2024/25.

Local Housing Allowance (LHA) rates increased from 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)), having previously been 'frozen' for several years. Increased LHA rates may help affordability of rents for some private sector (and some social sector) tenants.

#### *Household Support Fund*

The report gave an update on the current position in relation to Household Support Fund wave 5 ('HSF5'), as well as the current wave of Household Support Fund – i.e. wave 6 ('HSF6').

#### *Household Support Fund wave 5 (HSF5)*

HSF5 covered the period 1 April to 30 September 2024. Allocated (from DWP, then Lincolnshire County Council) shares of HSF5 for our shared service local authorities, were:

- City of Lincoln: £252,352.96
- North Kesteven: £173,492.66.

Working hard as a shared service, and with a range of fantastic, trusted partner organisations, distributing HSF5 to those in need of assistance with support for food, fuel and wider essentials, the monies were distributed (the remaining funding was, in line with scheme guidelines, allocated and distributed with reasonable administrative expenses amongst delivery partners, as appropriate)

#### *Extension of Household Support Fund wave 6 (HSF6)*

On 2 September 2024, the Government announced an extension to the Household Support scheme. Department for Work and Pensions (DWP) stated there would be an extension to the Household Support Fund, for the next six months – i.e. 1 October 2024 to 31 March 2025.

Lincolnshire County Council had now received an allocation of HSF6 from DWP for Lincolnshire.

Indicative allocations of HSF6 had now been made by Lincolnshire County, and had been accepted by our shared service local authorities, as below:

- City of Lincoln Council: £296,862
- North Kesteven District Council: £204,093.

Officers have been proactive in preparing for delivery of the HSF6 schemes in our districts, we had used approximately half the allocation due to at the time of year, cold weather etc, but would try to make it last.

#### *Winter Fuel Payments and Pension Credit*

On 29 July 2024, the Chancellor announced that Winter Fuel Payments would become means-tested from 2024/25. Eligibility information had subsequently been made available on GOV.UK ([Winter Fuel Payment: Eligibility - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/winter-fuel-payment-eligibility)), as shown in paragraph 7.2 (of the officer's report).

Lincolnshire Financial Inclusion Partnership (see Section 9 of this report) had already planned a countywide Pension Credit take-up campaign in Autumn 2024, - this announcement had brought forward this activity, and communications and take-up activities were now taking place to encourage and assist residents in claiming Pension Credit as soon possible. A national Pension Credit Week of Action also took place in week-commencing 9 September 2024 ( ["You could get Pension Credit" – Week of Action to drive take up - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/pension-credit-week-of-action)).

In the Chancellor's statement on 29 July 2024, the potential of Housing Benefit and Pension Credit being 'merged' was mentioned. Any merger (whether this be into Housing Benefit, or into Pension Credit), would be likely to take several years. Officers were working as part of a small working group with national DWP as to what this closer working might mean and how it could best be delivered.

#### *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 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.

Three key areas of high-profile engagement by LFIP in 2024/25, were:

- A co-ordinated countywide approach to Pension Credit take-up activity;
- Co-ordination of 'Talk Money Week' activities in Lincolnshire during November 2024: [Talk Money Week \(moneyhelper.org.uk\)](https://moneyhelper.org.uk) ;
- A conference to be held on 27 February 2025, at The Storehouse in Skegness ([HOME | The Storehouse](https://www.home-together.co.uk/the-storehouse)), 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.

Representatives of LFIP also presented a well-received session at the Lincolnshire Suicide Prevention Conference held at Bishop Grosseteste

A number of announcements as part of the Chancellor's Autumn Budget on 30 October 2024 impacted on benefits and cost of living support, with highlights being:

- *The settlement provides £1 billion in 2025-26 to extend the Household Support Fund in England and Discretionary Housing Payments in England and Wales. Local authorities will use this funding to support households facing the greatest hardship.*
- *The government is also helping low-income households on Universal Credit (UC) by creating a new Fair Repayment Rate. This will cap UC repayments at 15% of the standard allowance, benefiting 1.2 million households by allowing them to keep more of their UC award each month.*
- *The settlement also allocates additional funding to increase the take up of Pension Credit and support work to allow the administration of Pension Credit and Housing Benefit to be brought together for new claimants from 2026.*

University in Lincoln, on 4 September 2024, in respect of the links between Money and Mental Wellbeing.

In terms of the well-documented ongoing national cost of living pressures, both our partner Councils continued 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 \(n-kesteven.gov.uk\)](#) .

City of Lincoln Council approved funding for some cost of living projects through the UK Shared Prosperity Fund, for 2024/25, and this work continued to deliver effective initiatives working with a range of partners.

*Autumn Budget 2024*

Following the Autumn Budget, The Secretary of State for Work and Pensions confirmed in a written statement to Parliament:

- *I have concluded my statutory annual review of state pension and benefit rates under the Social Security Administration Act 1992. The new rates will apply in the tax year 2025/26 and will mainly come into effect from 7 April 2025.*
- *I am pleased to announce that the basic and new state pensions, and the standard minimum guarantee in pension credit, will be increased by 4.1%, in line with the increase in average weekly earnings in the year to May-July 2024. Other state pension and benefit rates covered by my statutory review will be increased by 1.7%, in line with the increase in the consumer prices index in the year to September 2024. This includes universal credit and other benefits and statutory payments linked to participation in the labour market; and additional state pension and pension credit elements other than the standard minimum guarantee.*
- *Although not covered by my statutory review of state pension and benefit rates, I can also inform the House that local housing allowance rates for 2025/26 will be maintained at the 2024/25 levels, following their increase in April 2024; and that the benefit cap has not been reviewed for 2025/26 and will also be maintained at the 2024/25 levels.*

Officers would continue to keep abreast of the detail relating to these announcements, proactively responding as appropriate.

Members thanked the whole Shared Revenues and Benefits Team for all their hard work in supporting vulnerable members of the public. It was emphasised the vital importance of partnership working both now and into the future.