

**Present:** Councillor Ray Cucksey (*in the Chair*),  
Councillor Donald Nannestad and Councillor Ric Metcalfe

**Apologies for Absence:** Councillor John Money

**27. Confirmation of Minutes - 28 November 2017**

RESOLVED that the minutes of the meeting held on 28 November 2017 be confirmed.

**28. Declarations of Interest**

No declarations of interest were received.

**29. Members' Summary of Reports**

A summary of the reports contained within the agenda pack for this meeting was noted.

It was agreed that this summary would not be necessary for future meetings given the quality of the reports presented to the committee, which would usually contain an executive summary.

**30. Performance Update**

Purpose of Report

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

**Decision**

That performance in the Revenues and Benefits Shared Service be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

*Council tax*

As at the end of quarter three, in-year collections compared to the same point in 2016-17 were as follows:

- the City of Lincoln was slightly up by 0.05%;
- North Kesteven was slightly down by 0.18%.

Members were informed that the latest update to the end of January 2018 was as follows:

- the City of Lincoln was up by 1.12%;

- North Kesteven was down by 0.12%.

It was noted that the collectable debit for both the City of Lincoln and North Kesteven had increased from 2016/17 by £1.93m and £2.88m respectively.

### *Business rates*

Compared to the same point in 2016/17, as at the end of quarter three, all three in-year business rates collections for which the shared service was responsible had improved, as follows:

- City of Lincoln was up by 1.15%;
- North Kesteven was up by 0.32%;
- West Lindsey was up by 0.33%.

Tables set out at paragraphs 4.8 of the report highlighted the net collectable debit and total net receipt, when compared to the end of the third quarter of 2016/17.

### *Outstanding revenues customers*

The number of outstanding revenues customers in the document imaging system had decreased significantly from quarter two to quarter three 2017/18. Lincoln had reduced from 624 to 80 and North Kesteven had reduced from 393 to 68, equating to a total of 148 outstanding items at the end of December 2017. This was a reduction of 290 from the figure at the end of December 2016. As at 20 February, the total had decreased slightly further to 125 with Lincoln totalling 74 and North Kesteven totalling 51.

### *Housing benefit overpayments*

As at the end of quarter three 2017/18, in-period collections stood at 74.92% for Lincoln and 87.47% for North Kesteven which represented an ongoing positive performance in this area. However, despite the positive rates of in-period overpayments collection, the ongoing issue of outstanding level of overpayments continued.

Members were informed that the latest update to the end of January 2018 was 76.37% for Lincoln and 85.52% for North Kesteven.

It was recognised that, due to the higher level and demographic of caseload, a much higher level of housing benefit overpayment was raised for the City of Lincoln compared to North Kesteven. Up to the end of quarter three in 2017/18 the figures for housing benefit overpayments outstanding was £4,248,202 and £1,823,456 respectively.

### *Benefits performance*

Outstanding assessment work had decreased by 31% from quarter two to quarter three in 2017/18, although the outstanding figure of 934 was higher than at the end of quarter three in 2016/17 which at that time was 829. Further information in relation to this was set out in a table at paragraph 5.1 of the report.

It was noted that average processing times, financial accuracy and customer satisfaction all continued to perform well.

It was reported that, overall, the benefits service was displaying positive performance, despite a raft of challenges and legislative and procedural changes largely due to the ongoing rollout of welfare reforms.

### **31. Financial Monitoring Quarter 3 2017/18**

#### Purpose of Report

To present the Joint Committee with the third quarter performance for the Revenues and Benefits Shared Service for 2017/18.

#### **Decision**

- (1) That financial performance for the Revenues and Benefits Shared Service for the third quarter of 2017/18 be noted.
- (2) That the base budget for the Revenues and Benefits Shared Service be reviewed once the outturn position is confirmed at the end of the financial year.

#### Alternative Options Considered and Rejected

None.

#### Reason for Decision

The approved budget for 2017/18 contained a contingency budget of £20,000 within revenues and benefits management costs to cover unforeseen events. The budget had subsequently been revised to accommodate items such as the housing benefit stop notice, the IT costs associated with the local authority data sharing programme and Universal Credit. A table of these costs for the City of Lincoln Council and North Kesteven District Council were set out in paragraph 3.2 of the report.

Finance performance for the third quarter of 2017/18 was detailed in Appendix 1 to the report, setting out an underspend against the approved budget of £129,802. The forecast outturn for 2017/18 predicted that there would be an underspend against the approved budget of £181,887. Further details were included in Appendix 2 of the report.

Benefits staffing and New Burdens funding were noted as being the main contributing factors of the underspend. In terms of benefits staff, posts were career graded and the budget had been historically set to reflect all posts being paid at the highest possible grade. The benefits team consisted of staff at different levels of the career grade depending on their experience and the complexity of cases they were dealing with, which explained the projected underspend in this area. The way in which this particular budget was managed would change next year to ensure that projections were more accurate. With regard to New Burdens funding, it was reported that this was additional funding awarded throughout the year which was not necessarily expected, with additional work undertaken within existing resources.

It was proposed that the base budget for the Revenues and Benefits Shared Service be reviewed once the outturn position was confirmed at the end of the

financial year. It was noted that this would take place through each of the partner authority's decision making processes as part of their respective budget cycles.

Discussion ensued on the use of agency staff and it was noted that, particularly at peak times of the year, the Shared Service did sometimes require agency staff but that the levels of agency staff used were very low when compared to some other authorities. It was noted that the cost implications of using agency staff for these relatively short, busy periods was comparable to the cost of permanently employed staff when taking into consideration the on-costs. Members agreed that the appointment of permanent staff would be preferable, but acknowledged that the service did require flexibility at peak times which the use of agency staff did provide.

## **32. Revenues and Benefits - base budget forecast 2018/19**

### Purpose of Report

To present the Joint Committee with the base budget forecast for the Revenues and Benefits Shared Service for 2018/19.

### **Decision**

That the base budget forecast for the Revenues and Benefits Shared Service for 2018/19 be approved.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

The Revenues and Benefits Shared Service was delivering savings for the City of Lincoln Council and North Kesteven District Council in excess of £500,000 per annum, discounting additional new burdens grant funded expenditure in 2018/19. A full reconciliation to the previous base budget forecast was appended to the report.

A report on the final base budget for the Revenues and Benefits Shared Service would be reported to the next meeting of the Joint Committee in June 2018.

## **33. Housing benefit overpayments update**

### Purpose of Report

To provide the Joint Committee with an update on the recovery of housing benefit overpayments.

### **Decision**

- (1) That the report be noted.
- (2) That the Joint Committee supports plans to continue the 'housing benefit overpayment action plan' in relation to the areas outlined in the report for 2018/19, including re-allocation of resources to undertake this work.

## Alternative Options Considered and Rejected

None.

### Reason for Decision

It was noted that housing benefit overpayments occurred for a variety of reasons. Due to the nature of the relatively large amounts of housing benefit being paid over an extended period, individual overpayments could be sizeable and, for some debts, could take many years to recover at standard weekly rate deductions from ongoing housing benefit entitlement and Department for Work and Pensions benefits.

As at the end of quarter three, the value of outstanding overpayments for the City of Lincoln and North Kesteven were £4,248,202 and £1,823,546 respectively. From quarter two this was an increase for the City of Lincoln of £126,979 and a decrease for North Kesteven of £29,729. Appendix 1 to the report highlighted the current recovery status of housing benefit overpayments for both the City of Lincoln and North Kesteven. It provided a breakdown of the number and value of overpayments for both council and private tenants. The table at paragraph 4.2 of the report showed the value of overpayments raised so far in 2017/18 and how this equated to the total value of housing benefit paid out.

An update on the 2017/18 action plan was included within the report.

In terms of the 2018/19 action plan it was noted that the level of resource allocated to overpayments needed to be reviewed, due to the uncertainty of central government funding within the Revenues and Benefits Service. A report on the outcome of this review would be reported to the Joint Committee on 12 June 2018 along with a proposed timetable of work for 2018/19.

Reference was made to the Department for Work and Pensions' offer of free consultancy work to assist with delivery of the action plan and identify any other initiatives that may be introduced. This offer had been accepted and would be on the basis of a 'critical friend', with a representative from the Department for Work and Pensions scheduled to meet with officers on 27 February 2018.

Discussion ensued on the reasons why housing benefit overpayments were made, with one of the main reasons being that people were failing to report changes in their circumstances. A question was raised as to whether there was anything that could be done in an electronic or automated capacity to assist in reminding people to report a change in their circumstances. A campaign had been considered previously through text messaging but this proved relatively unsuccessful due to people's information becoming out of date and approximately 50% of the messages being undelivered when used for another purpose.

It was noted that the Shared Service did have links with HMRC who shared 'real-time' information which would indicate any changes in income. This was one of the reasons why more overpayments had been registered as prior to this sharing of information so many changes in income may not have been known.

Members also discussed the importance of people understanding what they were entitled to claim, noting that information and examples were set out on the back of benefits notifications.

### 34. Non-Domestic Rates Update

#### Purpose of Report

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

#### **Decision**

That the report be noted.

#### Alternative Options Considered and Rejected

None.

#### Reason for Decision

Updates on the following schemes were noted in response to the spring budget in 2017:

##### *Business rate pilot – 100% business rate retention in 2018/19*

Further to the report provided to the previous meeting, which set out the scope for the 100% business rate retention pilot in 2018/19, it was noted that Lincolnshire's bid had been successful. For Lincoln and North Kesteven, of the 100% business rates retained in their respective area, 60% would be retained by the City or District Council and 40% would be retained by the County Council.

##### *Supporting small business relief scheme*

The number of hereditaments that had been identified and had benefitted from the scheme since April 2017 for each of the three authorities was noted as follows:

- City of Lincoln – 7 identified, with 6 responding and the award totalling £6,060;
- North Kesteven – 24 identified, with 20 responding and the award totalling £26,821;
- West Lindsey – 25 identified, with 16 responding and the award totalling £22,637.

This scheme would continue in 2018/19.

##### *Support for pubs scheme*

The returns for this scheme as at 3 January 2018 were noted as follows:

- City of Lincoln – 70 identified and 27 awards made, totalling £26,016;
- North Kesteven – 41 identified and 36 awards made, totalling £33,602;
- West Lindsey – 60 identified and 33 awards made, totalling £28,445.

This scheme would continue in 2018/19.

Discussion ensued on the relatively low number of applications that had been submitted from premises in Lincoln and it was suggested that this may be due to the number of premises in the city attached to or managed by large national chains. Officers agreed to investigate this further.

### *Discretionary relief scheme*

The different schemes adopted by each local authority were appended to the report. The returns for this scheme as at 3 January 2018 were noted as follows:

- City of Lincoln – 675 identified and 191 awards made, totalling £44,008;
- North Kesteven – 540 identified and 100 awards made, totalling £32,412;
- West Lindsey – 119 awards made, totalling £35,459.

## **35. Universal Credit**

### Purpose of Report

To provide the Joint Committee with an update to the national and local position of Universal Credit.

### **Decision**

That the report be noted and that future updates in relation to Universal Credit be provided as part of the regular 'Welfare Reform Update' reports.

### Alternative Options Considered and Rejected

None.

### Reason for Decision

The Revenues and Benefits Shared Service had worked with the Department for Work and Pensions, Jobcentre Plus, Customer Services, Housing and Communications colleagues to devise a full service preparation action plan. This was outlined in Appendix 1 of the report. This document provided details regarding all activities required to ensure the Shared Service, associated teams and customers were prepared for full service roll-out. The plan also included key information such as the action required and how it would be achieved, the lead officer and links to the strategic plan and associated policies.

To ensure that the activities identified within the action plan were undertaken, joint monthly meetings were taking place and included representatives from the Shared Service, City of Lincoln Council, North Kesteven District Council, Jobcentre Plus and the Department for Work and Pensions.

Paragraphs 6.1 to 6.6 of the report set out key information included and announced as part of the Autumn Statement in November 2017. A further announcement had been made on 23 November 2017 and a new transition for roll-out had confirmed that the Lincoln Jobcentre would continue to roll-out on 7 March 2018, with Sleaford Jobcentre being moved back from July 2018 to November 2018. It was noted that a number of North Kesteven postcodes would migrate over to full service between 7 March 2018 and November 2018, which were shown in the table under paragraph 6.6 of the report.

The Welfare Reform and Project Officer had been working with City of Lincoln housing and council tax colleagues to monitor the impact that Universal Credit claims were currently having on rent and council tax arrears. The data showed that, of the 138 City of Lincoln tenants in receipt of Universal Credit, 60 of them had an increase in their arrears, totalling £15,811.

A Universal Credit update report was presented to the Lincoln Corporate Management Team on 28 November 2017, where it was proposed to introduce a Universal Support Team led by the Welfare Reform and Project Officer. This proposal was supported on a 'test and learn' basis with a review date of July 2018. It was recognised that any arrangement, at least for the first year of Universal Credit full service, would need to be flexible in order to react to changing priorities and demands, and to establish the most effective way of working in a live environment.

It was reported that the following events had recently been held to provide an update on the latest developments in respect of Universal Credit:

- briefing with City of Lincoln Council members – 17 January 2018;
- briefing with Lincoln stakeholder groups – 30 January 2018;
- briefing with the Lincoln Private Landlord Forum – 12 February 2018;
- briefing with North Kesteven District Council members – 19 February 2018.

Discussion ensued on assisted digital support regarding online applications and reassurance was given that adequate support would be provided by staff to ensure that people were getting the assistance they needed, and that this would not be limited to 10 minutes per client as suggested in the report. All instances of staff providing digital support would be recorded and it was also noted that 24 self-service computers had been made available at Lincoln College by way of an overflow facility. It was acknowledged that some people may struggle with the concept of using a computer to access services, which was why the digital support being offered was so important.

It was noted that sufficient information should have been collated by the Joint Committee's next meeting to gain an understanding as to how the Universal Credit roll-out was going in Lincoln.

The Joint Committee placed on record its thanks to the Head of the Shared Service and his team for their fantastic work in preparation for the roll-out of Universal Credit.

## **36. Welfare Reform Update**

### Purpose of Report

To update the Joint Committee on progress with the Shared Service's Welfare Reform Strategy Action Plan.

### **Decision**

That the report be noted.



## Alternative Options Considered and Rejected

None.

## Reason for Decision

Updates on the following aspects of 2017/18 welfare reforms were included in the report:

- restrictions on amounts for children and qualifying young persons;
- changes in hardship payments for mentally ill and homeless;
- support for mortgage interest payments;
- employer childcare vouchers no longer being available to new claimants;
- self-employed national insurance contributions changes.

Progress with the Shared Service's Welfare Reform Strategy Action Plan and Universal Credit Preparation Plan was monitored on a quarterly basis by the Joint Committee and an update on progress for both plans was appended to the report. The following aspects of the Welfare Reform Strategy Action Plan were highlighted:

- development of the training delivery plan for Universal Credit and the Universal Support Delivered Locally Programme;
- other opportunities for co-location to support the Universal Support Delivered Locally Programme;
- Invest to Save monthly monitoring;
- review of 2017/18 Council Tax Support Schemes for the 2018/19 schemes;
- assessment of options for 2018/19 Council Tax Support Schemes, including links into Universal Credit.

The Joint Committee expressed its thanks to the Revenues and Benefits Shared Service for its excellent performance and for the excellent work it had undertaken in readiness for the roll-out of Universal Credit. The Chair agreed to directly email all Revenues and Benefits Shared Service staff to convey his personal thanks on behalf of the Committee.