

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

Apologies for Absence: None.

57. Confirmation of Minutes - 26 November 2020

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

58. Declarations of Interest

No declarations of interest were received.

59. Covid-19 Impacts on Revenues and Benefits Service

Purpose of Report

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

Decision

That the report be noted and an update be presented at the 22 June 2021 meeting of this Committee.

Alternative Options Considered and Rejected

None.

Reason for Decision

The report outlined the key impacts on the shared service following the first 'lockdown' and subsequent lockdowns in the United Kingdom as at Quarter 3 2020/21.

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

In terms of staffing, all members of the Revenues and Benefits had been mobilised to work from home during a two-week period during March 2020. Around one-quarter of the team already had working from home IT facilities in place, mainly for ad hoc purposes and specific tasks, so the concept was proven – however, the large scale deployment of staff to work from home (not only within the shared service, but across the partner Councils as a whole too) had been unprecedented.

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

In respect of Business Rates, there had been a 34% increase in telephone calls and a 37% increase in incoming correspondence in Quarter 3 2020/21 (in comparison to Quarter 3 2019/20). Council Tax had increased by 37% in relation to e-forms and there had been a 13% increase in incoming emails in Quarter 3 2020/21 (in comparison to Quarter 3 2019/20). There had also been a 14% reduction in telephone calls and a 3% reduction in incoming post. Benefits had received a 55% increase in Council Tax Support claims and changes in Quarter 3 2020/21 (compared to Quarter 3 2019/20) and a 75% increase in Universal Credit related documents in Quarter 3 2020/21 (compared to Quarter 3 2019/20).

60. Performance Update

Purpose of Report

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

Decision

That the report be noted and an update be presented at the next meeting of this Committee on 22 June 2021.

Alternative Options Considered and Rejected

None.

Reason for Decision

The report provided information on Revenues performance with regard to Council Tax for the City of Lincoln Council and North Kesteven District Council, together with business rates in respect of the City of Lincoln Council, North Kesteven District Council and West Lindsey District Council. This provided figures for the current year 2020/21 up to the end of Quarter 3 2020/21, including annual outturn Revenues and Benefits performance for 2019/20.

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

- Reduced levels of recovery action being taken in the first half of 2020/21 – only courts dates for summoned monies had been available (on 16th December 2020 and 21st January 2021);
- Deferrals of Council Tax and Business Rates payments being permitted;
- Processing a significant increase in Housing Benefit and Council Tax Support claims, and Universal Credit related documents;
- Assessment and award of new government reliefs and grants

The Revenues and Benefits Shared Service had now been in operation since 1st June 2011, and performance had been maintained and improved whilst continuing to provide value for money. Continual improvement and success was being achieved in terms of both statistical and financial performance, as well as

positive outcomes for customers of the partner local authorities. However, the Covid-19 global pandemic had understandably impacted on some areas of performance, - these impacts were likely to continue for many more months due to the cumulative effect of Covid-19 on household and business incomes.

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

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

The Lincoln figure in particular by the demographic of business types, remained somewhat 'skewed' by the new reliefs available this year in light of the new measures announced as part of the government's Covid-19 response, predominantly the Expanded Retail Discount.

Further information relating to outstanding revenues customers and housing benefit overpayments was set out in the report. The latest figures as at the end of Quarter 3 2020/21 indicated that outstanding revenues stood at a total of 1,309 of which 936 were from the City of Lincoln and 373 were from North Kesteven. Although this figure had increased in recent months, this was as a direct result of the first and second Covid-19 national lockdowns ending and house moves increasing resulting in increased enquiries to the Revenues Team, as well as a temporary reduction in the level of staffing resources on the team due to unforeseen circumstances.

In terms of benefits performance, the table at paragraph 5.2 of the report highlighted the time to process benefit claims at the end of Quarter 3 2020/21 for new claims compared to the end of Quarter 3 2019/20 showed the City of Lincoln performing at 16.72 days and North Kesteven performing at 14.98 days. In relation to changes of circumstances the time to process benefit claims at the end of Quarter 3 2020/21 compared to the end of Quarter 3 2019/20 showed the City of Lincoln Council performing at 4.27 days and North Kesteven performing at 3.10 days. The latest figures as at the end of January 2021 showed the City of Lincoln performing at 16.84 days for new claims and 4.11 days for changes of circumstances. North Kesteven as at the end of January 2021 were performing at 15.07 days for new claims and 3.07 days for changes in circumstances.

Provision of welfare and benefit advice given continued to be key with a team of dedicated and knowledgeable officers providing invaluable support to residents of Lincoln, as set out in further detail within the table at Paragraph 6.2 of the officer's report.

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

Purpose of Report

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

Decision

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

Alternative Options Considered and Rejected

None.

Reason for Decision

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

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

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

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

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

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

Purpose of Report

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

Decision

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

Alternative Options Considered and Rejected

None.

Reason for Decision

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

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

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

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

63. Business Rates Update

Purpose of Report

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

Decision

That the content of the report be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

The following updates were noted:

Expanded Retail Discount

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

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

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

Nursery Discount

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

Support for Businesses – Lockdown Grants

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

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

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

Local Restrictions Support Grant-Closed Addendum Payment

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

The level of funding for this grant was as follows:

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

Closed Businesses Lockdown Payment (CBLP)

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

The level of funding was as follows:

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

Fire Stations and Hospitals-Potential Reductions in Rateable Value

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

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

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

64. Welfare Reform, Test and Trace Support Payments, Discretionary Housing Payment - Update

Purpose of Report

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

Decision

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

Alternative Options Considered and Rejected

None.

Reason for Decision

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

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

The report outlined details of the COVID-19 Test and Trace Self Isolation Payments introduced from 28 September 2020 to support those who had been told to self-isolate. At the end of June 2021 the eligibility criteria would be extended to include anyone who had to stay off work to look after someone who was self isolating. Funding would continue to be reviewed

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

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

| | | |
|--|------|------|
| | NKDC | COLC |
|--|------|------|

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

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

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

Latest figures for Discretionary Housing Payments spend showed an unallocated grant of £55,000 remaining for City of Lincoln and £50,000 for North Kesteven, This figure could be reflected against a total allocated fund of £250,113 for City of Lincoln and £172,612 for North Kesteven in 2020/21

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

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

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