

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

Apologies for Absence: None.

10. Confirmation of Minutes - 22 June 2021

RESOLVED that the minutes of the meeting held on 9 September 2021 be confirmed and signed by the Chair.

11. Declarations of Interest

No declarations of interest were received.

12. 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

On 3 March 2021 the Chancellor of the Exchequer announced that eligible retail, hospitality and leisure properties in England would be granted 100% business rates relief from 1 April 2021 to 30 June 2021; and 66% relief from 1 July 2021 to 31 March 2022, limited to £2 million per business for properties closed on 5 January 2021, or £105,000 per business for other eligible properties. Local authorities would be reimbursed if they used their discretionary relief powers.

Nursery Discount

On 3 March 2021 the Chancellor of the Exchequer announced that eligible nursery properties in England would continue to be granted 100% business rates relief from 1 April 2021 to 30 June 2021; and 66% relief from 1 July 2021 to 31 March 2022, limited to £105,000 per business for other eligible properties. Local authorities would be reimbursed if they used their discretionary relief powers.

Discount for businesses affected by Covid-19

On 25 March 2021, the government announced funding of £1.5 billion for businesses affected by Covid-19, who had been unable to benefit from the existing relief for retail, hospitality and leisure businesses. It was stated that a 'material change of circumstance' would not be included in the criteria for obtaining the funds and detailed guidance had not been published,

Fire Stations and Hospitals - Potential Reductions in Rateable Value

On 4 December 2020, the Valuation Office Agency (VOA) advised all local authorities that they might see changes in the rateable values of hospitals and fire stations, with reductions on average of around 10% on hospitals; and 9% on fire stations, depending on the age of the properties.

On 20 May 2021 the VOA advised that following a challenge to the proposed rateable values of court buildings, average reductions in rateable values of these buildings of 18% would be expected, with the reductions applying from 1 April 2017.

Public Toilet Relief

The Non-Domestic Rating (Public Lavatories) Act 2021 had introduced a requirement for 100% mandatory business rates relief to hereditaments that consisted wholly or mainly of public lavatories, which would apply from 1 April 2020.

13. Revenues and Benefits - Financial Monitoring Quarter 1 2021/22

Purpose of Report

To provide the Joint Committee with the first quarter's financial performance for the Revenues and Benefits Shared Service for 2021/22.

Decision

That the actual position at Quarter 1 be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

The approved budget for 2021/22 had been agreed by the Joint Committee on 23 February 2021 and had been set as £2,584,830 for the shared service. Financial performance for the first quarter of 2021/22 was detailed in Appendix 1 of the report, which reported an underspend against the approved budget of £39,211.

The forecast outturn for 2021/22 predicted that there would be an underspend against the approved budget of £75,191 with further details set out in Appendix 2 of the report. A summary of the main forecast year-end variations against the approved budget for 2021/22 was outlined in paragraph 4.3 of the report.

14. 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 25 November 2021.

Alternative Options Considered and Rejected

None.

Reason for Decision

The report provided information on revenues performance for Quarter 1 2021/22 for (a) council tax for the City of Lincoln Council and North Kesteven District Council; and (b) business rates for the City of Lincoln Council, North Kesteven District Council and West Lindsey District Council. Comparisons to the national and local position in terms of performance was provided, where possible.

Performance continued to be impacted by Covid-19. Actions in response to the impact of Covid-19 had included:

- deferrals of council tax and business rates payments where applicable and appropriate;
- processing a significant increase in housing benefit and council tax support claims, and universal credit related documents; and
- assessment and award of new government reliefs and payments (such as Test and Trace Support payments)

The revenues and benefits shared service had now been in operation since 1 June 2011, and performance had been maintained and improved whilst continuing to provide value for money. Continual improvement and success were being achieved in both statistical and financial performance, as well as positive outcomes for customers of the partner local authorities. However, the Covid-19 pandemic 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 1 2020/21, in-year collection decreased for both the City of Lincoln and North Kesteven by 0.81% and 0.10% respectively. Due to the financial impacts of Covid-19 on residents' incomes, it was anticipated that the recovery of monies would remain a real challenge throughout 2021/22. Net collectable debit for 2021/22 (compared to 2020/21) had increased by £3.5m for Lincoln and £3.1m for North Kesteven.

In respect of business rates, for Quarter 1 2021/22, compared to the same point in 2020/21, in-year collection was down for all three Local Authorities, 12.21% for Lincoln, 5.01% and 3.42% for North Kesteven and West Lindsey respectively. However, these figures were significantly affected by the new reliefs available in 2020/21 (namely expanded retail discount) and into 2021/22, so comparing 2021/22 to 2020/21 and to 2019/20, was not appropriate.

As detailed at paragraph 4.8 of the report, there had been key movements in the business rates bases in the first quarter.

At the end of quarter 1 2021/22, outstanding revenues customer cases stood at a total of 3,354, of which 2,255 were from the City of Lincoln and 1,099 were from North Kesteven. Previous reports were not comparable, owing to customer e-mails now being captured in the Revenues Document Management System, The reported figure at the end of Quarter 1 2021/22 would effectively become the new 'baseline'.

An action plan was in place to address the level of demand on the revenues team, which remained high, in terms of incoming correspondence, telephone calls and e-mails.

The table at paragraph 5.2 of the report indicated that City of Lincoln was processing benefit claims in 16.81 days, compared to North Kesteven at 13.77 during quarter one.

Provision of welfare and benefit 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 6.1 of the officer's report. Officers agreed to provide this Committee with comparisons of the Welfare Team's performance in quarter one 2021/22 compared to previous years.

15. Welfare Reform 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.

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.

As a result of Covid-19, there had been a number of changes made to legacy benefits, universal credit and support for those in or retaining employment, which had been reported previously. The £20 per week uplift in universal credit payment was due to end in the autumn of 2021. The Team would proactively support customers, where it was practicably possible, once the uplift had come to an end.

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 was able to explain to customers what support was available; to undertake assessments for universal credit, housing benefit, council tax support and discretionary housing payments; and to provide advice and guidance to the Revenues and Benefits staff regarding changes to legislation.

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 and had a legal obligation to do so. The national scheme was due to end on the 30 September 2021.

As at 30 July 2021, in total the welfare reform support team had received 2,047 applications for Lincoln and 1,117 for North Kesteven for test and trace self-isolation payments or through the winter grant scheme, with 714 clients for Lincoln and 364 for North Kesteven having received a payment.

Latest figures for discretionary housing payments (DHP) spend showed an unallocated grant of £21,689 remaining for City of Lincoln and £18,789 for North Kesteven, This figure could be reflected against a total allocated fund of £138,379 for City of Lincoln and £95,525 for North Kesteven in 2021/22. However, these allocations were only based on 71% of the national grant allocation – a mid-year review is to take place nationally and further discretionary housing payment grants awarded to local authorities as appropriate. The first round of DHP grants for both local authorities had been exhausted and other cash-limited internal budgets being utilised until the second round of grants was announced by central government.

The council tax hardship fund, which had been part of the government's response to Covid-19, had been expected to be used to provide council tax relief, alongside existing local council tax support schemes for 2020/21. The amounts spent up to 21 May 2021, paid towards the year 2020/21, were:

- City of Lincoln Council £678,946 towards 3,893 individual council tax accounts
- North Kesteven £279,681 towards 2,562 individual council tax accounts

The remaining balance of the awards would be allocated towards helping the most vulnerable with further council tax relief alongside existing local council tax support schemes for the year 2021/22.

Initial allocations were paid to eligible Council Tax accounts in July 2021, as follows:

- City of Lincoln Council: £359,922;
- North Kesteven: £172,686.