

SUBJECT: PERFORMANCE UPDATE

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: MARTIN WALMSLEY, HEAD OF 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 information up to the end of Quarter 2 2017/18.
- 2.2 The Revenues and Benefits Shared Service has now been in operation since 1st June 2011, and performance has continued to be maintained and improved whilst providing 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.

3. Background

- 3.1 At the 5th September meeting of this committee, a report was presented detailing Revenues and Benefits performance up to the end of Quarter 1 2017/18.
- 3.2 Performance is reported to this committee on a quarterly basis.

4. Revenues Performance

4.1 Council Tax

- 4.2 As at the end of Quarter 2, in-year collections compared to the same point in 2016/17 are both higher – by 0.14% (Lincoln) and 0.09% (North Kesteven). This is positive, especially in consideration of changes to localised Council Tax Support schemes.
- 4.3 When considering the current collection levels, it should be noted that the collectable debit for both City of Lincoln and North Kesteven have increased from 2016/17 by £1.95m and £2.88m respectively. As a result of this, the collection figure (£'s) has increase from 2016/17 as shown in the 3rd column in the tables below in paragraph 4.4.

4.4 City of Lincoln:

	Collection %	Collection (£)	Net collectable debit (£)	Total net receipt (£)
September 2017	53.17	20,966,074	39,488,573	20,997,692
September 2016	53.03	19,906,449	37,538,089	19,906,203
Difference	+0.14	+1,059,625	+1,950,484	+1,091,489

North Kesteven:

	Collection %	Collection (£)	Net collectable debit (£)	Total net receipt (£)
September 2017	58.14	33,457,603	57,546,617	33,458,914
September 2016	58.05	31,731,297	54,662,011	31,731,069
Difference	+0.09	+1,726,306	+2,884,606	+1,727,845

4.5 Business Rates

4.6 Compared to the same point in 2016/17, as at the end Quarter 2 in-year Business Rates collection performance is as follows:

- City of Lincoln 1.05% up;
- North Kesteven 0.01% up;
- West Lindsey 0.29% down.

4.7 Although West Lindsey collection is still lower than the same point in 2016/17, collection was further behind earlier in 2017/18 so progress is being made. This will continued to be closely managed and monitored.

4.8 It should be noted that total net receipt had also increased for City of Lincoln and North Kesteven from 2016/17 by £165k and £31k respectively. As a result of this, the collection figure (£'s) has increase from 2016/17 as shown in the 3rd column in the tables below in paragraph 4.7.

4.9 The table below details the above information for City of Lincoln

City of Lincoln:

	Collection %	Collection (£)	Net collectable debit (£)	Total net receipt (£)
September 2017	61.13	26,952,133	44,089,862	26,953,489
September 2016	60.08	26,789,900	44,590,380	26,788,049
Difference	+1.05	+162,233	-500,518	+165,440

North Kesteven:

	Collection %	Collection (£)	Net collectable debit (£)	Total net receipt (£)
September 2017	62.63	16,522,473	26,381,084	16,523,643
September 2016	62.62	16,491,678	26,336,120	16,492,761
Difference	+0.01	+30,795	+44,964	+30,882

4.10 Outstanding Revenues Customers

4.11 The number of outstanding Revenues Customers in our document imaging system has increased from Quarter 1 to Quarter 2 2017/18 – Lincoln from 503 to 624, and North Kesteven from 337 to 393. This is largely due to a reduced resource on the Council Tax Administration Team during Quarter 2 whilst recruitment was taking place – whilst this is being addressed, as at the time of writing this report the team is still not at full capacity. It should be noted that the number outstanding has decreased from the end of August (Lincoln 724, North Kesteven 476), which indicates progress is being made.

4.12 An extremely positive update is the progress with implementing e-forms within the shared service, and in particular in the Council Tax Administration Team, with e-move forms and an integrated on-line Direct Debit mandate now in place and operating successfully. Further plans are being developed, which it is envisaged will assist the team to become more efficient enabling quicker turnaround of telephone and e-mail customer enquiries. City of Lincoln's Business Development Team, aided by a successful bid for Local Government Association funding to drive forward channel shift, has been instrumental in working with the Council Tax Administration Team to identify opportunities, develop and implement e-enabled solutions to improve customer experiences and provide efficiencies.

4.13 Prior Year Arrears for Council Tax and Business Rates

4.14 It is pleasing to report that prior year arrears for Council Tax and Business Rates have continued to reduce, demonstrating the focus also being in respect of recovering these monies as well as in-year collection.

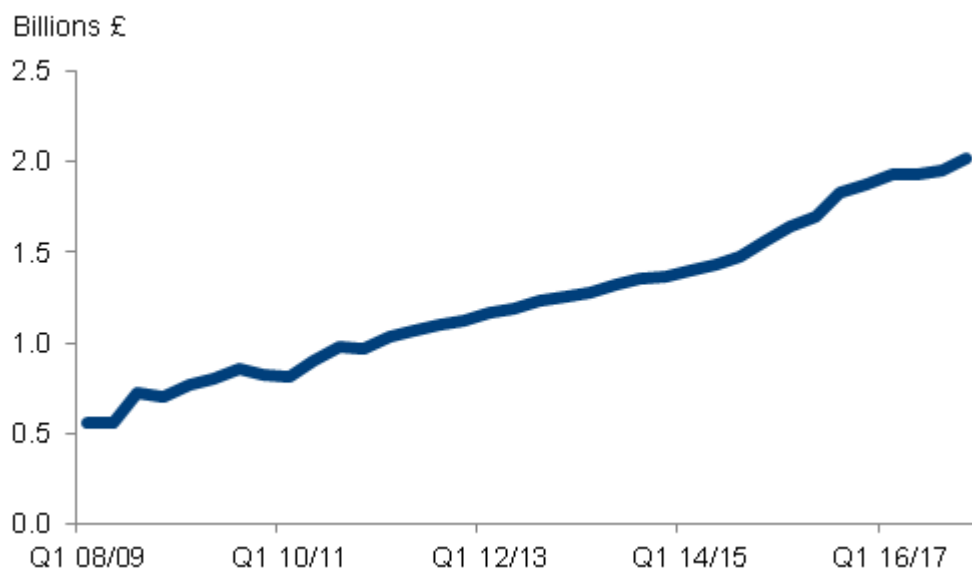
4.15 Housing Benefit Overpayments

4.16 As at the end of Quarter 2 2017/18, in-period collection stands at 80.29% for Lincoln and 85.20% for North Kesteven – compared to the end of Quarter 2 2016/17 this represents a significant increase in performance of 19.71% and 20.85% respectively.

4.17 Despite the increases in in-period overpayments collection, the ongoing issue of rising monies outstanding continues, as demonstrated in the table below. The table demonstrates an overall 63% increase in the amount of Housing Benefit overpayments outstanding between 31st March 2014 and 30th September 2017.

	Q2 2017/18	Q1 2017/18	2016/17 outturn	2015/16 outturn	2014/15 outturn	2013/14 outturn
Lincoln	£4,121,223	£4,000,314	£4,081,552	£3,510,798	£3,186,971	£2,633,438
North Kesteven	£1,853,274	£1,805,923	£1,793,997	£1,482,271	£1,324,672	£1,011,484

4.18 This trend very much follows the national picture, as documented in a recent National Statistics report through the Department for Work and Pensions (full report at this link: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/644287/hb-debt-recoveries-to-march-2017.pdf), and as demonstrated in the table below:



4.19 This is clearly a key concern for our shared service. The reasons for outstanding monies have been documented to this committee on numerous occasions in recent years, including increased data matches with other organisations through various government initiatives, as well as the inability to be able to recover what can be large debts at standard and low rates of recovery. A specific report on Housing Benefit overpayments is included on this Agenda. Also, detailed analysis of current outstanding monies plus initiatives in place, and to be considered/put in place – will be brought to the next meeting of this committee on 27th February 2018.

5. Benefits Performance

5.1 Although outstanding assessment work has increased from the end of Quarter 1 to the end of Quarter 2 2017/18, this figure is still lower than at the end of Quarter 2 2016/17 – also the team – as at the time of writing this report – is working on claims within two weeks. Similar to the Council Tax Administration Team, there has been a reduction in capacity on the team and recruitment is currently taking place to fill key gaps and reduce the outstanding workload.

Positively, as at the time of writing this report (10th November) Benefits customers outstanding figures – split by those who are already in progress (i.e. where the customer has been contacted and further information is required) against those which have not yet started to be processed – show that there are only 93 claims where the case has not yet been looked at:

	Benefits customers awaiting assessment		
	Customer has been contacted	Customer not yet contacted	Total
City of Lincoln	546	51	597
North Kesteven	435	42	477

5.2 In terms of average processing times, with the exception of North Kesteven new claims (which has improved), these have slipped slightly in the last quarter – due to the capacity reason as outlined in paragraph 5.1. However, it is anticipated these will improve as the resources are allocated accordingly. On a positive note regarding City of Lincoln’s cumulative new claims average processing performance of 23.24 days at the end of Quarter 2 – this is almost 7 days quicker than at the same point last year.

6. Strategic Priorities

6.1 Both City of Lincoln and North Kesteven have a number of strategic priorities. Two that have an impact on the Revenues and Benefits Service are:-

- Lincoln: “Let’s Reduce Inequality”.
- North Kesteven: “Our Community 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, Financial Inclusion and Partnership Working are all key priorities for the shared service.

7. Organisational Impacts

7.1 Finance: There are no direct financial implications arising from this report.

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 To note the performance information as set out in this report.
- 9.2 To note that a performance update will be presented at the next meeting of this committee, on 27th February 2018.

Is this a key decision? ~~Yes/No~~

Do the exempt information categories apply? ~~Yes/No~~

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? ~~Yes/No~~

How many appendices does the report contain? Appendix 1: Performance Data to end Quarter 2 2017/18

List of Background Papers: None

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