

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 – for annual outturn 2017/18, and for 2018/19 up to the end of April 2018.
- 2.2 The Revenues and Benefits Shared Service has now been in operation since 1st June 2011, and performance has been maintained and improved whilst continuing to provide 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 20th February meeting of this committee, a report was presented detailing Revenues and Benefits performance up to the end of Quarter 3 2017/18.
- 3.2 Performance is reported to this committee on a quarterly basis.

4. Revenues Performance

4.1 Council Tax

- 4.2 Positive Council Tax in-year collection has been achieved for 2017/18, the table below showing how performance has progressed since the shared service formed in June 2011.

Financial Year	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	97.17%	97.09%	97.12%	96.93%	96.56%	96.32%	96.80%
North Kesteven	99.20%	99.14%	99.16%	99.25%	99.16%	99.13%	99.40%

- 4.3 Annual outturns therefore increased by 0.08% and 0.06% for Lincoln and North Kesteven, respectively. It should also be noted that 2017/18 was the first year City of Lincoln made changes to its Localised Council Tax Support scheme reducing the level of support in some cases.
- 4.4 When considering the current collection levels, it should be noted that the collectable debit for both City of Lincoln and North Kesteven has increased from 2016/17 by £1.98m and £2.86m respectively.
- 4.5 In terms of the new financial year, 2018/19, as at the end of April 2018 Council Tax in-year collection has increased (compared to April 2017) for both Lincoln and North Kesteven – by 0.16% and 0.03% respectively.

4.6 Business Rates

- 4.7 As with Council Tax, positive Business Rates in-year collection has been achieved for 2017/18, the table below showing how performance has progressed since the shared service formed in June 2011.

Financial Year	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	98.87% <i>(Target 99.10%)</i>	99.43%	99.78%	99.46%	99.31%	99.08%	99.20%
North Kesteven	99.89% <i>(target 99.09%)</i>	99.09%	99.46%	99.78%	99.53%	99.93%	99.70%
West Lindsey	98.53% <i>(Target 98.44%)</i>	97.34%	99.44%	99.17%	99.12%	99.13%	98.90%

- 4.8 2017/18 Annual outturns, compared to 2016/17, were therefore:

- City of Lincoln: 0.56% down;
- North Kesteven: 0.80% up;
- West Lindsey: 1.19% up.

Although City of Lincoln’s in-year collection rate decreased, this was mainly due to some large rateable value schedules coming back from the Valuation Office Agency in March 2018 which were input by officers increasing the debit due considerably – without a realistic expectation of payment coming in during the current financial year (i.e. 2017/18).

The tables below in paragraph 4.9 show how ‘Net collectable debit’ and ‘Total net receipt’ compared for each local authority, between 2017/18 and 2016/17.

4.9 City of Lincoln:

	Total net receipt (£)	Net collectable debit (£)
2017/18	43,813,019	44,309,559
2016/17	44,103,355	44,357,594
Difference	-290,336	-48,035

North Kesteven:

	Total net receipt (£)	Net collectable debit (£)
2017/18	26,011,407	26,040,368
2016/17	25,966,851	26,206,144
Difference	+44,556	-165,776

West Lindsey:

	Total net receipt (£)	Net collectable debit (£)
2017/18	16,406,963	16,651,521
2016/17	16,438,475	16,887,839
Difference	-31,512	-236,318

4.10 In terms of the new financial year, 2018/19, as the end of April 2018 Business Rates in-year collection compares to April 2017, as below:

- City of Lincoln: 0.68% up;
- North Kesteven: 3.91% up;
- West Lindsey: 2.44% down.

4.11 Outstanding Revenues Customers

4.12 The number of outstanding Revenues Customers as the end of quarter 4 2017/18 shows a really positive position. The table below reflects the best position since our shared service formed in terms of the amount of outstanding work going into a new financial year. This is vital, as being as up-to-date as possible helps to ensure that Council Tax Bills and Adjustment Notices issued are accurate (i.e. without outstanding changes to be made to an account), improving timeliness of collection and recovery. The key reasons for outstanding work being in this positive position are – mainly down to the implementation of an number of integrated e-forms during 2017/18, but also a temporary agency resource in place during Quarter 4 to help assist with the 'predictable increased demand' on the team during this period – due to collecting outstanding 2017/18 monies, taking 2018/19 new year billing calls etc.

31st March	2018	2017	2016	2015	2014	2013	2012
City of Lincoln	121	296	448	1,025	683	939	1,713
North Kesteven	95	223	266	356	545	465	577

4.13 As at the end of April 2018, this positive position remains – with a total of 104 outstanding items in the Document Imaging System. However, with the temporary agency resource being released at the start of May it is vital that this positive position is maintained, - also new properties registrations kept up-to-date – as the number of accounts being administered by the team is likely to increase significantly over the next few years with some large scale housing developments in the districts.

4.14 Housing Benefit Overpayments

4.15 The table below shows in-period collection rates over the last six financial years (2011/12 is not shown, due to the changeover to the Northgate ICT system for Lincoln during that financial year and a number of conversion exercises that had to be undertaken relating to Housing Benefit Overpayments).

Financial Year	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13
City of Lincoln	81.81%	76.38%	75.22%	68.60%	72.98%	89.14%
North Kesteven	88.31%	70.16%	77.76%	64.61%	85.40%	92.85%

4.16 In respect of 2018/19, in-period collection at the end of April 2018 stood at 127.34% for Lincoln and 120.73% for North Kesteven, (meaning more monies had been recovered than raised).

4.17 Although in-period Housing Benefit Overpayments collection figures remain positive as demonstrated above, an issue raised a number of times with this committee, the rising level of outstanding overpayments, continues. The table below shows how this position has developed over the last five financial years.

31st March	2018	2017	2016	2015	2014
City of Lincoln	£4,219,349	£4,081,552	£3,510,798	£3,186,971	£2,633,438
North Kesteven	£1,824,908	£1,793,997	£1,482,271	£1,324,672	£1,011,484

4.18 In respect of 2018/19, outstanding overpayments figures at the end of April 2018 are unfortunately not available at the time of writing this report. There appears to be a technical issue with the related system reports which is being investigated and progressed – a verbal update will be provided to this Committee on 12th June.

4.19 A separate, more detailed report – ‘Housing Benefit Overpayments Update’ – is included elsewhere on this committee’s agenda, which includes details of a proposed action plan for the 2018/19. The plan includes actions identified from a positive two-day exercise involving officers from the Department for Work and Pensions, which took place at the end of April 2018.

5. Benefits Performance

5.1 The table below shows the number of outstanding Benefits customers awaiting assessment, at the end of each financial year since the formation of the shared service:

31st March	2018	2017	2016	2015	2014	2013	2012
City of Lincoln	696	555	1,064	1,267	2,396	2,004	2,401
North Kesteven	511	500	714	1,036	978	1,206	2,648

Although the position is not quite as positive as at the end of 2016/17, this is still a much improved position compared to that at the end of other recent financial years.

5.2 As at the end of April 2018, 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 630 claims where the case has not yet been looked at:

	Benefits customers awaiting
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	assessment (as at 30th April 2018)		
	Customer has been contacted	Customer not yet contacted	Total
City of Lincoln	285	510	795
North Kesteven	415	120	535

5.3 It is a real day-to-day challenge, with decreasing grants from central government also having an impact, to maintain the position of assessing Housing Benefit and Council Tax Support claims in a timely and accurate manner, but whilst also providing vital support to Universal Credit customers – which is being carried out by some of our Benefits Officers from March 2018, when Universal Credit Full Service (UCFS) launched in Lincoln Jobcentre. This ‘challenge’ of allocation of resources to a variety of demands will very much be at the forefront of officers’ minds moving forward, particularly with Sleaford Jobcentre moving to UCFS in November 2018. The Benefits Team also undertakes a variety of other tasks, such as; Discretionary Housing Benefits, Revisions and Appeals, Overpayments collection (not debtor stage), Subsidy and Quality Control, and various initiatives relating to reducing fraud and error in the system.

5.4 In terms of Housing Benefit average processing times, the table below shows the figures for New Claims and Changes of Circumstance for the last six financial years:

Financial Year		2017/18 <i>Average no. days</i>	2016/17 <i>Average no. days</i>	2015/16 <i>Average no. days</i>	2014/15 <i>Average no. days</i>	2013/14 <i>Average no. days</i>	2012/13 <i>Average no. days</i>
New Claims	Lincoln	24.29	29.44	25.45	26.14	28.33	23.60
	North Kesteven	18.81	15.98	12.76	12.05	12.66	15.94
Changes of Circumstance	Lincoln	4.00	4.49	5.40	5.07	6.97	8.10
	North Kesteven	2.82	3.06	2.84	2.91	2.92	10.98

These figures are positive and competitive against the national position – the most recent data available (from Department for Work and Pensions) at the time of writing this report, relates to Quarter 3 2017/18 – with the average for new claims being 22 days, and for changes of circumstance 9 days. However, changes of circumstance in particular is ‘seasonal’ with quarter 4 containing a high level of ‘1 day’ processed changes – e.g. income upratings, rent increases. For quarter 4 2016/17, the published statistics show the national average changes of circumstance processing time as 4 days.

- 5.5 Prompt processing of claims remains vital, but of equal importance is accuracy of processing and 'getting it right, first time'. The table below the outcomes of claims checked under our quality checking regime, since the formation of the shared service:

Financial Year	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	92%	91%	83%	79%	77%	72%	65%
North Kesteven	95%	95%	97%	98%	98%	100%	99%

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 / Customer Experience, 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 Note the performance information as set out in this report.
- 9.2 Note that a performance update will be presented at the next meeting of this committee, on 4th September 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 – Annual Outturn 2017/18, and April 2018

List of Background Papers:

None

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