

SUBJECT:	PERFORMANCE UPDATE
DIRECTORATE:	CHIEF EXECUTIVE
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 annual outturn Revenues and Benefits performance information – for the financial year 2018/19.

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 19th February 2019 meeting of this committee, a report was presented detailing Revenues and Benefits performance up to the end of Quarter 3 2018/19.

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 2018/19, the table below showing how performance has progressed since the shared service formed in June 2011.

Financial Year	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	96.76%	97.17%	97.09%	97.12%	96.93%	96.56%	96.32%	96.80%
North Kesteven	99.08%	99.20%	99.14%	99.16%	99.25%	99.16%	99.13%	99.40%

4.3 Although Council Tax in-year collection levels have reduced slightly for both authorities,

Lincoln by 0.41%, North Kesteven by 0.12%, - these are still positive outturns considering factors such as the economic climate, cumulative impacts of national welfare reforms and Council Tax Support schemes. Also, when considering the current collection levels, it should be noted that the net collectable debit for both City of Lincoln and North Kesteven has increased from 2017/18 by £2.57m and £3.75m respectively.

4.4 Business Rates

4.5 As with Council Tax, positive Business Rates in-year collection has been achieved for 2018/19, the table below showing how performance has progressed since the shared service formed in June 2011.

Financial Year	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	99.81%	98.87%	99.43%	99.78%	99.46%	99.31%	99.08%	99.20%
North Kesteven	99.42%	99.89%	99.09%	99.46%	99.78%	99.53%	99.93%	99.70%
West Lindsey	98.63%	98.53%	97.34%	99.44%	99.17%	99.12%	99.13%	98.90%

4.6 When considering the current collection levels it should be noted that the total net collectable debit has also increased from 2017/18, by £646k for City of Lincoln, £928k for North Kesteven and £757k for West Lindsey.

4.7 Outstanding Revenues Customers

4.8 The number of outstanding Revenues Customers at end of quarter 4 2018/19 showed an overall increase from the last two financial years, however this is still a positive position. The workload was up-to-date going into new year billing, however an influx of documents during the billing period from early-mid March created the increased figure at the end of the financial year. Also, in the Council Tax base there are now an additional 1,051 properties to administer (split Lincoln 501, North Kesteven 550), - as well as staffing resources on the Council Tax Team being reduced at points throughout the year due to unforeseen circumstances.

31 st March	2019	2018	2017	2016	2015	2014	2013	2012
City of Lincoln	437	121	296	448	1,025	683	939	1,713
North Kesteven	201	95	223	266	356	545	465	577

4.9 Although there has been a successful rollout of several e-forms in the Revenues Team, these have not as yet resulted in a reduction in incoming work through other customer channels – officers are carefully analysing demands across the shared service and resources required to maintain, and improve, performance.

4.10 Housing Benefit Overpayments

4.11 The table below shows in-period collection rates over the last seven 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	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13
City of Lincoln	100.38%	81.81%	76.38%	75.22%	68.60%	72.98%	89.14%
North Kesteven	107.45%	88.31%	70.16%	77.76%	64.61%	85.40%	92.85%

4.12 A separate, more detailed report – ‘Housing Benefit Overpayments Update’ – is included elsewhere on this committee’s agenda.

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:

31 st March	2019	2018	2017	2016	2015	2014	2013	2012
City of Lincoln	897	696	555	1,064	1,267	2,396	2,004	2,401
North Kesteven	502	511	500	714	1,036	978	1,206	2,648

Although the overall position is not quite as positive as at the end of the last two financial years, this is still a much improved position compared to other previous financial years. Also, the rollout of Universal Credit Full Service in Lincoln and Sleaford Jobcentre Plus has placed significant increased processing demands on our Benefits assessment team.

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

Financial Year		2018/19 Average no. days	2017/18 Average no. days	2016/17 Average no. days	2015/16 Average no. days	2014/15 Average no. days	2013/14 Average no. days	2012/13 Average no. days
New Claims	L i n c o l n	25.82	24.29	29.44	25.45	26.14	28.33	23.60
	N o	27.49	18.81	15.98	12.76	12.05	12.66	15.94

	r t h K e s t e v e n							
Changes of Circumstance	L i n c o l n	4.12	4.00	4.49	5.40	5.07	6.97	8.10
	N o r t h K e s t e v e n	2.98	2.82	3.06	2.84	2.91	2.92	10.98

Changes of Circumstances performance remains positive. However, there has been slippage in New Claims performance for both partner authorities – particularly for North Kesteven.

North Kesteven's performance in 2018/19 has been hampered by a number of factors, notably;

- Unforeseen reduction in staffing resources;
- Delay in rent information being provided for a number of properties;
- Introduction of 'e-benefits' self-serve application form; and – most significantly –
- Clearing of older work which increased the overall average processing figures.

For Lincoln, cumulative performance did improve during the year;

- Quarter 1 30.13 days;
- Quarter 2 28.16 days;
- Quarter 3 27.00 days;
- Quarter 3 25.82 days.

Universal Credit (UC) is clearly having an impact on processing times due to the number of UC-related documents requiring processing, as well as officers awaiting UC-related decisions before putting Housing Benefit into payment in some cases.

Officers have a proactive action plan in place aiming to improve processing times in 2019/20 (Appendix 2), and a verbal update regarding this action plan as well as latest performance figures will be provided at the meeting of this Committee.

- 5.3 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	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
City of Lincoln	86 %	92%	91%	83%	79%	77%	72%	65%
North Kesteven	96 %	95%	95%	97%	98%	98%	100%	99%

In 2018/19, for Lincoln 244 claims were checked with 210 being right first time, the equivalent figures for North Kesteven being 319 checked with 306 right first time. As Universal Credit has been rolled out in Lincoln since March 2018 (Sleaford from November 2018) there has been concentration on checking these claims for Lincoln which are time-consuming and more likely to contain initial errors due to the complexity of these cases. However, it is anticipated that over time this will improve.

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 11th September 2019.

Is this a key decision? No

Do the exempt information categories apply? No

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

How many appendices does the report contain? Appendix 1: Performance Data – Annual Outturn 2018/19

Appendix 2: Benefits processing action plan

List of Background Papers: None

Lead Officer: Martin Walmsley, Head of Shared Revenues and Benefits
Telephone (01522) 873597