

City of Lincoln Council & North Kesteven District Council

12-month Debt Health Check Review findings report

Thursday 11th July 2019

In April 2018, following a request from City of Lincoln Council (COL) and North Kesteven District Council (NKDC) the Housing Delivery Division (HDD) Performance Development Team (PDT) conducted an end to end review of COL and NKDCs Housing Benefit (HB) overpayment and debt recovery process.

It was agreed that following the support in April 2018, PDT would hold a 6-month check-in by telephone to discuss progress, which was held in October 2018 and a 12 month visit to review the work undertaken over the year conducted.

It was clear from discussion within the meeting that in year debt recovery had risen. To date 2019/20 in year recovery stands at 92.78% (COL) and 84.03% (NKDC). The 2016/17 data available at the time of the start of the review showed in year recovery at 56.53% (COL) and 61.74% (NKDC)

On the recommendations we delivered in 2018, the council developed an action plan and it was identified that there has been focus across many of these.

The following areas show development and improvement in the debt recovery process:

- the write off procedure, in particular working on old debts that have been impacted by transformation. To date 2018/19 £240,000 (COL) and £137,000 (NKDC) have been written off with a process in place to consider bringing the debt back if appropriate.
- the process to invoice debt immediately has been tightened
- the pended scheduled recovery has been reduced from 1664 items to 748 (COL) and 548 items to 375 (NKDC)
- the Debt Tracing service is now being fully used and the council suggest some excellent results coming from this service.
- a better understanding of the payment deduction programme (PDP) process is now within the council
- notifications have been improved and a proactive approach is taken to follow up reminders within the time frame started on the notifications
- review of claims undertaken
- diary dating is done on the shared drive rather than officer outlook diary, eliminating missed opportunities of recovery
- reports now generated for non-standard rate recoveries
- extra telephone line used to dedicate to old debt
- greater use and understanding across the team within management information(MI) and the variety of reports to be able to manage debt recovery
- staff are aware of what is expected and what role they play within the debt space whether it be the creation of debt or the recovery.

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Housing Benefit Overpayments Update

- weekly quality checks on accuracy have increased with a focus on 'right first time' seeing quality check figures increase from an average 65% to 90% and new starter staff have had 100% checks carried out
- closer working between teams has had an impact on both workload and culture. The atmosphere within COL office was noticeably positive and gave the impression of a well organised team that had direction in what they needed to achieve.

Thoughts for further development:

- due to a review that PDT have undertaken on the PDP process, it would be beneficial for the council to undertake some housekeeping on the referrals that they have sent to this service and implement a review of the referrals to eliminate any missed opportunity, along with reviewing any good practice guides that are distributed on the outcome of the PDP review.
- continue non-standard recovery rates automatically reverting to standard rates after the agreed period. Evidence was seen where the review date had been extended/left at the discretion of staff although improvement has been made in this area, to capture through the monthly 'non-standard rate' report. Consider further work to analyse the outcomes of this report to establish the increase of recovery generated
- possibly more staff development in the ability to 'challenge' an offer of payment. Non benefit customers should be at least paying standard rates

In summary a noticeable change in process, results and culture was established by the visit and the team should be recognised for the valuable work that has been done over the last year.

We would like to thank all staff for being so welcoming to us both face to face and via other communication channels, we have really enjoyed working with you. Should you require any further support going forward PDT are only too happy to discuss requirements and offer our consultancy services.