

<b>SUBJECT:</b>	<b>COVID-19 IMPACTS ON REVENUES AND BENEFITS SERVICE</b>
<b>REPORT BY:</b>	<b>CHIEF EXECUTIVE &amp; TOWN CLERK</b>
<b>LEAD OFFICER:</b>	<b>MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS</b>

## **1. Purpose of Report**

- 1.1 To provide Members with an update regarding Covid-19 impacts on the Revenues and Benefits Shared Service.

## **2. Executive Summary**

- 2.1 The international Covid-19 pandemic has clearly had a significant impact on a whole range of Council services, and continues to do so, – with Revenues and Benefits being no exception. This report sets out key impacts on the shared service.

## **3. Background**

- 3.1 The first national ‘lockdown’ in the United Kingdom, announced on 23<sup>rd</sup> March 2020, resulted in the remaining members of the Revenues and Benefits shared service team being mobilised to work from home – with all IT facilities, - i.e. computers and telephones. Further mobilisation of homeworking had already commenced the week prior, as officers identified in the more vulnerable categories were addressed earlier. Some initial ‘teething problems’ were soon dealt with and this critical service has been operating successfully. Telephony is also being upgraded across the shared service, to ensure an appropriate response for customer telephone enquiries is in place.
- 3.2 Regarding workload and priorities for our shared service, the impacts have been significant – in terms of collection and recovery of monies due to the Council, levels of benefit and Council Tax Support claims, requests for data extracts from the Revenues and Benefits ICT system, delivery of Test and Trace Support Payments, Winter Grants Scheme payments, as well as being central to the assessment and delivery of grants and reliefs to qualifying businesses.

## **4. Staffing Matters**

- 4.1 All members of the Revenues and Benefits Shared Service were mobilised to work from home during a two-week period during March 2020. Around one-quarter of the team already had working from home IT facilities in place, mainly for ad hoc purposes and specific tasks, so the concept was proven – however, the large scale deployment of staff to work from home (not only within the shared service, but across the partner Councils as a whole too) has been unprecedented.
- 4.2 The rollout of ICT provision for the whole of the shared service has successfully considered and delivered:

- Provision of ICT hardware suitable for secure homeworking, which also meets standards as required through the Department for Work and Pensions (DWP) Memorandum of Understanding with regard to access to sensitive and confidential DWP data;
- Telephone services upgrade from the initial solution, better enabling taking higher volumes of calls – for example, when Council Tax reminders are issued;
- Rollout of ICT to 'Microsoft 365' is currently underway, which will improve system performance across all teams, enabling more efficient ways of working as well as better communication tools between colleagues at all levels.

4.3 Staff wellbeing continues to be at the heart of the response to the Covid-19 pandemic, by partner Councils. In terms of Revenues and Benefits specifically, communications include;

- At least weekly catch-up Teams calls between Head of Shared Revenues and Benefits, and Revenues and Benefits Manager;
- Regular catch-up calls with Team Leaders;
- Regular catch-up calls with team members;
- Revenues and Benefits Management Team WhatsApp group;
- Individual teams' WhatsApp groups and Teams meetings;
- Groups and conversations being set up within Microsoft Teams, as part of 365 rollout.

In addition to this, 'all team member' Revenues and Benefits staff briefings have been delivered by the Head of Shared Revenues and Benefits on 22<sup>nd</sup> September 2020, 9<sup>th</sup> December 2020 and 28<sup>th</sup> April 2021 (through 4 x 45-minute sessions on each day). The Head of Shared Revenues and Benefits has regularly delivered such sessions since the shared service commenced, however delivering these briefings via Microsoft Teams was new – but has been a real success, with positive attendance and engagement from team members – particularly as more colleagues within the team have received MS Teams functionality and become more proficient in using this vital communication tool.

The briefings set out some key messages around:

- Performance;
- Impacts on workload due to Covid-19;
- Communication and wellbeing;
- New ways of working.

A Human Resources Associate from City of Lincoln Council also attended each session on 28<sup>th</sup> April, presenting an update on key HR issues,

In addition to the all staff briefings, both the Head of Shared Revenues & Benefits and Revenues & Benefits Manager attended individual team meetings for all areas of the shared service, over two days – 20<sup>th</sup> and 21<sup>st</sup> April 2021. These smaller meetings enabled more focus in each individual team looking at working successes, priorities and future arrangements.

## 5. Impacts – Service demands and Financial impacts

5.1 In 2020/21, financial impacts on partner Councils, have been (*information as at 31 March 2021*):

## Council Tax:

	Lincoln		North Kesteven	
Liability 2019/20	£44,334,821		£65,859,910	
Liability 2020/21	£45,062,366		£68,625,265	
Difference in liability	£727,545		£2,765,355	
Payments rec'd 2019/20	£42,902,806		£65,504,266	
Payments rec'd 2020/21	£42,710,110		£67,273,347	
Difference in payments	-£192,696		£1,769,081	
Direct Debit 2019/20	271,280	£32,399,054	390,039	£55,288,478
Direct Debits 2020/21	266,299	£32,889,308	387,716	£57,594,778
Collection 2019/20 %	96.77%		99.46%	
Collection 2020/21 %	94.78%		98.03%	
Difference in collection	-1.99%		-1.43%	
Deferrals 2020/21 no.	638		1181	
Deferrals 2020/21 value	£135,429		£296,587	
CTS claims received since 1.4.2020	479		385	
CTS additional cost since 1.4.2020	£367,066		£248,194	
CTS Hardship carried forward into 2021/22	£533,242		£255,956	

## Business Rates

	Lincoln	North Kesteven	West Lindsey
Liability 2019/20	£44,547,447	£28,118,394	£17,772,197
Liability 2020/21	£18,520,249	£20,085,110	£11,632,777
Difference	-£26,027,198	-£8,033,284	-£6,139,420
Payments rec'd 19/20	£44,052,970	£27,958,119	£17,573,148
Payments rec'd 20/21	£18,328,636	£19,524,856	£11,388,486
Difference in payments	-£25,724,334	-£8,433,263	-£6,184,662
Collection 2019/20 %	98.89%	99.43%	98.88%
Collection 2020/21 %	98.97%	97.21%	97.90%
Difference in collection	+0.08%	-2.22%	-1.08%
Deferrals 2020/21 no.	9	7	9
Deferrals 2020/21 value	£14,377	£218,461	£29,854
Expanded retail discount and nursery awards	£27,113,32	£9,508,103	£6,863,720

5.2 In addition to the above, significant increases in demands on the shared service have included – all comparing Quarter 4 2020/21 (to Quarter 4 2019/20):

- Council Tax:
  - 176% increase in e-forms;
  - 1% increase in incoming e-mails;
  - 4% increase in telephone calls;
  - 24% increase in incoming post.
- Business Rates:  
Comparing Quarter 4 2020/21 (to Quarter 4 2019/20):
  - 48% increase in customer contact by e-mail or post- this includes the contact from customers regarding the retail relief for 2021/22;
  - Increase in telephone calls by 35% (peaks and troughs, around closedown announcements).
- Benefits:
  - 37% increase in Council Tax Support new claims;
  - 71% increase in Council Tax Support changes;
  - 61% increase in Universal Credit related documents.

5.3 Collection and recovery of monies due to the Council has clearly been more challenging in 2020/21, although reminders were issued in the latter half of 2020/21, with two court dates taking place in December 2020 and January 2021. Six court dates have been scheduled for the first six months of 2021/22.

5.4 Despite all these additional challenges and demands on the shared service, performance has generally continued to hold up relatively well in most areas. It is recognised cumulative effects from Covid-19 are likely to impact on performance in the coming months, and potentially even years – particularly taking into account the ending of certain national ‘protections’ – for example, the furlough scheme ending on 30<sup>th</sup> September 2021. Performance data is set out in a separate report to today’s Committee.

## 6. Strategic Priorities

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

- Lincoln: “Let’s reduce all kinds of inequality”.
- North Kesteven: “Our Communities”, “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 as a result of 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 information as set out in this report.

9.2 Note that any future impacts of Covid-19 will be reflected in the quarterly Performance Update reports to Revenues and Benefits Joint Committee.

**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?** None

**List of Background Papers:** None

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