

SUBJECT: PERFORMANCE UPDATE

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

REPORT AUTHOR: MARTIN WALMSLEY, ASSISTANT DIRECTOR 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, in respect of Quarter 1 2023/24.
- 2.2 The Revenues and Benefits Shared Service has now been in operation for twelve years, forming on 1st June 2011. Levels of performance have largely 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. However, the Covid-19 global pandemic and then cost of living challenges have understandably impacted on some areas of performance, - these impacts are likely to continue for many more months.

3. Background

- 3.1 At the 27 June 2023 meeting of this Committee, a report was presented detailing Revenues and Benefits performance year outturns for the financial year 2022/23.
- 3.2 Performance is reported to this Committee on a quarterly basis.

4. Revenues Performance

4.1 Council Tax

- 4.2 Up to the end of Quarter 1 2023/24, in-year collection for Lincoln is up by 0.31% and North Kesteven down slightly – by 0.05%. At this early stage in the financial year, neither rate is cause for concern.

Description		June 2023	Compared to June 2022
Council Tax Collection	City of Lincoln	26.30%	Up by 0.31%
Council Tax Collection	North Kesteven	28.97%	Down by 0.05%
Council Tax Net liability	City of Lincoln	£54,347,659	Up by £2,760,473
Council Tax Net Liability	North Kesteven	£80,902,017	Up by £4,659,456

In terms of the national context, the latest available figures are for annual Council Tax in-year collection outturns 2022/23. City of Lincoln Council's in-year collection was 240th (2021/22 266th) and North Kesteven 9th (2021/22 28th) out of 309 local authorities whose performance was reported. Out of the seven Lincolnshire Districts, for 2022/23, City of Lincoln and North Kesteven achieved 6th and 1st highest collections, respectively.

- 4.3 The table below demonstrates the trend in Council Tax Support (CTS) caseloads. It can be seen that caseloads rose sharply in 2020 as an outcome of the impact of Covid-19 on the economy and residents' incomes. The caseload then plateaued somewhat and has been falling, - however, with the ongoing cost of living pressures on residents there is the potential that these reductions in caseloads may not continue.

	City of Lincoln	North Kesteven
June 2023	8,458	5,419
June 2022	8,518	5,443
June 2021	8,940	5,701
June 2020	8,991	5,834
June 2019	8,235	5,570

4.4 Business Rates

- 4.5 Up to the end of Quarter 1 2023/24, compared to the same point in 2022/23 in-year collection is the three local authorities, are as follows:

- Lincoln down by 0.99%;
- North Kesteven down by 2.95%;
- West Lindsey down by 0.22%.

There are no major concerns with in-year collection at this early stage of the year. For North Kesteven, a substantial amount of unallocated payments that had been made have now been identified, and these payments will be included as part of Quarter 2's collection.

It should also be noted that collection has been 'skewed' somewhat in recent financial years due to varying criteria/awards of the Expanded Retail Discount (ERD).

Description		June 2023	Compared to June 2022
Business Rates collection	City of Lincoln	35.61%	Down by 0.99%
Business Rates collection	North Kesteven	38.31%	Down by 2.95%
Business Rates collection	West Lindsey	32.04%	Down by 0.22%
Business Rates Net Liability	Lincoln	£38,653,169	Down by £3,935,602
Business Rates Net Liability	North Kesteven	£30,752,411	Up by £1,275,907
Business Rates Net Liability	West Lindsey	£17,950,453	Down by £306,126

4.6 In terms of the national context, the latest available figures are for annual Business Rates in-year collection outturns 2022/23. City of Lincoln Council's in-year collection was 22nd (2021/22 48th), North Kesteven 14th (2021/22 1st) and West Lindsey 162nd (2021/22 170th) out of 309 local authorities whose performance was reported. Out of the seven Lincolnshire Districts, for 2022/23, City of Lincoln, North Kesteven and West Lindsey achieved 2nd, 1st and 4th highest collections, respectively.

4.7 **Outstanding Revenues Documents**

4.8 The number of outstanding Revenues Customers at the end of Quarter 1 2023/24 is 797 (split Lincoln 609, North Kesteven 188) – this compares to 2,323 (split Lincoln 1,838, North Kesteven 485) at Quarter 1 2022/23. This improvement is pleasing, achieved through improved processes and recruitment to vacant roles within the team.

4.9 **Housing Benefit Overpayments**

4.10 As at the end of Quarter 1 2023/24, in period collection of Housing Benefit overpayments stands at:

City of Lincoln: 116.93%,
North Kesteven: 108.29%.

4.11 Outstanding Housing Benefit overpayments debt also continues to decrease overall. As at the end of Quarter 1 2023/24:

- City of Lincoln: £2,419,812,
- North Kesteven: £1,257,137.

5. **Benefits Performance**

5.1 As at the end of Quarter 1 2023/24, there are 3,682 Benefits customers outstanding and awaiting assessment (split Lincoln 2,622, North Kesteven 1,060). This figure is very close to same as at the same point last year, Quarter 1 2022/023 (3,654 Benefits customers outstanding and awaiting assessment (split Lincoln 2,544, North Kesteven 1,110)). Considering the significant ongoing demands on this team, as well as a number of unforeseen staffing absences, to keep the outstanding workload at this level has been a real achievement. However, officers are aware the outstanding workload needs to reduce moving forward and will be targeting this aim in the remaining quarters of 2023/24.

There continues to be a significant demand on the Benefits Team, particularly in relation to (but not exclusively) Universal Credit -related information impacting on Housing Benefit and Council Tax Support claims. At the same time, Benefits Officers are also working on other schemes, such as Discretionary Housing Payments, and Household Support Fund.

5.2 Despite the significant demands on the Benefits Team, officers continue to turn around claims and reported changes of circumstance promptly, and accurately. As at the end of Quarter 1 2023/24:

End Quarter 1 2022/23	City of Lincoln	North Kesteven
Housing Benefit New Claims	16.55 days <i>(End Quarter 1 2021/22 17.77 days)</i>	19.64 days <i>(End Quarter 1 2021/22 21.57 days)</i>
Housing Benefit Changes of Circumstance	5.97 days <i>(End Quarter 1 2021/22 6.49 days)</i>	3.86 days <i>(End Quarter 1 2021/22 4.37 days)</i>

Direction of travel for all four average positions as above is positive, however it is recognised that New Claims performance for North Kesteven needs to further improve going forward.

To give this position some context, the latest national data available shows that in Quarter 4 2023/24 New Claims were processed in an average of 20 days by Councils, with Changes of Circumstance being processed in an average of 3 calendar days (although it should be noted for Changes of Circumstance the average normally decreases in Quarter 4, due to high volumes of '1-day' changes processed due to annual rent, pension changes, etc). Also, these national figures are for a specific quarter only (i.e., Quarter 4 2022/23) and not cumulative over the financial year – which is how officers report these areas of performance for our shared service.

5.3 In terms of the claims checked that were 'correct, first time' (with even £0.01p 'out' being classified as an incorrect assessment), at the end of Quarter 1 2023/24:

- City of Lincoln: 87.85% (405 out of 461 checked),
- North Kesteven: 96.80% (212 out of 219 checked).

The reduction in City of Lincoln performance in the can be explained by the team having carried out over 200 more checks during the quarter than in the same quarter last year – Of the 461 checks undertaken in the first quarter the team has made 405 'first-time correct' decisions. Compared to last year, the team had only carried out 263 checks at the end of the first quarter. Also, due to less experienced officers being part of the team, 100% of claims are being checked, which can also mean more (small) errors being identified – and then corrected.

The Subsidy Team have carried out considerably more checks through our Final Subsidy claim, which has also resulted in errors being reported.

6. Welfare and Benefits Advice

6.1 Providing benefits and money advice continues to be key, with a team of dedicated and knowledgeable officers providing invaluable support to residents of Lincoln and North Kesteven. In Quarter 1 2023/24, the team has achieved the following:

Quarter 1 2023/24	City of Lincoln	North Kesteven
Advice provided enabling weekly value of additional benefits	£7,929	£4,608
Advice provided enabling lump sum award of additional benefits	£86,662	£62,877
No. of customers to whom help provided	1,477	493
No. money advice referrals	29	14

6.2 Outcomes and demands have generally increased throughout the team, for both partner local authorities. There are a number of key reasons why the levels of Welfare/Money advice in Lincoln is higher than in North Kesteven, including:

- Differences in demographics;
- 'Customer journey' different at each Council;
- Significant number of foodbank vouchers issued at Lincoln compared to North Kesteven.

6.3 A small working group of officers from both partner Councils is continuing to review demands and processes for the Welfare Team.

7. Strategic Priorities

7.1 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."

7.2 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, Employment, Skills and Partnership Working are all key priorities for the shared service.

8. Organisational Impacts

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

8.2 Legal Implications including Procurement Rules: There are no direct Legal or Procurement implications arising from this report.

8.3 Equality, Diversity & Human Rights: There are no direct implications arising from

this report.

9. Risk Implications

9.1 A Risk Register is in place for the Revenues and Benefits shared service.

10. Recommendations

10.1 To note the performance information as set out in this report.

10.2 To note that a performance update will be presented at the next meeting of this committee on 23rd November 2023.

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 to end Quarter 1 2023/24

List of Background Papers: None

Lead Officer: Martin Walmsley, Assistant Director Shared Revenues and Benefits
E mail: martin.walmsley@lincoln.gov.uk