

<b>SUBJECT:</b>	<b>PERFORMANCE UPDATE</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>MARTIN WALMSLEY, ASSISTANT DIRECTOR, SHARED REVENUES AND BENEFITS</b>

## **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 2 2024/25.
- 2.2 The Revenues and Benefits Shared Service has now been in operation for thirteen years, forming on 1 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 some time.

## **3. Background**

- 3.1 At the 19 September 2024 meeting of this Committee, a report was presented detailing Shared Revenues and Benefits performance in respect of Quarter 1 2024/25.
- 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 2 2024/25, in-year collection for Lincoln is down by 0.20% and North Kesteven down by 0.36%. At this stage in the financial year, neither rate is cause for significant concern – although, as previously flagged to this committee, Council Tax collection is generally lower at both regional and national levels – seeming to indicate that some taxpayers are struggling to pay their bills as a consequence of cost of living pressures.

Description		End September 2024	Compared to end September 2023
Council Tax Collection	City of Lincoln	50.26%	Down by 0.20%
Council Tax Collection	North Kesteven	55.98%	Down by 0.36%
Council Tax Net liability	City of Lincoln	£57,678,423	Up by £3,315,811
Council Tax Net Liability	North Kesteven	£86,322,921	Up by £5,332,408

In terms of the national context, the latest available figures are for annual Council Tax in-year collection outturns 2023/24. City of Lincoln Council's in-year collection was 246<sup>th</sup> (2022/23 240<sup>th</sup>) and North Kesteven 20<sup>th</sup> (2022/23 9<sup>th</sup>) out of 296 local authorities whose performance was reported. Out of the seven Lincolnshire Districts, for 2023/24, City of Lincoln and North Kesteven achieved 6<sup>th</sup> and 1<sup>st</sup> 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 generally been falling.

	City of Lincoln	North Kesteven
October 2024	8,119	5,377
June 2024	8,278	5,406
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 2 2024/25, compared to the same point in 2023/24 in-year collections for the three shared service local authorities, are as follows:

- Lincoln up by 1.44%;
- North Kesteven down by 0.42%;
- West Lindsey down by 1.32%.

There are no major concerns with in-year collection at this early stage of the year. 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		End September 2024	Compared to end September 2023
Business Rates collection	City of Lincoln	61.00%	Up by 1.44%
Business Rates collection	North Kesteven	63.68%	Down by 0.42%
Business Rates collection	West Lindsey	56.44%	Down by 1.32%
Business Rates Net Liability	Lincoln	£41,254,400	Up by £2,477,950
Business Rates Net Liability	North Kesteven	£34,522,678	Up by £3,587,590
Business Rates Net Liability	West Lindsey	£19,967,201	Up by £1,815,110

4.6 In terms of the national context, the latest available figures are for annual Business Rates in-year collection outturns 2023/24. City of Lincoln Council's in-year collection was 96<sup>th</sup> (2022/23 22<sup>nd</sup>), North Kesteven 39<sup>th</sup> (2022/23 14<sup>th</sup>) and West Lindsey 95<sup>th</sup> (2022/23 162<sup>nd</sup>) out of 296 local authorities whose performance was reported. Out of the seven Lincolnshire Districts, for 2023/24, City of Lincoln, North Kesteven and West Lindsey achieved 4<sup>th</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> highest collections, respectively.

#### 4.7 Outstanding Revenues Documents

4.8 The number of outstanding Revenues Customers at the end of Quarter 2 2024/25 is 3,365 (split Lincoln 2,317, North Kesteven 1,048) – this compares to 1,376 (split Lincoln 688, North Kesteven 688) at Quarter 2 2023/24. There have been, and continues to be, significant demands on the team plus recruitment having only just taken place in respect of vacant positions. It should also be noted that from 2024/25 Revenues items outstanding also include those from the Citizens Access Revenues self-serve portal, so there will effectively be a new 'baseline' for this measure of performance. Officers can report that direction of travel since the end of September 2024 has been positive, - a verbal update will be provided to this Committee on 5 December 2024.

4.9 To give some context as to the workload of the Revenues Team, in Quarter 2 2024/25 10,643 items of post were received, 7,683 telephone calls taken, and 6,417 e-mails received.

#### 4.10 Housing Benefit Overpayments

4.11 As at the end of Quarter 2 2024/25, in period collection of Housing Benefit overpayments stands at:

- City of Lincoln: 127.16%,
- North Kesteven: 83.87%.

4.12 Outstanding Housing Benefit overpayments debt also continues to decrease overall. As at the end of Quarter 2 2024/25:

- City of Lincoln: £1,918,146,
- North Kesteven: £1,167,258.

## 5. Benefits Performance

- 5.1 As at the end of Quarter 2 2024/25, there are 2,554 Benefits customers outstanding and awaiting assessment (split Lincoln 1,670, North Kesteven 884). This figure is higher than that at the same point last year (1,697 Benefits customers outstanding and awaiting assessment (split Lincoln 1,156, North Kesteven 540)). Demands on the team continue to be high, as well as there being a number of unforeseen staffing absences. However, direction of travel is positive – the outstanding figure has reduced by 2,354 from the end of Quarter 1 2024/25 to the end of Quarter 2 2024/25.

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 2 2024/25:

<b>End Quarter 2 2024/25</b>	<b>City of Lincoln</b>	<b>North Kesteven</b>
<i>Housing Benefit New Claims</i>	13.78 days <i>(End Quarter 2 2023/24 16.61 days)</i>	17.46 days <i>(End Quarter 2 2023/24 18.58 days)</i>
<i>Housing Benefit Changes of Circumstance</i>	5.18 days <i>(End Quarter 2 2023/24 6.25 days)</i>	6.93 days <i>(End Quarter 2 2023/24 3.91 days)</i>

To give this position some context, the latest national data available shows that in Quarter 1 2024/25 New Claims were processed in an average of 21 days by Councils, with Changes of Circumstance being processed in an average of 8 calendar days. *Please note these national figures are for a specific quarter only (i.e. Quarter 1 2024/25) 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 2 2024/25:

- City of Lincoln: 95.13% (684 out of 719 checked),
- North Kesteven: 97.95% (525 out of 536 checked).

It should be noted that these checks are in addition to those carried out through the checks required to be carried out under the requirements of the annual Housing Benefit Subsidy claims.

## 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 2 2024/25, the team has achieved the following:

Quarter 2 2024/25	City of Lincoln	North Kesteven
Advice provided enabling weekly value of additional benefits	£8,907	£4,763
Advice provided enabling lump sum award of additional benefits	£81,342	£58,869
No. of customers to whom help provided	1,609	540
No. money advice referrals	34	23

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.

## **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 26 February 2025.

**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 2 2024/25

**List of Background Papers:** None

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