

To: Finance, Resources and Customer Services Policy Board

On: 23 November 2023

Report by: Director of Finance and Resources

Heading: Business Services Performance Report

1. Summary

- 1.1 This report details performance across key Business Services functions including revenue collection and benefit administration for the period ending 28 September 2023 (including an update on the funding and expenditure position in relation to Discretionary Housing Payments (DHP) and the Scottish Welfare Fund).
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2. Recommendations

- 2.1 It is recommended that the Board:
- Note the contents of the report.
 - Approve the allocation of £100,000 to the Scottish Welfare Fund as detailed in section 4.4.9
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3. Revenue Collection

3.1 Council Tax

- 3.1.1 This section details the collection performance as at 28 September 2023 for Council Tax. It also provides details of the total sums collected for the previous financial year.
- 3.1.2 The billable sum for 2023/24 is £101,024,955.

- 3.1.3 The sums collected to date for 2023/24 are £59,695,962 which is 59.09% of the billable sum (61.81% last year). This represents a decrease of 2.72% in cash collection as a proportion of net charges billed compared with the same position for 2022/23.
- 3.1.4 The lower comparable position is due to Scottish Government funded Cost of Living Awards being credited to Council Tax accounts in 2022/23, but no such provision has been made for 2023/24. These awards totalled £9,432,000 by 28 April 22. It is anticipated that the percentage decrease will lessen over the remaining months of the year similarly to the pattern of increases last year which lessened as the year developed.
- 3.1.5 It is expected that the ongoing cost of living crisis is likely to have an impact on the level of collection this year.
- 3.1.6 The Council Tax Reduction (CTR) awarded is £13,880,555, amounting to 12.08% of the billable sum, which is 0.22% less than at the same point last year.
- 3.1.7 The Service continues to encourage the take-up of CTR and process claims following notification of Universal Credit awards being in place. Take-up activities have commenced including tracking of potential applications, data matching and analysis to maximise CTR awards and support customers, where possible.

3.2 Non-Domestic Rates

- 3.2.1 This section details the collection performance as at 28th September 2023 for Non-Domestic Rates (NDR). It also provides details of the total sums collected for the last financial year.
- 3.2.2 Non-Domestic Rates (NDR) bills were raised in two phases for 2023/24 due to complex legislative changes to the Small Business Bonus Scheme (SBBS) and the Transitional Relief which will apply to some ratepayers following revaluation.
- 3.2.3 Revaluation, reviewing the value of all 9834 business properties in Renfrewshire, was carried out by Renfrewshire Valuation Joint Board and effective from 1 April 2023.
- 3.2.4 In relation to the SBBS, under the previous regulations, all properties received fixed percentage SBBS awards. Those with rateable values (RVs) of up to £15,000 were eligible for 100% relief. Those over £15,000, but not exceeding £18,000, received 25% relief. From 1st April 2023, the threshold for 100% relief has been reduced to £12,000. The complexity lies with properties with RVs between £12,000 and £20,000, which will now receive relief on a sliding scale between 100% and 0%. Different rules apply where a customer is liable for rates on multiple properties within Scotland.

- 3.2.5 The Service has been interpreting and implementing these complex changes both for the Council and also on behalf of East Renfrewshire Council as part of our long-term arrangement to process Non-Domestic Rates on their behalf.
- 3.2.6 The Non-Domestic Rates (NDR) charges billed for 2023/24 amount to £118,598,823 following revaluation, this is significantly lower than the levied amount of £124,516,068 for 2022/23.
- 3.2.7 Cash receipts to date amount to £61,934,429 which is 52.22% of the sum billed. This is an increase in cash collection as a proportion of net charges billed of 0.97% compared with the same position for 2022/23.

4. Benefit administration

This section details the processing performance in relation to Housing Benefit and the Scottish Welfare Fund, as at the end of September 2023. Also provided is an update on the funding and expenditure position in relation to Discretionary Housing Payments (DHP) and the Scottish Welfare Fund.

4.1 Workload and Performance

- 4.1.1 The Service aims to balance the varied and changing workload resulting from the impacts of the ongoing Cost of Living Crisis and any post-pandemic effects.
- 4.1.2 The Service continues with a progressing trend, this is reflected in the performance data below showing most indicators within target.
- 4.1.3 A reduced level of additional temporary resources continue to be deployed to the service; this is having a positive impact and is providing critical support. It is predicted that this support will no longer be required by the end of the calendar year.
- 4.1.4 Training and support remains in place for new and less experienced staff members. Training for benefits work is an extensive process, taking several weeks for a new team member to become proficient in a single process, many months to be fully trained in all areas and be fully productive.
- 4.1.5 The Service maintains a targeted plan aimed at bringing all work items within target and building a platform for sustained improved performance for the rest of the year.

4.2 Speed of Processing – Housing/Council Tax Benefit

- 4.2.1 As detailed in Table 1 below, processing speed for New Claims is well within target for the period, showing a further improved position from 21 days reported at the last cycle
- 4.2.2 In relation to New Claims processed within 14 days of all information received, this measure is also within target for the period, an improved position from 93% at the last cycle.

- 4.2.3 Processing of Changes in Circumstance (CIC) is within target for the reporting period.

(Supplementary processing information is attached in Appendix 2 for members' reference)

Table 1 – Performance Summary

Performance measure	4 Week Reporting Period 8 September 2023 to 5 October 2023	Year to date position	Annual Target
New Claims – processing time (no. of days)	18 days	20 days	24 days
New Claims - % processed within 14 days of all information received	97%	91%	92%
Changes in Circumstance – processing time (no. of days)	10 days	8 days	10 days

4.3 Discretionary Housing Payments

- 4.3.1 The total budget for Discretionary Housing Payments for 2023/24 is shown in Table 2 below. This includes an additional amount of £241k allocated by the Council during 2022/23, and a top-up of £80.6k, provided by Scottish Government during 2022/23, both of which were carried forward to 2023/24 and reflects the position reported at the last cycle.
- 4.3.2 The Scottish Government funding amount detailed in table 2 below also now includes a significant amount of £183,220 which had been redistributed to the Council, as part of the normal allocation activities by Scottish Government. This enhanced amount was in recognition of the additional spend made last year from Council top-up funding.
- 4.3.3 The total budget is detailed in Table 2 below and shows the indicative spending split provided to the Council.
- 4.3.4 The DHP budget has been calculated to include the full Scottish Government estimate of the amount of funding required to fully mitigate the effect of both the Benefit Cap and the Bedroom Tax. These estimates include a 20% reserve allocation, which will be paid in May 2024, if required.
- 4.3.5 In line with DHP Policy and DHP Regulations, the Service makes awards to fully mitigate the effect of the Benefit Cap and the Bedroom Tax and maximise spend within the year.
- 4.3.6 Table 3 shows the performance information in relation to DHPs. The table shows that the average processing time in relation to DHP is within target.

Table 2 – DHP Budget

Funding – indicative allocations	Amount
Renfrewshire Council (brought forward from 2022/23)	£265,258
Financial Hardship – Scottish Government	£545,998
Benefit Cap* – Scottish Government	£136,600
Bedroom Tax* – Scottish Government	£2,354,497
Total budget for the year	£3,302,353

*These figures represent the maximum amount required to cover the estimated shortfall of customers impacted by the Benefit Cap or Bedroom Tax.

Table 3 – DHP Performance Summary

Measure	1 April 2023 to 30 September 2023
Volume of DHP applications received	3,986 applications
Volume of DHP decisions made	3,841 decisions
Number of DHP awards	3,676 awards
Average processing time (target 29 days)	6 days
Total amount committed/paid	£2,692,176

4. The Scottish Welfare Fund

- 4.4.1 The Scottish Welfare Fund (SWF) provides a safety net for vulnerable people on low incomes through the provision of Community Care Grants and Crisis Grants. The Scottish Welfare Fund is a national scheme, underpinned by law and delivered on behalf of the Scottish Government by all local councils. The SWF replaced elements of the Social Fund abolished by the Department for Work and Pensions in 2013.
- 4.4.2 The Service makes awards in 2023/24 in line with Scottish Government guidance and had spent 59% of its total budget for the Scottish Welfare Fund (SWF) by the end of September 2023.
- 4.4.3 The total budget for the Scottish Welfare Fund for 2023/24 is shown in Table 4 below. This includes an additional amount of £401,771 allocated by the Council, £201,771 of which was brought forward from 2022/23.

- 4.4.4 As highlighted in previous reports, the Scottish Welfare fund budget is under significant pressure this financial year. Last year the Council spent almost £170,000 more than this year's total budget despite demand not escalating until part way through the year when the Cost-of-Living Crisis really started to take effect.
- 4.4.5 In line with Scottish government legislative guidance applications for the Crisis and Community Care Grants (CCGs) are categorised as Low, Medium, High and High Most Compelling priority, both in terms of the circumstances of the applicant and the items requested (in the case of CCGs). Due to the financial pressure on the budget the Council has been awarding on a High priority basis since May 2021 and has only ever made awards on a High, Most Compelling basis twice before, most recently in 2018/19 for a short period.
- 4.4.6 Following a review and even adjusting award levels to the limits of the High priority category, without additional resources, the Council will require from 1 December 2023 to move to award on a High, Most Compelling basis.
- 4.4.7 Under High priority awards are likely to be made to customers considered highly vulnerable and who are in immediate and severe need of the goods applied for. With a switch to High, Most Compelling customers would need to be both highly vulnerable and at immediate risk, with a need for goods which is extremely severe.
- 4.4.8 The impact of this change on customers will be significant, with fewer awards being made and likely lower average award in monetary terms for CGs and fewer items for CCGs.
- 4.4.9 To avoid this severe impact to potentially vulnerable customers it is proposed that the Council augments the fund by adding a further £100,000 to the £200,000 already provided this year. These funds, to be allocated from ringfenced welfare reform balances, would enable the Service to continue to operate awarding to customers on a 'High' priority basis and have sufficient resource to last until 31 March 2024.
- 4.4.10 In the event that a move to awarding on a 'High, Most Compelling' basis the Service is obliged to formally advise Scottish Government (SG) of this change. Assuming additional Council resources are approved, the Service will still formally notify the Scottish Government of this significant funding gap; and also highlight the Council's concern for future years should increased funding not be available.
- 4.4.11 The performance data relating to the Fund is presented in Table 4 below. The Service processed both Crisis Grants and Community Care Grants within target for the period.

Table 4 – SWF Performance Summary (Crisis & Community Care Grants)

Measure	1 April 2023 to 28 September 2023
Number of Crisis Grant applications received	4,939
Number of Crisis Grant Awards	3,537
Total amount paid for Crisis Grants	£433,673.20
Average Processing time year to date (2 working days target)	2 days
Average Processing time within September	2 days
Number of Community Care Grant applications received	1,308
Number of Community Care Grant Awards	913
Total amount paid for Community Care Grant	£544,934.97
Average processing time year to date (15 working days target)	9 days
Average processing time within September	8 days
Total amount paid/committed from the fund	£978,608.17
Budget from Council brought forward from 2022/23	£201,771
Budget from Council 2023/24	£200,000
Budget provided by Scottish Government	£1,252,119
Total Budget	£1,653,890

5. Energy Bills Support Scheme Alternative Funding (EBSS AF) and Alternative Fuel Payment Alternative Funding (AFP AF)

- 5.1 In November it was announced that the UK government were to launch the EBSS AF which would provide an opportunity for households that would not be able to access the main Energy Bills Support Scheme to access £400 of support for energy costs for the winter. The support was to be delivered in partnership with local authorities, who would provide verification and payment functions.
- 5.2 More recently, the Government has also announced the AFP AF, a £200 support payment for households that use fuels other than gas to heat their homes. Local authorities were also asked to perform a role in providing support with processing applications for the small number of households that will not receive the payment automatically.
- 5.3 The Service has made arrangements, in line with the guidance issued by the UK government, to support these additional functions to ensure that Renfrewshire residents eligible for this support receive their payments.

Both schemes are now closed, with only isolated appeal cases being submitted to the Service for processing, with any final payments to be made by 15 September 2023.

Table 5 –

Energy Bills Support Scheme Alternative Funding (EBSS AF) and Alternative Fuel Payment Alternative Funding (AFP AF)

Measure	26 February 2023 to 18 August 2023
Applications received to date	
EBSS	126 Applications
AFP	45 Applications
Total	171 Applications
Payments Made	
EBSS	122 Payments £48,800
AFP	40 Payments £8,000
Total	162 Payments £56,800
Applications Rejected	9 Applications

Implications of the Report

1. **Financial** - The level of collection of Local Taxation continues to provide funding for the delivery of Council services throughout Renfrewshire. Additional funding of £100,000 is proposed to be added to the Scottish Welfare Fund from ringfenced welfare reform funding.
2. **HR & Organisational Development** – None.
3. **Community/Council Planning** –
 - Our Renfrewshire is fair - An effective Benefits service is vital to the quality of life of many of our citizens as it provides vital support for low income households to sustain tenancies and meet their rent obligations.
 - Working together to improve outcomes - An efficient and effective billing and administrative process for the collection of local taxes is vital for ensuring the recovery of income to the Council to support the provision of local services. This is supported by a range of payment opportunities for the public, including electronic and digital payments (e.g. Direct Debit, Website and Telephone).

- Working together to improve outcomes – Efficient and effective customer service is vital to ensuring that citizens have equality of access to Council services, whether this is digitally, by telephone or face to face.
4. **Legal** – None.
 5. **Property/Assets** – None.
 6. **Information Technology** – None.
 7. **Equality & Human Rights** - The recommendations contained within this report in relation to performance updates has been considered in relation to its impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for consideration of performance only.
 8. **Health & Safety** – None.
 9. **Procurement** – None.
 10. **Risk** – None.
 11. **Privacy Impact** – None.
 12. **Cosla Policy Position** – None.
 13. **Climate Risk** – None.

List of Background Papers

None

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Appendix 1

RENFREWSHIRE COUNCIL

REVENUES COLLECTION STATEMENT AS AT 28 SEPTEMBER 2023

COUNCIL TAX		
	2022/23 £m	2023/24 £m
Projected Yield	100.788	108.473
Gross Charges	107.285	114.906
Less rebates	13.125	13.881
Net Charges Billed	<u>94.160</u>	<u>101.025</u>
Cash Collected	89.688	59.696
Rebate Grant	13.125	13.881
	<u>102.812</u>	<u>73.577</u>
Cash collected as % of Net Charges	95.25%	59.09%
Income as % of Projected Yield	102.01%	67.83%

NON DOMESTIC RATES		
	2022/23 £m	2023/24 £m
Projected Yield	122.026	116.227
Gross Charges	147.712	142.749
Less reliefs	23.196	24.150
Net Charges Billed	<u>124.516</u>	<u>118.599</u>
Cash Collected	121.577	61.934
Cash collected as % of Net Charges	97.64%	52.22%
Cash collected as % of Projected Yield	99.63%	53.29%

APPEALS

Where a claimant disputes a Benefits decision and also disputes a revision decision, they can formally make an Appeal. The Benefits Service will prepare a detailed submission which is then considered by the Independent Tribunals Service. Preparation of a submission is a very involved process and requires significant data gathering.

Target processing speed (number of days)	60		
Result: last 3 months (days)	July: 40 days	August: n/a	September: 28 days
Average (12 months to date)	94 days		
Average Appeals Completed	4 Appeals per month		

Comment:- Appeals volumes are very low, which is expected due to reducing Housing Benefit caseload, now being processed consistently within target.

REVISIONS

Where a claimant disputes a benefits decision in the first instance, they can request for it to be looked at again. This is known as a Revision. The process involves a Senior Benefit Assessor reviewing the decision thoroughly to decide whether the decision should stand.

Target	28 days		
Result last report	May 23: 44	June 23: 58	July 23: 36
Result Last 3 months	July 23: 36	August 23: 22	September 23: 55

Comment:- The Service has missed target resources have been focussed on reducing the outstanding volume which has decreased significantly since the start of the financial year. Remaining outstanding older revisions were able to be cleared in September and this has resulted in a final spike in the average processing times. The October position is much improved and well within target and a very low outstanding volume now exists.

ACCURACY

The Service proactively monitors the accuracy of benefits decisions made through a robust audit checking programme. The Service targets to audit a minimum of 4% of calculations.

	Target %	Actual %
Volume of Audits 2023/24	4%	23%
Accuracy – September 2023	95%	88%
Accuracy – 2023/24	95%	87%

Comment:- The Service continues to analyse errors and action trends/patterns by providing additional guidance/training where needed. Accuracy is below target, however specific actions at individual level are being progressed

Targeted training takes place following errors being identified and a detailed training matrix is being developed as more capacity for training activity emerges as the processing times recover.

HOUSING BENEFIT OVERPAYMENTS

The service is responsible for raising overpayments where Housing Benefit has been paid in error. If these have resulted from errors made by claimants, the cost is partially funded by the DWP. The service attempts to recover both newly raised and historic debts from claimants or landlords as appropriate.

Overpayments raised 2023/24	£501,403
Overpayments raised and recovered in year	£187,487
% Recovery	37.39%
All recovery in year	£572,671
All recovery vs raised in year	114%
All recovery vs all debt	7.34%
Total debt outstanding at end of reporting period	£7,224,727