

**To: Finance, Resources and Customer Services Policy Board**

**On: 30 March 2023**

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**Report by: Director of Finance and Resources**

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**Heading: Business Services Performance Report**

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**1. Summary**

- 1.1 This report details performance across key Business Services functions including revenue collection and benefit administration for the period ending 28 February 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.
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**3. Revenue Collection**

**3.1 Council Tax**

- 3.1.1 This section details the collection performance as at 28 February 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 2022/23 is £94,196,157.

- 3.1.3 The sums collected to date for 2022/23 are £88,690,398 which is 94.16% of the billable sum (94.02% last year). This represents an increase of 0.14% in cash collection as a proportion of net charges billed compared with the same position for 2021/22. The increased comparable position is due to a bulk payment received during the period, earlier than at the same point last year.
- 3.1.4 The Scottish Government's Cost of Living Awards scheme payments, which resulted in £9,376,650 being credited to Council Tax accounts earlier this year, are reflected in the sums collected. It was anticipated that the percentage increase previously reported would lessen over the remaining months of the year as customers' reduced instalments take effect. It is expected that the ongoing cost of living crisis is likely to have an impact on the level of collection this year.
- 3.1.5 The Council Tax Reduction (CTR) awarded is £13,135,011, amounting to 12.24% of the billable sum, which is 0.89% less than at the same point last year.
- 3.1.6 The Service continues to work through a volume of outstanding CTR applications and continues to encourage the take-up of CTR. Activities planned for the new financial year will include close tracking of potential applications and data matching 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 28<sup>th</sup> February 2023 for Non-Domestic Rates (NDR). It also provides details of the total sums collected for the last financial year.
- 3.2.2 The Non-Domestic Rates (NDR) charges billed for 2022/23 amount to £125,642,784; this is significantly higher than the levied amount of £88,121,376 for 2021/22. Reduced take up of less generous Covid-19 reliefs in comparison to 2021/22 largely accounts for the increase.
- 3.2.3 The cash receipts to date amount to £119,958,399 which is 95.48% of the sum billed. This is an increase in cash collection as a proportion of net charges billed of 3.83% compared with the same position for 2021/22.
- 3.2.4 Payment collection for Non-Domestic Rates commences in May each year.

## **4. Benefit administration**

This section details the processing performance in relation to Housing Benefit and the Scottish Welfare Fund, as at the end of December 2022. 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 impact of the pandemic.
- 4.1.2 As previously reported, the outstanding volume of work is following the high volume of Self-isolation Support Grants at the start of the calendar year and substantial changes to the Council Tax Reduction Scheme, which resulted in significant manual intervention being required to enable processing.
- 4.1.3 Work to retrieve the target position continues, due to the nature of benefits workload it was always anticipated that, regrettably, this would take some months.
- 4.1.4 Recovery has progressed well since the last reporting period with improvements showing in several indicators.
- 4.1.5 Additional temporary resources continue to be deployed to the service; this is having a positive impact and is providing critical support.
- 4.2.6 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.
- 4.1.7 The Service has a targeted plan in place with activity focussed on clearing oldest items, balanced with addressing priority cases.

## **4.2 Speed of Processing – Housing/Council Tax Benefit**

- 4.2.1 As detailed in Table 1 below, processing speed for New Claims is outside of target for the period. However, a much-improved processing time is reported compared with 46 days at the last cycle.
- 4.2.2 In relation to New Claims processed within 14 days of all information received, this measure is also below target for the period, this remains the same as the last report.
- 4.2.3 Processing of Changes in Circumstance (CIC) is outside of target for the reporting period due to a continued focus on the catch up of older cases. The temporary resource has been deployed to target this area specifically and as a result the position is significantly improved from the last report where the average processing time was 39 days.

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

**Table 1 – Performance Summary**

<b>Performance measure</b>	<b>4 Week Reporting Period 10 February 2023 to 09 March 2023</b>	<b>Year to date position</b>	<b>Annual Target</b>
New Claims – processing time (no. of days)	28	39	24 days
New Claims - % processed within 14 days of all information received	65	74	92%
Changes in Circumstance – processing time (no. of days)	20	10	10 days

### **4.3 Discretionary Housing Payments**

- 4.3.1 The total budget for Discretionary Housing Payments for 2022/23 is shown in Table 2 below; this includes an additional amount of £300k allocated by the Council, £83.6k added from Flexible Funding for Financial Insecurity resources, which were provided to the Council by the Scottish Government and more recent additional resources of £80.6k provided for DHP directly by the Scottish Government. The most recent top up provided by SG is allowed to be a carried forward to 23/24.
- 4.3.2 The total budget is detailed in Table 2 below and shows the indicative spending spilt provided to the Council.
- 4.3.3 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 the Bedroom Tax. This estimate includes a 20% reserve allocation, which will be paid in May 2023, if required.
- 4.3.4 In line with DHP Policy and DHP Regulations, the Service makes awards to fully mitigate the effect of the Bedroom Tax and maximise spend within the year.
- 4.3.5 Scottish Government originally allocated £156,518 to the council in relation to Benefit Cap DHPs for 2022/23 but allowed flexibility for part of this budget to be spent on other categories of financial hardship DHPs as the council saw fit. Additional funding has now been provided to attempt to fully mitigate the Benefit Cap for the period 1st of January 2023 to 31st March 2023. As a consequence, any part of the original funding which was allocated in advance for Benefit Cap mitigation for that period will now be reallocated to spend on general hardship DHP applications. The extent of this reallocation can't be finalised while there is the prospect of Benefit Cap awards being backdated for period up to 31st December 2022.

- 4.3.4 The Service fully expects to spend all the Scottish Government hardship funding except for the £80K referenced in 4.3.1 above which will support next year's budget. It is also expected that all the winter resources carried forward will be exhausted as well as some of the additional support provide by the council as all outstanding applications are processed and running awards optimised.
- 4.3.5 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**

<b>Funding – indicative allocations</b>	<b>Amount</b>
Renfrewshire Council	£300,000
Financial Insecurity Winter Funding	£83,692
Financial Hardship (non-Benefit Cap) – Scottish Government	£346,452
Financial Hardship (Benefit Cap) – Scottish Government	£196,757
Bedroom Tax* – Scottish Government	£2,349,931
<b>Total budget for the year</b>	<b>£3,276,832</b>

\*This figure represents the maximum amount required to cover the estimated shortfall of customers impacted by the Bedroom Tax.

**Table 3 – DHP Performance Summary**

<b>Measure</b>	<b>1 April 2022 to 28 February 2023</b>
Volume of DHP applications received	5,349 applications
Volume of DHP decisions made	5,161 decisions
Number of DHP awards	4,869 awards
Average processing time (target 29 days)	16 days
<b>Total amount committed/paid</b>	<b>£2,714,894</b>

#### **4.4.1 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 2022/23 in line with Scottish Government guidance and had spent 78% of its total budget for the Scottish Welfare Fund (SWF) by the end of February 2023.

- 4.4.3 The total budget for the Scottish Welfare Fund for 2022/23 is shown in Table 4 below; this includes an additional amount of £500k allocated by the Council, £132,954 added from Flexible Funding for Financial Insecurity resources, which were provided to the Council by the Scottish Government and additional resources of £88,177 provided very recently as a supplement from Scottish Government
- 4.4.4 The Service anticipates that it will exhaust all the resources provided by the Scottish Government including the flexible funding and a substantial portion of the budget provided by the Council. The remaining Council funded resources will be carried forward to provide much needed additional support for next year.
- 4.4.5 The performance data relating to the Fund is presented in Table 4 below. The Service processed Crisis Grants just over target for the period, however processed Community Care Grants well within target compared with the last reporting period when the average timescale was 22 days. The Service has adjusted internal processes to ensure a balance is struck to achieve both targets.
- 4.4.6 From October 2020, the Scottish Government committed to providing a grant of £500 to individuals who are in receipt of low-income benefits and who lost income because they are required to self-isolate to prevent the spread of COVID-19.
- 4.4.7 The Scottish Welfare Fund was determined to be the legislative and delivery mechanism for Self-Isolation Support Grants (SISGs) in the form of Crisis Grants, as they are designed to provide occasional support to people facing immediate financial need which poses a risk to their health and wellbeing.
- 4.4.8 Self-Isolation Support Grants closed with effect from 5 January 2023. The service continued to accept applications, in line with Scottish Government guidance, for 28 calendar days from the day the claimant was advised to stay at home, provided they have booked a COVID-19 PCR test through the SISG Portal on or before 5 January 2023.

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

Measure	1 April 2022 to 28 February 2023
Number of Crisis Grant applications received	9,581
Number of Crisis Grant Awards	6,425
<b>Total amount paid for Crisis Grants</b>	<b>£711,625</b>
<b>Average Processing time year to date (2 working days target)</b>	<b>2 days</b>
<b>Average Processing time within February</b>	<b>3 days</b>
Number of Community Care Grant applications received	2,329
Number of Community Care Grant Awards	1,419
<b>Total amount paid for Community Care Grant</b>	<b>£784,372</b>
<b>Average processing time year to date (15 working days target)</b>	<b>14 days</b>
<b>Average processing time within December</b>	<b>11 days</b>
<b>Total amount paid/committed from the fund</b>	<b>£1,495,997</b>
<b>Budget from Financial Insecurity Winter Funding</b>	<b>£132,954</b>
<b>Budget from Council</b>	<b>£500,000</b>
<b>Budget provided by Scottish Government</b>	<b>£1,340,160</b>
<b>Total Budget</b>	<b>£1,973,114</b>

**Table 5 – SWF Performance Summary (Self-Isolation Support Grants) (SISG)**

Measure	1 April 2022 to 28 February 2023
Number of SISG applications received	1,545
Number of SISG Awards	1,355
<b>Average Processing time year to date (1 working day target)</b>	<b>3 days</b>
<b>Average Processing time within February</b>	<b>1 day</b>
<b>Total amount paid/committed from the fund</b>	<b>£546,900</b>
<b>Budget provided by Scottish Government</b>	<b>£546,900</b>

## **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 live and will receive applications until 31 May 2023.

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## **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.
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.

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#### **List of Background Papers**

None

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**Author:** Emma Shields, Senior Service Delivery Manager (Financial Operations)

# Appendix 1

## RENFREWSHIRE COUNCIL

### REVENUES COLLECTION STATEMENT AS AT 28 FEBRUARY 2023

COUNCIL TAX		
	2021/22 £m	2022/23 £m
Projected Yield	98.307	100.788
Gross Charges	102.312	107.331
Less rebates	13.331	13.135
Net Charges Billed	<u>88.981</u>	<u>94.196</u>
Cash Collected	84.937	88.690
Rebate Grant	13.331	13.135
	<u>98.268</u>	<u>101.825</u>
Cash collected as % of Net Charges	95.45%	94.16%
Income as % of Projected Yield	99.96%	101.03%

NON DOMESTIC RATES		
	2021/22 £m	2022/23 £m
Projected Yield	86.359	123.130
Gross Charges	145.293	147.685
Less reliefs	57.171	22.042
Net Charges Billed	<u>88.121</u>	<u>125.643</u>
Cash Collected	84.547	119.958
Cash collected as % of Net Charges	95.94%	95.48%
Cash collected as % of Projected Yield	97.90%	97.42%

**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)**

December: 94 days

January: 109 days

February: 232 days

**Average (12 months to date)**

132 days

**Average Appeals Completed**

3 Appeals per month

**Comment:-** Appeals volumes are very low, which is expected due to reducing Housing Benefit caseload. Good progress has been made during January and February in bringing outstanding volumes of Appeals up to date this has resulted, as anticipated, in longer processing times as older cases were cleared. It is expected that processing will be back within target by the next reporting cycle.

**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**

October 22: 72

November 22: 91

December 22: 91

**Result Last 3 months**

December 22: 91

January 23: 76

February 23: 63

**Comment:-** The Service has missed target for revisions processing as a result of balancing workloads. Resources have been focussed on reducing the outstanding volume of Revisions and bring processing up to date before the end of the financial year. The data above shows an improving position, and the expectation is processing within target by the next cycle.

**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 %
<b>Volume of Audits 2022/23</b>	4%	37%
<b>Accuracy – February 2023</b>	95%	94%
<b>Accuracy – 2022/23</b>	95%	89%

**Comment:-** The Service continues to analyse errors and action trends/patterns by providing additional guidance/training where needed. A much-improved accuracy figure closer to target is reported this cycle. The proportion checked this period reflects a higher volume of case cleansing reviews carried out on claims as a proportion of decisions made. Case cleansing reviews are triggered by longer processing times, so it is expected to be higher during this recovery period.

**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.

<b>Overpayments raised 2022/23</b>	£1,204,705
<b>Overpayments raised and recovered in year</b>	£424,151
<b>% Recovery</b>	35.21%
<b>All recovery in year</b>	£1,021,714
<b>All recovery vs raised in year</b>	84.81%
<b>All recovery vs all debt</b>	12.15%
<b>Total debt outstanding at end of reporting period</b>	£7,387,468