

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

**On: 21 November 2024**

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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 September 2024.

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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 September 2024 for Council Tax. It also provides details of the total sums collected for the previous financial year.

3.1.2 The billable sum for 2024/25 is £102,334,286.

- 3.1.3 The sums collected to date for 2024/25 are £60,565,418 which is 59.18% of the billable sum (59.09% last year). This represents an increase of 0.09% in cash collection as a proportion of net charges billed compared with the same position for 2023/24.
- 3.1.4 The Council Tax Reduction (CTR) awarded is £13,660,686, amounting to 11.78% of the billable sum, which is 0.30% less than at the same point last year.
- 3.1.5 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 28<sup>th</sup> September 2024 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 2024/25 amount to £124,090,866.
- 3.2.3 Cash receipts to date amount to £70,063,649 which is 56.46% of the sum billed. This is an increase in cash collection as a proportion of net charges billed of 4.24% compared with the same position for 2023/24.
- 3.2.4 Payment collection for Non-Domestic Rates commences in May each year.
- 3.2.5 Members, may note that in Appendix 1 collection for is showing as greater than 100% for prior year 2023/24, this is due to the backdating of a reduced liability for a very large account where the system is in the process of being updated, with the refund outstanding.

## **4. Benefit administration**

This section details the processing performance in relation to Housing Benefit, Council Tax Reduction, and the Scottish Welfare Fund, as at the end of September 2024. Also provided is an update on the funding and expenditure position in relation to Discretionary Housing Payments (DHP) and the Scottish Welfare Fund plus details of Housing Benefit Overpayment recovery.

### **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 positive trend; this is reflected in the performance data below showing almost all indicators within target for the period.
- 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, and many months to be fully trained in all areas and be fully productive.
- 4.1.5 The Service maintains a targeted plan aimed at sustaining improved performance.

## 4.2 Speed of Processing – Housing Benefit

- 4.2.1 As detailed in Table 1 below, processing speed for New Claims is slightly out of target for the period. This is a result of a very small number of claims being mis-identified and Housing Benefit not assessed as soon as they were received. An urgent processing instruction reminder has been issued to all staff and it is anticipated that the indicator will be back within target at the end of the next processing period.
- 4.2.2 In relation to New Claims processed within 14 days of all information received, this measure is within target for the period.
- 4.2.3 Processing of Changes in Circumstance (CIC) is well within target for the reporting period.

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

**Table 1 – Housing Benefit Performance Summary**

<b>Performance measure</b>	<b>4 Week Reporting Period 13 September 2024 to 10 October 2024</b>	<b>Year to date position</b>	<b>Annual Target</b>
New Claims – processing time (no. of days)	24 days	18 days	22 days
New Claims - % processed within 14 days of all information received	93%	95%	92%
Changes in Circumstance – processing time (no. of days)	5 days	5 days	9 days

### 4.3 Speed of Processing – Council Tax Reduction (CTR)

- 4.3.1 The majority of new applications for CTR relate to customers claiming Universal Credit (UC). Due to the DWP’s UC claim mechanism, the service can’t begin processing such applications until 28 days has elapsed. The processing target therefore appears inflated but has been set at a challenging 35 days.
- 4.3.2 Delayed CTR awards do not negatively impact on customers to the extent they would with housing benefit claims, but the service nevertheless endeavours to process these as quickly as possible.
- 4.3.3 As detailed in Table 2 below, processing speed for CTR New Claims is within target for both the period and for the year to date.
- 4.3.4 Processing of CTR Changes in Circumstance (CIC) is well within target for the reporting period.

**Table 2 – Council Tax Reduction Performance Summary**

<b>Performance measure</b>	<b>4 Week Reporting Period 13 September 2024 to 10 October 2024</b>	<b>Year to date position</b>	<b>Annual Target</b>
New Claims – processing time (no. of days)	32 days	35 days	35 days
Changes in Circumstance – processing time (no. of days)	4 days	4 days	9 days

### 4.4 Housing Benefit Overpayments

- 4.4.1 Council expenditure on Housing Benefit (HB) is largely funded by the DWP via a process known as Housing Benefit Subsidy.
- 4.4.2 Where a HB payment is found to have been made in error, a Housing Benefit Overpayment debt (HBO) will be raised against the customer who has been overpaid. This often negatively effects the level of subsidy the council receives.
- 4.4.3 If an overpayment arises due to a customer failing to report a change in their circumstances, the council will receive subsidy amounting to 40% of the overpayment value. These are known as Claimant Errors. If the overpayment instead arises due to the Council not acting quickly enough on information received, or as a result of staff error, the level of subsidy received will either be 100%, 40%, or zero, depending on the cumulative total of such errors during the financial year compared to total HB expenditure. These are known as Local Authority Errors.

- 4.4.4 Provided the total of Local Authority Errors amounts to less than 0.48% of all HB expenditure, 100% subsidy will be paid by the DWP to the council to cover this classification of error. If this threshold is breached but the ratio is not greater than 0.54% of expenditure, the council will receive only 40% subsidy for Local Authority Errors. Where the value exceeds 0.54% the council loses out on all subsidy for Local Authority Errors.
- 4.4.5 The service strives to minimise Local Authority Errors and closely tracks progress in this area. As of 13<sup>th</sup> of October 2024 the ratio of these errors was comfortably with the 100% subsidy range at 0.24%.
- 4.4.6 Regardless of the level of subsidy received for a HBO, the service will normally endeavour to recover the full amount of the overpayment from the customer or landlord who has been overpaid. Appendix 3 shows year to date HBO recovery performance.

#### **4.5 Discretionary Housing Payments**

- 4.5.1 The total budget for Discretionary Housing Payments for 2024/25 is shown in Table 3 below. This includes an additional amount of £13k allocated by the Council during 2023/24 which was carried forward to 2024/25.
- 4.5.2 The budget shows the indicative spending split provided to the Council by Scottish Government.
- 4.5.3 The Scottish Government Financial Hardship funding amount detailed in Table 2 includes a redistribution to the Council of £466,331 in June 2024 as part of the normal allocation activities by Scottish Government.
- 4.5.4 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 2025, if required.
- 4.5.5 The total Financial Hardship budget currently available to the Council is only 90% of the equivalent spend during 2023/24.
- 4.5.6 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.
- 4.5.7 Table 4 shows the performance information in relation to DHPs. The table shows that the average processing time in relation to DHP is within target.

**Table 3 – DHP Budget**

<b>Funding – indicative allocations</b>	<b>Amount</b>
Renfrewshire Council (brought forward from 2023/24)	£13,051
Financial Hardship – Scottish Government	£709,318
Benefit Cap* – Scottish Government	£145,388
Bedroom Tax* – Scottish Government	£2,503,648
<b>Total budget for the year</b>	<b>£3,371,405</b>

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

**Table 4 – DHP Performance Summary**

<b>Measure</b>	<b>1 April 2024 to 30 September 2024</b>
Volume of DHP applications received	4,273 applications
Volume of DHP decisions made	4,101 decisions
Number of DHP awards	3,932 awards
Average processing time (target 29 days)	12 days
<b>Total amount committed/paid</b>	<b>£2,670,861</b>

## **4.6 The Scottish Welfare Fund**

- 4.6.1 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.
- 4.6.2 The Service makes awards in 2024/25 in line with Scottish Government guidance and had spent 49% of its total budget for the Scottish Welfare Fund (SWF) by the end of September 2024.
- 4.6.3 The total budget for the Scottish Welfare Fund for 2024/25 is shown in Table 5 below. This includes an additional amount of £600,000 in total allocated by the Council.
- 4.6.4 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.

- 4.6.5 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.
- 4.6.6 The additional funds, allocated by the Council and approved at the Finance, Resources and Customer Services Policy Board on 12 September 2024, have allowed awards to continue at the High priority level.
- 4.6.7 The performance data relating to the Fund is presented in Table 5 below. The Service processed both Crisis Grants and Community Care Grants within target for the period.

**Table 5 – SWF Performance Summary (Crisis & Community Care Grants)**

<b>Measure</b>	<b>1 April 2024 to 30 September 2024</b>
Number of Crisis Grant applications received	4,414
Number of Crisis Grant Awards	2,927
<b>Total amount paid for Crisis Grants</b>	<b>£308,840.31</b>
<b>Average Processing time year to date (2 working days target)</b>	<b>2 days</b>
<b>Average Processing time within September</b>	<b>2 days</b>
Number of Community Care Grant applications received	1,297
Number of Community Care Grant Awards	685
<b>Total amount paid for Community Care Grant</b>	<b>£601,194.61</b>
<b>Average processing time year to date (15 working days target)</b>	<b>9 days</b>
<b>Average processing time within September</b>	<b>7 days</b>
<b>Total amount paid/committed from the fund</b>	<b>£910,034.92</b>
<b>Budget from Council 2024/25</b>	<b>£600,000</b>
<b>Budget provided by Scottish Government</b>	<b>£1,252,119</b>
<b>Total Budget</b>	<b>£1,852,119</b>

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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. **Climate Risk** – None.
13. **Children's Rights** – None.
14. **Cosla Policy Position** – None.



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**List of Background Papers**

None

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## Appendix 1

### RENFREWSHIRE COUNCIL

#### REVENUES COLLECTION STATEMENT AS AT 28 SEPTEMBER 2024

COUNCIL TAX	2023/24 £m	2024/25 £m
Projected Yield	108.473	110.304
Gross Charges	114.104	115.995
Less rebates	13.851	13.661
Net Charges Billed	<u>100.253</u>	<u>102.334</u>
Cash Collected	94.629	60.565
Rebate Grant	13.851	13.661
	<u>108.480</u>	<u>74.226</u>
Cash collected as % of Net Charges	94.39%	59.18%
Income as % of Projected Yield	100.01%	67.29%

NON DOMESTIC RATES	2023/24 £m	2024/25 £m
Projected Yield	110.682	121.609
Gross Charges	138.509	146.640
Less reliefs	25.569	22.549
Net Charges Billed	<u>112.941</u>	<u>124.091</u>
Cash Collected	115.007	70.064
Cash collected as % of Net Charges	101.83%	56.46%
Cash collected as % of Projected Yield	103.91%	57.61%

## Appendix 2

### 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.

<b>Target processing speed (number of days)</b>	60		
<b>Result: last 3 months (days)</b>	July: 3 days	August: 54 days	September: 17 days
<b>Average (12 months to date)</b>	40 days		
<b>Average Appeals Completed</b>	3 Appeals per month		

**Comment:-** Appeals volumes are very low, which is expected due to reducing Housing Benefit caseload.

### 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.

<b>Target</b>	28 days		
<b>Result last report</b>	May 24: 15 days	June 24: 16 days	July 24: 19 days
<b>Result Last 3 months</b>	July 24: 19 days	August 24: 17 days	Sept' 24: 24 days

**Comment:-** Revisions processed well within target.

### 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 2024/25</b>	4%	22%
<b>Accuracy – September 2024</b>	96%	95%
<b>Accuracy – 2024/25</b>	95%	95%

**Comment:-** The Service continues to analyse errors and action trends/patterns by providing additional guidance/training where needed. Accuracy is recognised as a key priority for sustained improvement, 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.

## Appendix 3

### 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 2024/25</b>	£486,058
<b>Overpayments raised and recovered in year</b>	£259,764
<b>% Recovery for above (Target 50%)</b>	53.44%
<b>All recovery in year</b>	£612,191
<b>All recovery vs raised in year (Target 120%)</b>	125.95%
<b>All recovery vs all debt (Target 16.50%)</b>	7.99%
<b>Total debt outstanding at end of reporting period</b>	£7,053,711