

To: Finance, Resources and Customer Services Policy Board

On: 8 September 2022

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 July 2022 (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 28th July 2022 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 £94,129,200.
- 3.1.3 The sums collected to date for 2022/23 are £42,381,409 which is 45.02% of the billable sum (41.76% last year). This represents an increase of 3.26% in cash collection as a proportion of net charges billed compared with the same position for 2021/22.
- 3.1.4 Scottish Government's Cost of Living Awards scheme is largely responsible for the increase in collection. The payments, which amount to £150 per eligible household, resulted in £9,376,650 being credited to Council Tax accounts by 28th July 2022. It is anticipated that the percentage increase will lessen over the remaining months of the year as customers' reduced instalments take effect. It is expected that ongoing cost of living crisis is likely to have an impact on the level of collection this year, early indications for June and July are starting to show an underlying reduced collection rate.
- 3.1.5 The Council Tax Reduction (CTR) awarded is £13,158,231 amounting to 12.26% of the billable sum, which is 1.27% 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 28th July 2022 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 £126,833,633, this is significantly higher than the levied amount of £89,091,814 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 £36,559,274 which is 28.82% of the sum billed. This is an increase in cash collection as a proportion of net charges billed of 3.36% 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 July 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, in particular redirection of the significant resources which were required to support Self-Isolation Support Grants in the first quarter of the year.
- 4.1.2 Work to retrieve the target position continues, 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.
- 4.1.3 Recovery has been impacted by training of new team members taking longer than normal along with planned and unplanned absence over the summer.
- 4.1.4 The Service has a targeted plan in place with activity focussed in clearing oldest items, balanced with addressing priority cases. Intensive training support is in place for new team members and progress has been made in reducing the age of outstanding items.

4.2 Speed of Processing – Housing/Council Tax Benefit

- 4.2.1 As detailed in Table 1 below, processing speed for New Claims is outwith target for the period.
- 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.
- 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 – Performance Summary

Performance measure	4 Week Reporting Period 17 June 2022 to 14 July 2022	Year to date position	Annual Target
New Claims – processing time	48 days	38 days	24 days
New Claims - % processed within 14 days of all information received	73%	77%	92%
Changes in Circumstance – processing time	16 days	7 days	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 and £83,692 added from Flexible Funding for Financial Insecurity resources which were provided to the Council by the Scottish Government.
- 4.3.2 Funding for DHP was previously provided to Local Authorities by the Department for Work and Pensions, following the new social security powers devolved to the Scottish Government (SG), DHP funding is now provided entirely by SG. The total budget is detailed in table 2 below and shows the indicative spending split 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 Table 3 shows the performance information in relation to DHPs. The table shows that processing time in relation to DHP is within target.

Table 2 – DHP Budget

Funding – indicative allocations	amount
Renfrewshire Council	£300,000
Financial Insecurity Winter Funding	£83,692
Financial Hardship (non-Benefit Cap) – Scottish Government	£226,003
Financial Hardship (Benefit Cap) – Scottish Government	£156,518
Bedroom Tax* – Scottish Government	£2,349,931
Total budget for the year	£3,156,004

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

Table 3 – DHP Performance Summary

Measure	1 April 2022 to 28 July 2022
Volume of DHP applications received	3,753 applications
Volume of DHP decisions made	3,460 decisions
Number of DHP awards	3,347 awards
Average processing time (target 29 days)	20 days
Total amount committed/paid	£2,156,283

4.4 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 2022/23 in line with Scottish Government guidance and had spent 25% of its total budget for the Scottish Welfare Fund (SWF) by the end of July 2022.
- 4.4.3 The total budget for the Scottish Welfare Fund for 2022/23 is shown in table 2 below, this includes an additional amount of £500k allocated by the Council and £132,954 added from Flexible Funding for Financial Insecurity resources which were provided to the Council by the Scottish Government.
- 4.4.4 The performance data relating to the Fund is presented in table 4 below. The Service has processed Crisis and Community Care Grants within target, however due to exceptional demand levels were not able to meet the extremely stretching 1 day target for SISGs.
- 4.4.5 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.
- 4.4.6 From May 2021 SISGs are available to low paid workers, the grant can help cover lost earnings if they have a positive PCR test or care for someone who has a positive PCR test, the grant amount changed to £225.

- 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 The Service made necessary operational arrangements to support the assessment, processing, and payment of SISGs. During January and February an average of 1,928 applications were received compared to a monthly average of 654 prior to the Omicron variant. This significant increase in workload impacted wider operational delivery. Following the changes reference in 4.4.6 above the volume of SISGs is now very low.

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

Measure	1 April 2022 to 28 July 2022
Number of Crisis Grant applications received	3,269
Number of Crisis Grant Awards	2,137
Total amount paid for Crisis Grants	£216,210
Average Processing time (2 working days target)	2 days
Average Processing time within April	2 days
Number of Community Care Grant applications received	852
Number of Community Care Grant Awards	438
Total amount paid for Community Care Grant	£263,258
Average processing time year to date (15 working days target)	8 days
Average processing time within April	9 days
Total amount paid/committed from the fund	£479,468
Budget from Financial Insecurity Winter Funding	£132,954
Budget from Council	£500,000
Budget provided by Scottish Government	£1,251,983
Total Budget	£1,884,937

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

Measure	1 April 2022 to 28 July 2022
Number of SISG applications received	1,321
Number of SISG Awards	1,163
Average Processing time year to date (1 working day target)	3 days
Average Processing time within July	2 days
Total amount paid/committed from the fund	£500,550
Budget provided by Scottish Government	£500,550

5. Cost of Living Awards

- 5.1 The Scottish Government introduced this support to help households tackle the increasing cost of living.
- 5.2 These awards were credited to all households who had a liability to pay Council Tax and who were either residing in properties in valuation bands A to D, or were in receipt of Council Tax Reduction, as at 14/02/2022. This resulted in reduced instalments due across the year.
- 5.3 Only one award of £150 could be made for each occupied qualifying property.
- 5.4 62,511 customers have received a credit to their Council Tax account.
- 5.5 1,462 customers in eligible categories of households exempt from Council Tax, i.e., with no liability, had been issued directly with a payment by the end of July.

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 – An efficient and effective Customer Service Unit is vital to ensuring 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. In terms of the LIPP, Renfrewshire Council is acting as delivery agent for Scottish Government policy and is following Scottish Government guidance on how to implement and delivery the LIPP. As such the equality and human rights impacts of this policy are a matter for Scottish Government.
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

- (a) None.

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Appendix 1

RENFREWSHIRE COUNCIL

REVENUES COLLECTION STATEMENT AS AT 28th JULY 2022

COUNCIL TAX		
	2021/22	2022/23
	£m	£m
Projected Yield	98.307	100.788
Gross Charges	102.412	107.287
Less rebates	13.372	13.158
Net Charges Billed	<u>89.040</u>	<u>94.129</u>
Cash Collected	84.682	42.381
Rebate Grant	13.372	13.158
	<u>98.054</u>	<u>55.540</u>
Cash collected as % of Net Charges	95.11%	45.02%
Income as % of Projected Yield	99.74%	55.11%

NON DOMESTIC RATES		
	2021/22	2022/23
	£m	£m
Projected Yield	87.310	124.297
Gross Charges	145.641	147.945
Less reliefs	56.549	21.112
Net Charges Billed	<u>89.092</u>	<u>126.834</u>
Cash Collected	84.083	36.559
Cash collected as % of Net Charges	94.38%	28.82%
Cash collected as % of Projected Yield	96.30%	29.41%

Business Services Performance Report – Appendix 2

Supplementary KPIs – Finance & Resources Policy Board

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)

May: Nil

June: 148 days

July: 14 days

Average (12 months to date)

93 days

Average Appeals Completed

2 Appeals per month

Comment:- Appeals volumes are very low, which is expected due to reducing Housing Benefit caseload. Monthly target was missed in June due resources being spread to support Self-Isolation Support Grants earlier in the year.

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

February 22: 47

March 22: 65

April 22: 48

Result Last 3 months

May 22: 44

June 22: 73

July 22: 63

Comment:- The Service has missed target for revisions processing as a result of balancing workloads, including the processing of Self-Isolation Support Grants, the position improved in April May however slipped back as older cases

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.

Volume of Audits 2022/23

Target %

4%

Actual %

30%

Accuracy – July 22

95%

88%

Accuracy – 2022/23

95%

88%

Comment:- The service continues to analyse errors and action trends/patterns by providing additional guidance/training where needed. 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.

Business Services Performance Report – Appendix 2
Supplementary KPIs – Finance & Resources Policy Board

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 2022/23	£442,210
Overpayments raised and recovered in year	£92,463
% Recovery	20.91%
All recovery in year	£361,451
All recovery vs raised in year	81.74%
All recovery vs all debt	7.70%
Total debt outstanding at end of reporting period	£7,336,310