



Service Delivery Committee	Tuesday, 29 January 2019	Matter for Information
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Report Title: Revenues & Benefits Update (Q3 2018/19)

Report Author(s): Chris Raymakers (Head of Finance, Revenues and Benefits)

Purpose of Report:	To inform Members of activity within the Revenues and Benefits area during the third quarter of 2018/19, and to bring them up to date as to the progress of Universal Credit implementation.
Report Summary:	Revenues and Benefits have shown strong performance in its core services over the third quarter of the year.
Recommendation(s):	That the contents of the report be noted.
Responsible Strategic Director, Head of Service and Officer Contact(s):	<p>Stephen Hinds (Director of Finance & Transformation) (0116) 257 2681 stephen.hinds@oadby-wigston.gov.uk</p> <p>Chris Raymakers (Head of Finance, Revenues and Benefits) (0116) 257 2891 chris.raymakers@oadby-wigston.gov.uk</p> <p>Mick Bullock (Benefits Team Leader) (0116) 257 2713 mick.bullock@oadby-wigston.gov.uk</p>
Corporate Priorities:	Effective Service Provision (CP2) Wellbeing for All (CP5)
Vision and Values:	"A Strong Borough Together" (Vision) Accountability (V1) Respect (V2) Customer Focus (V5)
Report Implications:-	
Legal:	There are no implications arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	Decreasing Financial Resources (CR1) Reputation Damage (CR4) Organisational/Transformational Change (CR8) Increased Fraud (CR10)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable.
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.

Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	None.
Appendices:	None.

1. Introduction

- 1.1 The Revenues and Benefit Teams are responsible for the administration and collection of Council Tax and Non-Domestic Rates (NDR) for the Borough of Oadby and Wigston.
- 1.2 The Benefits Team also receives, assesses and administers the Housing Benefit service as well as facilitating the implementation of Universal Credit which will ultimately replace Housing Benefit for working-age claimants.

2. Revenues

- 2.1 The Revenues Team is responsible for administering and collecting £30m of Council Tax and £12m of Non-Domestic Rates which it does on behalf of Leicestershire County Council, the Leicestershire Police Service, the Combined Fire and Rescue Service and Central Government as well Oadby and Wigston Borough Council itself.
- 2.2 The section is set specific collection targets for these income streams which are then included in the annual budget as part of the Council's core funding. Performance is measured through a comprehensive series of indicators which are reported to the area's management. Collection rates and arrears levels also are also reported as part of the Council's Key Performance Indicators.
- 2.3 It is expected that in the final quarter of the year and in 2019/20, both collectable debits will increase due to the increase in house building and the opening of the two supermarkets which are still to be valued as of 31 December 2018.

2.4 Collection Rates

At present, both Council Tax and Non-Domestic Rates collection has fallen behind its target for this time of year. The Revenues and Recovery Teams have both suffered from long term sickness and staff changes during this period causing a backlog of work. Those Teams have now recruited into the two vacant posts, caused by leavers, while extra assistance has been brought in to cover sick leave. It is expected the backlog will be completely recovered by the middle of next month, February 2019, which should see the collection rate start to rise.

Percentage of Debit Collected (Accumulative)	October (%)	November (%)	December (%)
Council Tax			
Actual collection	67.22	76.43	85.47
Target	68.30	77.70	87.20

Actual Collection 2017/18	67.93	77.22	86.43
Non Domestic Rates			
Actual collection	65.53	74.35	82.03
Target	65.14	73.99	82.29
Actual Collection 2017/18	65.75	74.89	83.05

2.5 Property Statistics

	October	November	December
No of Council Tax Properties	23,328	23,337	23,336
No of Council Tax Direct Debits	17,438	17,427	17,373
No of Single Person Discounts	7,230	7,254	7,268
No of Businesses	1,441	1,445	1,444
No of Business in receipt of Small Business Rate Relief	646	646	650

2.6 Recovery Statistics

In the third quarter of 2018/19, the Team has sent a total of 1,400 reminders for Council Tax payments and 60 to Business Rates accounts. Court action statistics are listed below.

	October	November	December
Council Tax			
No of Summons Issues	260	306	58
No of Liability Orders	33	60	69
No referred to Enforcement Agents	128	60	25
Business Rates			
No of Summons	6	16	9
No of Liability Orders	6	3	6

3. Benefits

3.1 The Benefits Team currently administers a total caseload of around 3,029 claimants. New claims are processed against an average time target of 15 days.

	October	November	December	Total Q3	YTD
No of new claims received	80	79	39	198	756
Avg. time taken per claim (days)	15.24	11.41	17.72	14.20	15.24

At the end of quarter three, the average time taken to process a new claim was 15.24 days, an improvement on the quarter two average but which is longer than the target time. It is however expected that this time will reduce over the year to the 15 day average.

Changes in circumstances are processed on against an average time target of 8 days.

	October	November	December	Total Q3	YTD
No of changes received	635	631	356	1,622	6,796
Avg. time taken (days)	5.53	6.23	6.24	5.96	6.08

At the end of the third quarter the average time taken to process a change of circumstances was 6.08 days.

The Team also administers Discretionary Hardship Payments for both Housing Benefit and Council Tax Support.

No of people in receipt (total)	October	November	December
Discretionary Housing Payment	54	59	63
Discretionary CTS Scheme	41	44	49

4. Universal Credit (UC)

- 4.1 The number of residents on UC has continued to rise during the third quarter of the year. This is reflected in the number of 'Housing Benefit Stop Notices' received by the Council which increased steadily through this quarter. There have been 282 such notices in the third quarter of the financial year, compared to 280 in the previous period since full service commenced.

Activity	October	November	December
Housing Benefit Stop notices	106	103	73
Universal Credit Enquiries	69	99	87
Rent Verifications Requests	12	11	8

- 4.2 The Council offers support to those who require help completing UC Application forms but, as reported at the last Committee the take up of this service has been limited, which is a concern: however, one reason may be that claimants are getting assistance from the Job Centre in Leicester.

Activity	October	November	December
Assisted Digital Support	0	1	1
Use of UC Hotline	2	1	2

- 4.3 There is a lot of evidence that suggests that once a tenant migrates from Housing Benefit onto UC, they are more likely to fall into arrears because of the nature of UC, which is paid in arrears directly to the claimant. The Council is pro-active in assisting claimants in arrears and can request payment to be made direct to the Council, as landlord. Of the 58 tenants who currently receive Universal Credit, 19 are having their rent paid by this method.

Activity	October	November	December
No of Universal Credit claimants currently in arrears	49	63	64
No of Claimants > than one	11	15	11

month in arrears			
No of Claimants > than two months in arrears	20	26	22

- 4.4 There have been changes announced recently to UC. The Secretary of State for Work and Pensions announced that those in receipt of Severe Disability Premium, as part of the Legacy payments, will now no longer migrate to UC. Also, new working age claimants with 3 or more children will be allowed to claim UC rather than Housing Benefit. Previously only families with up to two children could claim UC.
- 4.5 Managed migration of Housing Benefit to Universal Credit will commence nationally from July 2019 and will conclude in 2023. It still not known when Oadby and Wigston will fit into to this timetable.

5. Initiatives

- 5.1 Work is almost concluded by the Transformation Team on the utilisation of 'All Pay' to allow customers to pay Council Tax. To facilitate this, all 2019/20 bills will display a barcode to allow payment to be made at numerous outlets across the Borough including Post Offices.
- 5.2 The Revenues Team has started a campaign to promote the use of direct debit payment for paying Council Tax. The current proportion of customers that pay Council Tax in this way is about 75%. The campaign will include extra information about direct debit sent with the annual bills as well as advertising this method of paying in the next addition of Letterbox. If this, together with the 'All Pay' initiative, is successful, it will reduce the amount of cash taken in payment making efficiencies in administration and savings in bank charges.
- 5.3 The Council Tax section will undergo a full service review during 2019/20, utilising the expertise within the Transformation Team. This should maximise customer service, streamline procedures and make efficiencies which should lead directly to savings.