

## PLYMOUTH CITY COUNCIL

**Subject:** Revenues and Benefits Performance Update

**Committee:** Cabinet

**Date:** 13 November 2012

**Cabinet Member:** Councillor Lowry

**CMT Member:** Adam Broome (Director for Corporate Services)

**Author:** Martine Collins (Strategic Manager Revs and Benefits)

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**Ref:**

**Key Decision:** No

**Part:** I

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### **Purpose of the report:**

To provide Cabinet with an update on the performance of the Revenues and Benefits service.

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### **Corporate Plan 2012-2015:**

The Revenues and Benefits service significantly contributes to the Inequalities Agenda ensuring that the most vulnerable residents of Plymouth receive the appropriate benefit entitlement. Also strong links into Value for Communities.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land**

The Revenues and Benefits service undertook a major restructure in 2011/12 which reduced overall funding by c.£1m and fundamentally changed working practices. The Council administers Housing Benefit subsidy of c.£100m per annum and processes Council Tax Benefit of circa £22m

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### **Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:**

- An effective Revenues and Benefits service helps address inequalities through ensuring that vulnerable residents receive appropriate benefit entitlement.
  - The service undertakes annual benefit take up campaigns which are targeted to areas of greatest need.
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### **Recommendations & Reasons for recommended action:**

Cabinet are asked to note the progress made by the service since the implementation of a new structure in November 2011. The service now benchmarks as being 'below average' costs with improving service delivery.

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**Alternative options considered and reasons for recommended action:**

The restructure of the Revenues and Benefits service was undertaken in response to benchmarking information which demonstrated that the service was performing below standard and above cost.

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**Background papers:**

None

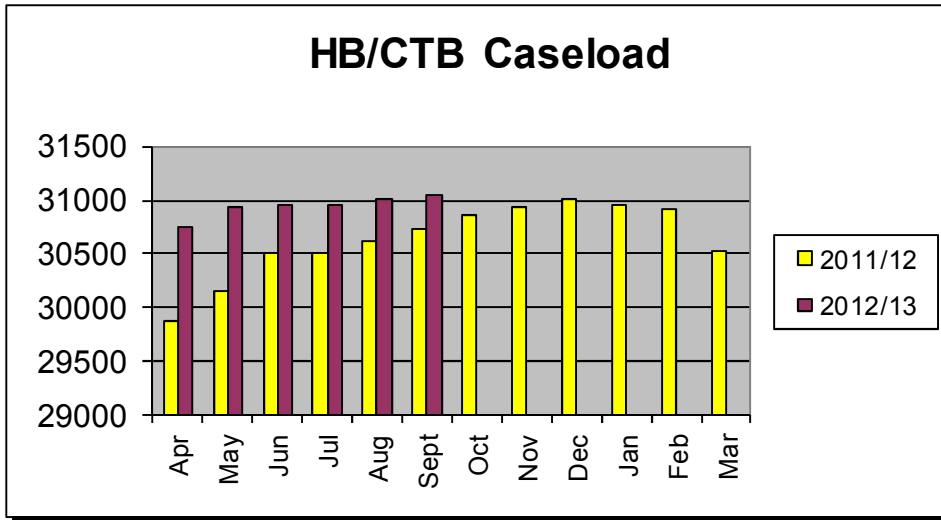
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**Sign off:**

|   |                    |     |            |    |  |              |  |    |  |               |  |
|---|--------------------|-----|------------|----|--|--------------|--|----|--|---------------|--|
| Fin   | MC<br>1213.<br>016 | Leg | TH<br>0059 | HR |  | Corp<br>Prop |  | IT |  | Strat<br>Proc |  |
| Originating SMT Member: Malcolm Coe                               |                    |     |            |    |  |              |  |    |  |               |  |
| Have you consulted the Cabinet Member(s) named on the report? Yes |                    |     |            |    |  |              |  |    |  |               |  |

## Housing Benefit

### Number of Housing Benefit and Council Tax Benefit claimants:



|                | Apr          | May          | Jun          | Jul          | Aug          | Sep          | Oct   | Nov   | Dec   | Jan   | Feb   | Mar   |
|----------------|--------------|--------------|--------------|--------------|--------------|--------------|-------|-------|-------|-------|-------|-------|
| <b>2012/13</b> | <b>30754</b> | <b>30945</b> | <b>30953</b> | <b>30952</b> | <b>31015</b> | <b>31040</b> |       |       |       |       |       |       |
| <b>2011/12</b> | 29879        | 30165        | 30505        | 30504        | 30621        | 30737        | 30853 | 30929 | 31004 | 30952 | 30923 | 30528 |

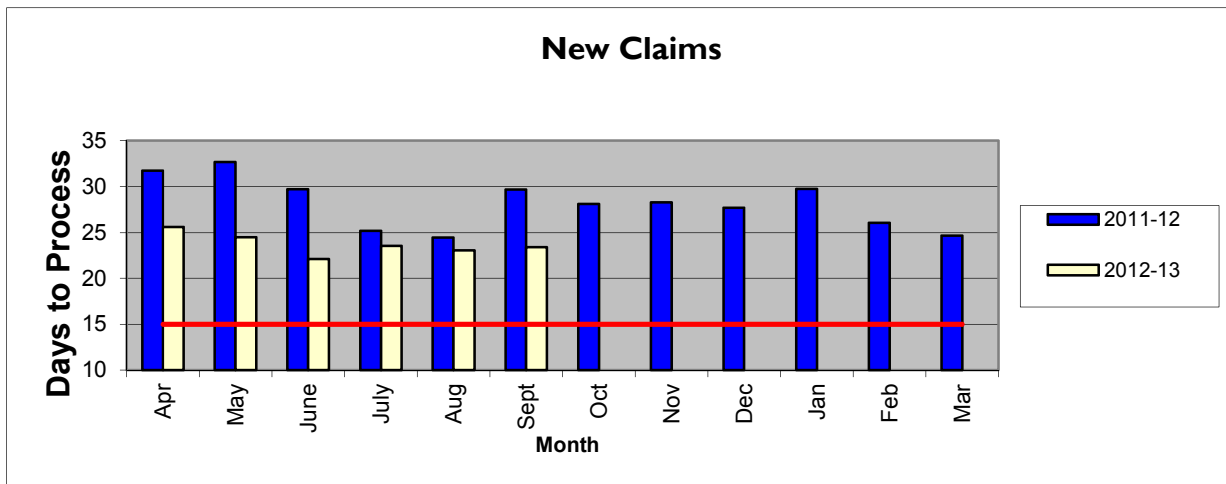
Caseload figures continue to rise. The average caseload per Plymouth City Council FTE staff member is now more than 1,000 which is above average compared with other Councils (Appendix A)

### Processing times New Claims



#### Target 15 days

The average time to process new claims in September 2012 was 23.73 days (23.05 Aug). This is in line with the figure as projected in the August '12 report. CIPFA 2012 benchmarking verifies that our performance is now in line with Council average. This compares with an historical figure of 30+ days which the service has performed at for many years. There is still further progress to be made, but overall there is a notable improvement in performance.



|             | Apr          | May          | Jun          | Jul          | Aug          | Sept         | Oct          | Nov          | Dec          | Jan          | Feb          | Mar          |
|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>2012</b> | <b>25.62</b> | <b>24.49</b> | <b>22.09</b> | <b>23.54</b> | <b>23.05</b> | <b>23.73</b> | <b>22.00</b> | <b>21.00</b> | <b>20.00</b> | <b>22.00</b> | <b>20.00</b> | <b>18.00</b> |
| <b>2011</b> | 31.74        | 32.70        | 29.74        | 25.19        | 24.47        | 29.70        | 28.13        | 27.71        | 27.71        | 29.77        | 26.05        | 24.68        |

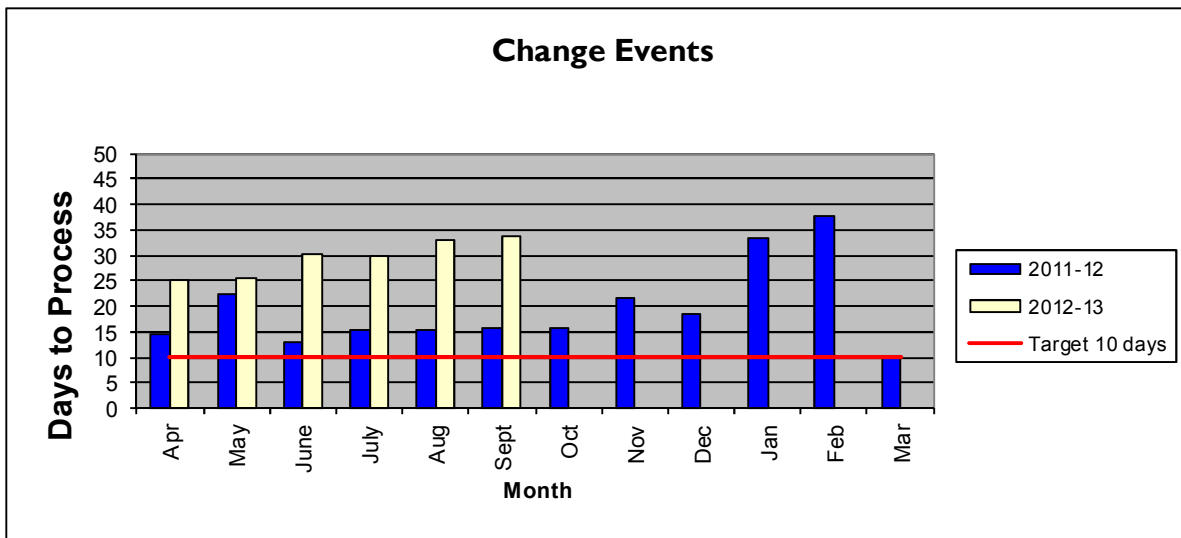
### Forecast Processing Times (new claims)

The build-up of claims throughout the summer continued to be cleared during September. Processing times have remained stable and are in line with forecasted outturns. We are confident that processing times will continue to improve over the coming months through the introduction of new processes and wider system functionality. Self-service continues to be rolled out which will provide clearer information to claimants earlier in the process and reduce the volume of low complexity queries to the service.

### Processing times - Change Events

#### Target 10 days

The processing times for September were in line with forecasted outturns and as we clear the oldest ATLAS work the processing times will begin to reduce over the coming weeks.



|             | Apr          | May          | Jun          | Jul          | Aug          | Sept         | Oct          | Nov          | Dec          | Jan          | Feb          | Mar          |
|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>2012</b> | <b>25.05</b> | <b>25.41</b> | <b>30.23</b> | <b>29.73</b> | <b>33.08</b> | <b>33.86</b> | <b>29.00</b> | <b>26.00</b> | <b>24.00</b> | <b>22.00</b> | <b>19.00</b> | <b>15.00</b> |
| <b>2011</b> | 14.58        | 22.57        | 12.94        | 12.12        | 15.15        | 15.62        | 15.73        | 18.34        | 18.34        | 33.36        | 37.82        | 25           |

### Forecast Processing Times (change events)

Throughout September there have been on-going problems downloading ATLAS files from the DWP which have impacted on overall processing times for changes.

Issues surrounding these files are an on-going national issue with processing times for 'changes in circumstances' significantly increasing, (in the short term), across all authorities. The official national housing benefit information website states that delays of between 6 to 8 weeks are common due to pressures brought about by ATLAS.

A dedicated team has been set up to clear the backlog of ATLAS files, clearance plans are in place and progress is being monitored weekly. Staff have engaged in initiatives to drive improved performance and tackle backlog volume. For example, approx. 20 volunteers have recently participated in an after hours evening club – focussed on clearing ‘changes in circumstances’ cases combined into a team building environment which ran up to midnight on a Friday evening. Feedback from this event was very positive and it is possible that we will re-run this again in the near future.

### Income Collection Rates

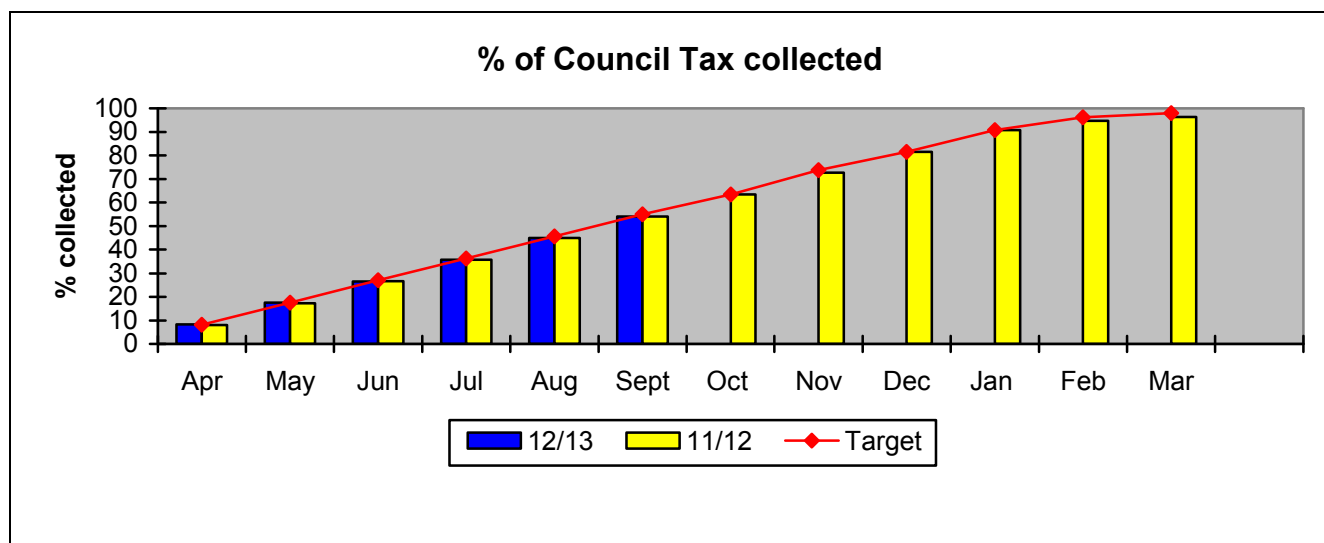
#### Council Tax



- Net Collectable Debt 2012/13 £93,653m
- Collection Target 2012/13 98.00%

Monthly Target = 54.90%  
Collection Rate = 54.07%

|        | April | May   | June  | July  | Aug   | Sept  | Oct   | Nov   | Dec   | Jan   | Feb   | Mar   |
|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 12/13  | 8.25  | 17.53 | 26.53 | 35.70 | 44.95 | 54.07 | 63.38 | 72.72 | 81.68 | 90.91 | 94.93 | 96.6% |
| 11/12  | 8.07  | 17.31 | 26.62 | 35.61 | 44.85 | 54.04 | 63.34 | 72.60 | 81.54 | 90.71 | 94.68 | 96.30 |
| Target | 8.22  | 17.61 | 27.06 | 36.19 | 45.57 | 54.90 | 63.34 | 73.74 | 81.54 | 90.71 | 96.24 | 98.00 |



Council Tax collection rates have continued to improve at 54.07% for September against a collection rate of 54.04% for the same point last year. This is slightly under the target of 54.90%.

To maximise collection and in preparation for welfare reform changes, staff have received updated training in collection techniques. The aim of this is to connect with the customer earlier to avoid court action and bailiff action and maximise payments to the Council earlier in the process.

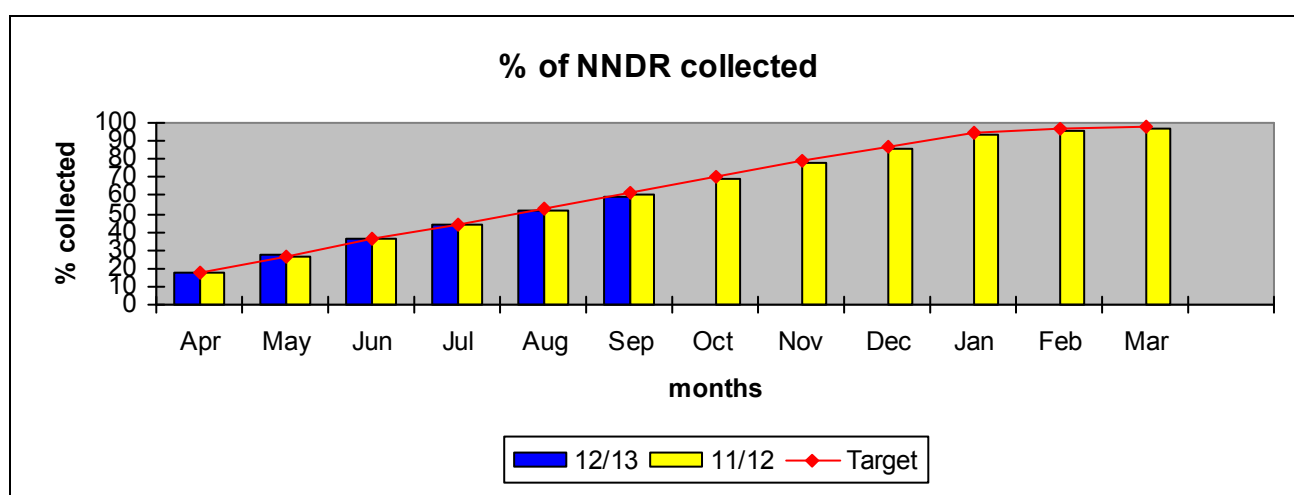
The percentage of payers who pay by DD has increased to 66.65% from 60.58% at the same point last year. Our trend in improving income collection is positive compared to other authorities. However, maintaining this upward trend will be a significant challenge with the introduction of welfare reform changes (such as localised Council Tax Support scheme)

## National Non Domestic Rates ■

- Net Collectable Debt 2012/13    £88,024m
  - Collection Target 2012/13        96.90%
- Monthly Target = 61.31%  
Collection Rate = 59.66%

|               | April        | May          | June         | July         | Aug          | Sept         | Oct          | Nov          | Dec          | Jan          | Feb          | Mar          |
|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>12/13</b>  | <b>17.82</b> | <b>27.46</b> | <b>36.11</b> | <b>43.95</b> | <b>51.20</b> | <b>59.66</b> | <b>68.85</b> | <b>77.92</b> | <b>86.13</b> | <b>95.42</b> | <b>95.75</b> | <b>96.63</b> |
| <b>11/12</b>  | 17.63        | 26.48        | 36.17        | 43.80        | 51.84        | 60.85        | 69.23        | 78.14        | 86.19        | 93.52        | 95.49        | 96.21        |
| <b>Target</b> | <b>17.74</b> | <b>26.69</b> | <b>36.48</b> | <b>44.22</b> | <b>52.28</b> | <b>61.31</b> | <b>69.73</b> | <b>78.66</b> | <b>86.73</b> | <b>94.09</b> | <b>96.08</b> | <b>96.90</b> |

NOTE: Target of 96.90% is a revision from 97.50% after taking into account the business rates deferral scheme where businesses can defer payment of their rates for 2 years.



Business Rates collection has shown a slight drop at 59.66% for September, against 60.85% for the same point last year.

Many authorities are seeing a reduction in collection due to local businesses looking at options to avoid paying rates. In Plymouth we are experiencing difficulties collecting empty property rates from landlords where properties become vacant. Where properties become vacant landlords are entitled to 3 months exemption and then the full charge becomes due. Landlords are now signing leases over longer periods and making tenants liable, therefore when a property becomes empty the tenant is remaining liable but may be in receipt of benefits impacting on collection.

In order to improve collection we have revised our recovery timetable to ensure the recovery process is taken through to conclusion more quickly.

# Benefits Administration Benchmarking Club 2012

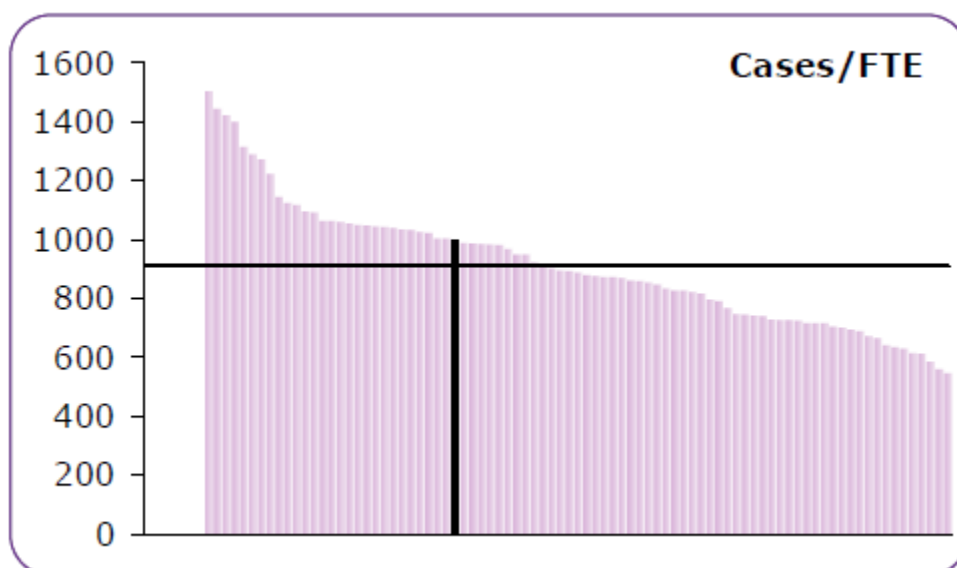
## Plymouth City Council

compared with

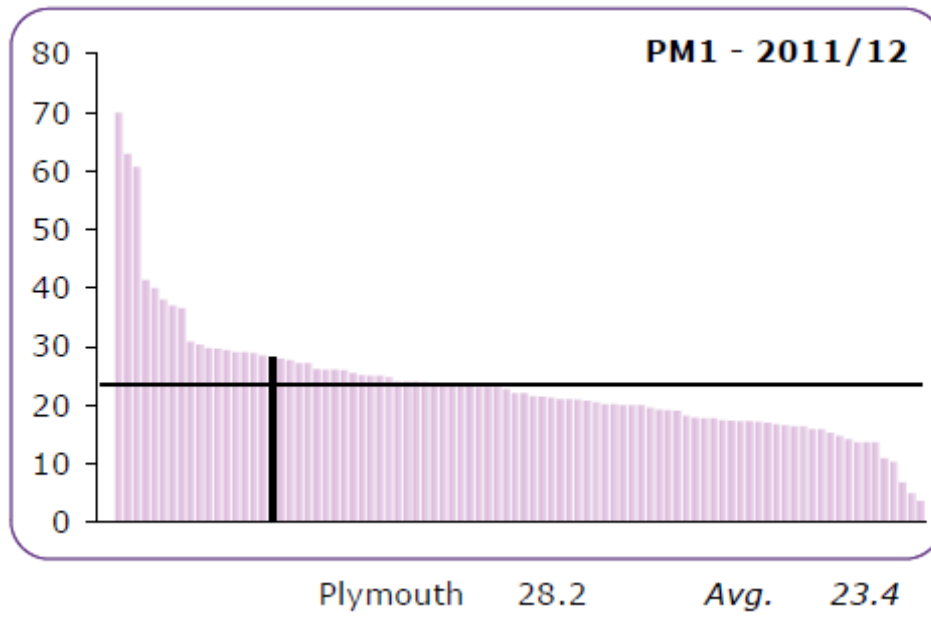
**91 other club members**

The following graphs, extracted from CIPFA 2012 benchmarking, shows the relative performance of Plymouth City Council:

### 1. Average number of cases per Full Time Equivalent post



## 2. Number of days taken to process new Housing Benefit claims



## 3. Total Staff Cost – Gross cost per weighted caseload

