North Lanarkshire Council
Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK / GT **Date** 22/11/23

Revenues and Benefits Update

From Elaine Kemp, Chief Officer (Finance)

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Executive Summary

This report provides an update on the performance within the Revenues and Benefits functions of Finance as at 30 September 2023.

Key points to note include:

- As at 30 September 2023, 28.89% of Council Tax due for 2023/24 had been collected. This is a decrease of 5.34% on the same period last financial year linked to the Cost of Living award of £150 received by many households during 2022/23.
- Non-Domestic Rates collection has shown a year-on-year increase from 16.32% to 30 September 2022 to 20.65% to 30 September 2023.
- The service continues to meet statutory timescales for administering benefits applications and changes of circumstance.

Recommendations

It is recommended that the Finance and Resources Committee:

(1) Acknowledges the content of the report.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(21) Continue to identify and access opportunities to leverage additional resources to support our ambitions
Programme of Work	Statutory / corporate / service requirement

1. Background

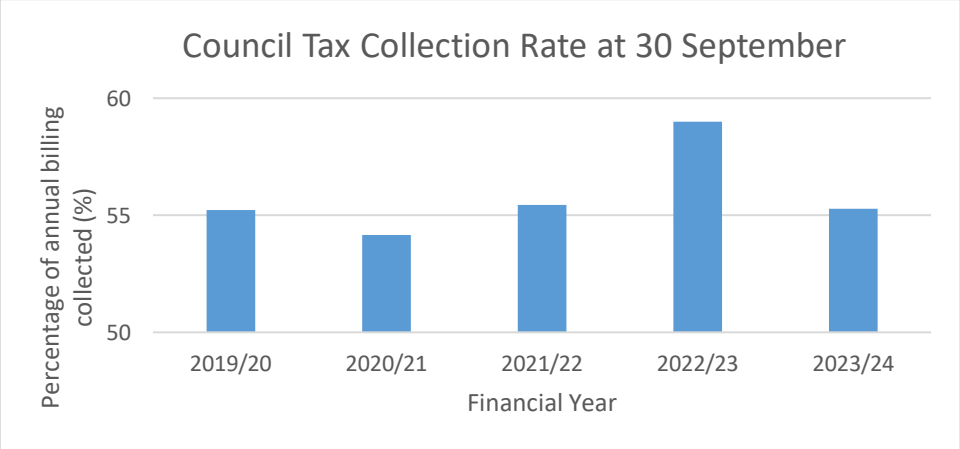
1.1 The Finance service is responsible for the administration and collection of all local taxation in North Lanarkshire in the form of Council Tax and Non Domestic Rates.

1.2 In addition, the service administers a number of Benefits for residents of North Lanarkshire including Housing Benefit, Council Tax Reduction, Scottish Welfare Fund, Discretionary Housing Payment, Free School Meals and Clothing Grants.

2. Report

Council Tax

2.1 The graph below shows the cash collected at 30 September for each financial year. It is worth noting that cash is allocated to specific Council Tax years so the graph represents cash received against the initial billing year (i.e. billed and received in 2023/24) and does not include cash collected in subsequent years (i.e. billed in 2022/23 but received in 2023/24). This ensures a like for like comparison.

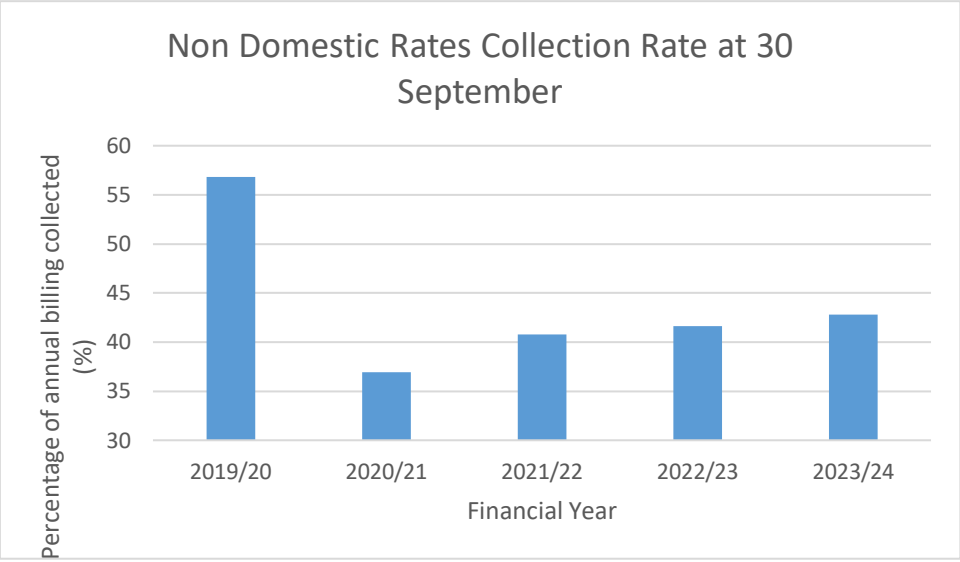


2.2 The collection figure for the current financial year of 55.29% is 3.71% lower than the same period last financial year. However, the prior year collection figure benefited from the impact of the Scottish Government's Cost of Living Award of £150 for eligible households with total cash received of £18.6m improving the in year collection figure. A comparison with 2021/22 shows a marginal decrease of 0.14% with the current year collection rate trending above that seen in 2019/20 and 2020/21.

2.3 It should be noted that in-year collection of Council Tax is a Statutory Performance Indicator. However, it does not reflect the overall collection rate of Council Tax which includes collection of prior year arrears. This latter measure has a greater bearing on the Council's finances and is reflected in the regular budget monitoring reports to Committee.

Non-Domestic Rates

2.4 The following graph shows the cash collected at 30 September for each financial year:



2.5 The collection figure for 2023/24 at 30 September is 42.80%; 1.15% higher than the same period last financial year demonstrating greater in year collection for NDR during 2023/24. Revised recovery processes for Non-Domestic Rates were implemented during 2022/23 which has led to earlier recovery action in the financial year. This earlier engagement with businesses has improved overall collection rates.

Housing Benefits

2.6 The data below highlights the Statutory Performance Indicators measuring the speed of processing for new Housing Benefit claims and for changes in circumstances. The table shows the cumulative figures for the year to 30 September 2023. The Scottish average comparator is based on the latest information published by DWP at Q4 2022/23.

Days to Process	2022/23	2023/24	Latest available Scottish average
New Claims	15	16	19
Change of Circumstances	8	9	3

2.7 The service continues to perform well in the speed of processing for new claims compared to the most recent Scottish average. The service also continues to meet statutory requirements for the speed of processing changes of circumstance. Performance so far is the current financial year has been affected by both increasing demand and a number of staff vacancies. To further improve efficiency the service is progressing a number of digital related improvements such as development of the Landlord Portal and robotic process automation for a number of high-volume tasks. Once live it is anticipated that these actions will improve processing times.

Council Tax Reduction Scheme

2.8 As at 30 September 2023 a total of £25.980m in Council Tax Reduction has been awarded for the 2023/24 financial year. This compares to £24.623m to the same period during 2022/23, representing an increase of £1.357m (5.5%).

2.9 The service received 3,708 applications between 1 April and 30 September 2023 compared with 3,700 during the same period during 2022/23.

2.10 The service received an increased number of notifications for changes in circumstances. From 1 April to 30 September 2023 a total of 55,625 changes were processed compared to 47,488 during the same period in 2022/23; an increase of 17.1% albeit below historical levels.

Discretionary Housing Payments (DHP)

2.11 From 1 April 2017 funding for DHP has been devolved to Scottish Government. This funding supports both the Scottish Government's commitment to fully fund the implications of the Bedroom Tax and an additional sum available for other reasons such as the Benefit cap and the restrictions on Local Housing Allowance rates.

2.12 From 1 January 2023 the Scottish Government is fully funding the implications of mitigating the benefit cap. This was announced as part of the tackling child poverty delivery plan 'Best Start, Bright Futures' in March 2022. Local authority Leaders have agreed to fuller benefit cap mitigation through the DHP scheme from 1st January 2023. For 2023/24 the Scottish Government has provided funding of £0.301m to mitigate the benefit cap. As at 30 September 2023 the amount paid and committed in respect of the benefit cap was £0.083m (28%).

2.13 As at 30 September 2023 the total paid in respect of Bedroom Tax was £5.462m. In comparison this sum was £5.042m as at the same point in 2022.

2.14 In addition the Council also receives £0.467m in respect of non-bedroom tax related issues. A further £0.122m has been carried forward from the previous financial year and an additional £0.109m has been received for 2023/24 bringing the total budget for the current financial year to £0.698m. As at 30 September 2023 £0.272m (39%) has been paid or committed from the fund.

2.15 The Service will continue to liaise with colleagues in Housing Operations and Housing Associations to encourage applications to the fund.

Scottish Welfare Fund

2.16 The Council has administered the Scottish Government's Scottish Welfare Fund (SWF) since 1 April 2016.

2.17 The Scottish Government provides an annual award budget of £2.760m to North Lanarkshire Council. A further £1.518m one-off funding has been allocated following a decision of the Wellbeing and Tackling Poverty Committee on 5 May 2023. Therefore, the total award budget for 2023/24 is £4.278m. It is hoped that this additional one-off allocation will allow the fund to remain at Medium priority level for much of 2023/24 but this will be kept under continual review.

2.18 There are two grant schemes and their relative performance during 2023/24 and prior year comparison is as follows:

2023/24

	Applications Assessed	Awards	Unsuccessful Applications	Acceptance Rate
Crisis Grants	10,259	7,811	2,448	76.1%
Community Care Grants	2,827	2,322	505	82.1%
Total	**13,086**	**10,133**	**2,953**	**77.4%**

2022/23

	Applications Assessed	Awards	Unsuccessful Applications	Acceptance Rate
Crisis Grants	8,888	6,874	2,014	77.3%
Community Care Grants	2,976	2,038	938	68.4%
Total	**11,864**	**8,912**	**2,952**	**75.1%**

2.19 As at 30 September 2023, the total financial value of grants paid from the Scottish Welfare Fund amounted to £2.730m which represents 68% of the total budget for the current financial year.

2.20 During 2023/24, the Scottish Welfare Fund has seen a significant increase in demand with an increase of 15% in Crisis applications assessed to 30 September in the current financial year compared to the previous financial year.

2.21 Despite increasing demand, the Service continues to assess applications within the timescales outlined within Scottish Government guidance. Crisis applications are assessed within the two working day time limit and Community Care Grants within the fifteen working day limit recommended by the Scottish Government.

3. Measures of success

3.1 Continuous improvement in processing and collection rates.

4. Supporting documentation

None

Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1	**Public Sector Equality Duty and Fairer Scotland Duty** Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes ☐ No ☒ If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes ☐ No ☐
5.2	**Financial impact** Does the report contain any financial impacts? Yes ☐ No ☒ If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes ☐ No ☐ If Yes, please provide a brief summary of the impact?
5.3	**HR policy impact** Does the report contain any HR policy or procedure impacts? Yes ☐ No ☒ If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes ☐ No ☐ If Yes, please provide a brief summary of the impact?
5.4	**Legal impact** Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes ☐ No ☒ If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes ☐ No ☐ If Yes, please provide a brief summary of the impact?
5.5	**Data protection impact** Does the report / project / practice contain or involve the processing of personal data? Yes ☐ No ☒ If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes ☐ No ☐ If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes ☐ No ☐

5.6	**Technology / Digital impact** Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes ☒ No ☐ If Yes, please provide a brief summary of the impact? The Service has been liaising with Business and Digital on the Landlord Portal and RPA developments and these will be managed in line with Business and Digital's available resources. Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)? Yes ☐ No ☒
5.7	**Environmental / Carbon impact** Does the report / project / practice contain information that has an impact on any environmental or carbon matters? Yes ☐ No ☒ If Yes, please provide a brief summary of the impact?
5.8	**Communications impact** Does the report contain any information that has an impact on the council's communications activities? Yes ☐ No ☒ If Yes, please provide a brief summary of the impact?
5.9	**Risk impact** Is there a risk impact? Yes ☐ No ☒ If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?
5.10	**Armed Forces Covenant Duty** Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)? Yes ☐ No ☒ If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.
5.11	**Children's rights and wellbeing impact** Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these? Yes ☐ No ☒ If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC). If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out? Yes ☐ No ☐