

**Classification: Public**

**Key Decision: No**

## **Gravesham Borough Council**

**Report to:** P&A Committee  
**Date:** 26 March 2019  
**Reporting officer:** Mike Bytheway, (Service Manager Revenues & Benefits)  
**Subject:** Revenues & Benefits Update

### **Purpose and summary of report:**

To update Members on current performance and changes due from 1 April 2019

### **Recommendations:**

For Information only

## **Revenues & Benefits Update March 2019**

### **1. Performance and Workload of the Benefits Service**

- 1.1 The average number of days to assess new benefit claims is now 19 and therefore under the target of 20 days. From April to September the average time to process new claims was 22.7 days whereas from October to February the average time to process new claims was 14.2 days.
- 1.2 The average number of days to assess changes in circumstances is 5.3 days just above the target of 5 days. From April to September the average time to process changes in circumstances was 6.7 days whereas from October to February the average time to process changes in circumstances was 3.8 days, and the average turnaround time for the year of 5.3 days is therefore decreasing over time.
- 1.3 Performance has improved in the second half of the year as new staff have been trained and therefore been able to process correspondence.

### **2. Discretionary Housing Payments (DHP)**

- 2.1 The DHP Fund for 2018/19 was £244,588 and as at 28 February 2019 all but £4,494 had been allocated to support residents within the borough.
- 2.2 559 applications have been received with 314 being successful.
- 2.3 84 cases have involved helping customers with the spare room subsidy restriction and 78 with the Local Housing Allowance restrictions.

### **3. Universal Credit (UC)**

- 3.1 In May 2018, the Universal Credit (UC) full service was rolled out across the Borough. It is now in operation throughout the whole of England and as a result the Housing Benefit total caseload (i.e. the total number of claimants within the Borough) has reduced from 6,551 at 1 April 2018 to 5,616 at 1 March 2019; a reduction of 14.27%.
- 3.2 As at 1 March 2019 399 Housing Benefit cases have been cancelled in 2018/19 as those claimants have either moved onto Universal Credit or experienced a change in circumstances that means that they are no longer eligible to claim Housing Benefit.
- 3.3 Discretionary Housing Payments (DHP) can be awarded to top up and assist residents receiving UC providing the award includes an element for housing costs. In 2018/19 17 UC cases have received a DHP.

### **4. Council Tax Reduction Scheme**

- 4.1 The Council Tax Reduction Scheme (CTRS), which replaced council tax benefit from 1 April 2013, has been uprated and aligned with national benefit rates each year in accordance with prescribed requirements from Government and in line with benefit rates and allowances provided in the annual uprating circular published by the DWP.
- 4.2 The Council Tax Reduction Scheme (CTRS) 2019/20 will be based on the 2018/19 scheme with amendments for prescribed requirements and uprating this is available to view on our website at <http://www.gravesham.gov.uk/home/council-tax/council-tax-reduction/council-tax-reduction-scheme>
- 4.3 In addition to the above amendments, to simplify claiming and administration of CTRS, the scheme has been amended to allow a claim for UC to be treated as the intention to claim council tax reduction from the date of the UC claim. That information can be obtained via the Department for Work and Pensions (DWP) Data Hub. A claim made in this way would of course be subject to all other rules around entitlement as a claim made directly to the Council
- 4.4 The local council tax reduction scheme for 2020/21 is currently being reviewed by a group of officers acting on behalf of Kent. The aim is to simplify and reduce the cost of administration of the scheme by moving away from a means tested reduction to a banded scheme more aligned to council tax than benefits. Further details will follow when more information is available.
- 4.5 The CTRS caseload has reduced from 7,317 at 1 April 2018 to 7,035 as at 1 March 2019.

### **5. Housing Benefit Overpayments**

- 5.1 The total outstanding Housing Benefit (HB) debt has reduced from £5.5m in April 2018 to £5.2m in February 2019.
- 5.2 During 2018/19 £1,508,204 HB overpayments has been raised £1,349,137 has been recovered and £115,950 written off.

## **6. Collection of council tax and business rates**

- 6.1 As at the end of February the collection rate for Council Tax is 95.70% the target is 97%. This compares to a collection rate of 95.97% at the same point in the year twelve months ago which resulted in a year end collection rate of 97.04%
- 6.2 Council Tax arrears have reduced by £1,364,685 as at the end of February 2019, compared to those at the start of the year.
- 6.3 87% of the CTRS liability for the year has been collected.
- 6.4 As at the end of February the collection rate for Business Rates is 95.76% the target is 99%. This compares to a collection rate of 96.05% at the same point in the year twelve months ago which resulted in a year end collection rate of 98.05%
- 6.5 Business Rates arrears have reduced by £725,938 as at the end of February 2019, compared to those at the start of the year.
- 6.6 The total Council Tax outstanding debt including current year as at 1 March 2019 is £6,742,596.

## **7. Long Term Empty Homes Premium**

- 7.1 Legislation was changed in April 2013, allowing Local Authorities to charge an additional Council Tax premium on properties that had been empty for more than 2 years as a way of bringing empty properties back into use. Gravesham Borough Council took the decision to charge an additional 50% Council Tax premium from that date.
- 7.2 From 1 April 2019, local authorities are allowed to charge a 100% Council Tax premium on such properties, and by resolution of the Full Council on 26 February 2019, a decision has been taken to implement the increased premium.

## **8. Business Rates Changes**

- 8.1 A package of business rates measures were announced in the Autumn Budget to recognise that changing consumer behaviour presents a significant challenge for retailers in our town centres.
  - A one third discount for retail property with a rateable value below £51,000 for two years;
  - To grant a 100% relief from business rates for all standalone public toilets;
  - Extension of the £1,500 business rates discount for local newspapers' office space in 2019/20
- 8.2 The retail property discount will have effect for 2019/20 and 2020/21, with State aid rules applying in the normal way, and will automatically be applied to Business Rates bills based on MHCLG guidance.
- 8.3 The Council will be compensated for the cost of granting the discount through a Section 31 grant.

**9. Citizens Access Council Tax**

- 9.1 Citizens Access Council Tax is going live mid-April 2019 as a view only solution that will allow customers to view the council tax account balance, instalments due and payments made, view council tax bills for current and previous years and view any discounts or exemptions including Council Tax Reduction.
- 9.2 Initially it is being launched without too much publicity to allow us time to test and ensure the product works as expected in a 'live' environment.
- 9.3 However there is still the remaining functionality of Citizens Access Council Tax to implement as well as Citizens Access Business Rates and Citizens Access Benefits.
- 9.4 In time, it is fully anticipated that the digital solution will generate savings in paper and postage as well as resourcing efficiencies within the team.

**10. BACKGROUND PAPERS**

10.1

Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

IMPLICATIONS	APPENDIX 1
<b>Legal</b>	There are no legal implications
<b>Finance and Value for Money</b>	There are no Finance implications
<b>Risk Assessment</b>	The report is for information only
<b>Data Protection Impact Assessment</b>	<i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i>
	<p>a. Does the project/change being recommended through this paper involve the processing of <a href="#">personal data</a> or <a href="#">special category data</a> or <a href="#">criminal offence data</a>? A definition of each type of data can be found on the Information Commissioner's Office website via the above links.</p>
	<p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A</p>
	<p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at <a href="mailto:gdpr@medway.gov.uk">gdpr@medway.gov.uk</a>.</p>
<b>Equality Impact Assessment</b>	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. No</p>
	<p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. N/A</p>
	<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>
<b>Corporate Plan</b>	<p>Specifically, the information set out in this report contributes to Strategic Objective Four - A sound and self-sufficient council and in particular the following commitments:</p> <ul style="list-style-type: none"> <li>- Responsible financial management, through on-going development of a Medium Term Financial Plan and regular budget monitoring</li> <li>- Work to maximise income collection through the robust management and recovery of debts owed to the council</li> </ul>
<b>Crime and Disorder</b>	There are no crime and disorder implications resulting from this report

<b>Digital and website implications</b>	The website has been updated with any relevant changes
<b>Safeguarding children and vulnerable adults</b>	There are no safeguarding implications resulting from this report