

REPORT TO: FINANCE COMMITTEE – 9 FEBRUARY 2004

REPORT ON: FINANCE DEPARTMENT REVENUES DIVISION – PROGRESS ON BENEFITS WORKLOAD

REPORT BY: DEPUTE CHIEF EXECUTIVE (FINANCE)

REPORT NO: 129-2004

1 PURPOSE OF REPORT

The purpose of this report is to appraise members of the historical and current workload of the Revenues Division's administration of Council Tax and Housing Benefits. The Division's two main functions and responsibilities are the administration of Council Tax and Housing Benefits and the billing and collection of Council Tax, Community Charge and Non-Domestic Rates.

2 RECOMMENDATIONS

The Finance Committee is asked to note the contents of the report for its information.

3 FINANCIAL IMPLICATIONS

- 3.1 The estimated cost of the programme of actions implemented to eradicate the backlog in the administration of Council Tax and Housing Benefits was £279,000, and this was to be funded from a Revenues Division underspend in 2002/03 which was carried forward into the Council's General Fund balances. While the cost of the programme is now estimated to increase to £340,000, it has been possible through savings initiated by the Revenues Division to contain this cost within the Revenue Division's approved 2003/04 Revenue Budget, and, therefore not need to charge the expenditure against the General Fund balances.

4 LOCAL AGENDA 21 IMPLICATIONS

None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

None.

6 COUNCIL TAX AND HOUSING BENEFITS – CURRENT AND FUTURE WORKLOAD

- 6.1 The Finance Committee members are reminded that at the Recess Sub-Committee on 21 July 2003 a report was considered and approved which set out a programme of actions to eliminate the backlog of work caused by the implementation of an upgrade of the Council's Council Tax and Benefits software.
- 6.2 The programme of actions approved by the Recess Sub-Committee on 21 July 2003 were as follows:
- Appoint CAPITA for a period up to 31 January 2004 to provide an off-site telephone enquiry service.

- Appoint CAPITA for a period up to 31 January 2004 to provide an off-site Council Tax and Benefits processing service. CAPITA will be given cases/documents over a telephone line to process, starting with the oldest part of the current backlog.
- Establish a Communications Group which will consider all matters relating to the elimination of the current backlog, including the performance of CAPITA.
- The Communications Group to include representatives of staff, supervisors, members of the Revenues Management Team and the Depute Chief Executive (Finance).
- The Assistant Chief Executive (Management) to re-examine the previous work which was carried out on providing a financial incentive for Accounts staff working overtime.
- Liaise with SX3 to improve the operation and effectiveness of I-World to help improve the productivity of the staff.

6.3 The following paragraph is an analysis of the outcomes of the planned programme and also provides members with an update of the workload position on Council Tax and Housing Benefits as at 31 January 2004.

- The CAPITA telephone team began providing a telephone service via 10 operatives on 12 August 2003. This action released between 4 to 6 Revenues staff to deal with the backlog and meant that since August 2003 very few customers have to wait to have their calls answered. This service has proved highly effective, reducing significantly the telephone waiting time for customers. In light of the impending implementation of the Verification Framework it has been decided to extend the use of this service until 31 March 2004.
- The CAPITA off-site Council Tax and Housing Benefits processing service did not commence until 29 September 2003, due to the company's heavy workload. Unfortunately CAPITA have experienced IT problems at their site and we have seen a lower than expected output from the CAPITA team.
- The Communications Group's first meeting was on 26 August 2003, and it has met on 7 occasions and has been successful in getting communications to and from staff with the express objective of eradicating the backlog of work.
- The staff, through the Communications Group, proposed a weekend overtime attendance scheme, and this was implemented for the 8 week period from 6 October to 30 November 2003. This scheme has been highly effective and is one of the major reasons why the backlog of Council Tax and Housing Benefit has reduced to the current low levels.

- The Head of Revenues and the Depute Chief Executive (Finance) have met with the Council Tax and Benefit software provider SX3, and 4 separate upgrades of the software have been received and implemented by the Council since July 2003. Further, the number of servers used to operate the system has been increased from 3 to 4 to improve the speed of operation of the computer system.
- The Revenues Division have held separate quarterly meetings with the Council's Housing Division and Dundee Housing Association Forum to appraise them of actions being taken to eradicate the backlog. In addition, the Private Landlords Forum was reintroduced and the first meeting was held on 30 January 2004.
- The workload of the Revenues Division is presently measured by the number of outstanding documents. The pattern of the workload was relatively stable during the period from September to December 2002, and indeed at December 2002 the workload was relatively up-to-date with 20,000 outstanding documents which approximately equates to current applications and those pending further information from applicants.

During the period December 2002 to mid-September 2003, the problems with the implementation of the revised software manifested themselves and the outstanding workload grew from 20,000 documents in November 2002 to 40,000 documents at September 2003. The implementation of the programme of actions agreed at the Recess Sub-Committee on 21 July 2003 and the introduction of the weekend attendance bonus scheme has resulted in the number of outstanding documents being reduced from 40,000 at September 2003 to 15,000 at 31 January 2004. (See Appendix 1.)

The 15,000 outstanding documents are made up of 8,000 pending documents awaiting further information from benefit applicants, 5,500 are documents which are work in progress and the balance of 1,500 documents are waiting for action to be commenced.

- The position at 31 January 2004 in respect of the 1,500 outstanding documents that are waiting for action to be commenced is as follows:-

Housing Benefits		
(City Council tenants) - New Applications		17 Outstanding
- Change in Circumstances		13 Outstanding
Rent Allowances		
(Social and Private Landlords) - New Applications		22 outstanding
- Change in Circumstances		11 Outstanding

The balance of the 1,500 outstanding is in respect of documents associated with Benefit Agency changes in circumstances, death certificates, extended payments, housing queries, liabilities queries, reviews, appeals and end of entitlements.

- It should be noted that the current outstanding workload is at the lowest level since the inception of the Council in 1996.

- 6.4 In conclusion, the Benefits workload had a backlog of work in September 2003, and due to the effectiveness of the approved programme of actions and the significant commitment and hard work from the Revenues staff, there is now effectively no backlog, and all but a few minor issues are now completely up-to-date.

7 **CONSULTATIONS**

The Chief Executive and Depute Chief Executive (Support Services) have been consulted in the preparation of this report.

BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

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Appendix A

REVENUES DIVISION OUTSTANDING WORKLOAD (Total)



