

## **OUTSOURCED SERVICES SCRUTINY PANEL**

**21 February 2018**

Present: Councillor T Williams (Chair)  
Councillor S Cavinder (Vice-Chair)  
Councillors J Dhindsa, K Hastrick, M Hofman (for items 30 and 31), P Kent and B Mauthoor

Also present: Councillor M Watkin (Portfolio Holder)

Officers: Head of Revenues and Benefits  
Revenues Manager  
Interim Benefits Manager  
Committee and Scrutiny Support Officer (AG)

### **27 Apologies for Absence/ Committee membership**

There were no apologies for absence.

### **28 Disclosures of interest**

There were no disclosures of interest.

### **29 Minutes**

The minutes of the meeting held on 8 January 2017 were submitted and signed.

### **30 Revenues and Benefits Service**

#### **Revenues and Benefits Service**

The panel received a presentation of the Head of Revenues and Benefits providing an overview of the service. The Head of Revenues and Benefits introduced the presentation. She thanked the committee for inviting Revenue and Benefits staff to the meeting and explained that there had been a lot of developments in the service over the past number of years. She briefly outlined her background and invited questions from members during the presentation.

The Head of Revenues and Benefits began by discussing the collection of council tax and business rates and the amounts collected by the Council annually. In

response to a question from the Chair, the Revenues Manager outlined the structure of the teams responsible for collecting monies.

The Head of Revenues and Benefits continued by discussing procedures in relation to the recovery of Housing Benefit overpayments. In response to questions from members, the officers clarified that the overpayment figure comprised outstanding monies over a number of years and did not relate simply to the current year. They explained how amounts were calculated, how these were recorded and how these could vary over time as claimant's circumstances changed. They outlined the wide range of activities undertaken by tracing and enforcement agencies to recover monies before all avenues were exhausted; and the process for writing off housing benefit overpayment debt. The Head of Revenues and Benefits undertook to provide the panel with a breakdown by year of the number of overpayments and how these compared to the other Hertfordshire authorities.

The Head of Revenues and Benefits went on to explain how monies could be claimed from the government for Housing Benefit overpayments; potentially resulting in additional funds for the authority. Councillor Watkin advised that recovery rates for the Council were high and amounted to net income provision. He complemented the Revenue and Benefits service in this regard.

In response to questions from members, the Revenues Manager clarified that bailiff fees were only payable with regard to the enforcement of Council Tax and Business Rates and not in respect of sundry and housing debts. He explained how this had been catered for in the various contracts and undertook to provide the panel with the levels of bailiff fees and how these compared to the other Hertfordshire councils.

Members discussed the total amount of outstanding Housing Benefit overpayment and the Head of Revenues and Benefits undertook to provide the panel with a break down by year since 2009.

Discussions then turned to the issue of sundry debtors and the officers outlined the various debts that comprised the category. They explained how monies could be paid quite quickly and how the overall figure presented was a singular snapshot in time. Councillor Watkin confirmed that this figure could be a little misleading.

The Head of Revenues and Benefits discussed procedures for the processing of Housing Benefit, the numbers processed and how these would be reduced with the introduction of Universal Credit. In response to members' questions, she reassured the panel that she had an equitable number of staff to manage these claims.

She continued by discussing the key performance indicators for Council Tax and Business Rates collections and advised the panel that the Revenues and Benefits service should meet the targets for 2017/18. Councillor Watkin advised on the percentage of business rates that went to government and the proportion retained by the council; the collections at a loss to the council. In response to questions from members, the officers:

- Explained how discretionary business rate relief was applied (albeit that this was rarely used) and discussed new legislative arrangements.
- Undertook to circulate the policy on business rate relief to the panel.
- Undertook to provide the panel with the overall figure for rents paid at Charter Place.
- Clarified that there were no trends as to the types of businesses that did not pay Business Rates and, in the majority of cases, effective engagement led to monies being paid.

The Head of Revenues and Benefits discussed the outstanding debts to the Council in terms of Council Tax, Business Rates, Housing Benefit overpayment and sundry debt. In response to a question from the Chair, the officers clarified how the sundry debt figure was calculated and the Head of Revenues and Benefits undertook to provide the panel with an age of debt profile. The Chair advised that monies owed by the Watford Indoor Bowls Club were included in the overall sundry debt figure.

Members discussed the operation of IT systems and the Revenues Manager reassured the panel that these were satisfactory and that the Watford 2020 programme would assist with further enhancements.

Discussions returned to the issue of Housing Benefit overpayment; and the Head of Revenue and Benefits advised the panel that more detailed information would help put the overall debt figure in to context. Councillor Watkin agreed with this sentiment and added that the Revenue and Benefits service's approximate nine day time to turnaround a claimant's change of circumstances was very efficient. The Head of Revenues and Benefits undertook to provide the panel with the average amount outstanding for Housing Benefit overpayment debt.

Members discussed the 19 day target for processing new claims and felt that this was a little generous. The Head of Revenues and Benefits reassured the Panel that this would be reduced to 15 days in 2018/19 and undertook to provide information as to how this figure compared to the other ten Hertfordshire councils. Members felt that it may be possible to further reduce the target in the future. Councillor Watkin advised that the processing time commenced from the moment an application was received and was quite intense.

Turning to subsidy's received from government for local authority error; the Head of Revenues and Benefits explained the various categories of subsidy and the timescales for receiving payment. She advised that the Council had received the maximum subsidy since 2015/16, owing to greater efficiencies, and that this was a significant achievement. In response to member questions, she explained the rationale for the granting of subsidies by government and undertook to provide the panel with the details of the individual errors for all years from 2014/15.

Councillor Watkin explained how the government set the levels of subsidy and advised that many councils would not be receiving the 100% maximum. He considered that Watford was performing very well. The Head of Revenues and Benefits undertook to provide the panel with information on how Watford's performance compared to the other ten Hertfordshire councils in this regard.

The Head of Revenues and Benefits discussed the work undertaken, since September 2017, to improve how new claims for Housing Benefit and change of circumstances were processed in the Council's Customer Service Centre. There was a desire to deal with claimants face to face where practicable as in some cases it was more efficient than processing on-line where delays could occur. For example, claimants may not understand questions which could be more effectively dealt with in person. The number of days to process new claims had now come down significantly and with the potential for this to be further reduced to ten days or less in the future.

Councillor Hastrick advised the panel that a report on the operation of the Customer Service Centre would be presented to the next meeting of the Overview and Scrutiny Committee.

Members discussed a potential need for councillor training in revenue and benefits issues and the Committee and Scrutiny Support Officer undertook to notify the Member Development and Civic Officer that the panel considered the subject should form part of the induction process.

The chair thanked the officers for their contributions.

RESOLVED –

1. that the presentation and the panel's comments be noted.
2. that the actions agreed be undertaken.

**End of Quarter 3 2017 /18 Key Performance Indicator (KPI) Report**

The item was withdrawn.

**Chair**  
**Outsourced Services Scrutiny Panel**

The meeting started at 7.00 p.m.  
and finished at 8.30 p.m.