

OFFICER DECISION FORM

DECISION TO BE TAKEN BY: DIRECTOR OF FINANCE (Section 151 Officer)

KEY DECISION No

DIRECTORATE: Finance

WARDS AFFECTED: ALL

SUBJECT: Revenues and Benefits Processing – Backlog Clearance

1.0 DECISION:

- 1.1 That the Director of Finance has approved the engagement of Civica to assist with the ongoing clearance of processing backlog, together with Council Tax call handling support in the Revenues & Benefits Department. This being through the procurement of their respective 'On Demand Processing and On Demand Customer Services' provision.
- 1.2 That budget of £300,000 be set for this work, utilising saving from vacancies held within the Revenues & Benefits Department and Housing Support Fund Administration allocation.

2.0 REASONS FOR THE DECISION

- 2.1 The continued provision of external support will allow the Revenues and Benefits department to clear the remaining backlogged work items, which whilst substantially reduced remains a key concern and operational risk. The originating causes, as previously described, relating to additional work imposed by central government in delivering fuel rebate payments to Wirral residents, the Household Support Fund, long standing vacancy control, insufficient staffing capacity, the limited scope of 'automation' and the continued high levels of service user demand borne out of the ongoing wider economic position.

3.0 STATEMENT OF COMPLIANCE

- 3.1 The recommendations are made further to legal advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been completed. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

4.0 DECLARATION OF INTEREST

- 4.1 None.



Signed:

Officer: Matthew Bennett

Title: Director of Finance

Date: 7 MAY 2024

A list of background papers on this issue is held with:

Contact Officer: Michael Fisher

Date: 7/05/2024

Date of Publication: 7/05/2024

Date of Expiry of Call-In Period: n/a (only applicable to Key Decisions)

REPORT TITLE:	REVENUES AND BENEFITS PROCESSING – BACKLOG CLEARANCE
REPORT OF:	HEAD OF REVENUES & BENEFITS SERVICE

REPORT SUMMARY

This report outlines support that will allow the Revenues and Benefits department clear substantial backlog built up over the preceding 12 months. The main cause being additional work imposed by central government in delivering fuel rebate payments to Wirral residents.

RECOMMENDATIONS

The Director of Finance is recommended to:

1. Approve the continued engagement of Civica On-Demand to assist with clearing the backlog in the Revenues & Benefits Department via a direct award using the G-cloud procurement Framework.
2. That budget of £300,000 be set for this work, utilising saving from vacancies held within the Revenues & Benefits Department and funding from the Household Support Fund Administration allowance.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

- 1.1 The Revenues and Benefits Department has built up a significant backlog of work over the past 18 months, this is due in part to the imposition of 4 fuel rebates schemes by central government during 2022-23. These schemes required over 150,000 payments to be made to over 120,000 households across the Wirral. The service is also carrying a number of vacancies in the Council Tax and Benefits processing areas.
- 1.2 Many of the contacts received by the service by phone and email are now chasing previous contacts. This is impacting on residents ability to contact the council by phone.
- 1.3 In addition, the service simultaneously has undergone a service review. This has led to a number of vacancies in processing teams being identified, which are now being filled.
- 1.4 The Government belatedly provided additional funding of £224,146 for the work undertaken in delivering Fuel Rebate payments in the summer of 2022.
- 1.5 The service is also entitled to claim costs for the administration of the Household Support Fund (HSF). Officers engaged on HSF work have been taken from the processing teams.
- 1.6 Additional work needs to be undertaken to clear the outstanding work due to a significant number of vacancies within the Revenues and Benefits team.
- 1.7 Civica On-Demand service was evaluated against other providers on the Government G-Cloud framework and provided the most flexible offer (Variable rates due to type work as opposed to fixed day rates), coupled with resource availability.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Increase Workforce capacity – recruit more staff. Is not within scope, given the requirement to achieve budget efficiencies totalling £750k in 2022/23.
- 2.2 Engage external Revenues and Benefits processing support – procure a managed service to remotely process work. Either through the purchase of a pre-determined number of processing ‘ hours’ , or by ring-fencing specific work types for completion within an agreed timeframe.
- 2.3 The option to do nothing was not considered given the impact the backlog is having upon customer experience and potential risks associated with processing delays.

3.0 BACKGROUND INFORMATION

- 3.1 In March 2022 the Chancellor of the Exchequer announced a fuel rebate scheme requiring Local Authorities to make £150 payments to all residents who lived in properties in Band D and below. In Wirral this equated to approximately 128,000 properties. The payments had to be verified and an application process set for those residents who didn't pay Council Tax via direct debit. In addition, all councils were required to set up a discretionary scheme to make additional payments to those who were most in need.
- 3.2 These schemes caused a huge amount of additional work in the Revenues and Benefits Department. At its peak 37 staff who would normally be engaged in other work within the section, were taking calls and processed claims for these fuel rebate payments.
- 3.3 This additional work has had a significant impact on the ability for day-to-day work to be processed. This means the service is still running significant backlogs with limited internal resources to catch up.
- 3.4 Many incoming queries and calls now relate to work in the backlog. This prevents staff from processing claims and applications, and in addition makes it difficult for residents to get through on the phones as we receive many repeat calls.
- 3.5 The solution described in this report has been examined, and a third party On-Demand service has been sourced via the Government G-Cloud framework agreement.
- 3.6 The council's requirement to have evaluated the offers of the two contractors under this framework has been undertaken, with the best provider in terms of cost and service being selected.
- 3.7 Given the imperative to catch upon the outstanding work as quickly as possible a direct award is appropriate.

BENEFITS SUMMARY

- 3.8 Increased income for the council, late billing for council tax causes delays in collections. A resident won't pay until a bill is issued; vacated residents usually stop payments.
- 3.9 Delays in paying Housing Benefit and Council Tax Support can cause hardship for residents and put them at risk of eviction. It can also result in needless recovery action for non-payment of council tax.
- 3.10 Delays in actioning changes in circumstance can cause over and underpayments. Both have direct impacts on claimants and landlords. They can also have a negative impact upon the councils Housing Benefit subsidy claim.
- 3.11 Significant reduction in repeat request and calls freeing up resources to concentrate on ongoing work.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The proposed additional spend of £300,000 will be met from within the service budget due to vacant posts and HSF Administration Funding to back fill posts with Civica resources.
- 4.2 Ensuring work is carried out in a timely manner has beneficial impacts for the council in two ways. Firstly, prompt billing assists with collections of council tax. Secondly processing benefit changes reduces the number and value of potential overpayments that may have to be recovered.

5.0 LEGAL IMPLICATIONS

- 5.1 Advice from the Procurement teams has been sought and followed in the selection of the provider.
- 5.2 The procurement is to be made via a direct award under the Government's G-Cloud Framework. This has included evaluation of alternative providers on the Framework for On-Demand services in Revenues and Benefits.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Oversight of the project will be undertaken by the Revenues & Benefits Manager Delivery, within the structure of the Revenues & Benefits Service.
- 6.2 There will be a requirement for additional access to the remote processing servers used with the Revenues & Benefits Service, early engagement has taken place with ICT.
- 6.3 Resources are already in place so should have no additional impact.

7.0 RELEVANT RISKS

- 7.1 The proposals have been considered with partners, taking into account factors such as risks, gaps in service, priorities, lead-in times and capacity.
- 7.2 Financial risks have been considered and measures put in place to mitigate against misuse and/or use that is inconsistent with the grant conditions.
- 7.3 There will be frequent dialogue with project leads to limit the likelihood of any underspend (or overspend) at conclusion of the grant period.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 No external consultation has been undertaken.
- 8.2 Internal consultation has taken place with the IT department directly and with the Change Advisory Board

9.0 EQUALITY IMPLICATIONS

- 9.1 There are no direct equality implications arising from the report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 No impact as all work will be carried out remotely.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The work will enable residents to receive their benefit entitlements in a timelier manner.

11.2 The work will reduce the risk in residents building up debt caused by the delay in processing changes and applications, this could be both Council Tax and Rent.

REPORT AUTHOR: **Michael Fisher**
Head of Revenues & Benefits
email: michaelfisher@wirral.gov.uk

APPENDICES

None.

BACKGROUND PAPERS

Paper to Change Advisory Board

5th July 2023 - Officer Decision Notice - Revenues and Benefits Processing – Backlog Clearance