

REPORT TO PEOPLE SELECT COMMITTEE

11 MAY 2026

REPORT OF CHIEF FINANCIAL OFFICER

Revenues, Benefits and Welfare Overview Report

Summary

This report gives an overview of the key achievements and challenges in 2025/6 for the Revenues, Benefits and Welfare Service.

Key Achievements

1. The ongoing administration of 91,300 council tax properties, 5,900 business rate properties, 4,100 housing benefit claims and 15,600 council tax support claims.
2. We have completed a range of reviews to ensure our council tax and business rate records are accurate and income for the Council is maximised:
 - a. 570 new property inspections, reporting completed properties to the Valuation Office Agency for valuation banding resulting in an increase of £0.4m to our council tax base.
 - b. Reviewed over 1,000 households in receipt of council tax single occupier discount, removing the discount and issuing penalties when the council tax payer had failed to inform us of a change.
 - c. 440 council tax properties categorised as unoccupied have been reviewed, and updated to reflect changes that have occurred.
 - d. Reviewed over 2,000 business properties in receipt of Small Business Rate Relief, and eligibility updated where appropriate.
3. We have introduced a more secure method for council tax payers to access electronic bills, replacing emailed bills with an online portal. Uptake continues to increase, and 54,000 (59.5%) households are now signed up to the online portal.

4. Led the design and implementation of a North East Council Tax Care Leavers Scheme, establishing a reciprocal agreement across all 12 North East Local Authorities to 'exempt' eligible care leavers from council tax charges until the age of 25.
5. Undertaken a Powering our Future Transformation Review of how we collect council income, resulting in a corporate debt strategy and the creation of a centralised income collection team responsible for the collection of all unpaid council debt.
6. Implemented debt profiling software within council tax collection processes to fast-track recovery where appropriate, identifying and providing support to those at financial risk.
7. Strengthened fraud prevention and detection by reviewing 1,800 Housing Benefit claims to ensure changes in circumstances are reflected in the Housing Benefit award and supporting the National Fraud Initiative by reviewing council tax single person discount data matched with the Electoral Register.
8. Completed the Powering our Future Transformation Review of Welfare Support, introducing a tiered delivery model that prioritises self-serve, maximises nil-cost support and provides specialist assistance when needed, delivering savings of £250k.
9. Supported 2,6005 households with income maximisation, helping them secure an additional £3.3m in welfare benefits such as Personal Independence Payment and Attendance Allowance.
10. Used data-led software to identify households not claiming pension credit. Overall, this campaign generated over £1.2m in support to 270 households with an average annual value of £3,414 to each household.
11. Delivered Governments 7th Household Support Fund, providing financial support to over 26,000 residents of the Boroughs lowest income households including:
 - a. Payments totalling £200,000 to households in crisis for food, fuel and essential goods.
 - b. 14,500 Cash exchangeable vouchers issued to all households receiving council tax reduction.
 - c. Assessment of 450 successful discretionary support applications.
 - d. Provision of vouchers to approximately 280 care leavers and 3,300 adult carers.

12. Continued delivery of the Powering our Future Transformation Review of Corporate Administration and Business Services. In-year actions include closure of the council courier service, adoption of alternative document distribution arrangements, and increased digitalisation of processes, achieving savings of £235k.

Challenges

13. Preparation for the 1 April 2026 government reforms to business rates was complex, with particular challenge arising from the scale and number of changes implemented simultaneously. The service was required to introduce a new rating list following national revaluation, apply a revised calculation methodology increasing multipliers from two to five, and review property classifications to support the new retail, hospitality and leisure relief. Together, these changes necessitated revisions to long-standing billing assumptions, system upgrades and the development of new local processes, all delivered within tight timescales.
14. Significant organisational changes at our core software supplier have delayed the development of online and automated processes, impacted delivery timescales and slowed progress on digitalising services.
15. Postage costs continue to rise. Reducing outbound hard-copy mail is a key workstream within the Powering our Future Transformation Review of Corporate Administration and Business Services, with a focus on working with services to shift to appropriate digital alternatives.

Emerging Issues

16. Government has announced changes to the billing and collection of council tax following its recent consultation *Modernising and Improving the Administration of Council Tax*. Statutory regulation changes are expected this year with changes taking effect from April 2027. Some of the changes include the statutory monthly instalment scheme extending from 10 to 12 months and an extension to the minimum wait period before taxpayer who have defaulted in payment can be progressed through the recovery process.
17. The team is preparing for the introduction of Governments Crisis Resilience Fund (CRF) which replaces Household Support Fund and Discretionary Housing Payment. The fund will support low-income households who encounter a financial shock and initiatives that build financial resilience. The fund is locally designed in accordance with Government guidance and requires robust monitoring and reporting to the Department for Work and Pensions (DWP) to ensure spend meets the requirements of the fund.
18. New 'Taking Control of Goods' Regulations come into force on 1 May 2026 and include a new fee structure and adjusted timelines for progressing through the enforcement agent (previously known as bailiff) process. The council delivers an in-house enforcement agent

service and therefore systems, processes and fee structure will be updated to reflect the changes.

19. In October 2024, government announced that from 2026 the administration of pensioner Housing Benefit (HB) and Pension Credit for new claimants will be brought together. This project is being delivered by Department for Work and Pensions (DWP) in collaboration with LAs and is in its early stages; the focus is to make it simpler for pensioners to claim their entitlements rather than a wholesale merger of these benefits. DWP intend to commence testing with a small cohort of customers in Autumn of this year.

Name of Contact Officer: Michelle Connolly

Post Title: Assistant Director Revenues, Benefits and Welfare

Telephone number: 01642 526827

Email address: michelle.connolly@stockton.gov.uk