
Overview of the Revenues & Benefits Service

Decision to be taken by: N/A

Date of meeting: 9th July 2025

Lead director/officer: Amy Oliver

Useful information

- Ward(s) affected: All
- Report author: Cory Laywood
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- Report version number: 1

1. Summary

- 1.1. This paper provides Overview Select Committee an overview of the Revenues and Benefits Service, summarising its performance, impact, and strategic direction.

2. Recommended actions/decision

- 2.1 The Overview Select Committee is asked to note the report and make comments to the Director of Finance.

3. Background

- 3.1 The revenues and benefits service cover the following areas:

- Council tax billing and collection
- Business Rates billing and collection
- Housing Benefits
- Social Welfare and Advice including Household Support Fund
- Fraud Prevention & Compliance

4. Overview of Revenues & Benefits

- 4.0 The Service manages the collection of over £300m of income from Council Tax and Business Rates.

- 4.1 The Revenues and Benefits Service supports over 50,000 households annually through key welfare services. The key welfare support we provide is detailed below:

- We administer Housing Benefit (HB) to 20,000 pensioners and vulnerable residents.
- Providing Council Tax Support (CTS) to around 24,500 low-income households.
- Supporting households struggling with rent by providing approximately £625k to support Discretionary Housing Payments (DHP): During 2024/25 we provided support to 2,041 households struggling with their rent.

- We provided £500k of Council Tax Discretionary Relief (CTDR) to 1,415 households during 2024/25, this has increased to £750k in 2025/26 following changes in the Council Tax Support Scheme.
- We have provided over £30m of support through the Household Support Fund (HSF), over six phases, this has provided support to over 100,000 households

4.3 Council Tax - A local taxation on households within the city. The Council is responsible for administering and collecting Council Tax for LCC, Fire & Police. The administration of Council Tax is nationally prescribed in relation to evaluation bands, and enforcement powers.

4.4 During 2024/25 we were responsible for collecting £185m of Council Tax from over 140,000 households across the city. In the 2024/25 financial year, the service collected £173m and achieved a collection rate of 93.37%. Further details on Council Tax collection are provided in the income collection report elsewhere on the agenda.

4.5 Key Initiatives to support council taxpayers:

- Streamlined Billing Processes – we use digital systems to improve the accuracy and timeliness of our billing.
- Flexible Payment Options – we offer different ways to pay and flexible arrangements to those struggling to pay.
- Assistance for Vulnerable Residents – we work closely with other internal and third-party services to ensure that those facing financial hardship receive the help they need.
- Proactive Arrears Management – where someone is getting into arrears, we try early intervention strategies to prevent arrears from escalating.
- Data-Driven Collection – we use data to identify trends to assist with identifying appropriate recovery measures.

4.6 Collection of Debt - We strongly encourage any resident struggling to pay Council Tax to contact us as early as possible. Early engagement allows us to explore affordable payment plans, offer tailored advice, and refer individuals to external support if needed. Our aim is to prevent debt from escalating unnecessarily by collaborating constructively with residents to resolve arrears before enforcement action is considered.

4.7 Although local authorities have significant legal powers to recover Council Tax debt including the use of enforcement agents (bailiffs) under the Council Tax (Administration and Enforcement) Regulations 1992. We exercise these powers with caution and responsibility.

4.8 The Council does not routinely deploy Enforcement agents. We make extensive efforts to avoid their use wherever possible. Residents known to be in financial hardship are not referred to enforcement, and we actively promote early engagement, affordable repayment plans, and referral to advice and support services.

- 4.9 Enforcement agents are only instructed when all other reasonable attempts to engage the taxpayer have failed, and there is unmistakable evidence of both their ability to pay and a refusal to do so. This ensures that action is taken proportionately and only where necessary to protect public funds.
- 4.10 Business Rates - Also known as National Non-Domestic Rates are charged on most non-residential properties and are a vital source of income for local services. During 2024/25 we were responsible for collecting £101m of business rates from over 12,500 businesses across the city. In the 2024/25 financial year, the service collected £104m and achieved a collection rate of 95.36%. Further details on Business Rates collection are provided in the income collection report elsewhere on the agenda.
- 4.11 Key support and collection strategies include:
- Accurate Billing and Reliefs: Ensuring timely billing and administering small business, charitable, and retail reliefs.
 - Digital Access: As with Council Tax, providing online account management and flexible payment options.
 - Arrears Prevention: Applying early intervention principles and working with businesses to prevent escalation.
 - Support and Advice: Offering guidance on liability queries and entitlements.
- 4.12 Internal/External Social Welfare and Advice - The service provides targeted financial and welfare advice both internally (within the Council) and externally (to residents), helping individuals access support such as benefits, discretionary funds, and other assistance to improve financial resilience and prevent hardship.
- 4.13 Internal Advice Services - Our in-house Social Welfare Advice team plays a pivotal role in supporting residents experiencing financial hardship. In 2024/25, the team supported over 8,000 households, delivering more than £5.2 million in financial gains. These gains were achieved through:
- Assistance with benefit applications (including Universal Credit, disability benefits, and pension credits)
 - Personal budgeting support and money management advice
 - Direct help with reducing household debt and maximising income
 - Referrals to specialist legal, housing, or mental health services where appropriate
- 4.14 The team's work is central to improving financial resilience, stabilising household incomes, and preventing escalation into crisis. By providing trusted, personalised support at the point of need, the team contributes to both individual wellbeing and broader social and economic stability across the city.
- 4.15 External Advice Services - To enhance and broaden access to advice provision, we also commission external providers to deliver social welfare and financial advice in

community-based settings. These third-party services ensure that residents can receive timely support across a range of accessible formats including:

- Face-to-face appointments in local venues
- Telephone advice lines
- Digital and online support options

4.16 This external provision complements the Council's internal offer by reaching residents who may be less likely to engage with formal services or who prefer community-based support.

4.17 Additional Discretionary Support - We administer a range of discretionary support schemes to assist residents facing financial hardship, particularly those not fully supported by mainstream benefits. These schemes offer vital safety nets to prevent crisis, promote financial stability, and support independent living.

4.18 Discretionary Housing Payments are a national scheme funded by the Department for Work and Pensions (DWP) to support residents facing housing-related financial pressure. This includes shortfalls between Housing Benefit or Universal Credit and rent, as well as help with deposits or moving costs. In 2024/25, the council allocated £625,000 in DHPs to assist 2,041 households at risk of homelessness or severe housing stress.

4.19 Council Tax Discretionary Relief is funded locally by Leicester City Council, CTDR provides additional assistance to residents who are struggling to meet their Council Tax liability but are not fully supported by the main Council Tax Support (CTS) scheme. In 2024/25, £500,000 was allocated to the scheme, increasing to £750,000 in 2025/26 following the introduction of the new banded CTS model. CTDR offers flexible, case-by-case relief where households are experiencing exceptional hardship.

4.20 The Household Support Fund was introduced by government in 2021 to provide direct financial support to low-income households most affected by the cost-of-living crisis. Since launch, Leicester City Council has delivered six phases of the scheme, with over £30 million distributed to date. The fund supports households with food, energy, and essential items, using both direct applications and targeted referrals from professionals.

4.21 Key 2024/25 outcomes include:

- Preventing eviction in 1,873 cases by clearing £1.7 million in rent arrears
- Distributing 49,482 utility vouchers to ensure access to energy and water
- Supporting 45,806 households with children through targeted grants
- Delivering 78,500 school holiday meals via Pop-Up Pantries
- Issuing over 1,800 essential white goods to help families maintain safe and stable homes

4.22 The council continues to prioritise early intervention and collaborative delivery of HSF through trusted community partners such as schools, food banks, and housing support agencies.

4.23 Fraud Section - The Corporate Investigations Team investigate potential financial irregularities within Revenues & Benefits.

- During the financial year 2024/25 they identified £1.7m of cashable and notional savings across the authority
- Within the Revenues Benefits area they identified savings of £406,000 of Council Tax and Housing Benefit.
- Assisted with by overseeing the council's participation in the National Fraud Initiative and provide advice and assistance on counter fraud measures.

4.27 Key Priorities for the Service

- Digital transformation to ensure records are updated automatically and contact with the team is smooth with real time information available.
- The collection of income is targeted on early engagement with Customers.
- The service remains responsive to changes in national welfare policy, including the managed migration of claimants from Housing Benefit to Universal Credit and the potential impacts of future reforms.

5 Financial, legal, equalities, climate emergency and other implications

6 6.1 Financial implications

7 This report is an overview of the Revenues and Benefits Service. The Revenues and Benefits service operates within a net budget of £4.58 million, and supports the collection of over £300 million annually, delivering targeted support that reduces financial pressure on wider council services.

8 Signed: Jade Draper – Principal Accountant

9 Dated: 13/06/2025

10 10.1 Legal implications

11 There are no direct legal implications for this report which provides a detailed overview of the Council's Revenues and Benefits Service

12 Signed: Jenis Taylor - Project Lawyer (Commercial), Legal Services

13 Dated: 16/06/2025

14 14.3 Equalities implications

15 The report provides a detailed overview of the Council's Revenues and Benefits Service, there are no direct legal implications arising from it. It is important to regularly

collect and review data on service usage, complaints, and outcomes disaggregated by protected characteristics to identify any trends or disparities.

16 Signed: Equalities Officer, Surinder Singh, Ext 37 4148

17 Dated: 27 June 2025

18 18.1 Climate Emergency implications

19 There are no climate emergency implications arising from this report.

20 Signed: Phil Ball, Sustainability Officer, Ext. 372246

21 Dated: 27 June 2025

22 22.1 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

23 None

24 Background information and other papers:

25 Income Collection Outturn 2024/25

26 Summary of appendices:

27 Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)? No

28 Is this a “key decision”? No