

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Resources Portfolio Holder
AUTHOR/S: Executive Director (Corporate Services)

15 November 2011

REVENUES QUARTERLY PERFORMANCE REPORT FOR QUARTER 2– JULY TO SEPTEMBER 2011

Purpose

1. To review and report on the current performance of the Revenues & Benefits Section using statistical information and further explanation where required.
2. This is not a key decision, however, the Revenues and Benefits team report quarterly on its performance.

Recommendations and Reasons

3. Portfolio Holder to note the current performance information for the Revenues and Benefits Team.

Background

4. With the abolition of Best Value Performance Indicators (BVPIs) and introduction of National Indicators (NIs) there is a significant change to the requirement for the Council to report on the performance of the Revenues and Benefits service.
5. The Council will, however, continue to be required to report on many former Revenues Services BVPIs through statistical returns (e.g. revenue collection rates). For the most part, the former BVPIs are considered to be valuable indicators of performance and therefore will continue to be reported to the Portfolio Holder. The BVPI reference numbers have been retained as a convenient way of maintaining continuity of performance reporting.

Considerations

6. The current economic climate has had a minimal impact on the collection of Council Tax, Non Domestic Rates and Housing Rent. This is due, in no small way to the efforts of the respective teams. The caseload for benefits is at an all time high and there have been significant staffing issues during this period of time; these issues are now resolved and performance is improving and backlog of work is reducing.
7. Council Tax collection for the second quarter stands at 60.4%. This is an improvement on the figure for this time last year, which was 59.8%. The end of year collection target of 99.1% remains realistic. The Team are working hard to stay on top of the impact the new developments at Northstowe and NW Cambridge will have.
8. The collection rate for Business Rates for the second quarter this year is 61.1%. The figure for the same time last year was 61.9%. As with the first quarter, the slight reduction in collection at this stage is can be attributed to two changes. Firstly, a change of legislation has lowered the liability threshold, previously a Ratepayer with a

Rateable Value of less than £18,000 paid nothing, that threshold has, with effect from 1 April 2011, been reduced to a Rateable Value of £2,600. Secondly, inflation on rate bills has risen by 4.7% this financial year. A drop of only 0.8% at this stage still represents an excellent performance by the team. Currently the Business Rates collected is all paid into a Central Government pool and re-distributed on a per capita basis. Central government is considering a Business Increase Bonus Scheme to reward local authorities where growth in the Business Rates yield exceeds a threshold and also ways of enabling Councils to retain locally raised Business Rates. In view of this I am also reporting quarterly on the numbers of business properties, those not in use and the total Rateable Value within South Cambridgeshire. The figures for the second quarter of 2011/12 are as follows and a breakdown of the types of empty properties can be found at Appendix C:

Period	Total Rateable Properties	Total Unoccupied Properties	Total RV (£)
April to June	4,299	550	175,600,021
July to September	4,293	534	176,590,781

9. Housing Rents in year collection figure is currently 97.24% of the debit raised to date compared with 97.15% for the same period last year. This represents our lowest arrears figure to date of £285k, an excellent performance by the Rents team.
10. Sundry Debts, the percentage of invoices in arrears is 18.8% compared to 13.4% at this time last year. The number of invoices paid in full at this stage is 78.7% compared to 71.9% at the end of the first quarter, an excellent performance. The balance of 2.5% is unpaid but is within the 28 days before being considered in arrears.
11. Housing and Council Tax benefits performance for processing of claims and changes is improving despite the continuing increase in the number of benefit claimants, the issues with staffing have been resolved and it is expected that performance will continue to improve during the rest of the year. The level of outstanding work is already reducing on a weekly basis and start of newly appointed staff will enable performance to improve further.
12. The performance of Overpayments recovery performance is good in all except overpayment indicator (B079bi) although it is expected that all targets will be met. The performance of overpayment recovery is volatile as it takes into account overpayments created within the current year and can fluctuate month to month.
13. The Fraud team continue to perform well. A new measure of performance has been introduced for 2011-12, which reflects cases that have been investigated but Fraud not found but benefit reduced or cancelled as well as those more serious cases that are given a Fraud Sanction. The uncertainty with regard to the fraud team moving to single team has not been resolved but has not affected performance.
14. Discretionary Housing Payments (DHP) requests have been at a lower rate than expected but this is anticipated as a result of the transition protection scheme (Local Housing Allowance) which has been put in place will result in reduction in benefits in the main taking place in 2012. It is likely that increased requests will be received following the ending of transitional protection in 2012. The current awards granted are at less

than expected that at this time of year. We expect that more awards will be made as a result of combined project with housing advice for under 35 year olds and the under spend to be reduced. The Department of Works and Pension have indicated that authorities can apply to transfer any remaining DHP to next year as they have recognised that the demand is likely to be higher in 2012/13; we are carefully monitoring the budget and will apply to move any remainder at the end of 2011/12.

15. Financial	Targets relate to revenue collection and will ensure that the Council's budgeted income is received.
Legal	The Council has a legal duty to deliver the service in accordance with Billing, Enforcement and Benefit legislation
Staffing	None
Risk Management	Failure to maintain high collection rates could have an adverse effect on the Council's budget requirements.
Equality and Diversity	We ensure that revenue collection and benefits administration are delivered in a fair and consistent manner to all members of the community.
Equality Impact Assessment completed	Yes. Partial EQIA's have been carried out on our Billing & Collection policy, Benefit Administration and Fraud Prevention Policy without any adverse impact
Climate Change	None

Consultations

16. None

Consultation with Children and Young People

17. None

Effect on Strategic Aims

18. The targets set continue to reflect a high standard of service, particularly in consideration of the current economic climate.
19. Targets are set in consideration of the current economic climate will facilitate a balanced approach to debt recovery, aiming for high collection levels but recognising the increased difficulty some residents will experience in paying bills, by not setting unrealistic targets. Also, by making sure that all those who are entitled to benefit and reliefs are encouraged to apply and applications are dealt with swiftly.
20. Business Rate relief can play an important role in ensuring the financial viability of rural businesses essential to the quality of life of local residents and central to the community. In particular relief is awarded to post offices, petrol stations, general stores and public houses. There is also relief available to charities and those suffering Hardship

Conclusions / Summary

21. Overall the performance to date for 2011/12 is impressive with almost all targets being met or exceeding milestones despite the economic pressures and staffing issues.

- Appendix A** Revenues & Benefits performance charts
- Appendix B** Revenues & Benefits CorVu performance report
- Appendix C** Empty Business Property Analysis

Background Papers: the following background papers were used in the preparation of this report:

None

Contact Officer: Phil Bird – Revenues Manager
Telephone: (01954) 713335

Dawn Graham – Benefits Manager
Telephone: (01954) 713085