

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Resources Portfolio Holder

31st January 2012

AUTHOR/S: Revenues Manager & Benefits Manager

Revenues Quarterly Performance Report for Quarter 3– October to December 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 89.8%. This is an improvement on the figure for this time last year, which was 88.5%. 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. They continue to provide consistently high collection figures. Also we are embarking on a County wide Single Person Discount Review. This may increase the amount collectable but will confirm the details on our database are correct.
8. The collection rate for Business Rates for the second quarter this year is 89.9%. The figure for the same time last year was 90.4%. As with the first half year, the slight reduction in collection at this stage is can be attributed to legislative and inflation

factors. A drop of only 0.5% at this stage still represents an excellent performance by the team. As in previous reports, in view of the planned retention of Business Rates scheme, I am reporting quarterly on the numbers of business properties, those not in use and the total Rateable Value within South Cambridgeshire. The figures for the third 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
Oct to Dec	4,292	560	176,953,066

9. Housing Rents in year collection figure is currently 98.29% of the debit raised to date compared with 98.11% for the same period last year. The Rents Collection Team continues to achieve consistently high results.
10. Sundry Debts, the percentage of invoices in arrears is 8.2% compared to 7.6% at this time last year. The number of invoices paid in full at this stage is 85% compared to 78.7% at the end of the second quarter, an excellent performance. The balance of 6.8% 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 but is likely not to achieve the performance targets set for 2011/12. The introduction of Phase 2 of the Department of Works and Pension ATLAS (Automatic Transfers to Local Authority Systems) provides additional work for the team as only a small amount of information received can be processed automatically.
12. The performance of Overpayments recovery overpayment indicators have been affected by the increase in the amount of overpayment and end of year target is unlikely to be achieved. The total amount of overpayments created this year has increased by approximately 75% to £750,000 compared with 2010/11 when overpayments at the end of Quarter 3 were £431,000. The performance of overpayment recovery is volatile as it takes into account overpayments created within the current year and can fluctuate month to month, although it should be noted that actual cash collected has increased although not at the same rate as the amount of overpayments created. It is expected that (BV09biii) will be achieved as we expect write-offs to be less than the target of 5%.
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 and benefit has been reduced or cancelled due to claimant error as well as those more serious cases fraud cases which have that are given a Fraud Sanction. There have been 48 cases which have been issued a sanction to date, of which 15 have been considered serious enough for prosecution. The new performance target for fraud is likely to be achieved and exceeded.
14. Discretionary Housing Payments (DHP) requests have increased although it may be that target will not be met for 2011/12. 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. We expect the impact of the changes to Local Housing Allowance in 2012/13 will mean request for Discretionary Housing Payments will exceed grant allocated and therefore unused grant for 2011-12 will be helpful.

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

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