

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Resources Portfolio Holder

15 May 2012

AUTHOR/S: Executive Director, Corporate Services

REVENUE COLLECTION PERFORMANCE 2011/12 – Q4

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.

Recommendation 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 financial year stands at 99.3%. This is the same figure as last year, but ahead of the target which was 99.1%. The end of year collection target of 99.1% was realistic and to improve on it shows the hard work of the team involved. 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.
8. The collection rate for Business Rates for the financial year is 99.5%. The figure slightly down on last year's figure of 99.6%. This is not a disappointment as we have exceeded their target of 99.2% and last year's figure was exceptional. The slight reduction in collection can be attributed to legislative and inflation factors. A drop of

only 0.1% 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 fourth 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
Jan to March	4,353	537	176,857,098

9. The Housing Rents in year collection figure is 99.0%% of the debit raised to date compared with 98.72% for last year. This is the highest end of year collection figure and the Team should be very proud of their achievement. It also highlights the positive working arrangements put in place and the close links within Revenues, Benefits & Housing that aid the process of collecting Rent.
10. Sundry Debts, the percentage of invoices in arrears is 3.1% compared to 3.5% for last year. Another excellent performance. The number of invoices paid in full at this stage is 70.6% compared to 92.3% for last year. The shortfall is due to three invoices totalling over £1.6m being issued in March. Unfortunately these were not due to be paid before the end of the financial year. Had they been paid, or indeed, issued in April the figure would have been 91.5%.
11. Housing and Council Tax benefits performance for processing of claims and changes has not achieved the targets this year due to a difficult start to the year and the continuing increasing caseload. The introduction of the ATLAS Automatic Transfers to Local Authority Systems) Phase 2 has provided additional work for the team as only a small amount of information received can be processed automatically due to the quality of the electronic information received. The electronic form project is progressing and we expect to see some positive improvements in performance once this project is fully implemented.
12. The performance of housing benefit overpayments recovery have been affected by the increase in the amount of overpayment created although it should be noted that the actual amount of recovered overpayments has increased from £861734 to £948405. This has meant that targets have not been met for 2011/12; it should be noted that the total amount of overpayments created this year has increased by approximately 66% from £589063 2010/11 to £981407 2011/12. The performance of overpayment recovery is volatile as it takes into account overpayments created within the current year and can fluctuate and therefore difficult to predict. The target for written off overpayment has been achieved at 3.2% compared with a 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 55 cases which have been issued a sanction to date, of which 22 have been considered

serious enough for prosecution. The performance target for fraud has been achieved and exceeded.

14. Discretionary Housing Payments (DHP) target of 100% has not been met during 2011/12 the awards paid in 2011/12 totalled £25547 (73.37% of budget) and 80 Claimants were assisted. The Department of Works and Pension have indicated that authorities can apply to transfer any remaining grant; we have applied for the outstanding grant for 2011/12 of £9268 to be available for 2012/13.
15. We expect the impact of the changes to Local Housing Allowance in 2012/13 will mean requests for Discretionary Housing Payments will exceed grant allocated and therefore unused grant of £9268 will be very useful during 2012/13.

16. 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

17. None.

Consultation with Children and Young People

18. None.

Effect on Strategic Aims

19. The targets set continue to reflect a high standard of service, particularly in consideration of the current economic climate.
20. 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.
21. 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

22. Overall the performance 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