

PART 1 - PUBLIC

Decision Maker: Executive & Resources PDS

Date: 8 July 2014

Decision Type: Non-Urgent Non-Executive Non-Key

Title: REVENUES SERVICE MONITORING REPORT

Contact Officer: John Nightingale, Head of Revenues and Benefits
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Chief Officer: Peter Turner - Director of Financer

Ward: All

1. Reason for report

- 1.1 This report provides information regarding the performance of the Revenues Services provided by Liberata for the 6 months up to the 31st March 2014. A letter from Amanda Inwood-Field, Liberata's Contract Director, provides an update on each individual service and is attached at Appendix 1 with statistical data relating to the Revenues service shown in subsequent appendices.

As advised previously, performance of the sundry debtors service will no longer be included in this report. A separate report is tabled to this meeting.

Liberata assumed responsibility for Bromley's corporate customer services from the 1 November 2013, performance to date is included in a further report to this meeting.

2. **RECOMMENDATION(S)**

- 2.1 **The PDS is requested to note the information contained within the report and the letter provided by Liberata detailed in Appendix 1.**

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: 400003
 4. Total current budget for this head: £3.49m
 5. Source of funding:
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Staff

1. Number of staff (current and additional): 2 plus Liberata staff
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory requirement. The amount of legislation is too extensive to cite in full, below are detailed the major Acts and Regulations covering the services:

Local Government Finance Act 1988

The Council Tax (Administration and Enforcement) Regulations 1992

Local Government Finance Act 2012

Rating Law and Practice: England and Wales

LGPS Regulations 2013

2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The services covered in this report affect all Council Taxpayers, Business Ratepayers, Members and Pensioners, this could amount to an estimated 175,000 people.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 The Revenues and Benefits Team monitors the contract, sets targets and performance standards, liaises with partners, progresses the development and improvement of services through leadership on specific improvement initiatives. The team also ensures the services comply with current legislation, financial regulations, contractual obligations and audit requirements. A summary of performance by the services is contained in Appendix 2.
- 3.2 To maintain the drive for improved service performance, monthly service review meetings are held with operational and senior Liberata management. The Heads of Service of Liberata and Bromley meet regularly to deal with escalated issues, review policies and develop new ideas.

Council Tax

- 3.3 The in-year Council Tax collection rate for 2013/14 was 97.5%, this was 0.26% lower than achieved in the previous year. This negative variance can be explained by the following changes that came into force on the 1 April 2013.
- 3.4 Introduction of Council Tax Support. (CTS) This replaced the national Council Tax Benefit (CTB) scheme, which dependant on the household's income provided assistance of up to 100% of the Council Tax liability. CTS is a locally adopted scheme and in respect of 2013/14, required Bromley's working-age households to pay a minimum of 8.5% of their Council tax liability.
- 3.5 Removal of empty property discounts/exemptions. From April 2013, Bromley residents no longer received a discount for empty or second homes.

Both these changes increased the collectable debit and in respect of Council Tax Support, required the section to seek payment from some of the most vulnerable members of the community, many of which had no history of making payment.

The localisation of decision making in respect of CTS and empty property discounts/exemptions makes benchmarking against other authorities less meaningful than in the past. However bearing that in mind, the statistics show that out of the 33 London authorities, Bromley was joint 6th. This is the same position as the previous year.

Given the changes detailed above, we believe the performance against this measure to be very good.

The 2013/14 performance on collection of current year and arrears was 97.52%, a positive variance of 0.07% on the previous year. Benchmarking data is not held on this indicator; however we believe the final outturn to constitute very good performance.

The Government has provided guidance and funding to provide assistance with the Council Tax liability for those that had to leave their homes due to flooding caused by the winter bad weather. The application process and procedures have been agreed, with the form being entered on the website. Further information will be provided at the next meeting.

Business Rate

- 3.6 The in-year collection performance for 2013/14 was 98.63%; this was 0.09% lower than the previous year. This result was particularly disappointing given that performance was ahead of the previous year at the end of September 2013. When benchmarked against other London authorities, Bromley was 9th best of the 33 London authorities, this compared to 6th out of the 33 London authorities in 2012/13. Bromley have raised concerns with Liberata regarding the fall in collection rate and their response together with proposed action is contained in their letter attached in Appendix 1.

Contrary to the trend advised in the above paragraph, the in-year and arrears collection rate was 97.98%, an improvement of 0.37% up on the previous year. Benchmarking data is not available on this indicator.

- 3.7 Attached in Appendix 3 are the main changes that came into force in April 2014. All were successfully implemented and an update on progress will be supplied in the next report. In addition to the initiatives contained on the Appendix, the Government has provided guidance on assistance that can be provided to businesses unable to trade through flooding caused by the winter bad weather (1/12/13-31/3/14).

Cashiers

- 3.8 The payment kiosk sited in the Civic Centre central reception continued to take high volume of payments. Exercises to convince callers to change to alternative methods of payment have continued. However, with the increased number of households required to pay Council Tax as a result of the introduction of Council Tax Support (some of which are relatively small amounts), the demand for this facility has remained high.

Payroll

- 3.9 The number of employees paid on the March 2013 payroll was 5557.
- 3.10 The 31 March 2013 deadline for sending out approximately 7,000 auto-enrolment Staging Date assessment letter to Bromley Council was met

Pensions

- 3.11 Membership numbers recorded on the pensions administration system as at 31 March 2014 were 5254 actives, 4,819 deferred and 4,862 pensioners.

4. FINANCIAL IMPLICATIONS

- 4.1 The report refers to the significant income collection and payments undertaken through the Exchequer Services contract with Liberata. These include:

£167 million annual Council tax raised

£99 million annual Business Rates raised

£127.5 million annual payment of Housing Benefit

£17 million annual payment of Council Tax Support

£106.3 million annual gross payment of staff salaries * see Appendix 2

Non-Applicable Sections:	[Policy, Legal and Personnel
Background Documents: (Access via Contact Officer)	