

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Wednesday 11 September 2019

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 Finance

Ward: (All Wards);

1. Reason for report

- 1.1 This report provides information regarding the performance of the Revenues Services provided by Liberata for the 6 months from the 1 October 2018 to 31 March 2019. A letter from Amanda Inwood-Field, Liberata's London Regional Contract Director, provides an update on each individual service and is attached at Appendix 1 with statistical data relating to the Revenues service shown as Appendix 2.

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.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Revenues Service impacts on all residents in the Authority including vulnerable adults/and those with children.
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Corporate Policy

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

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Exchequer - Revenues
 4. Total current budget for this head: £3.617m
 5. Source of funding: Existing revenue budget for 2018/19
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Personnel

1. Number of staff (current and additional): 2 plus Liberata staff
 2. If from existing staff resources, number of staff hours: Not Applicable
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Legal

1. Legal Requirement:
Local Government Finance Act 1988
The Council Tax (Administration and Enforcement) Regulations 1992
The Local Government Finance Act 2012
Rating Law and Practice: England and Wales
LGPS Regulations 2013
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications: The Revenues Service forms part of the Exchequer contract which expires April 2020.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The Service covered in this report affects all Council Tax payers, Business rates payer, Members and Pensioners; this could be estimated to 140,000 households.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Nor Applicable

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.

3.3 Council Tax

The in-year Council Tax collection rate for 2018/19 was 98.0% which was a 0.04% reduction on that achieved in the financial year 2017/18. However, this needs to be seen in the light of an additional £8.9m being collected compared to last year.

Bromley's in-year collection in 2018/19 placed them 7th of the 33 London Authorities

The collection rate on current year and arrears was 97.89% which was a 0.11% negative variance when compared to the last financial year. However, in obtaining this level of performance an additional £8.56m was collected compared to the previous year. There is no benchmarking data available on this indicator

As at 31/3/19 the number of households registered for Council Tax was 140,908 an increase of 773 on the previous year. Over the same period the number of households receiving SPD reduced by 42 to 42,995.

3.4 Business Rates

The in-year Business Rates collection rate for as 2018/19 was 98.53% which was the same as that achieved in 2017/18. It is disappointing that the previous year's collection rate has not been improved upon; however, it should be acknowledged that the value of cash collected increased by £3.45m (3.6%)

The in-year collection performance ranked Bromley 19th of the 33 London Authorities. Caution should be attached to the rankings as Bromley do not include credit balances in their performance figures, whereas some other authorities do. There is no official ruling on this issue. If Bromley was to include credit balances it would increase their collection rate to 99.18% and place them 10th of the 33 London authorities.

The 2018/19 collection rate for current years and arrears was 94%, this was 5.52% down compared to the previous financial year. As advised in the last monitoring report, the performance was greatly affected by refunds. Whilst £1.0m of historic balances was collected, £4.9m of repayments were made; therefore overall the effect was to decrease receipts by £3.8m.

Further commentary is contained in Liberata's letter attached as Appendix 1.

As at the 31/3/19 there were 7,364 registered for Business Rates an increase of 69 on the figure as at the 31/3/18.

3.5 **Cashiers**

The payment kiosk sited in the Civic Centre central reception continued to take high volume of payments. The usage has increased in value of payments but reduced in the number of transactions. In the financial year 2018/19 payments to the value of £2,074,115 (16,526 transactions) were taken by this means compared to £1,997,539 (16,900 transactions) in the previous year.

3.6 **Payroll**

The number of payments made in March 2019 was as follows:

LBB General / Schools	2,575
Pensions	5,178

3.7 **Pensions**

Membership numbers recorded on the pensions administration system as at 31 March 2019 were 6,316 actives, 5,746 deferreds and 5,370 pensioners.

Liberata have provided assurance that all pension entitlement and benefits are calculated and paid in accordance with Legislation and the Local Government Pension Scheme Regulations.

4. **FINANCIAL IMPLICATIONS**

4.1 The report refers to the significant income collection undertaken through the Exchequer Services contract with Liberata. For 2018/19, the key financial elements of the Revenues Service are:

- £210m – annual Council Tax raised
- £99.1m – annual amount of Business Rates raised
- £61m – gross amount paid in staff salaries (inclusive of schools but excluding Academies)
- £28.3m – gross amount paid in Pensions
- £15.8m – revenue on 32,042 transactions (including Kiosk)

Non-Applicable Sections:	Impact on Vulnerable Adults and Children, Policy, Personnel, Legal and Procurement
Background Documents: (Access via Contact Officer)	