

Report to: **Community Services Scrutiny Committee**
Date: **3rd August 2007**
Report of: **Report of Head of Financial Management**
Subject: **Service Unit Performance Reporting - Revenues and Benefits**
Ward: **All**

1.0 Purpose of the Report

1.1 To present the committee with a position statement in respect of the above service.

2.0 Consultation

2.1 Consultation has taken place with the Revenues Manager, the Benefits Manager and Revenues and Benefits staff.

3.0 Background

3.1 The table in Appendix 1 outlines performance from 1st April 2006 to the period ended 31st March 2007, with references to earlier financial years.

3.2 The tables show national averages and upper quartile performance for previous years as comparators.

4.0 Position Statement and Option Appraisal

4.1 Sickness Levels – Revenues and Benefits

4.1.1 The table below illustrates the position

Unit	Period	BVPI	Sick Days	Work Days	Num. Staff	Holidays	Weekdays
REVS	01/04/05 – 31/03/06	6.76	168	5631	37	829	6460
REVS	01/04/06 – 31/03/07	5.0	140	4480.5	28	196.5	4677
REVS	01/04/07 – 30/06/07	7.01	44	1399	27		
BENS	01/04/05 – 31/03/06	14.05	538.5	8701.5	45	1264.5	9966
BENS	01/04/06 – 31/03/07	17.62	713	6605	30	312	6917
BENS	01/04/07 – 30/06/07	5.05	51	2180.5	44	445.5	2626

4.1.2 From the table above members will note that there has been a trend decrease due to successful monitoring arrangements.

4.1.3 The figures are shown as the number of days lost per annum per full time equivalent employee, i.e. BVPI figures

4.2 Benefits Claims

4.2.1 The figures show that overall turnaround of new applications for the year 2006/07 is 31 days, which is a decrease of 1.5 days, on the previous year. With the most recent (June 07) figs showing 29.3 days.

4.3 *Other Indicators - Benefits Service=*

4.3.1 The average time for completing changes in circumstances,(BVPI78b)

The average time taken for completing changes is now 6.3 days which puts the Council in the top quartile performance.

4.3.2 The amount of benefit paid correctly, (BVPI79a)

The figure is calculated on a sample determined in line with the DWP formula.

This indicator measures the benefits that are properly determined, and it is 98.4% correctly determined for the year to date.

4.3.3 The above figs are included in the benefits performance table shown in appendix 4.

4.3.4 The grading method from the DWP has been updated and the new gradings are shown as performance measures in appendix 5.

4.4 **Revenues Issues**

4.4.1 The % of council tax collected in the year (BVPI 9)=

Members will recall that, apart from 2002/3 when the introduction of a new computer system severely disrupted the recovery timetable, there has been year on year improvement on the council tax collection rate. The Best Value Inspector has stated our performance compared well to authorities with similar deprivation levels to ours.

Furthermore, the recent CPA Report for Easington compiled by the Audit Commission had adjusted the 2004/05 collection rate by a deprivation factor and as a result placed us in the Best Quartile with prospects for improving. Since we have improved the collection rate each year, from that date, it proves the accuracy of their statement.

It must be stated that this is a CPA assessment taking account of local conditions and is a different assessment to the DCLG's figure which is purely financially based, i.e. 96.55 %

The collection rate for 2006/2007 was 96.55%, an increase of 0.3% on the previous year. This is the highest collection rate we have achieved.

Arrears for previous years was reduced by approx. £ 1.3 million (Approx 33 %).

We target overall debt, not just in-year collection, which means we collect 99% in the longer term and keep write-off to a minimum.

Current collection rates for previous years are as follows 2004-5 98.3%, 2005-6 98.3%, 2006-7 97.2%

This strategy has enabled the Council to record "Gershon " efficiency savings by reducing our bad debt provision by more than £ **200K** .

4.4.2 The % of Business Rates Collected.(BVPI 10)

Collection for 2006/7 was 97.82%, an increase of 0.6% on 2005/06.

The collection rate has been effected by an increase in Debit raised of £3.1M due to the Enterprise Zone Status ending in late 2005.

4.4.3 Cost of collecting Council Tax per chargeable dwelling. (Local PI)

Item no.

The unit cost for 2006/7 was £15.12a decrease of 65 pence compared to the previous year. The cost has slightly decreased as the database has increased. Given that inflation has been around 2% on average, in real terms this represents a reduction in overall cost for the period.

4.5 Record of Complaints

4.5.1 Recorded written complaints April – June 2007 period are as follows.

Section	Number	Justified	Unjustified	Resolved
Revenues	1	0	1	1
Benefits	2	0	2	2
Total	3	0	3	3

4.5.2 Although there is no room for complacency the level of complaints should be considered against the activity of 40,000 (revenues) and 20,000 (benefits) transactions/communications over the year.

4.6 Summary of Overall Performance

4.6.1 The workload in the benefits section is now at a manageable level.

4.6.2 From Appendix 4, members will see that over recent months, turnaround times for new applications have reduced compared to the previous year.

4.6.3 We continue to work jointly, with the Pension Service, in respect of local surgeries and, in conjunction with, D.C.C. Welfare Rights, The Pension Service and other service providers, have launched a Council Tax Benefit take-up campaign, with events throughout the district..

4.6.4 We have launched an on-line benefits application form, this allows prospective claimants to check their entitlement and if they qualify submit their claim.

4.6.5 In respect of fraud for the year 2006-7, we have prosecuted 20 cases and issued 64 formal cautions. This BVPI is measured and puts us in the top quartile for 2006/7. Also the BVPI For the number of visits carried out by the verification framework team and the fraud team put us in the top quartile for 2006/7.

4.6.6 The benefit service faces major changes to the service levels paid to privately rented claimants and we will be updating members of developments

4.7 Percentage of Invoices paid on time (BVPI 8)

We consider that we will remain to be amongst the top performing Councils in the County. Current performance for 01/04/07 – 30/06/07 is 99.36%.

4.8 Best Value - Service Improvement Plan 2005/6 to 2009/10

4.8.1 The improvement plan is set out in Appendix 2. The document sets out progress as at the 30th June 2007.

4.8.2 As previously reported the plan is a living document and progress continues within the plan. Achievements and Non – achievements are shown in Appendix 3.

4.8.3 The Unit is currently implementing targets for 2007/8 onwards and they include the following :-

- Deliver efficiency gains re Gershon
- Introduce Auddis paperless Direct Debit

- Improve take-up of bus passes by 5% per annum

4.8.4 These improvements comply with the E- government Strategy and T-government Strategy, meets a recommendation from the Best Value Inspector and leaves scope for the development of future partnership working with other local authorities in the region.

4.8.5 We have issued over 16,000 bus passes. Given that the former database had been paper based, built up over a substantial number of years, there would be a number of reasons for non replacement e.g. deaths, people becoming housebound, etc.
This exercise was carried out within deadlines by a team of temporary staff visiting local pre agreed venues and overall there was a very good positive feedback from the public.
Their legacy is that we now have an electronic database which holds all necessary personal details and digital photographs and by regular maintenance, we should be able to cope with any major changes without too much inconvenience to the public.

4.8.6 In April 2007, we hope to be in a position to assist those who are registered disabled and need help on and off buses by allowing free travel for a carer to help them.

4.8.7 We are still awaiting more detail on a national travel scheme to be introduced by April 2008, where bus pass holders should be able to use their passes free of charge on local bus services in any area of England. Legislation is progressing but reimbursement details for authorities are proving difficult to resolve.

5.0 Implications

5.1 Financial

There are no financial implications.

5.2 Legal

There are no legal implications.

5.3 Policy

There are no policy implications.

5.4 Risk

A risk assessment has been completed and the necessary actions required to manage
The identified risks have been implemented.

5.5 Communications

There are no communication implications.

6.0 Corporate Implications

6.1 Corporate Plan and Priorities

There are no Corporate Plan implications

6.2 Equality and Diversity

There are no Equality and Diversity implications

6.3 **e-Government**

There are no e-government implications

6.4 **Procurement**

There are no procurement implications

7.0 **Recommendations**

7.1 That members note the contents of the report.

Background Papers/Documents referred to

1. Best Value Performance Plan
2. Performance Indicator calculations for year 2005/2006 and 2006/2007 to date.
3. Best Value Review of Revenues & Benefits/Inspection Report
4. Service Delivery Scrutiny Committee 08.01.07 Meeting
5. Audit Commission Published Performance Indicators 2005/6
6. Service Improvement Plan

Community Services Scrutiny/CT/LG/August 2007

REVENUES AND BENEFITS
Comparison of Performance to Best Value Performance Plan

Appendix 1

National Performance Indicators		Performance			Latest Figures	
Ref.	Description	2006/2007	2005/2006	2007/2008	National Av. 2005/2006	Upper Quartile 2006/2007
BVPI 78a	The average time for processing new claims from the date of receipt of the claim (calendar days) Target 25 days	30.93	33	30.67	32	27
BVPI 78b	Average time for processing changes in circumstances (Calendar days)	6.3	6.6	6.6	14	9
BVPI 79a	Percentage of cases where the calculation of benefit was correct Target 100%	98.4%	100%	100%	97%	100%
BVPI79b	The % of overpayments that were recovered in the year excluding council tax. Target 42%	59%	N/A	55%	51%	41%
BVPI8	Percentage of Invoices which were paid promptly (Finance Indicator) Target 100%	98%	99%	99%	88%	94%

Appendix 1

Ref.	Description	Performance			District Av. 2005/2006	Upper Quartile 2003/2004
		2006/2007	2005/2006	2004/05		
BVPI9	<p>The % of council tax collected in the year it was due</p> <p>Local Targets</p> <p>i) Were set in December and were to improve performance to 95% - 2000/1 98.3% - 2003/04 96% - 2001/2 98.3% - 2004/05 98.2% - 2002/3 98.3% - 2005/06</p> <p>ii) Review Bailiff Procedures – current external contract expires October 2007</p> <p>iii) Increase the numbers of taxpayers paying by Direct Debit to 19000 by March 2008. Currently 30/06/07 18534.</p>	96.55%	96.3%	95.4%	97.3%	98.3%
BVPI10	<p>The % of Business Rates collected in the year it was due</p> <p>Local Targets</p> <p>i) Set last April to improve performance to:- 99% - 2006/7 Upper Quartile</p>	97.82%	98.3%	98.1%	98.38%	99%
Local	<p>Net cost of collecting council tax per chargeable dwelling</p> <p>Local Target To reduce costs in real terms by 2% each year over the next 3 years</p>	15.12	£15.77	£15.32	N/A Local	N/A Local
Local	<p>To reduce sickness levels to:- 10.3 days by 2004/05, 7.72 days by 2005/06 5.14 days by 2006/07</p>	6.92	6.92	14.73	8	Commercial Sector 2%

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Achievements

<u>We have</u>	<u>When</u>	<u>Outcome</u>	<u>Evidence/Review</u>
<u>Service Plan</u>			
<p>1 Council Tax collection 2004/05 – achieved Best Quartile with prospects for improving after deprivation adjustment. 2005/06 improved collection rate by 0.9% 2006/07 improved collection rate by 0.3%</p> <p>2. Improve accessibility and exchange of information with clients.</p> <p>3. Complete BFI self assessment on Performance Standards</p> <p>4. Encourage staff involvement – business planning process.</p> <p>5. Introduced Paypoint network for cash payments re NNDR and Sundry Debtors after & during office hours</p> <p>6. Achieved 100% accuracy of Benefit cases where the calculation was correct at time of processing.</p> <p>7. Reduce average time to process new claims</p> <p>8. Reduce average time to process changes in circs</p> <p>9. Renewed 93% of existing bus passes and issued approx 15,700 passes to date.</p> <p>10. Provide on-line applications for Benefits</p>	<p>Oct. 05</p> <p>April 07 May 03 ongoing June 06</p> <p>June 03</p> <p>Apr 06 continuing</p> <p>achieved continuing</p> <p>continuing</p> <p>2006/07</p>	<p>Highest ever coll. Rate achieved</p> <p>Joint surgeries & joint take-up campaign.</p> <p>BFI inspection – 89% compliant</p> <p>Quality improvement team established.</p> <p>Allows late night payments for NNDR and Sundry Debtors</p> <p>Achieved top quartile</p> <p>Grade 4 (excellent) achieved</p> <p>Grade 4 (excellent) achieved</p> <p>Highest increase in Durham County</p> <p>Achieved by 31.03.07</p>	<p>CPA – Audit Commission report for Easington D.C.</p> <p>Evidence file</p> <p>Pension releases & information bulletins.</p> <p>CPA report.</p> <p>Evidence file.</p> <p>Evidence file</p> <p>P. I. returns</p> <p>Monthly report/ 124 Stats return</p> <p>Monthly report/ 124 Stats return</p> <p>Evidence file</p> <p>Evidence file</p>
Best Value Performance Indicators			
Local Performance Indicators			
1. Increased numbers of Council Taxpayers paying by Direct Debit	Sep. 06	Currently 17961	Council Tax reports

2. Net cost of collecting Council Tax per chargeable dwelling	Oct. 06	£ 15.12 per chargeable dwelling	Report to Scrutiny Committee
3. Redesigned c/Tax leaflets to encourage take-up	Dec. 04	Exemption / Disregard / disabled relief take- up	C/Tax reports
4. Implemented use of Tablet P.C. for mobile working	June 05	Officers can complete forms in the citizens homes	C/Tax Reports
5. Reduced sickness level to below target	April 08	Currently 6.5 days p.a.	
Strategy Documents			
Best Value – Service Improvement Plan	2006 -10	5- year plan reviewed annually	Revised reports to Scrutiny Cttee and Forum Group
Risk Management Action Plans			
Service Improvement Plan	2006 - 10	Sustained progress and reprioritised work	Forum Group minutes
Other Tasks/Targets			
1. Comprehensive coverage of Council's HB /CTB advice & Fraud work	Oct. 04	Acknowledged by BFI	Benefits files

Non – Achievements

We have not	Reason Why	We Intend to	Revised Target Responsibilities
Service Plan			
1. Created an Anti-poverty strategy	Corporate Social Inclusion Action Plan annually to be developed	Comply with Corporate strategy and revise target	Plan to be reviewed
2. Applied for Charter Mark Status	Other priorities e.g. E-Gov	Re- assess timetable	Review
Best Value Performance Indicators			
Local Performance Indicators			
1. Reached 98.3 % collection rate for Council Tax	Concentrated on overall debt recovery	Comply with new BVPI requirements	96.5 % in year + reduction in earlier years arrears
Strategy Documents			
Risk Management Action Plans			
Other Tasks/Targets			

BENEFITS PERFORMANCE 2007/8

2006-7 Performance									
New Apps	30.78 days Grade 3	Change of Circs	6.3 days Grade 4	All Claims Processed in 14 days	81% Grade 2	R/All Processed 14 days	71% Grade 1	Accuracy of Processing	98.6% Grade 3
1st Quarter April 2007 - June 2007									
New Apps	30.67 days Grade 3	Change of Circs	6.6 days Grade 4	All Claims Processed in 14 days	90% Grade 4	R/All Processed 14 days	92% Grade 4	Accuracy of Processing	100% Grade 4
May 2007									
New Apps	31.4 days Grade 3	Change of Circs	6.33 days Grade 4	All Claims Processed in 14 days	92.6% Grade 4	R/All Processed 14 days	90.3% Grade 4	Accuracy of Processing	100% Grade 4
June 2007									
New Apps	29.3 days Grade 4	Change of Circs	6.65 days Grade 4	All Claims Processed in 14 days	91.9% Grade 4	R/All Processed 14 days	96% Grade 4	Accuracy of Processing	100% Grade 4
2007-8 Performance									
New Apps	30.67 days Grade 3	Change of Circs	6.6 days Grade 4	All Claims Processed in 14 days	90.2% Grade 4	R/All Processed 14 days	92.2% Grade 4	Accuracy of Processing	100% Grade 3
Excellent Authority (Grade 4)									
New Apps	30 days	Change of Circs	9 days	All Claims Processed in 14 days	90%	R/All Processed 14 days	90%	Accuracy of Processing	99%

Benefits Performance 2007-8/CT/LG
3rd July 2007

2006-7 Performance											
Investigators per 1000 Caseload	.32	No. of Investigations per 1000 caseload	81	Number of Sanctions & Prosecutions per 1000 caseload	6.38	PI 79b(i)	50%	79b(ii)	39.12%	79b(iii)	7.8%
Target 2007/8											
Investigators per 1000 Caseload	.32	No. of Investigations per 1000 caseload	81	Number of Sanctions & Prosecutions per 1000 caseload	6.38	PI 79b(i)	55%	79b(ii)	42%	79b(iii)	7%
1st Quarter April 2007-June 2007											
Investigators per 1000 Caseload	.32	No. of Investigations per 1000 caseload	22.31	Number of Sanctions & Prosecutions per 1000 caseload	2.14	PI 79b(i)	50.48%	79b(ii)	25%	79b(iii)	0%
2007-8 Projected Performance											
Investigators per 1000 Caseload	.32	No. of Investigations per 1000 caseload	89.26	Number of Sanctions & Prosecutions per 1000 caseload	8.57	PI 79b(i)	55%	79b(ii)	40%	79b(iii)	7%
Top Quartile											
Investigators per 1000 Caseload	N/A	No. of Investigations per 1000 caseload	59.5	Number of Sanctions & Prosecutions per 1000 caseload	6.25	PI 79b(i)	53.5%	79b(ii)	N/A	79b(iii)	N/A

79b(i) The amount of HB overpayments recovered during the period as a % of HB deemed recoverable during the period.

79b(ii) The amount of HB overpayments recovered during the period as a % of the total HB overpayments outstanding.

79b(iii) The amount of HB overpayments written off as a % of the total HB overpayments outstanding.

Performance Measures

Performance Measure	Grade Ranges			
	1	2	3	4
PM1: Average number of days taken to process a new claim for HB/CTB.	Over 48 days	48-37 days	36-30 days	Under 30 days
PM2: Percentage of new claims outstanding over 50 days.	Over 26%	26-17%	16-9%	Under 9%
PM3: Percentage of new claims decided within 14 days of receiving all information.	Under 73%	73-82%	83-90%	Over 90%
PM4: Percentage of rent allowance claims paid on time or within 7 days of decision being made.	Under 73%	73-82%	83-90%	Over 90%
PM5: Average number of days taken to process a notification of a change of circumstances.	Over 28 days	28-21 days	20-9 days	Under 9 days
PM6: Percentage of case for which the calculation of the amount of benefit due is correct.	Under 96%	96-97%	98-99%	Over 99%

DWP Website:

The 4th quarter date can be accessed on the DWP Website at:

<http://www.dwp.gov.uk/housingbenefit/statistical/>