

**REPORT TO:** POLICY AND RESOURCES COMMITTEE- 25 JUNE 2007

**REPORT ON:** FINANCE REVENUES SERVICE PLAN 2003-2007 - PERFORMANCE REPORT FOR 2006/2007

**REPORT BY:** DEPUTE CHIEF EXECUTIVE (FINANCE)

**REPORT NO:** 296-2007

**1 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to advise the Committee of the performance for 2006/2007 against the performance indicators in the Finance Revenues Service Plan 2003-2007 approved by the Finance Committee on 14 June 2004.

**2 RECOMMENDATIONS**

- 2.1 That the Committee notes the progress in 2006/2007 towards the performance targets set for each service in the Finance Revenues Service Plan 2003-2007.

**3 FINANCIAL IMPLICATIONS**

- 3.1 All initiatives introduced to improve performance will be contained within Finance Revenues Revenue Budget for 2007/2008.

**4 LOCAL AGENDA 21 IMPLICATIONS**

- 4.1 There are no direct Local Agenda 21 implications.

**5 EQUAL OPPORTUNITIES IMPLICATIONS**

- 5.1 There are no direct equal opportunity implications.

**6 BACKGROUND**

- 6.1 The Council's Best Value submission to the Scottish Executive on Public Performance Reporting requires an annual report by all departments on the performance indicators in their Service Plans.
- 6.2 The Finance Revenues Service Plan 2003-2007 approved by the Finance Committee on 14 June 2004 indicated performance reporting requirements would be met mainly by an annual report to the Finance Committee.

**7 PERFORMANCE INFORMATION 2006/2007 - BALANCE SCORECARD**

- 7.1 The department has adopted the Balanced Scorecard approach to measuring its performance as applied to the initiatives detailed in the Strategic Planning Monitoring Database in Appendix 1. Further performance information has been tabulated and is enclosed as Appendix 2. A brief commentary on initiatives planned to improve performance is provided below.

## 7.2 Council Tax Collection

When the Recovery Initiative was implemented there were targets set for each financial year to move forward to an in-year collection rate of 90% by 31 March 2008. As at 31 March 2007 the in-year collection achieved was 90.7% which is a continuation of the rate achieved at 31 March 2006.

The results of the Recovery Initiative have been remarkable so far, but a continuous review of the processes is required to achieve further improvement and increase collection further. The target collection for 2007/2008 is 91.2% (an increase of 0.5%) Various projects/initiatives are being implemented during 2007/2008 to achieve this further increase.

## 7.3 Housing Benefit and Council Tax Benefit

The average time taken to process new claims was 32 days. This figure surpasses the target to be achieved by 2007/2008. The average time taken to process notification of changes to circumstances was 13 days an improvement on last year's time of 14 days. The percentage of benefit claims processed within 14 days improved to 94% an improvement on last years figure of 92%. The department was successful in obtaining 5 successful benefit fraud prosecution during the year.

## 7.4 Non-Domestic Rates Collection

The collection rate remains high with 95.8% being achieved as at 31 March 2007. Due to the ease of pursuing debtors on the Debt Recovery system it is planned that outstanding Non Domestic Rates debts will be transferred onto The Debt Recovery System in October/November 2007. It is hoped that more streamlined procedures and monitoring can help move the collection rate forward to 97% by 2008/2009.

# 8 **KEY HIGHLIGHTS**

## 8.1 Document Imaging / Workflow

The upgrade of Revenues Document Imaging / Workflow system was successfully completed at the end of October 2006. As the new software's processes were completely different from those of the original, there was a significant learning curve for staff, which was reflected in a temporary downturn in output. However staff are now comfortable with the new software and this can be seen by the improving average levels of output.

# 9 **FUTURE DEVELOPMENTS**

9.1 Direct Debit Review - plans are underway to implement paperless Direct Debits, an additional Council Tax payment date and an advertising campaign to persuade more payers to change to Direct Debit during 2007/2008.

9.2 Council Tax Credits - it is planned that by the end of 2007/2008 procedures will be in place that mean that credits on Council Tax are dealt with as and when they occur.

9.3 A home working pilot is currently taking place involving a group of Accounts/Benefits processors. The results for the pilot to date have been encouraging and it is hoped to extend this pilot to more staff in the near future with a view to making the home working option permanent.

9.4 The payment of Housing Benefit by BACS is now up and running for the Registered Social Landlords only. The private landlords have been written to, requesting their bank details to

allow this facility to be available to them as well. It is hoped that these landlords will be able to receive Housing Benefit payments in this manner by September 2007. Thereafter the facility will be rolled out to individual claimants, before the end of the financial year 2007/2008.

- 9.5 The Local Housing Allowance scheme is to be introduced nationwide on 1 April 2008. There will be a significant amount of work involved to introduce the scheme. The main intentions of the scheme are to simplify the calculation of Housing Benefit and to promote claimant responsibility.

## 10 **CONSULTATION**

- 10.1 The Chief Executive, Depute Chief Executive (Support Services) and Assistant Chief Executive (Community Planning) have been consulted on the contents of this report.

## 11 **BACKGROUND PAPERS**

The Finance Revenues Service Plan 2003-2007 - Finance Committee - 14 June 2004.

**DAVID K DORWARD**  
**DEPUTE CHIEF EXECUTIVE (FINANCE)**

**19 JUNE 2007**

10 records in this query

Source	Service Area	Type	Theme	Status	Responsibility	Objectives	Assessment Date	Assessment
<b>Organisational Development</b>								
Finance Service Plan 2003-2007		Project	Human Resources	Completed	David Dorward	Implement a full system of staff appraisal in Revenues.	06/03/2007	Now fully implemented.
Finance Service Plan 2003-2007		Objective	Health & Safety	Completed	David Dorward	Implement a Health and Safety Committee.	06/03/2007	Now fully implemented.
Finance Service Plan 2003-2007		Objective	Human Resources	Completed	David Dorward	To review departmental structure.	06/03/2007	Now fully implemented.
Finance Service Plan 2003-2007		Objective	Health & Care	On Schedule	David Dorward	To achieve Scottish Health At work silver award.	07/06/2007	Composition of the working group is currently being reviewed.
<b>Financial Perspective</b>								
Finance Service Plan 2003-2007		Objective	Customer Focus	On Schedule	David Dorward	Achieve government's performance standards for benefits processing.	07/06/2007	In 2006/07 average time to process new claims was 32 days, very slightly down on the previous year. Change of circumstances processing is now down to 13 days.
Finance Service Plan 2003-2007		Objective	Financial Resources	On Schedule	David Dorward	Improve NDR Collection Rate to 97%	07/06/2007	In 2006/07 the Collection Rate was 95.4%, a slight decrease on the previous year.
Finance Service Plan 2003-2007		Objective	Financial Resources	On Schedule	David Dorward	Maximise collection of Benefit Overpayments.	24/05/2006	This area continues to improve. Procedures are being put in place to target specific types of debt, which should reflect favourably in the collection statistics
Finance Service Plan 2003-2007		Objective	Customer Focus	Completed	David Dorward	Process 80% of Housing Benefit claims within 14 days	04/05/2007	Performance has been improved to 94%
Finance Service Plan 2003-2007		Objective	Financial Resources	On Schedule	David Dorward	Achieve Revenues Statutory Performance Indicator targets.	07/06/2007	Performance has been maintained or improved for most indicators in 2006/07 and most targets have been achieved.
Finance Service Plan 2003-2007		Objective	Financial Resources	Completed	David Dorward	Achieve annually 5 successful prosecutions of fraudulent claims of Housing Benefit.	07/06/2007	Five successful prosecutions were achieved in 2006/07

Statistic	Value
Total Number of Records	10
Completed	50%
On Schedule	50%
Ahead of Schedule	0%
Behind Schedule	0%
Unlikely to be Achieved	0%
Abandoned	0%
First update not yet done	0%

Performance Indicator	Actual 2004/05	Actual 2005/06	Actual 2006/07	Target 2007
<b>Finance Revenues</b>				
1 <u>Council Tax Collection</u>				
i Percentage of income due from Council Tax that was received during the year	87.1%	90.7%	90.7%	90%
ii Percentage of income due from Council Tax that was received for the previous five financial years:				
Previous Year	90.1%	90.6%	93.4%	90%
Previous Year +1	91.5%	91.5%	92.3%	90%
Previous Year +2	92.9%	92.5%	92.6%	96%
Previous Year +3	93.7%	93.6%	93.2%	96%
iii Replying to personal correspondence	n/a	n/a	n/a	80%
iv Percentage of telephone calls answered within 5 minutes	70%	98.5%	98.9%	90%
v Percentage of customers at City Square dealt with within 30 minutes	50%	80%	90%	80%
2 <u>Housing Benefit and Council Tax Benefit</u>				
i Average time taken to process New Claims	57 days	31 days	32 days	36 days
ii Average time taken to process Notification of Changes in Circumstances	21 days	14 days	13 days	9 days
iii Percentage of Benefit claims determined within 14 days of receiving all necessary information	78%	92%	94%	100%
iv Successful benefit fraud prosecutions per annum	2	4	5	5
3 <u>Non-Domestic Rates Collection</u>				
i Percentage of income due from non-domestic rates that was received during the year	96.4%	96.2%	95.4%	97%
ii Percentage of income due from non-domestic rates that was received for the previous five financial years				
Previous Year	98.2%	98.1%	97.9%	97%
Previous Year +1	98.1%	98.5%	98.5%	99%
Previous Year +2	97.6%	98.3%	98.7%	99%
Previous Year +3	98.0%	97.8%	98.4%	99%