

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of Meeting – 23 January 2012

PART A

AGENDA ITEM

6

Title: REVENUES AND BENEFITS - UPDATE
Report of: Phil Adlard – Head of Revenues and Benefits

1.0 SUMMARY

1.1 This report gives an update on the revenues and benefits service.

2.0 RECOMMENDATIONS

2.1 That the contents of the report are noted.

2.2 That subject to the conditions in para 3.3 future use of SERCO resilience resource be continued.

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Report approved by:

David Gardner, Director of Corporate Resources & Governance – Three Rivers D.C.

Tricia Taylor, Executive Director, Resources – Watford B.C.

3.0 DETAILED PROPOSAL

3.1 At its meeting on 21 November 2011, the Committee agreed that £25,000 be allocated to engage SERCO to assist with the reduction of the volume of Benefits work outstanding. This report highlights progress so far.

3.2 The results to date:-

- (1) 3,156 documents were allocated to SERCO on 29 November 2011. At the close of business on 23 December 2011, 373 remained outstanding.
- (2) As this report was written (9 January 2012) no invoices had been received but our records of the time spent by SERCO shows that we would expect invoices totally £8,840
- (3) In light of the progress made in the first four weeks, a final 2900 documents were transferred to SERCO.
- (4) We continue to monitor the position on a daily basis and ensure that any time lost is made up.
- (5) At the same time, Shared Service staff continued to process "current" work including New Claims
- (6) As at 9 January 2012, there were 239 Watford New Claims outstanding (127 of which were awaiting further information from claimants) and 121 Three Rivers' New Claims (64 in pending). A verbal update will be given to members on 23 January 2012.
- (7) This represents a drop of 113 and 52 respectively from the 21 November 2011 meeting.
- (8) In addition to New Claims, there are 1643 items being dealt with by the Shared Service staff although a large number of these relate to future changes (i.e. effective April 2012)

3.3 The findings from the results of the first four weeks of activity using SERCO shows:

- (1) Whilst in a "steady state", the Shared Service is managing the volume of incoming work which indicates that it is staffed appropriately.
- (2) We have shown that by closely monitoring the output of work from SERCO that they are able to deal with the work given satisfactorily.
- (3) Although we are able to deal with the "normal" flow of work, periods of heightened activity, for instance at year end, will place an

additional burden on the Shared Service which will result in a further backlog.

- (4) We do not believe that it would be sensible to seek to increase the establishment at a time of uncertainty, particularly with a view to Universal Credit and the new arrangements for Council Tax Support to deal solely with these peak periods.
- (5) The recommendation is that by continual monitoring of the workload, a “trigger point” is established at 2000 documents at which SERCO would be used as a short-term resilience support with costs covered from existing budgets

3.4 Progress has also been made in respect of the ISCAS review of the service. Attached at Appendix 1 is an update showing outstanding actions.

Of the original 73 recommendations, 13 that are not “business critical” remain open with a deadline in 2012 as shown. A further recommendation 5.3.11 is also shown as resolved “in part” as this is subject to ongoing activity by the Revenues Manager.

3.5 In addition to the progress highlighted above, both Benefit Subsidy Claims in respect of 2010/11 for Watford (total value £38m) and Three Rivers (£27m) were approved by the External Auditors without qualification.

3.6 The Project for the Installation of the Academy E-Services has commenced. To date we have completed the necessary upgrades required to proceed in addition to a complete removal and restore of the ABC adaptors to the Test Environment that will enable a “cleaner” and hopefully smoother installation.

In addition, we have completed the necessary completion of proforma to enable both Capita and Team Netsol to customise the E-Services and enable completion of e-claims.

3.7 We have also been conducting a review of Single Person Discounts awarded to taxpayers in both authorities as part of a County-wide exercise. The costs of the exercise have been apportioned 14:76:10 between the districts, the county and the police authority with subsequent benefits apportioned likewise.

3.8 The results for Watford as at 10 January 2012 are:

- (1) Cases identified - 1754
- (2) Forms issued - 1754
- (3) Discounts approved - 885
- (4) Discounts removed - 113
- (5) Additional income generated (based on Band D) - £5,996
- (6) Cost incurred - £348
- (7) Reminders Issued - 672
- (8) Cases referred for further action by the authority - 84

3.9 The results for Three Rivers as at 10 January 2012 are:

- (1) Cases identified - 1482
- (2) Forms issued - 1482
- (3) Discounts approved - 764
- (4) Discounts removed – 94
- (5) Additional income generated (based on Band D) - £4,803
- (6) Cost incurred – £282
- (7) Reminders Issued – 559
- (8) Cases referred for further action by the authority - 65

3.10 The exercise has also enabled the two authorities to improve the quality of its data and award appropriate discount disregards to qualifying cases, for example in relation to students, apprentices etc

3.11 Finally collection rates remain strong in light of the current climate with the collection rates at the end of December 2011 being as follows:

Council Tax

Watford – 82.1% (80.4% December 2010)

Three Rivers – 88.1% (87.7%)

Business Rate

Watford – 88.6% (87.2%)

Three Rivers – 89.2% (87.3%)

4.1 **Financial**

4.1.1 None specific to this report.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 None specific.

Background Papers

No papers were used in the preparation of this report.