

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of Meeting – 18 March 2013

PART A

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 the two councils be asked to make the funding available to purchase the Efficiency Version of Capita Revenues & Benefits Software (paragraph 3.1 refers).

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Report approved by:

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3.0 DETAILED PROPOSAL

3.1 *Capita Efficiency Version*

3.1.1 The Revenues & Benefits Shared Service currently uses Capita Revenues & Benefits Software (formerly Academy) for the administration of both Revenues & Benefits. The software has been in existence in its current form for many years, Three Rivers DC having used it since 1999, and as such is beginning to show its age.

To address this, Capita have introduced a new version, Efficiency Version, which has streamlined many processes, made information from management reports more accessible and produces customer information more clearly to enable queries to be addressed more easily.

The Efficiency Version is being adopted by many of the existing customers and Capita report that 90% of their customers are operating with the Efficiency Version.

3.1.2 The fact that only 10% of Capita customers are still using the “classic” version means that Capita are reviewing the support they give to that and have indicated that it will not be too far away from the day that the “classic” version is unsupported.

3.1.3 This situation is now dictating the charging policy for future changes to the operating system caused by legislative changes. For example, changes to the system to address issues created by the abolition of Council Tax Benefit will result in a charge of £17,500 per authority. Capita have indicated that there is a strong likelihood that other changes in the future will be treated in a similar manner.

3.1.4 However, sites using the Efficiency Version will have the changes implemented at no additional cost.

3.1.5 Capita have offered the Efficiency Version to both Councils at a one-off cost of £72,500 in total. This will be in addition to the annual maintenance charges, currently at £73,000 in total.

3.1.6 One of the key features of the Efficiency Version is the shortening of processes and reduction in the number of key strokes required to complete certain tasks. This will dramatically reduce the time needed by staff and will generate the savings shown in Appendix 1, assuming the extra capacity allows council staff to pick up work currently performed by Serco.

3.1.7 The Department for Communities and Local Government has announced that, to support Local Authorities with the implementation of Local Council Tax Reduction Schemes, additional ‘new burdens’ funding is to be made available as follows:-

	2013/14	2014/15
	£	£
Three Rivers D.C.	44,183	67,712
Watford B.C.	53,964	74,781

It is suggested that the two councils be asked to use a part of this funding to cover the costs of purchasing Efficiency Version.

3.2 **Benefits Performance**

3.2.1 The Head of Revenues & Benefits and the Benefits Manager have now implemented performance targets for all Benefits staff.

These targets are based on evidence collated from the output of staff who are engaged by Serco and data obtained from other Local Authorities.

All staff are now aware of their target, allowing for time spent on activities such as customer service or phone duties that may not result in a benefit decision being made.

Results are fed back to staff on a weekly basis and the evidence will be used to determine where additional support (e.g. training) is required. As a last resort the authorities' capability procedure will be invoked.

3.2.2 The number of new claims outstanding continues to be monitored with the number of outstanding new claims as at 4 March being 126 for Watford and 56 for Three Rivers. Of these, 68 and 51, respectively, are awaiting further information from claimants.

3.2.3 Data from the SHBE (Department for Work & Pensions) Return showing the speed of processing in January 2013 indicates:

New Claims (Target 22 days)

Watford 26.12 days

Three Rivers 24.73 days

Changes (Target 8 days)

Watford 29.29 days

Three Rivers 72.23 days

Members will recall that the Department for Work and Pensions (DWP) report was critical that the automatic notification of changes from the DWP / Tax Credits (ATLAS) had not been actioned. The high statistic for Changes in Three Rivers is attributable to the fact that these cases have now been downloaded and are being addressed principally by Serco staff.

Removing these ATLAS changes reduces this figure to 30.46.

At 4 March 2013, 12,922 of 13,735 Three Rivers' ATLAS cases, dating back to July 2011, had been processed. 7,242 of 21,589 Watford cases had been processed. (The Watford SHBE figure is expected to show a similar increase for February).

The next SHBE return will be completed on 13 March 2013 and the results of that will be reported verbally to the Committee.

3.3 **Revenues Performance**

3.3.1 Collection Rates remain strong in light of difficult economic circumstances.
In year collection rates as at 28 February 2013 are as follows:

	2011/12 %	2012/13 %
Watford		
Council Tax	93.6	93.4
Business Rates	95.0	95.6
Three Rivers		
Council Tax	96.6	96.8
Business Rates	97.8	97.2

In addition, collection of Sundry Debts remains high with £16.3m collected in respect of Watford Debts (95.45%) and £3.8m, Three Rivers (95.77%)

3.3.2 Monitoring of outstanding work is also conducted in Revenues and the efforts of the staff have reduced the number of outstanding documents in the 'Anite' system from 1,967 on 2 January 2013 to 349 on 4 March 2013.

4.1 **Financial**

4.1.1 Included above.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 None specific.

Background Papers;

No papers were used in the preparation of this report.

Appendix 1 – Efficiency Version Business Case – Watford BC (to follow)

Appendix 2 – Efficiency Version Business Case – Three Rivers DC (to follow)