

		AGENDA ITEM NO.																																								
Report Cover Sheet																																										
Name of Meeting:		EMPLOYMENT COMMITTEE																																								
Date of Meeting:		17 th December 2007																																								
Report Title:		Council Tax Staffing																																								
Summary of report:		To increase the resource available for the council tax administration function																																								
For Further Information Please Contact (report author):		Andrew Jones 6830 andrew.jones@warwickdc.gov.uk																																								
Would the recommended decision be contrary to the Policy Framework:		No																																								
Would the recommended decision be contrary to the Budgetary framework:		No																																								
Wards of the District directly affected by this decision:		All																																								
Key Decision?		No																																								
Included within the Forward Plan?		n/a																																								
Is the report Private & Confidential		No																																								
Background Papers:		None																																								
Consultation Undertaken																																										
<p>Below is a table of the Council's regular consultees. However not all have to be consulted on every matter and if there was no obligation to consult with a specific consultee they will be marked as n/a.</p>																																										
<table border="1"> <thead> <tr> <th>Consultees</th> <th>Yes/ No</th> <th>Who</th> </tr> </thead> <tbody> <tr> <td>Other Committees</td> <td>n/a</td> <td></td> </tr> <tr> <td>Ward Councillors</td> <td>n/a</td> <td></td> </tr> <tr> <td>Portfolio Holders</td> <td>Yes</td> <td>Norman Pratt</td> </tr> <tr> <td>Other Councillors</td> <td>n/a</td> <td></td> </tr> <tr> <td>Warwick District Council recognised Trades Unions</td> <td>n/a</td> <td></td> </tr> <tr> <td>Other Warwick District Council Service Areas</td> <td>No</td> <td></td> </tr> <tr> <td>Project partners</td> <td>n/a</td> <td></td> </tr> <tr> <td>Parish/Town Council</td> <td>n/a</td> <td></td> </tr> <tr> <td>Highways Authority</td> <td>n/a</td> <td></td> </tr> <tr> <td>Residents</td> <td>n/a</td> <td></td> </tr> <tr> <td>Citizens Panel</td> <td>n/a</td> <td></td> </tr> <tr> <td>Other consultees</td> <td>n/a</td> <td></td> </tr> </tbody> </table>				Consultees	Yes/ No	Who	Other Committees	n/a		Ward Councillors	n/a		Portfolio Holders	Yes	Norman Pratt	Other Councillors	n/a		Warwick District Council recognised Trades Unions	n/a		Other Warwick District Council Service Areas	No		Project partners	n/a		Parish/Town Council	n/a		Highways Authority	n/a		Residents	n/a		Citizens Panel	n/a		Other consultees	n/a	
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Officer Approval

With regard to officer approval all reports must be approved by the report authors relevant director, Finance Services and Legal Services.

Officer Approval	Date	Name
Relevant Director(s)	29/11/07	Karen Pearce
Chief Executive	29/11/07	Chris Elliott
CMT	29/11/07	All
Section 151 Officer	29/11/07	Mary Hawkins
Legal		n/a
Finance		n/a
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. RECOMMENDATION(S)

- 1.1 That subject to the budget report of February 2008 approving the funding from increased court fees for unpaid council tax and business rates, members consider the following:-
 - 1.11 To request member approval for the re-designating of posts T07110 & T07100 from Grade H to G and increasing T07100 to 37 hours per week.
 - 1.12 To request member approval for an increase of hours for post T06073 (Senior Revenues Officer) from 29 to 37.
 - 1.13 To request member approval for the creation of a Revenues Support Assistant at Grade I.
 - 1.14 To request member approval for the creation of a revenues officer post at grade G.

2. REASONS FOR RECOMMENDATION(S)

- 2.1 Over the last 10 years the number of domestic properties in the District has grown by 8,000 yet the number of staff deployed to deal with local taxation billing and collection has fallen. This has meant that the council tax team is one of the most efficient in the country with CIPFA Benchmarking (see Background) displaying costs in the bottom third and a *staff to domestic property* ratio in the top quarter.
- 2.2 The impact on staff of the property growth has been particularly apparent in the last three years with backlogs of work, very high sickness, excessive amounts of overtime worked and critical internal audit reports.
- 2.3 However, the fantastic commitment from staff has enabled the council to record excellent collection rates but this situation is not sustainable.
- 2.4 There is now an opportunity to utilise an element of the forthcoming increase in court fees to pay for much needed staff resource.
- 2.5 Having gone through the service planning process the proposals have Corporate Management Team support and if approved by Employment Committee will be included in the budget report of February 2008.

3. ALTERNATIVE OPTIONS CONSIDERED

- 3.1 There is an option not to agree the changes requested, however, no steps would then be being taken to tackle the resource issue.

4. BUDGETARY FRAMEWORK

4.1 Revenue cost of each proposal

- 4.11 To request member approval for the re-designating of posts T07110 & T07100 from Grade H to G and increasing T07100 to 37 hours per week = £10,000

- 4.12 To request member approval for an increase of hours for post T06073 (Senior Revenues Officer) from 29 to 37 = £5,000
- 4.13 To request member approval for the creation of a Revenues Support Assistant at Grade I = £7,000
- 4.14 To request member approval for the creation of a Revenues Officer post at grade G = £20,500
- 4.15 The total cost of these proposals is £42,500, however, the cost can be met entirely from increased court fees and still provide the council with an extra £68,000 in annual revenue.

5. POLICY FRAMEWORK

- 5.1 The collection of Council Tax is a Best Value and Corporate Health indicator. Efficient collection of the council tax provides the council with its revenue to deliver services.

6.1 BACKGROUND

- 6.11 The council tax team provides a low cost service with well above average collection rates. Over the past 10 years the number of properties in the district has grown significantly but the staff employed to bill and collect council tax due has decreased. The effect on staff of this growth has been significant with sickness and staff turnover requiring excessive overtime.
- 6.12 There is now an opportunity to address this situation by utilising an element of the forthcoming increase in court fees payable by council tax and business rate defaulters.

6.2 Court Fees

- 6.21 Warwick District Council has historically charged a below average fee for obtaining a liability order from the Magistrates Court when a council tax or business rate payer defaults on the statutory or agreed instalment plan. For many years the charge was £15.00 per liability order (with 70p going to the Court). In 2004 the Court agreed a fee increase to £20.00 and in 2006 the fee increased to £28.00, however, £3.00 of this now went to the Court.
- 6.22 The annual CIPFA benchmarking exercise indicated that the average court fee charged is £71.00 (sample 140 authorities) and that a comparison against 18 similar authorities revealed an average fee of £67.00.
- 6.23 It is extremely unlikely that the local Court would sanction an immediate fee increase to the national average, however, an initial increase to £40.00 would be acceptable.
- 6.24 Increasing Court fees to £40.00 (net £37.00 after allowing for Court deduction) should raise £222,000. This is based on 6,000 liability orders being issued and is a conservative estimate. Set against a current net budget of £111,500 this would

mean an increase to the authority of £110,500 (less an extra £1,500 on the authority's bad debt provision).

- 6.25 The following table compares Warwick District Council against 140 other local authorities for a basket of indicators:

Cost per dwelling	WDC	Average Comparators	WDC Position
Net cost	£13.76	£15.46	Bottom 40%
Staff	£6.92	£8.63	Bottom 35%
Dwellings per FTE	3256	2909	Top 25%
ICT	£1.59	£2.11	Bottom third
Running costs	£1.47	£2.02	Bottom third
Central costs	£2.47	£2.82	Bottom third
Annual billing costs	£2,200	£4,000	
DD take-up	70%	60.4%	Top quartile
Collection Rate	98.42%	96.5%	Top quartile

- 6.26 It is therefore recommended that to address the resource issues apparent on the council tax team £42,500 of the increased court fee revenue is utilised. This would still leave the council with an annual revenue increase of £68,000.

6.3 Use of the increased resource

- 6.31 *To request member approval for the re-designating of posts T07110 & T07100 from Grade H to G and increasing T07100 to 37 hours per week*

Posts T07110 & T07100 are graded at H and work on Reception. Staff who deal with council tax queries are graded at G and form part of the unified Benefits/Revenues/Housing team which operates from a separate counter to Reception. This specialist team has 5 advisors and is also feeling the consequences of an increasing tax base and less compliant customer. Resources would be better utilized if the Reception and Benefits/Revenues/Housing teams could work in a cross-functional way so that staff could be allocated according to demand.

- 6.32 *To request member approval for an increase of hours for post T06073 (Senior Revenues Officer) from 29 to 37*

The council tax team is managed by a Principal Revenues Officer and Revenues Team Leader with support for training provided by a Senior Revenues Officer. In reality the training is not happening to the extent required because of the day-to-day demands on the team and the reduced hours available to the post as consequence of previous savings. With increasing demands for training from the One Stop Shops and Customer Service Centre this situation needs to be remedied.

An increase in hours along with the other measures proposed would allow that training to be delivered to the frontline teams.

Members will be interested to note that council tax accounts for 25% of all council enquiries therefore the training requirement is essential.

6.33 *To request member approval for the creation of a Revenues Support Assistant at Grade I*

As the District has grown the Property Inspector resource has reduced. This has been due to the need to make savings. This disparity has been identified three years running by Internal Audit.

Currently the Property Inspector has to undertake all the requisite clerical and administration duties herself. By creating a post of Revenues Support Assistant, resource will be freed-up to undertake the necessary property inspections.

6.34 *To request member approval for the creation of a revenues officer post at grade G*

CIPFA benchmarking and work undertaken with the other Warwickshire authorities indicates that the *staff to domestic property* ratio is higher than average. Warwick staff deal with 3250 properties each whereas the average is 2900. Staff are therefore dealing with 12% more properties than average. This burden is reflected in the sickness, turn-over and overtime figures.

The creation of a further revenues Officer post will bring Warwick nearer to the national average for individual workload.