

		Executive 3 September 2008	Agenda Item No.
Title	Pilot Joined-up Business Rates Service with Stratford District Council		
For further information about this report please contact	Andrew Jones		
Service Area	Revenues and Customer Services		
Wards of the District directly affected	All		
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No		
Date and meeting when issue was last considered and relevant minute number	N/A		
Background Papers	Executive 23 rd , July 2008 Item 12		

Contrary to the policy framework:	Yes/No
Contrary to the budgetary framework:	Yes/No
Key Decision?	Yes/No
Included within the Forward Plan? (If yes include reference number)	Yes/No

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report author's relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Relevant Director		
Chief Executive	15/08/08	Chris Elliott
CMT	15/08/08	Chris Elliott Mary Hawkins
Section 151 Officer	15/08/08	Mary Hawkins
Legal	15/08/08	Simon Best
Finance	12/08/08	Mike Snow
Portfolio Holder(s)	13/08/08	Cllr Les Caborn

Consultation Undertaken	
Please insert details of any consultation undertaken with regard to this report.	
Final Decision?	Yes/No
Suggested next steps (if not final decision please set out below)	

1. **SUMMARY**

- 1.1 The report recommends the participation of the council's Business Rates team in a joined-up working pilot with Stratford District Council's (SDC) Business Rates team. The pilot would last for 12 months during which time an evaluation will be made as to whether the teams should join together as a shared service.

2. **RECOMMENDATIONS**

- 2.1 Members agree to the council undertaking a 12 month pilot joined-up Business Rates service with SDC to be based at Riverside House.
- 2.2 Members note that a Memorandum of Agreement, approved by the Legal Services team, will be signed before the joined-up work commences.
- 2.3 Members to receive a further report in nine months to determine whether the council should enter into a shared service arrangement for the delivery of the Business Rates service.

3. **REASONS FOR THE RECOMMENDATIONS**

- 3.1 In 2006 the five Benefits and Revenues services in Warwickshire commissioned work from the Institute of Revenues Rating and Valuation (IRRV) to establish whether there was a business case for the sharing of any services. The IRRV reported to the Warwickshire Association of Chief Executives (WACE) in June 2007 with a number of proposals one of which was to undertake further feasibility work into establishing a joint Warwick-Stratford Business Rates team.
- 3.2 Given the limited number of staff involved in the Business Rates operation (a total of 6 at both councils), officers agreed that the most effective way to approach the feasibility was through a physical relocation of Stratford's staff to Riverside House.
- 3.3 The risks in the project are minimal. The relocating staff will remain employees of SDC through the pilot; access to SDC's computer network will be via a remote protocol known as Citrix; there is no effect on budgets.
- 3.4 The real benefit for Warwick District Council is that it provides the opportunity to bring some resilience to the Business Rates team. Currently the team is made up of two Revenues officers and with Stratford more than doubling the resource, there is the opportunity to call on cover in times of staff absence.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 The work undertaken by the IRRV during 2006 and 2007 suggested a number of areas where Warwickshire's Benefits and Revenues teams could potentially share a service. However, it became clear through the work that as most of the council's were low or medium cost there was extremely limited scope for significant cost savings. The report did highlight the possibility that shared services could provide resilience to the various teams.
- 4.2 The option to undertake a joined-up pilot on a small service is therefore a prudent approach which will enable significant learning and could well lead to a more ambitious shared service model.

5. **BUDGETARY FRAMEWORK**

5.1 Revenue

- 5.11 SDCs Revenue Officer grades are higher than those at Warwick. To address this discrepancy the Warwick officers will receive an honorarium for the duration of the pilot. The Chief Executive has delegated authority to make the awards. The extra costs amounting to approximately £4,000 can be funded from within current budgets as there has been staff turn-over on the Revenues team.
- 5.12 The SDC running costs associated with the pilot i.e. printing, stationery, photocopying etc will be recharged.

5.2 Capital

- 5.21 There are no capital set-up costs associated with the joined-up work as SDC will be providing its own hardware for the pilot.

6. **POLICY FRAMEWORK**

- 6.1 The council has an objective of using best practice to improve service delivery. The challenge for District Councils in service areas made up of a limited number of staff is how to increase the resilience of the service without increasing cost.
- 6.2 There are an increasing number of examples where councils in such a position have joined with neighbouring authorities to meet this challenge. If the pilot is successful this is an approach Warwick District Council can feel confident about following for further Benefits and Revenues functions.

7. **BACKGROUND**

- 7.1 The financial year 2007/2008 saw the council achieve its best ever business rates collection rate at 99.11% putting it in the top quartile nationally. At the same time the cost base of the service is low (as evidenced in the IRRV feasibility study) with only 1.6 FTE Grade G officers and a manager who is also responsible for Council Tax recovery and the Benefits and Revenues computer system.
- 7.2 Given the limited numbers on the team, the main risk to the service has always been staff absence or resignation: Business Rates is a complex area of administration requiring not only an understanding of how the computer system operates but also a thorough understanding of the legislation.
- 7.3 SDC has similar issues to Warwick, however, it has a slightly bigger team with 2 FTE Revenue officers and a team leader. There is therefore a real opportunity to explore whether the amalgamation of the two teams would bring a greater resilience to both.