

Finance

Service Area Plan Performance 2015/16

1. Background

The customers of Finance can be broadly categorised in two ways:-

External

These customers include all those responsible for the payment of council tax and business rates, for which there are 62,000 and 5,000 respective properties (as at 31 March 2016). Housing Benefit claimants currently total 6,300 (value £30.3m pa), with there being 7,000 (value £6.1m pa) households in receipt of Council Tax Reduction (previously council tax benefit).

Finance also administer the Rural and Urban Capital Initiative Scheme for which 9 grants totalling £178,000 were agreed by Executive in 2015/16.

Internal

Much of Finance is a support service, primarily providing services to the Council's officers and councillors. The services here include:-

- Accountancy
- Internal Audit and Risk
- Procurement
- Payments and sundry debtors

2. Performance

Council Tax/Business Rates

The processing time for council tax correspondence has continued to be a concern during to 2015/16. The numbers of properties across the district has increased by over 700 in the last 18 months. This has generated more correspondence, as has the continuing increase in private sector rentals. The average processing time (as measured by the age of the oldest item of correspondence) has reduced from 33 days in 2014/15 to 29 days in 2015/16. The move towards more generic working within Council Tax/Business Rates has helped to reduce processing times, along with staff doing some weekend working. Unfortunately, throughout the year there have been staff vacancies and sickness. The recent new Customer Service arrangements from February should assist, with improved quality information being given out, and the new team able to undertake processing during quiet times.

The Council Tax collection rate for 2015/16 was 98.5% (2014/15 98.5%) and 98.6% (2014/15 99.1%) for Business Rates, the latter being a small reduction on the previous year.

Housing Benefits/Council Tax Reduction

Days to process Housing Benefit “change in circumstances” increased during the year as the team undertook increased reviews of claims to ensure that customers continued to receive the right benefits. At year end, processing was down to 7 days. With applicants now able to apply for Benefits via the Council’s website, processing times should further improve as staff do not have to re-key data, scan documents and should not have to request items not submitted.

The audit of the 2014/15 Housing Benefit Claim by the Council’s external auditors on behalf of DWP resulted in it being unqualified. This is widely recognised as a substantial achievement, given that the majority of claims nationally are qualified.

With the demise of the shared Customer Service Centre with WCC, the Benefits section took responsibility for the new Benefits/Revenues Customer Service Team from February 2016, with staff transferring and two new appointments. An apprentice is being appointed to the Team. The service quality has greatly improved with more calls dealt with at first point of contact and reduced waiting time. The Team also manage Switchboard Calls for the Council, for which further work is on-going to reduce these calls. Overall this project has gone extremely well, especially when it is noted that this project was not part of 2015/16 Service Plans.

Accountancy

The Accountancy Team have had specific challenges during the year, with unfortunate absences of 2 key members of staff. Despite this, the Team have completed their key functions, ranging from preparation of Budgets, Budget monitoring, through to completion of Final Accounts. In addition, they have progressed various initiatives, including the “On-Line Returns” for income processing which is now live.

Internal Audit and Risk

The Internal Audit Plan for the year was again completed, with all planned audits being undertaken. The review of Internal Audit in accordance with the Public Sector Internal Audit Standards was arranged for April 2016.

Risk Management advice was provided to officers and members throughout the year. A review of Risk Management undertaken by Zurich has proposed various recommendations which are being included within the 2016/17 Service Plan.

Procurement

Despite a total change in the Procurement Team in the year, procurement advice and support has been provided across the Council, with contract registers continuing to be reported to Finance & Audit. The Team has continued to work to ensure good procurement practice is embedded and understood by all officers,

with continuing formal and informal training and assistance. Support has been given to significant projects including Leisure Options, Asbestos and Electrical maintenance.

Risks

The Risk Register has continued to be reviewed throughout the year, and was presented to Finance & Audit in April 2016. There are no high level risks that score in the "red".

3. Workforce Planning

The tragic death of a Principal Accountant in October in a car accident has presented significant challenges to the Accountancy Team to continue to provide the full accountancy support to the Council, and notably to Housing & Property Services. These problems were compounded with the long term sickness of a team member in the year. The dedication, flexibility and knowledge of team members ensured that the key tasks continued to be provided, until interim support could be arranged. A permanent replacement Principal Accountant is due to start in May.

With a new Procurement Manager and Procurement Officer starting in 2015, there is a new team bringing a fresh approach to the work. Consideration is being given to what further support is required by the team, with the option of an apprentice being actively considered.

The Exchequer Team (Council Tax, Business Rates, Payments/Sundry Debtors), have carried vacancies during the year, one of these being due to a Revenues Officer being on extended secondment to another Service. These vacancies have contributed to the backlog in processing. In addition, sickness (including one employee on long term sickness) has compounded the problem. Many officers are now working more "generically", covering different aspects of work which has helped to manage the workload.

The Benefits Team continue to face uncertainty as to the timing and the impact of the rollout of Universal Credit which has resulted in several staff seeking alternative employment in recent years. There are now two apprentices within the Benefits section who are proving to be extremely valuable. E-Forms are assisting to manage the workload with the reduced establishment.

4. Budget

Finance achieved the 2.5% saving on discretionary budgets in 2015/16, and have identified a further 5% saving for 2016/17.

Finance - Planned Changes, Major Workstreams and Projects

Change/Project	Milestones
Sundry Debtor training	Training carried out January 2016
Review of Concurrent Services and parish support	Failed to progress due to absence of key officer. Now within 2016/17 Service Plan
Review of Active H/Total interface and associated working practices	Improvements agreed with Housing & Property Services to how Active H is being used from 1 April 2016
On-line Returns	Continued problems with system delayed rollout. System live from April 2016 and roll-out being further progressed as part of 2016/17 Service Plan.
Benefits – E-Forms	System went live in July 2015 and is being actively used for new claims and change in circumstances.
Review of potential changes to Council Tax Reduction Scheme	2015/16 fact finding carried out including relationship with Universal Credit. Proposals to be presented to members in July 2016 for consultation with intended implementation from 1 April 2017.
Discretionary Rate Relief Policy for new businesses	Report for CMT consideration. Due to lack of business rates retention funding not able to be progressed.
Auto-matching feasibility for Creditor invoices	Feasibility report completed detailing how system will be rolled out. Implementation during 2016/17.
Review usage being made of Procurement System with a view to its use being made across the Council in managing contracts and procuring services.	Progress delayed due to change in Procurement Team. Part of 2016/17 Service Plan.
Procurement Training for officers across the Council	Workshop 1 provided across the Council, and support for the Contract Management training.
Prepare for 5 yearly review of Internal Audit during 2016/17	CIPFA appointed to undertake review in April 2016.
Promotion of Risk Management and RM initiatives.	Risk Management Annual report to Finance & Audit Scrutiny Committee September 2015. Risk Management Review undertaken January 2016.