

REPORT

To: POLICY & RESOURCES (FINANCE & CUSTOMER SERVICES) SUB COMMITTEE		Subject: PAYMENT OF LOCAL TAXATION & BENEFIT UPDATE
From: HEAD OF REVENUE SERVICES		
Date: 6 AUGUST 2012	Ref:- AC/BC UPDATE JULY 2012	

1 Introduction

1.1 This report provides an update on the payment performance for Council Tax and Non Domestic Rates and the administration of Housing / Council Tax Benefit.

2 Council Tax

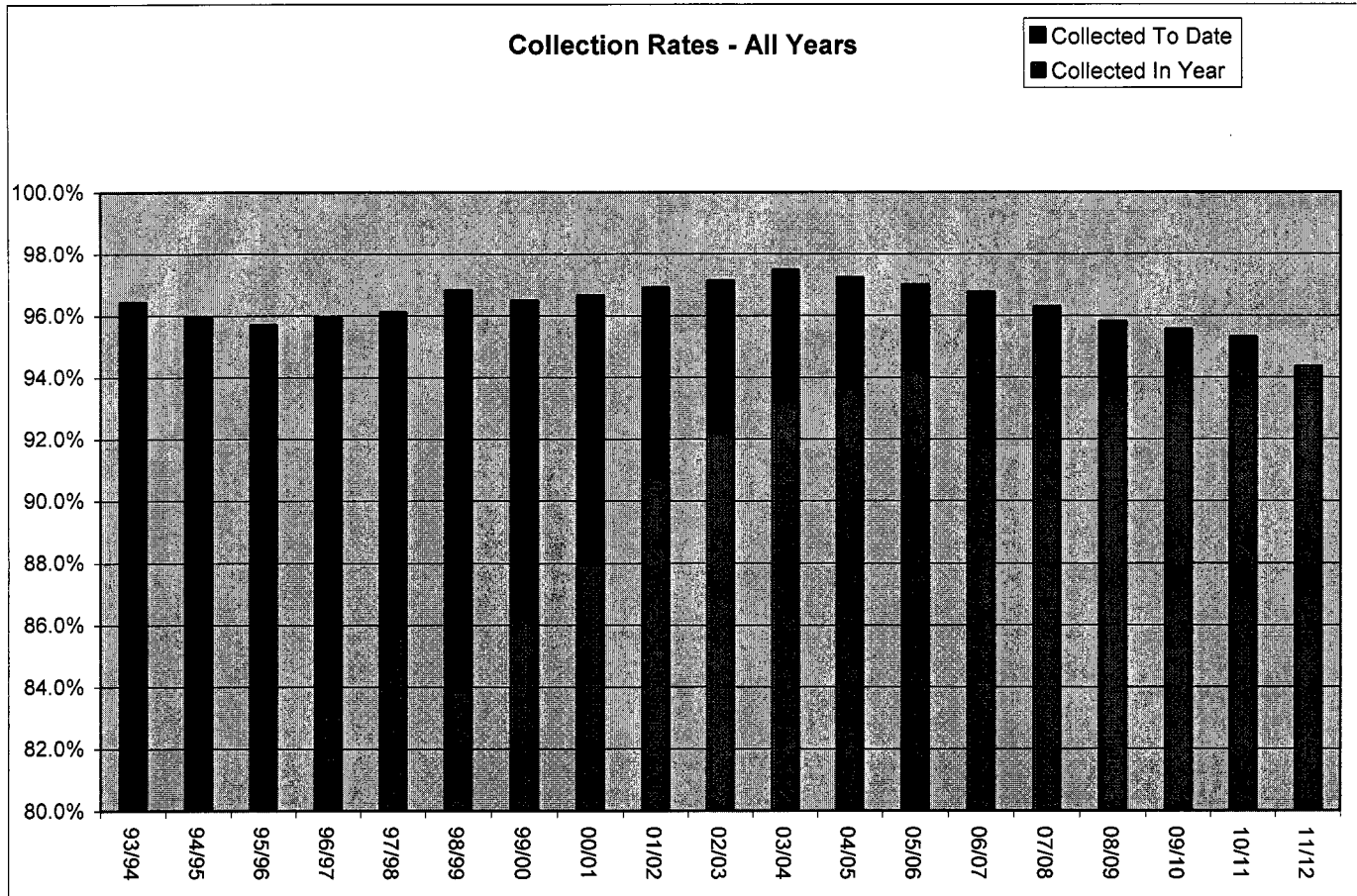
2.1 Details of the amount of Council Tax paid for the 2012/13 year together with comparable figures for the same period for the last financial year are shown below (Table 1). This shows a performance of 35.5% at the end of July 2012 compared with 35.3% for the same period last year. It is encouraging to note that the payment performance is marginally ahead of the previous year's level.

Table 1

Council Tax Payment Performance			
	Current	Previous	
	Year	Year	Movement
Month	2012/13	2011/12	
April	8.4%	8.0%	0.4%
May	17.7%	16.7%	1.0%
June	26.4%	26.5%	-0.1%
July	35.5%	35.3%	0.2%

2.2 In regard to earlier years a further £1.2m has been collected, since April 2012, of the cumulative prior years arrears reducing the shortfall against the targets for these years. Graph 1 shows the total percentage recovered for Council Tax for each prior year and highlights that 12 of the 17 previous years have now exceeded 96% payment levels, and 3 years having now achieved over 97%.

Graph 1



*In year collection not available for years 1993/94 to 1995/96 as Strathclyde Regional Council responsible for collection.

3 Non Domestic Rates

3.1 Table 2 indicates that payments made up to July 2012 are at 24.2% comparable with 24.3% for the same period last year.

Table 2

Non Domestic Rates Payment Performance			
Month	Current Year 2012/13	Previous Year 2011/12	Movement
April	0.4%	0.3%	0.1%
May	8.2%	7.5%	0.8%
June	16.6%	15.1%	1.6%
July	24.2%	24.3%	-0.1%

4 Benefits Update

4.1 Table 3 shows the total benefit awarded at July 2011 and July 2012 which has decreased by 1% for Council Tax and increased 3% for Rents.

Benefit Awarded 1 April to 31 July 2012			
	Current Year	Previous Year	Movement
Rent (Year To Date)	£36.2m	£35.2m	+\$1.0m
Council Tax (Annual)	£26.0m	£26.3m	-\$0.3m

4.2 Speed of Processing Indicators

New Claims – This indicator shows the average number of days taken to process a new claim.

2012/13 – Year to Date average for April 2012 – July 2012 = 20.8 days.

2011/12 – Year to Date average for April 2011 - July 2011 = 19.8 days.

Change Events – This indicator shows the average number of days taken to process change events.

2012/13 – Year to Date average for April 2012 – July 2012 = 6.8 days.

2011/12 – Year to Date average for April 2011 - July 2011 = 7.8 days.

Performance in respect of dealing with changes has improved from 7.8 days to 6.8 days. In respect of new claims performance has dropped from 19.8 to 20.8. However this exceeds the 2011/12 National and Scottish average of 24days and 25 days respectively. DWP quarter 1 figures for 2012/13 are unavailable as yet.

The DWP's Automated Transfer to Local Authority Systems (ATLAS) has assisted in reducing the number of days to process change events. However, the increased volume of work generated by DWP ATLAS process has had an impact on new claims processing.

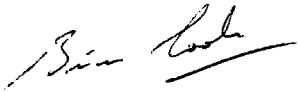
5.0 Community Charge - The outstanding debt for Community Charge at 31/3/2012 amounted to £26,612,290 which is approximately 10% of the total charges raised during the 4 years that Community Charge operated.

The Council has provided a 100% bad debt provision for the total outstanding amount, therefore any further recoveries are additional income.

During the first 4 months of the current year, ie, April 2012 – July 2012, a further £21,036 has been paid by debtors.

6 Recommendation

6.1 Members are asked to note the report.

A handwritten signature in black ink, appearing to read "Brian Cook", with a horizontal line underneath the name.

Head of Revenue Services

Members wishing further information please contact Mr Brian Cook, Head of Revenue Services, Tel: - 01698 – 403929.