

CAPITA LOCAL GOVERNMENT SERVICES

Council Tax Collection 2008/9

London Borough of Brent

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Distribution

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1. Introduction

During 2007/8 Council Tax collection saw another significant improvement of 1.20% on the previous year to 95.37%. This was 1.37% above the contractual target of 94% and for the 4th consecutive year the in-year target has been exceeded.

In 2008/9 Capita will be commencing the start of a 3 year extension to the original contract and in-year targets have been set to exclude the value of court costs paid. This will give an added incentive to improve collection whilst keeping a tight focus on charge payers in the pre summon stages, to ensure prompt payment.

The 2003/4 arrears achieved a collection of 95.30% in 2007/8, an increase of 0.35%, the 2004/5 arrears achieved 96.23% an increase of 0.50% within the year, the 2005/6 arrears achieved 96.16% an increase of 0.95% and the 2006/7 arrears achieved 96.03%, an increase of 1.86%. This also shows the trend of improving collection; both the one and two year old debt have increased the percentage collected in previous years, the three year old debt staying the same and the four year old debt having no comparative.

The pre-contract arrears total to 31st March 2008 increased to £5.62m exceeding the target of £4m by £1.62m. .

The focus for 2008/9 will be on maintaining the robust foundations that have been set over the past 5 years to improve in-year collection; to identify and implement new initiatives for improving customer contact, service and information and for supporting the long term and short term overall objective of the collection of outstanding debt.

2. Monthly Collection Profile for 2007/8

The profile has been estimated using the current information held on the volumes of DD and Cash Payers in combination with the trends shown in payers over the last four years.

The table below shows the actual month on month collection between April 2003 and March 2008 and the proposed profile of expected payments between April 2008 and March 2009. You will note the variance, especially in February and March 2008, to previous years, which reflects the changes made in reducing the number of DD payments from 12 to 10 in 2007/8.

	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March
2003/2004	23.35	29.02	34.84	40.47	46.53	52.98	60.14	66.54	72.98	79.54	85.39	90.97
2004/2005	13.77	22.01	29.90	37.42	44.79	52.66	60.15	67.59	74.92	81.53	87.30	93.41
2005/2006	14.11	22.60	30.51	37.70	45.21	52.91	60.44	68.07	75.46	82.31	87.78	93.56
2006/2007	13.51	21.85	29.52	37.05	44.46	52.09	59.68	67.39	74.67	82.05	88.01	94.17
2007/2008	14.09	23.47	32.25	40.87	49.31	57.38	66.36	74.67	82.78	90.77	93.39	95.37
Less Costs Paid 2007/2008	14.09	23.47	32.15	40.69	49.01	57.20	65.92	74.15	82.21	90.12	92.67	94.59
Aspiration 2008/2009	14.10	23.44	32.15	40.69	49.01	57.20	65.92	74.15	82.21	90.12	92.67	95.00

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The table also shows the value that would have been collected, less costs paid in 2007/8, for monitoring purposes. Although the contractual target for 2008/9 has been set at 93.75% (excluding costs) it has been agreed to have an aspirational target of 95% (excluding costs) which would exceed the 2007/8 collection.

The collection will continue to be reviewed at the monthly contract meetings but monitored weekly to ensure satisfactory progress is being achieved.

3. Council Tax Action Plan 2008/9

The Council Tax Action Plan for 2008/9 (appendix 1) has changed in format from previous years to reflect the realisation of the impact that all services have in collecting the Council Tax. The focus is on moving the service forward, identifying the needs of the charge payers and ensuring that all services have a joined up approach which best fulfils those needs.

Over the last few months Capita have been working with Customer Services, RSL's, Revenue forums, Valuation Office, Housing Benefits, planning, Property Services, Other Authorities, Brent Client Team etc. and through audit reviews, brainstorming sessions, strategy meetings and client meetings have formulated the attached plan.

The plan includes a variety of initiatives with some requiring further analysis and information before assessing their feasibility and others which have very long term objectives. The plan will become a working document which will be formally reviewed at the Quarterly Client meeting but monitored on a monthly basis to ensure adequate progress.

4. Conclusion

The March 2008 Collection of 95.37% is an outstanding achievement, it reflects the all round commitment and dedication shown by everyone who has worked on the contract during the last 5 years.

The in-year collection has continued to increase year on year and now shows an improvement of 5.55% since 2003, the start of the Capita contract.

Capita recognise that continual improvement, customer satisfaction and best value is fundamental in what Brent needs to achieve in the future and will continue to work diligently to identify new initiatives, processes, collection strategies and recovery actions to ensure this is achieved.

This plan is designed to reassess the current and future needs of the Council Tax payer and use new methodology and technology to gain the greatest advantages in the 3 year extension to the contract.