

Appendix 1C - Revenues Collection Rate Performance

Over the past four years, in-year collection performance achieved by Capita on behalf of Brent Council has been as shown in Tables 1 and 2 below:

Table 1 – Brent Council Tax Collection Performance

Year	Target (%)	Actual (%)
2013/14	93.80*	95.70
2014/15	95.90	95.60
2015/16	96.00	95.87
2016/17	96.20	95.74

* Localised Council Tax Support Scheme replaced the national Council Tax Benefit scheme and therefore a lower collection target was agreed.

Table 2 – Brent Business Rates Collection Performance

Year	Target (%)	Actual (%)
2013/14	97.50	97.56
2014/15	97.70	98.11
2015/16	97.85	98.32
2016/17	98.00	98.74

Analysis of Brent Performance

The above tables indicate that for Brent Council, Business Rates collection has consistently achieved above the contractual target over the past four years whereas Council Tax has performed below target for the same period.

Additionally, Business Rates collection performance has shown continuous improvement over the past four years with Council Tax collection performance predominantly characterised by peaks and troughs.

London Authorities Collection Performance

In terms of outsourced Revenues collection across London, Tables 3 and 4 below indicate collection rates achieved by third party Service Providers over the past four years with tables 5 and 6 providing a comparative in house performance for the same period:

Table 3 – Outsourced Council Tax Collection in London

	2013/14	2014/15	2015/16	2016/17	Average
Barking and Dagenham	94.1	94.3	94.8	95.5	94.7
Barnet	96.4	96.5	96.1	96.1	96.3
Bexley	96.3	96.6	96.7	96.5	96.5
Brent	95.7	95.6	95.9	95.7	95.7
Bromley	97.6	97.7	97.8	97.9	97.8
Hounslow	96.7	97.8	97.8	96.8	97.3
Hillingdon	97.9	97.3	95.1	97.3	96.9
Lambeth	94.5	95.0	95.2	95.3	95.0
Westminster	96.3	96.5	96.5	96.4	96.4
Overall Average	96.2	96.4	96.2	96.4	96.3

Table 4 – Outsourced Business Rates Collection in London

Year	2013/14	2014/15	2015/16	2016/17	Average
Barking and Dagenham	97.0	97.9	98.2	98.3	97.9
Barnet	95.8	96.3	96.7	97.0	96.5
Bexley	98.4	98.5	98.5	98.8	98.6
Brent	97.6	98.1	98.3	98.7	98.2
Bromley	98.7	98.9	99.1	98.9	98.9
Hounslow	99.1	99.4	99.6	99.9	99.5
Hillingdon	99.1	98.7	99.3	98.7	99.0
Kensington and Chelsea	99.2	99.1	99.1	98.9	99.1
Lambeth	98.2	98.5	98.7	99.0	98.6
Wandsworth	99.0	99.5	99.8	99.6	99.5
Westminster	98.4	98.4	98.5	98.4	98.4
<i>Overall Average</i>	98.2	98.5	98.7	98.7	98.5

Table 5 – Local Authority Council Tax Collection in London

	2013/14	2014/15	2015/16	2016/17	Average
Camden	96.3	96.5	96.3	96.3	96.4
Croydon	96.2	97.1	97	97.3	96.9
Ealing	96.8	96.2	96.6	97.3	96.7
Enfield	94.9	95.5	95.7	95.9	95.5
Greenwich	93.1	93.6	94.1	94.3	93.8
Hackney	93.6	94	94.1	94.5	94.1
Hammersmith & Fulham	96.3	96.3	96.3	97	96.5
Haringey	95.1	95.9	95.5	96.2	95.7
Harrow	97.5	97.3	97.4	97.4	97.4
Havering	97.1	97.2	96.8	96.9	97.0
Islington	95.8	95.6	95.6	96.2	95.8
Kensington & Chelsea	97	96.9	97.4	97.4	97.2
Kingston	98.6	98.5	98.9	99	98.8
Lewisham	94.1	94.3	94.5	94.6	94.4
Merton	97.1	97.3	97.5	97.7	97.4
Newham	92.5	94	95.6	96.3	94.6
Redbridge	96.6	97	97.2	97.2	97.0
Richmond	98.8	98.8	98.8	98.6	98.8
Southwark	95	95	95.2	95.9	95.3
Sutton	98.6	98.5	98.6	98.6	98.6
Tower Hamlets	95.4	96.7	96.3	96	96.1
Waltham Forest	95.3	95.8	96	96.1	95.8
Wandsworth	98.3	98.4	98.5	98.6	98.5
<i>Overall Average</i>	96.1	96.4	96.5	96.8	96.4

Table 6 – Local Authority Business Rates Collection in London

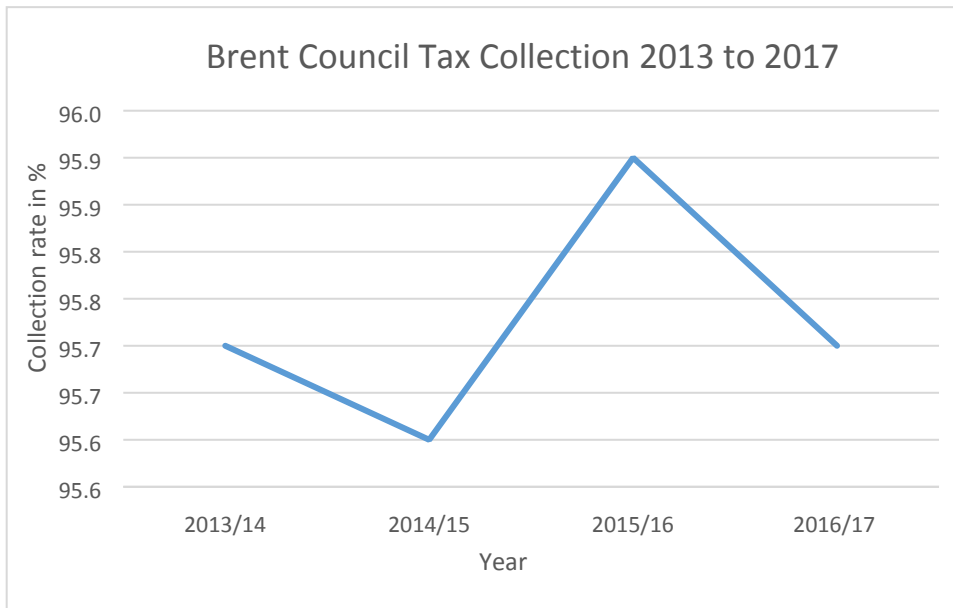
	2013/14	2014/15	2015/16	2016/17	Average
Camden	99.4	99.8	99.7	99.0	99.5
Croydon	98.1	98.6	98.6	99.9	98.8
Ealing	95.8	96.3	96.1	97.0	96.3
Enfield	98.8	98.8	98.7	98.8	98.8
Greenwich	97.5	97.8	98.2	98.2	97.9
Hackney	96.2	95.7	95.8	96.6	96.1
Hammersmith & Fulham	97.1	98.1	98.2	98.6	98.0
Haringey	96.7	97.5	98.3	98.4	97.7
Harrow	95.7	96.3	94.1	97.7	96.0
Havering	97.4	97.2	97.7	98.6	97.7
Islington	98.2	96.3	97.0	97.1	97.2
Kingston	97.7	98.2	98.9	98.9	98.4
Lewisham	99.1	99.6	99.7	99.4	99.5
Merton	97.3	97.8	97.7	97.9	97.7
Newham	99.8	99.8	99.7	99.7	99.8
Redbridge	97.1	97.7	97.4	98.8	97.8
Richmond	97.2	96.9	98.4	98.1	97.7
Southwark	98.4	98.7	99.5	99.3	99.0
Sutton	97.5	97.1	98.3	98.9	98.0
Tower Hamlets	99.7	99.9	99.6	98.5	99.4
Waltham Forest	95.6	96.9	97.0	97.2	96.7
<i>Overall Average</i>	97.6	97.9	98.0	98.4	98.0

Table 7 – Average London Authority Council Tax Collection 2013 to 2017 and Deprivation

A	B	C	D	E	F
Authority Name	Average Collection %	Deprivation Rank	Collection Rank	(C – D)	(E ²)
Hackney	94.1	1	31	-30	900
Barking and Dagenham	94.7	2	28	-26	676
Tower Hamlets	95.8	3	20	-17	289
Newham	94.6	4	29	-25	625
Islington	95.8	5	21.5	-16.5	272.25
Waltham Forest	95.8	6	21.5	-15.5	240.25
Haringey	95.7	7	23.5	-16.5	272.25
Lambeth	95.0	8	27	-19	361
Southwark	95.3	9	26	-17	289
Lewisham	94.4	10	30	-20	400
Brent	95.7	11	23.5	-12.5	156.25
Westminster	96.4	12	17.5	-5.5	30.25
Greenwich	93.8	13	32	-19	361
Enfield	95.5	14	25	-11	121
Camden	96.4	15	17.5	-2.5	6.25
Hammersmith & Fulham	96.5	16	15.5	0.5	0.25
Hounslow	97.3	17	8	9	81

A	B	C	D	E	F
Authority Name	Average Collection %	Deprivation Rank	Collection Rank	(C – D)	(E ²)
Ealing	96.7	18	14	4	16
Croydon	96.9	19	12.5	6.5	42.25
Kensington & Chelsea	97.2	20	9	11	121
Redbridge	97.0	21	10.5	10.5	110.25
Wandsworth	98.5	22	4	18	324
Hillingdon	96.9	23	12.5	10.5	110.25
Barnet	96.3	24	19	5	25
Havering	97.0	25	10.5	14.5	210.25
Bexley	96.5	26	15.5	10.5	110.25
Merton	97.4	27	6.5	20.5	420.25
Harrow	97.4	28	6.5	21.5	462.25
Sutton	98.6	29	3	26	676
Bromley	97.8	30	5	25	625
Kingston	98.8	31	1.5	29.5	870.25
Richmond	98.8	32	1.5	30.5	930.25
					10,134

Chart 1 – Brent Council Tax In-Year Collection Performance



Analysis of London Authorities Collection Performance

An analysis of Tables 1 to 7 and Chart 1 above, indicates the following:

- For Brent Council, Business Rates collection has consistently achieved above the contractual target over the past four years whereas Council Tax has performed below target for the same period;
- For Brent Council, Business Rates collection performance has shown continuous improvement over the past four years;
- For Brent Council, Council Tax collection performance is predominantly characterised by peaks and troughs;
- Brent Council is 0.6% below the overall average collection performance achieved for outsourced *Council Tax* collection services over the past four years and 0.7% for in house service provision;
- Brent Council is 0.3% below the overall average collection performance achieved by outsourced *Business Rates* collection services over the past four years and 0.2% above that achieved for Business Rates in house service provision;
- Outsourced *Business Rates* collection performance is 0.5% above that of in house collection performance based upon the overall average performance for the past four years;
- Outsourced Council Tax collection performance is 0.1% below that of in house collection performance based upon the overall average performance for the past four years. Collection performance had generally improved year on year up until 2016/17. However, reductions in collection performance were reported for 2017/18 at three other London Boroughs with outsourced services.

- There is little comparative information to refer to for collection from shared services in London as the tri-borough arrangement formerly comprising Westminster, Kensington and Chelsea and Hammersmith and Fulham, incorporated various permutations of outsourcing for Westminster and Kensington and Chelsea and in house provision for Hammersmith and Fulham. The oneSource arrangement incorporating Newham and Havering, showed an improved performance in 2016/17 for Havering Business Rates and a consistent performance with 2015/16 for Newham Business Rates. Council Tax collection for both Havering and Newham showed improvement in 2016/17.
- Applying 'Spearman's Rank Correlation Coefficient' to the data shown in Table 7 above, gives a correlation coefficient of -0.85, suggesting that there is a relatively strong and inversely proportional relationship between deprivation and collection rates in London Authorities (i.e. the higher the level of deprivation, the lower the collection rate achieved).
- Table 7 indicates that the average Council Tax collection achieved by Capita during the period 2013 to 2017 is generally either comparable with or higher than that achieved by authorities experiencing broadly similar or higher levels of deprivation.
- Chart 1 indicates that the Brent Council CTAX collection rate has been characterised by peaks and troughs over the past four years.