

Report to: Overview and Scrutiny Co-ordinating Committee
Date: 17 August 2009
Subject: Departmental Performance
Report of: Executive Director – Business Support Services
Contact officer: David Smith 01942 827232

Purpose / summary: To update Committee on the Department's performance in collecting council tax and national non-domestic rates, benefit payments and collection of income in 2009/10.

Alternative options considered and reason for selecting the one recommended:

Recommendation / decision: To note the report.

Key Decision: This report does not involve a key decision.

Risks / Implications:

Financial:	Resources contained within 2009/10 budget – additional resources obtained from DWP to support additional claims resultant from financial situation.
Staffing:	N/A
Policy:	N/A
Equal Opportunities - Has a Diversity Impact Assessment been conducted?	N/A
Wards affected:	N/A

Property Implications– Does the proposal involve a reduction, addition or change to the Council’s asset base or its occupation?

No

If yes have the property implications been agreed with the Corporate Property officer?

Does this proposal have significant implications for the Council and the local population?

A diversity impact assessment is not necessary at this stage, however, equality and diversity implications have been considered when producing this report.

Does this proposal involve a new policy or procedure or significant changes to an existing policy or procedure?

A diversity impact assessment is not necessary at this stage, however, equality and diversity implications have been considered when producing this report.

Has the Service Director – Borough Solicitor confirmed that the recommendations within this report are lawful and comply with the Council’s Constitution? **Yes / No ***

Has the Service Director – Corporate Services confirmed that any expenditure referred to within this report is consistent with the Council’s budget? **Yes / No ***

Are any of the recommendations within this report contrary to the Policy Framework of the Council? **Yes / No ***

* delete which applicable

For Cabinet reports only :

Categorisation of the report:	X
Discussion leading to a decision	
Monitoring	
Sharing for corporate understanding	

	X
Discussion	
Decision	
Information	

Tracking/Process:

	Consultation	Ward Members	Partners
Panel	Overview & Scrutiny	Cabinet	Council
17 August 2009	17 August 2009		

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

Proper Officer David Smith

Date 21 July 2009

BACKGROUND:

This is the first report in a series of four during the year to this Committee which advises on progress during the financial year in collecting Council Tax and Business Rates.

This report also provides information regarding the collection of Sundry Debtor income along with performance in processing Benefits claims. This supplements the information on Benefits performance we have included in the Members information bulletin and helps ensure compliance with the Department for Work and Pensions Standards.

The separate sections are attached as appendices:

Appendix A Collection of Council Tax and Business Rates.

Appendix B Collection of Sundry Debtor income.

Appendix C Benefits Administration.

Appendix A

1. Non-Domestic Rates - Earlier Years

Arrears re Years (Net of Overpayments)	Position at				
	31/03/09		30/06/09		
	£	%	£	%	
1990/91	-3,136	-0.01	-3,136	-0.01	
1991/92	2,964	0.01	2,964	0.01	
1992/93	5,374	0.02	5,341	0.02	Reduction of £33
1993/94	1,947	0.01	1,912	0.01	Reduction of £35
1994/95	5,051	0.02	4,965	0.02	Reduction of £86
1995/96	5,841	0.02	5,703	0.02	Reduction of £138
1996/97	22,069	0.06	22,031	0.06	Reduction of £38
1997/98	18,673	0.05	18,563	0.05	Reduction of £110
1998/99	20,784	0.05	20,868	0.05	Increase of £84
1999/2000	31,919	0.07	31,686	0.07	Reduction of £233
2000/01	36,497	0.07	38,347	0.08	Increase of £1,850
2001/02	69,030	0.13	68,167	0.12	Reduction of £863
2002/03	76,982	0.13	76,586	0.13	Reduction of £396
2003/04	73,650	0.13	71,605	0.12	Reduction of £2,045
2004/05	116,144	0.19	115,240	0.19	Reduction of £904
2005/06	189,499	0.31	164,233	0.27	Reduction of £25,266
2006/07	218,073	0.34	220,058	0.35	Increase of £1,985
2007/08	531,981	0.79	505,185	0.75	Reduction of £26,796
TOTAL	1,423,342		1,370,318		Reduction of £53,024

2. Non-Domestic Rates 2008/09

	Position at				
	31/03/09		30/06/09		
	£	%	£	%	
Amount Collectable	74,071,593		74,124,015		Increase of £52,422
Plus Costs	72,185		89,830		Increase of £17,645
	74,143,778		74,213,845		
Less Write-Offs	-121,676	0.16	-121,676	0.16	
Less Cash (Net of Refunds)	-72,221,049	97.41	-72,500,440	97.69	Increase of £279,391
Arrears	1,801,053	2.43	1,591,729	2.15	Reduction of £209,324

3. Non-Domestic Rates 2009/2010

	Position at 30/06/09	
	£	%
Amount Collectable	77,382,047	
Plus Costs	3,510	
	77,385,557	
Less Write-Offs	0	
Less Cash (Net of Refunds)	-22,475,345	29.04
Balance due for Year	54,910,212	70.96

Cases where nothing paid	724
Recovery action taken to 30/06/09	
Formal Reminders	2,170
Summonses	40
Liability Orders	24
Direct Debit Payers	3,573

4. Council Tax - Earlier Years

Arrears re Years (Net of Overpayments)	Position at				
	31/03/09		30/06/09		
	£	%	£	%	
1993/94	8,108	0.02	7,755	0.02	Reduction of £353
1994/95	6,267	0.02	5,898	0.01	Reduction of £369
1995/96	13,449	0.03	12,781	0.03	Reduction of £668
1996/97	26,564	0.05	25,702	0.05	Reduction of £862
1997/98	40,083	0.07	37,796	0.07	Reduction of £2,287
1998/99	63,394	0.11	59,903	0.10	Reduction of £3,491
1999/2000	104,745	0.17	101,526	0.16	Reduction of £3,219
2000/01	112,465	0.17	106,464	0.16	Reduction of £6,001
2001/02	147,672	0.20	140,537	0.19	Reduction of £7,135
2002/03	218,497	0.28	208,223	0.26	Reduction of £10,274
2003/04	361,670	0.42	345,983	0.40	Reduction of £15,687
2004/05	521,692	0.59	494,231	0.55	Reduction of £27,461
2005/06	729,486	0.78	689,122	0.73	Reduction of £40,364
2006/07	1,124,127	1.15	1,047,019	1.07	Reduction of £77,108
2007/08	1,975,350	1.92	1,824,805	1.78	Reduction of £150,545
TOTAL	5,453,569		5,107,745		Reduction of £345,824

5. Council Tax 2008/09

	Position at				
	31/03/09		30/06/09		
	£	%	£	%	
Amount Collectable	105,226,349		105,059,572		
Plus Costs	836,898		928,323		
	106,063,247		105,987,895		
Less Write-Offs	-16,073	0.02	-27,243	0.03	
Less Cash (Net of Refunds)	-101,833,968	96.01	-102,458,029	96.67	
Arrears	4,213,206	3.97	3,502,623	3.30	Reduction of £710,583

6. Council Tax 2009/2010

	Position at 30/06/09	
	£	%
Amount Collectable	107,633,152	
Plus Costs	263,766	
	107,896,918	
Less Write-Offs	-323	0.00
Less Cash (Net of Refunds)	-30,835,970	28.58
Balance due for Year	77,061,271	71.42

Cases where nothing paid	6,352
Recovery action taken to 30/06/09	
Formal Reminders	21,316
Summonses	4,676
Liability Orders	3,563
Direct Debit Payers	67,810

7. Court Costs

The following Court Costs (Net of payments made to the Courts) have been paid during the financial years:

1990/91	£	90,236
1991/92	£	530,273
1992/93	£	881,157
1993/94	£	1,043,149
1994/95	£	940,299
1995/96	£	732,183
1996/97	£	733,623
1997/98	£	514,424
1998/99	£	592,906
1999/00	£	486,035
2000/01	£	564,823
2001/02	£	719,592
2002/03	£	714,058
2003/04	£	750,231
2004/05	£	812,115
2005/06	£	798,018
2006/07	£	720,272
2007/08	£	928,569
2008/09	£	879,816
2009/10	£	145,495
		<u>£ 13,577,274</u>

8. **Progress with Recovery after Liability Orders have been obtained.**

The situation regarding those payers against whom Liability Orders had been obtained was as follows at 30/06/09:-

(a) <u>Council Tax</u> (in respect of financial years 1993/94 to 2008/09)	<u>Numbers</u>	<u>Amount</u> <u>Owing £</u>
Paying by voluntary arrangement	570	147,979
Employers details requested prior to Attachment of Earnings	4,883	1,763,130
Attachment of Earnings Pending	1,241	514,467
Attachment of Earnings in Operation	1,628	522,955
Deductions from Income Support Pending	3,423	1,036,670
Deductions from Income Support in Operation	1,904	405,972
Visited - arrangements made on distraint	4,304	1,387,503
Visited - awaiting Means Enquiry Court Hearing	578	217,151
Referred to private bailiffs	1,167	341,106
Various stages of Means Enquiry Court Hearings	2,071	751,569
Suspended Sentences imposed, payments ordered	336	142,895
Bankrupt / Deceased / Liability in dispute		
Other query	599	242,667
Absconded - trying to trace	2,236	862,046
Unable to Trace - for write-off	180	62,231
Bankruptcy Proceedings instigated	<u>12</u>	<u>7,776</u>
	25,132	8,406,117

Since the introduction of Council Tax:

223,784 liability orders have been obtained, of which 198,652 have since been cleared.

89,870 Attachment of Earnings Orders and

47,913 Deductions from Income Support have been implemented.

Deductions from Income Support now total £2,273,128

(b) <u>NDR</u> (in respect of financial years 1990/91 to 2008/09)	<u>Numbers</u>	<u>Amount</u> <u>Owing £</u>
Liability Order granted – Arrangement prior to action	47	116,902
Letter issued - Bailiff visit pending	125	322,109
In House & Private Bailiff action	339	591,607
Returned from bailiff – awaiting Means Enquiry Court Hearing	178	248,690
Various stages of Means Enquiry Court Hearings	308	400,576
Bankrupt / Deceased / Liability in dispute / Other query	30	53,468
Absconded - trying to trace	125	156,119
Unable to Trace - for write-off	459	825,264
Bankruptcy Proceedings instigated	<u>2</u>	<u>6,499</u>
	1,613	2,721,234

In the previous 2 tables, the “Numbers” shown at each stage of recovery relate to the number of accounts and not the number of debtors.

The number of debtors per financial year is:

Council Tax

	<u>Numbers</u>	<u>Amount Owing £</u>
1 Financial Year	6,939	2,062,611
2 Financial Years	3,457	2,496,871
3 “ “	1,161	1,399,974
4 “ “	512	863,001
5 “ “	279	632,890
6 “ “	162	409,650
7 “ “	78	231,500
8 “ “	40	143,705
9 “ “	17	66,992
10 “ “	9	48,909
11 “ “	6	35,523
12 “ “	1	4,247
16 “ “	1	<u>10,244</u>
		8,406,117

NNDR

	<u>Numbers</u>	<u>Amount Owing £</u>
1 Financial Year	687	1,205,874
2 Financial Years	311	988,343
3 “ “	63	333,250
4 “ “	17	130,457
5 “ “	1	6,230
6 “ “	4	32,223
7 “ “	0	0
8 “ “	1	14,934
9 “ “	0	0
10 “ “	1	<u>9,923</u>
		2,721,234

9. Performance Indicators.

Annual targets in respect of the former Corporate Health Best Value Performance Indicators, now Local PI's, relating to the in-year Collection of Council Tax and Non-Domestic Rates have been set for the 2009/10 financial year as:

Council Tax	96.5% (96.3% achieved for 2008/09)
Non-Domestic Rates	97.0% (97.1% achieved for 2008/09)

When these two indicators were BVPI's, targets were determined by the Audit Commission against the Government's expectations that Councils would aspire to achieve collection rates by the 31 March 2008 which would see performance to be in the top quartile for "All England" authorities – 98.29% for Council Tax and 99.1% for NNDR.

In practice, for Wigan, these Audit Commission targets were unattainable. For 2009/10 more realistic targets have been set for Council Tax and NNDR to reflect the financial situation (the "Credit Crunch" and recession). Whilst for NNDR, the Government have relaxed the legislation implemented from 1 April 2008 affecting empty property rate charges by re-introducing, for 2009/10, exemption for unoccupied small businesses (defined as those with a rateable value less than £15,000), the target anticipates the continuing impacts of the recession and the dip in 2008/09 performance across authorities nationally.

The interim collection rates achieved at the end of June 2009 as compared to the position this time last year show:

	Council Tax	NNDR
30 June 2009	28.6%	28.9%
30 June 2008	28.8%	29.5%
Change(percentage points)	-0.2%	-0.6%

Council Tax performance in this first 3 months is slightly down on that of last year by 0.2% - as the impact of the credit crunch and recession continues.

Numbers of telephone calls are remaining high with taxpayers wanting to reach payment arrangements as we continue to maintain the issue of reminder/final notices and summonses.

Business Rates performance in the first 3 months at 28.9% shows a dip of just over 0.5% on last year – a trend of making payments later in the month is appearing this year even from some of the bigger companies, and when coupled with all businesses facing a 5% inflationary increase, may be the cause of this early indication. Equally, it may be in part due to some anticipation of the "Rate Deferral Scheme" the Government announced in March – legislation comes into effect from the end of July and will require us to write to every business in the borough enclosing Government's fact sheet and an application form. However our system supplier has intimated that they will not be in a position to provide a new release of software to deal with applications, and therefore recalculations of instalments until September. If, in the interim, a work-around solution is provided, we will make every effort to assist businesses that apply.

The following national collection statistics for 2008/09 have just been published:

Council Tax

Council Tax	2008/09	2007/08
England	97.0%	97.1%
London boroughs	95.6%	95.6%
Metropolitan districts	95.7%	95.6%
Unitary Authorities	96.7%	96.7%
Shire districts	98.0%	98.1%

Although nationally an overall reduction of 0.1%, Metropolitan Authorities show the opposite trend by an increase of 0.1%. This is because of increased performance from some of the poorer performing authorities, coupled with some authorities recovering from system conversions and therefore resulting in an expected increase. Wigan's collection rate, although down for 2008/09, at 96.3% continues to be considerably better than the average for Metropolitan Authorities of 95.7%.

Further analysis of the results across Metropolitan Authorities shows the following changes:

Met Authorities Changes	Less than 0.5%	Between 0.5% - 1.00%	Between 1.00% - 2.00%	Total
Same	n/a	n/a	n/a	2
Down	12	4	1	17
Up	12	5	1	17
Total	23	9	2	36

Comparative Performance Indicators amongst the Greater Manchester Authorities show:

Council Tax	2008/09	2007/08	Change
Bolton	96.6%	96.4%	+0.2%
Bury	96.8%	97.0%	-0.2%
Manchester	90.0%	89.1%	+0.9%
Oldham	95.6%	95.9%	-0.3%
Rochdale	95.5%	95.6%	-0.1%
Salford	90.1%	90.0%	+0.1%
Stockport	96.2%	95.4%	+0.8%
Tameside	95.5%	95.9%	-0.4%
Trafford	96.9%	96.7%	+0.2%
Wigan	96.3%	96.7%	-0.4%

NNDR

NNDR	2008/09	2007/08
England	97.8%	98.8%
London boroughs	98.0%	98.9%
Metropolitan districts	97.2%	98.5%
Unitary Authorities	97.5%	98.6%
Shire districts	98.2%	99.0%

Nationally an overall reduction of 1.0%, with Metropolitan Authorities on average showing a reduction of 1.3%. This is down to both the financial climate and the impact of the change in legislation from 1 April 2008 to charge rates on unoccupied properties previously exempt and is completely expected. Wigan's performance, at a reduction of only 0.6%, is most welcome and reflects the effort put in by staff prior to the change in

legislation taking effect to identify ratepayers correctly beforehand thus allowing early accurate billing and recovery actions to take place.

Further analysis of the results across Metropolitan Authorities shows the following changes:

Met Authorities Changes	Less than 0.5%	Between 0.5% - 1.00%	More than 1.00%	Total
Same	n/a	n/a	n/a	0
Down	2	11	22	35
Up	0	1	0	1
Total	2	12	22	36

Comparative Performance Indicators amongst the Greater Manchester Authorities show:

NNDR	2008/09	2007/08	Change
Bolton	96.3%	97.7%	-1.4%
Bury	95.6%	98.1%	-2.5%
Manchester	96.7%	98.6%	-1.9%
Oldham	97.3%	98.6%	-1.3%
Rochdale	96.8%	99.0%	-2.2%
Salford	96.1%	98.0%	-1.9%
Stockport	96.8%	97.7%	-0.9%
Tameside	97.2%	99.0%	-1.8%
Trafford	97.8%	99.3%	-1.5%
Wigan	97.1%	97.7%	-0.6%

The current position in respect of Council Tax and NNDR amounts collected in respect of all previous financial years is given below to demonstrate the continuing progress made after the end of each financial year.

Council Tax	Amount Due	Amount Paid	% Collected
1993/94	44,698,411	44,499,669	99.56%
1994/95	41,273,398	41,125,508	99.64%
1995/96	43,787,099	43,628,319	99.64%
1996/97	49,973,137	49,765,121	99.58%
1997/98	54,446,261	54,185,665	99.52%
1998/99	57,671,223	57,361,933	99.46%
1999/2000	63,046,746	62,653,649	99.38%
2000/01	68,094,779	67,623,365	99.31%
2001/02	74,473,126	74,004,853	99.37%
2002/03	78,810,038	78,291,071	99.34%
2003/04	86,019,062	85,394,160	99.27%
2004/05	89,078,269	88,371,786	99.21%
2005/06	94,047,051	93,138,465	99.03%
2006/07	97,857,986	96,616,078	98.73%
2007/08	102,666,905	100,713,146	98.10%
2008/09	105,987,895	102,458,029	96.67%
Total	1,151,931,386	1,139,830,817	98.95%

NNDR	Amount Due	Amount Paid	% Collected
1990/91	37,683,339	37,018,432	98.24%
1991/92	37,770,043	37,246,333	98.61%
1992/93	32,625,346	32,233,779	98.80%
1993/94	28,418,464	28,050,679	98.71%
1994/95	29,384,982	29,093,574	99.01%
1995/96	32,486,326	32,146,917	98.96%
1996/97	34,947,305	34,545,611	98.85%
1997/98	38,531,890	38,057,464	98.77%
1998/99	43,593,545	43,039,143	98.73%
1999/2000	46,985,466	46,240,066	98.41%
2000/01	51,052,341	50,365,897	98.66%
2001/02	55,087,877	54,395,384	98.74%
2002/03	57,269,453	56,612,102	98.85%
2003/04	58,038,914	57,413,259	98.92%
2004/05	59,825,667	59,151,729	98.87%
2005/06	60,542,943	59,783,905	98.75%
2006/07	63,333,577	62,717,466	99.03%
2007/08	67,090,443	66,315,473	98.84%
2008/09	74,214,973	72,500,440	97.69%
Total	908,882,894	896,927,653	98.68%

10. Collection of Sundry Debtor Income.

1. Background:

The Council's Income Group in the Finance Division of Business Support Services undertakes the debt recovery of all invoices raised by the various Council Departments, including most legal proceedings that are required. In 2008-2009 over 33,000 invoices were raised with a value of over £68m.

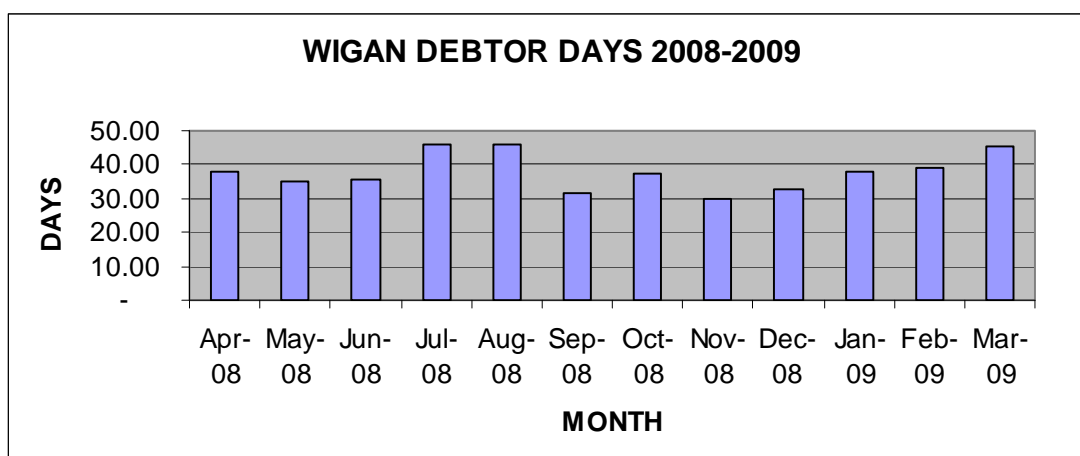
The Income Group also provide debt recovery facilities Greater Manchester Fire and Rescue Service who raised invoices to the value of £2.8m in 2007/08 and £2.4m in 2008/09. As details are reported to the Greater Manchester Fire and Rescue Services separately, the rest of this report will deal with Wigan Council invoices only.

2. Performance Summary:

Debt recovery can be reviewed under several performance criteria, as follows:

2.1 Debtor Days – the average number of days it takes to collect a debt:

In 2008-2009 the average number of days to collect sundry debt at Wigan Council was 37.89 days, the movement being between 30 and 45 days throughout the year depending on staffing levels, the volume of invoices raised and seasonal fluctuations:



Compared to others, Wigan Council proved to be very effective in this category, the last reported national average was over 68 days (though new results are due soon). For the first quarter of 2009-2010 Wigan's debtor days were recorded at 43.29 days – within normal parameters - June showing debtor days to be just over 37 days.

2.2 Aged Debt Review:

Some debts can be quite old and these are reviewed, monitored and managed continually. The main reason for debt with such aged profiles is that the debtors are paying by instalments – some of which are set by the County Court and could be as low as £1.00 per month, due to the debtor's financial circumstances, others could be large amounts that are being paid at a more reasonable rate but which nevertheless take some years to clear. The current situation is as follows:

YEAR	£ Debt at 31.03.09	£ Debt at 30.06.09	£ Change
1996/97	670.98	610.98	-60.00
.1997/98	2,687.19	2,504.14	-183.05
1998/99	32,425.08	32,246.47	-178.61
1999/00	7,179.06	6,891.55	-287.51
2000/01	10,554.94	10,384.14	-170.80
2001/02	16,587.82	16,007.82	-580.00
2002/03	27,653.04	27,021.06	-631.98
2003/04	55,078.39	45,101.18	-9,977.21
2004/05	91,288.27	88,865.38	-2,422.89
2005/06	214,750.80	211,430.76	-3,320.04
2006/07	231,389.23	217,331.10	-14,058.13
2007/08	1,201,450.89	991,201.99	-210,248.90
2008/09	6,816,606.46	1,386,667.39	-5,429,939.07
TOTAL	8,708,322.15	3,036,263.96	-5,672,058.19

Recovery action continues to ensure the maximum amounts are collected despite the time involved usually due to instalments, disputes, at various stages of court recovery or with Legal Services – and a debt is never written-off if there is a possibility that it may be recovered.

2.3 Debt by Recovery Status:

The following report shows the recovery status of debt over 1 year old at 31.03.09 and 30.06.09

CODE	DETAIL	£ 31.03.09	£ 30.06.09
AB	Housing Benefits Appeal	2,590.79	2,380.80
AR	Being Processed	871.43	300.00
BF	Review on a Particular date	11,179.16	994.58
C8	Clearing Other Bills First	14,656.44	17,464.07
K1	Bailiff Re-Referral	3,935.68	3,194.00
L1	In For Summons	43,248.28	97,273.35
L2	Summonsed	72,471.62	72,479.77
L3	Judgement Given	692,732.07	714,413.45
L4	Bailiff Referral	29,126.13	35,216.53
L6	Attachment of Earnings	2,336.54	2,411.54
L9	Referred to Legal Services	513,453.08	508,152.96
PP	Instalments	189,116.11	216,683.47
WO	In for Write-off	101,444.58	184,877.56
TOTAL		1,677,161.91	1,855,842.08

Action continues on all invoices in these areas.

2.4 Legal Referrals:

Wigan Council Income Group undertake most legal action in-house, very few invoices are referred to Legal Services, mainly for changes in leases and currently one very large bill for £472k.

2.5 Write-Offs:

Certain debts become irrecoverable and are ultimately written-off. A summary of debt written off in the last three full years is shown here:

YEAR	NUMBER	£ VALUE
2006/07	2,588	229,558.73
2007/08	2,515	156,543.24
2008/09	1,727	245,439.25

Every effort and method is employed to recover monies owed to the Council before an invoice is written-off. There are delegations for writing off amounts as follows:

The Income and Payments Manager can write-off up to £5.00 without further certification, the rest are validated by Internal Audit then certification through delegated powers by:

- Head of Finance Division - up to £1,500
- Executive Director Business Support Services - up to £15,000
- Items above £15,000 are referred to Committee.

Generally invoices are written of because the debtors have absconded leaving no traceable address or those invoices where continued recovery is not economic and would only cost the Council more money to recover without little possibility of successful recovery.

Whilst write-offs are a part of debt recovery in 2007/08 only 0.3 % was written off at Wigan Council compared to the national average of 0.4%. Figures for 2008/09 will be available shortly.

3. Further Statistical Returns:

Wigan Council subscribes to benchmarking groups with Chartered Institute of Public Finance and Accounting (CIPFA) and Greater Manchester Association of Metropolitan Treasurers (GMAMT). Recent years have shown the Income Group to be one of the best debt recovery sections in the North West, if not the country. The last report 2007-08 shows the following:

DETAILS	WIGAN	NATIONAL
Write-offs as % of debt	0.3%	0.4%
Instalments as % of debt	2.5%	6.0%
Referred to Legal	Trace	0.6%
Credit Notes	2.0%	7.0%
Cost per invoice	£6.00	£10.00
Cost per £000 of debt	£3.00	£9.00
Invoices per FT Employee	9,773	6,149
Good Practice Score	86%	71%

These figures show the Income Group have scored highly and significantly better than the national average in all the above categories. The figures for 2008-09 are currently being collated and will be reported at a later date.

4. Future Arrangements:

Re-organisation of debt recovery function is currently being considered by management and the unification of the Debtors function, findings and details of this will also be provided at a future date. The Council's Strategic Partnership Team has also asked officers of the Council, the ALMO and WLCT to consider a Corporate Debt Policy.

5. Conclusions:

The debt recovery function is being managed well, and statistics show that Wigan Council is one of the very best, especially considering that the Income Group also undertakes nearly all the County Court proceedings required on outstanding invoices – many other Councils refer all cases to Legal Services.

There has been an increase in the number of people requesting to pay by instalments probably due to the current economic situation, but the Income Group are still balancing good, polite and understanding service with the ethos of maximising debt collection even under sometimes strained circumstances.

Appendix C

11. Benefits Administration

As with all Benefits Sections in the country we are experiencing a huge increase in volumes of work. An indication of the situation can be shown by a comparison between the first quarter of this year with that for 2008:

June Quarter	New Claims	Changes in Circumstances
2008	2,202	4,244
2009	3,274	5,931
Increase	1,072 (48.68%)	1,687 (39.75%)

Our processing target for processing is 22 days and we continue to achieve that target. Revised working practices and innovation within the processing area is proving successful in maintaining performance, despite the increase in claims.

Our highly successful telephone contact team now have the resources to deal as much as possible with claims at the first point of contact. Additionally, specific funding from the Department for Work and Pensions is enabling us to allow targeted overtime working.

The Telephone team continues to provide an invaluable first contact service between 8 a.m. and 6 p.m. weekdays and 8 a.m. to 12:30 p.m. on Saturdays.

Despite the vast increase in customers, brought about by the current financial climate, we are still managing to answer most of our customers at their first attempt, with very few callers hanging up. Further changes in the administration of the benefit system are anticipated in October 2009 in relation to a disregard of child benefit which it is expected will lead to an increase in caseload.

The target set for fraud sanctions in 2009/10 is 145 and the table below shows the position as at 30/06/09, which puts us in an excellent position to reach and possibly exceed the target:

Sanction Applied	No. of Cases
LA Caution	25
Administrative Penalty	9
Successful Prosecutions	16
Total	50

Diversity Impact Assessment form

Section: Revenues, Benefits and Miscellaneous Income

Policy/Service Area: Business Support Services

Person Completing Form: Alan Cartwright

Date: 22/07/09

Do any of the below groups suffer specific disadvantage (please indicate)

	Yes	No		Yes	No
Race		No	Disability		No
Ethnicity		No	Gender		No
Age		No	Religion		No
Class		No	Sexual Orientation		No

Is there evidence of disadvantage or associated problems?

No

How was the information collected and/or who have you consulted with?

N/A

Action Plan – *What specific actions are planned to tackle any disadvantage identified?*

N/A

Is the policy in line with current equality legislation and relevant codes of practice?

Yes

Timescale	n/a
Responsibility	n/a
Comments	n/a

Are the actions specified included in any other documents/plans?

Departmental Service Plan	Yes
Section/Team Plan	Departmental Service Plan
Other (Specify)	n/a

Date for further review	Ongoing currently
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