

# **WIRRAL COUNCIL**

## **CABINET**

**17 MARCH 2011**

<b>SUBJECT:</b>	<b>REVENUES SERVICES</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF FINANCE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR JEFF GREEN</b>
<b>KEY DECISION</b>	<b>YES</b>

### **1.0 EXECUTIVE SUMMARY**

- 1.1** This report details the changes being made within the Finance Department that will result in the creation of a Revenues Section which will be responsible for the billing and collection of: Council debts, Non Domestic Rates and Council Tax. The report details the timescales and the likely savings that will be realised by these changes.

### **2.0 RECOMMENDATIONS**

- 2.1** That Cabinet agree to the creation of a Revenues Section from the merger of the Council Tax and Miscellaneous Income Sections in Finance with the Personal Finance Section in Adult Social Services.
- 2.2.** That Cabinet agree the saving of £398,400 from the merger.
- 2.3.** That Cabinet note the continued delivery of services with a reduction of 22.6 FTE.

### **3.0 REASON FOR RECOMMENDATIONS**

- 3.1** To comply with the decision of the Cabinet on 14 October 2010 to transfer the responsibility for the Personal Finance Team from Adult Social Services to Finance.

### **4.0 BACKGROUND AND KEY ISSUES**

- 4.1** Since the abolition of General Rates in 1990 the billing and collection of domestic and commercial taxes have been the responsibility of two separate sections. The collection of what is known as Sundry Debtors or Miscellaneous Income has been based in the Income Section alongside National Non Domestic Rates. The Income Section collects on behalf of many Council services while some services within departments retain direct billing and collection roles. Cabinet on 14 October 2010 agreed to integrate Personal Finance from the Department for Adult Social Services into the Finance Department.

- 4.2. The opportunity to look at a wider amalgamation arose from the outcome of the Early Voluntary Retirement/Severance exercise which will result in staff from both the Council Tax and Income Sections departing. This includes both the Principal Income Officer (the Section Head) and the Income Manager.
- 4.3. The team of six fte that administer National Non Domestic Rates and collect over £67m per annum will reduce to 2.5 fte by July 2011. This reduced level of staffing needs to be subsumed into a larger section and allow their knowledge and functions to be supported by a wider pool of staff. This is most effectively achieved by a merger with Council Tax. This is also true of the Income Control functions which ensure proper and timely banking and reconciliation of Council income and as there are similar functions within Council Tax these will also merge.
- 4.4. The similarity in expertise in these two sections allows a reduction in the direct management costs of the two operations. There will also be a more centralised control of all IT systems which will bring efficiencies. Currently Miscellaneous Income and Personal Finance enquiries are handled at their own receptions and I will look to move as much of this customer contact work as possible to the Call Centre and One Stop Shops while continuing to promote the increased use of the web for self access and payment. This will be done without any detriment to service standards currently delivered.
- 4.5. As part of the asset management review Westminster House is being vacated and one of the early moves identified was of the billing and collection element of Department for Adult Social Services Personal Finance Section of 14 staff. The section moved to the Municipal Building on Cleveland Street in February 2011.
- 4.6. The initial changes to both Council Tax and Miscellaneous Income sections occurred in January 2011 with more to follow in April 2011 and these initial changes within each section have been agreed with staff representatives. The next stage will occur when more staff leave and the two sections will merge from 1 July 2011. It is vital that the changes are in place earlier so that designated staff can begin to be trained prior to staff leaving. Discussions with staff representatives are underway and all parties are aware of the timescale and the need to retain the high standards that these sections deliver.
- 4.7. As it has been possible to move the Personal Finance Section quickly I will look to see what elements of their work can be merged in the same timescale or as soon as practical thereafter.
- 4.8. Given the above I propose to rename the section as Revenues from 1 July 2011.

## **5.0 RELEVANT RISKS**

- 5.1 If the changes are not properly co-ordinated and brought in then this could affect collection in key billing areas and impact on the financial position. The work being undertaken to achieve this change should eliminate this risk.

## **6.0 OTHER OPTIONS CONSIDERED**

- 6.1 No other options were considered given the clear links in billing and collection requirements.

## **7.0 CONSULTATION**

- 7.1 No external consultation was undertaken as no external body should be affected. Normal staff representative discussions are ongoing on the various stages of these proposals.

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 8.1 There are no implications arising directly from this report.

## **9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING AND ASSETS**

- 9.1 **FINANCIAL** – The saving from staff in Miscellaneous Income, Council Tax and Personal Finance leaving under the EVR/Severance scheme is £398,400. The combined Revenues section budget has been reduced by this amount.
- 9.2. **STAFFING** - There are 9 (6.6 fte) staff leaving the Miscellaneous Income section, 15 (11 fte) from Council Tax and 5 from Personal Finance under the EVR scheme. The initial staff discussions have agreed the changes for April 2011 which are largely re-allocating resources with each section. Discussions are ongoing in respect of the July 2011 changes. These will include a number of duties and responsibilities changing and these will be assessed through the job evaluation scheme administered by Human Resources and structure changes will be agreed under the appropriate scheme of delegation.
- 9.3. As part of this review Customer Services staff at the Call Centre and One Stop Shops will take on elements of public contact work and again staff discussions will take place on those changes.
- 9.4. **IT** - There are no implications for IT Services arising directly from this report.
- 9.5. **ASSETS** – The merging of these sections has allowed the release of further space at Westminster House.

## **10.0 LEGAL IMPLICATIONS**

- 10.1 There are no implications arising directly from this report.

## **11.0 EQUALITIES IMPLICATIONS**

11.1 There are no implications arising directly from this report.

## **12.0 CARBON REDUCTION IMPLICATIONS**

12.1 There are no implications arising directly from this report

## **13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

13.1 There are no implications arising directly from this report

**REPORT AUTHOR:**           **Malcolm Flanagan**  
Head of Revenues Benefits & Customer Services  
Telephone:   (0151) 666 3260  
Email: malcolmflanagan@wirral.gov.uk

FNCE/27/11

## **APPENDICES**

NONE

## **REFERENCE MATERIAL**

NONE

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
Cabinet	9 December 2010
Cabinet	14 October 2010