



Customer Services and Business Support Policy Advisory Group

Monday, 17 September 2018 at 6.00 pm

Room 6, Capswood, Oxford Road, Denham

A G E N D A

Item

1. Evacuation Procedure
2. Apologies for Absence
3. Minutes (*Pages 3 - 6*)

To approve the minutes of the Customer Services and Business Support PAG held on 18 June 2018.

4. Declarations of Interest
5. Verbal Update on the Joint ICT Strategy
6. Update on Revenues and Benefits Service Transition (*Pages 7 - 8*)
7. Exempt Information

To note the following item(s) contain exempt information, which is not for publication to the press or public.

8. Application for Discretionary Rate Relief (1) (*Pages 9 - 12*)

Reasons for restriction: Paragraph(s) 3

Appendix A (Pages 13 - 20)

Appendix B (2) (Pages 21 - 26)

9. Application for Discretionary Rate Relief (2) (Pages 27 - 30)

Reasons for restriction: Paragraph(s) 3

Appendix A (Pages 31 - 36)

Appendix B (Pages 37 - 98)

Note: All reports will be updated orally at the meeting if appropriate and may be supplemented by additional reports at the Chairman's discretion.

**Membership: Customer Services and Business Support Policy
Advisory Group**

Councillors: D Smith (Chairman)
M Bezzant
T Egleton
R Reed
D Saunders

Date of next meeting – Monday, 19 November 2018

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CUSTOMER SERVICES AND BUSINESS SUPPORT POLICY ADVISORY GROUP**Meeting - 18 June 2018**

Present: D Smith (Chairman)
M Bezzant, T Egleton and D Saunders

Apologies for absence: R Reed

13. MINUTES

The minutes of the Customer Services and Business Support PAG held on 5 March 2018 were approved.

14. DECLARATIONS OF INTEREST

There were no declarations of interest.

15. UPDATE ON REVENUES RECOVERY PROJECT AND AUTHORISATION OF DEBTS WRITTEN OFF

The Head of Customer Services updated Members on the progress of the project to recover arrears of Council Tax, Business Rates and Housing Benefit overpayments. When the business case for the Joint Service was submitted in November 2015 the estimated income to be achieved was £98,096. The project commenced in August 2016 and was planned to last two years. At the final stages of the project the total net income is £140,000 and the expected income figure has been exceeded by over 42%. However, in some circumstances the only option available to the Council is to write the debt off as the companies in question no-longer exist and the debtors cannot be traced. Members were asked to write off 19 non domestic rates debts that have a balance outstanding of over £10,000 each as set out in the confidential appendix.

Following questions, Members were reassured that once the service came back in-house in November 2018 that any concerns about debts would continue to be monitored. Members were informed that these debts could not be sold to a third party. After a liability order had been granted the Council can instruct their Enforcement Agents to collect the debt. Members commented that often public houses got into financial difficulties because of the nature of their business.

Having considered the advice of the PAG, the Portfolio Holder **AGREED** to **RECOMMEND** to Cabinet that:-

- the progress of the South Bucks District Council Recovery Project be noted
- the write off of specified non domestic rates debts with values over £10,000 be authorised, where all previous recovery attempts have failed and there are no further routes of recovery as set out in the confidential appendix.

16. CREDIT CARD PAYMENTS FOR COUNCIL TAX AND BUSINESS RATES

The Head of Customer Services asked Members to consider revising the current policy not to accept credit card payments in respect of Council Tax and Business Rates. Historically this Council have had a policy not to accept credit cards and in addition it previously attracted an additional charge. However, Chiltern District Council did accept credit card payments and so both services were currently working

Customer Services and Business Support Policy Advisory Group- 18 June 2018

with two different policies. Feedback from customers had indicated that customers require the facility to pay by credit card and regularly receive complaints about this option not being available. This request has increased since the removal of credit card charges. Feedback from customers indicated that many people use credit cards to manage their finances on a daily basis and this did not necessarily mean that they were in financial difficulty or increasing debt. The new Customer Experience Strategy was looking at channel shift in the way customers interacted with the Council, which included on-line facilities.

The financial implications were difficult to quantify and there would be a cost for the acceptance of credit cards which exceeded the cost of accepting debit card payments. In 2017/18 SBDC took 16,000 card payments for Revenues, at a card charge cost of approximately £16,000. The payment profile for CDC is approximately 75% debit card payments and 25% credit card payments. If this same profile applied to SBDC then the cost of taking Revenues payments would increase to approximately £28,000. However, enabling the facility to accept credit card payments could result in increased collection.

Members referred to an Audit Committee report where Members had agreed to restrict the use of the credit card and to encourage residents to use direct debit. Reference was made to the Merchant rate for mastercard credit (touchtone) of 1.789%. Members questioned whether the increased collection rate would offset the cost of credit cards.

Members noted that with credit cards the collection costs would be higher but could result in increased collection. They agreed that this option should be made available but that direct debit should be advertised as the preferred method. The Head of Customer Services reported that as part of the Customer Experience Strategy self-service was being promoted and also referred to the previous complaints received by residents regarding use of credit cards. Members agreed that residents should be encouraged to pay by direct debit but also can pay electronically.

Having considered the advice of the PAG, the Portfolio Holder **AGREED** to **RECOMMEND** to Cabinet that credit card payments be accepted in respect of Council Tax and Business Rates

17. APPLICATION FOR DISCRETIONARY RATE RELIEF

Members were asked to consider an application for Discretionary Rate Relief. The organisation run two properties and applications have now been received for Discretionary Rate Relief to be awarded under S47 and S49 of the Local Government Finance Act 1989 in respect of both premises to cover backdated rates and ongoing liabilities whilst other avenues are explored to reduce ongoing liabilities further. As a Community Interest Company the Company does not automatically qualify for Mandatory Rate Relief which would have reduced the bills by 80%. However, they are applying to become a registered charity. In addition, as there are two properties it would fall outside the criteria for qualification for Small Business Rate Relief. However, they are now looking to separate as stand alone organisations to qualify for this in the future. The Company provided a valuable service to the community.

Members referred to the accounts of the organisation and questioned whether currently this was more of a commercial venture rather than a charity, particularly as they had a viable ongoing financial forecast. The Head of Customer Services commented that it operated on a not for profit basis and that any charitable or non-profit organisation was eligible to apply for discretionary rate relief. One Member expressed concern that allowing discretionary rate relief to this organisation would give them an advantage over competitors and that they needed to be equitable. However, this could be reviewed once they had obtained charitable status.

Having considered the advice of the PAG, the Portfolio Holder **AGREED** to **RECOMMEND** to Cabinet that 50% of the Discretionary Rate Relief be awarded.

18. **APPLICATION FOR DISCRETIONARY RATE RELIEF (2)**

Members were asked to consider an application for Discretionary Rate Relief on hardship grounds. Section 49 of the Local Government Finance Act 1988 gives the Council the power to reduce or remit the payment of non-domestic rates by granting hardship relief. The principal purpose is to provide assistance to businesses that are suffering hardship arising from circumstances beyond the businesses control. When granting rate relief on the grounds of hardship consideration was given to whether the ratepayer would sustain hardship if the Council failed to grant relief and whether it was reasonable to grant relief having regard to the interest of persons subject to the Council Tax.

The organisation commenced trading in December 2016 and in its first year of trading incurred many initial overheads and costs and the application was for full remission of rates for the 2017/18 financial year. The owner commented that if assistance was not given then the company may have to be put into liquidation.

Members commented that all businesses needed to make provision for their first year of operation and overheads and therefore considered that it was not reasonable to grant hardship relief in this instance.

Having considered the advice of the PAG, the Portfolio Holder **AGREED** to **RECOMMEND** to Cabinet that relief should not be awarded for this organisation in this instance.

The meeting terminated at 7.00 pm

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SUBJECT:	<i>Revenues and Benefits Service Transition Update</i>
REPORT OF:	<i>Customer Services and Business Support – Duncan Smith</i>
RESPONSIBLE OFFICER	Nicola Ellis – Head of Customer Services
REPORT AUTHOR	Neil Berry neil.berry@southbucks.gov.uk 01895 837240
WARD/S AFFECTED	<i>All</i>

1. Purpose of Report

To provide a brief progress report on the project to bring the Revenues and Benefits service in house as a fully shared service.

2. Background

2.1 Members will be aware that the contract with Northgate Public Services for the provision of Revenues and Benefits services ends on 31 October 2018 and the decision was made that the service would come back 'in house' to form a fully shared service with Chiltern DC

2.2 Work started earlier in the year to ensure the smooth transition and this report provides a brief update on the key areas of the transition.

3. Updates on the transition workstreams

IT

The Business Support team has been busy over recent weeks building new servers to enable hosting of the IT systems in Amersham. These are the systems currently hosted by Northgate in their data centre in Woking. It should be noted that the timescales for setting up the hosting and then the transfer and reconciliation of data are extremely tight to enable the live systems to be up and running from November.

Academy test data has been extracted and delivered to Amersham to enable the systems to be built remotely by Capita and for the initial testing to take place. This testing will be carried out in conjunction with Capita who are providing assistance with the migration.

A similar process will be carried out in respect of the document management / workflow system (Information@Work). This is due to commence w/c 10 September and will be supported by Northgate Public Services.

Once the systems are set up in house they will be made available via VWorkspace which will enable the transferring homeworkers currently employed by Northgate to have remote access to the systems.

Note – there will be a short period of a few days where the systems will be unavailable however arrangements will be made to ensure that the payment run / direct debit processes

will be uninterrupted. It is also proposed that there will also be a 'view only' system available to ensure that the impact on customer queries is minimised.

Finance

The main change around finance is that a decision was made to utilise the existing Chiltern Civica cash receipting system. This reduces set up costs of using the Capita system currently used by Northgate on the Council's behalf. The finance team are working with Business Support to ensure the necessary interfaces are in place between the Academy system and Icon cash receipting and also that the BACS service is uninterrupted.

One additional area is the Automated Payments telephone line where a joint line will be operating allowing taxpayers to make payments to either CDC or SBDC through the same telephone number. This is also the most cost effective option of providing this service. An order has been made with the Council's supplier and scripts are currently being written to enable this.

From 1 November the Finance team will also be assuming responsibility for the processing and banking of all payments and the subsequent reconciliations – these processes are currently being carried out by Northgate staff.

Staffing

HR have now prepared the Measures Letter for the TUPE affected staff transferring from Northgate to South Bucks. This has been issued this week (w/c 3 Sept) with consultation with staff commencing shortly after. The main measures relate to pay date, date of transfer, locations, sick pay, pensions and private medical insurance. There are also a couple of measures relating to individuals only.

The new structure for the joint service has now been designed incorporating staff transferring from Northgate. A number of new roles (including apprentices) are proposed.

Customer Services

The joint customer service team has been taking South Bucks revenues and benefits calls for approximately 18 months now so staff are already familiar with the service. Arrangements are currently being made to set up a customer service / revenues and benefits 'hub' in the current Northgate area at Capswood. As well as answering some calls in this location, this will enable resilience in dealing with personal callers to the offices.

Members are asked to note this report

Background Papers:	None
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