

# FINANCE PORTFOLIO DECISION SCHEDULE



Friday 15<sup>th</sup> December, 2006

at 10am

in Committee Room "A"

Councillor Payne, Cabinet Member responsible for Finance will consider the following items.

1. **KEY DECISIONS**  
No items

2. **OTHER ITEMS REQUIRING DECISION**  
2.1 Council Tax Base 2007/08 – *Chief Financial Officer*

3. **ITEMS FOR INFORMATION/DISCUSSION**  
3.1 Benefits Service – Corporate Performance Assessment Result – *Chief Financial Officer*

4. **REPORTS FROM OVERVIEW OF SCRUTINY FORUMS**  
No items

## EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985

4. **KEY DECISION**  
No items
5. **OTHER ITEMS REQUIRING DECISION**  
5.1 Insurance Renewal and Strategy – *Chief Financial Officer*

## **FINANCE PORTFOLIO**

Report to Portfolio Holder

15th December 2006



**Report of:** Chief Financial Officer

**Subject:** COUNCIL TAX BASE 2007/8

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### **SUMMARY**

#### **1.0 PURPOSE OF REPORT**

The report seeks approval to the calculated Council Tax Base for 2007/8 which will be used for council tax billing purposes.

#### **2.0 SUMMARY OF CONTENTS**

The report provides details of the Council's responsibilities for determining the council tax base, explains the tax base calculation and shows details of the calculation for 2007/8.

#### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Following an amendment to the Local Government Finance Act 1992, a Full Council meeting is no longer required to adopt the council tax base, the matter can be dealt with by the relevant cabinet member.

#### **4.0 TYPE OF DECISION**

Non-key Decision.

#### **5.0 DECISION MAKING ROUTE**

To portfolio Holder.

#### **6.0 DECISION(S) REQUIRED**

Approval of the Council Tax Base for 2007/8.

**Report of:** Chief Financial Officer

**Subject:** COUNCIL TAX BASE 2007/8

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## **1. PURPOSE OF REPORT**

The report seeks approval to the calculated Council Tax Base for 2007/8 which will be used for council tax billing purposes.

## **2. BACKGROUND**

**2.1** The Council is required by law to calculate its Council Tax Base for the forthcoming year, and inform the major precepting authorities (Cleveland Police Authority and Cleveland Fire Authority) and local precepting authorities (Parish Councils), before 31st January, 2007. The Council Tax Base is expressed as the number of band D equivalent properties.

**2.2** The amount of Council Tax levied on each band D property located in the Borough of Hartlepool is determined by dividing the total amount of the precepts made by both this Council, the Police Authority and the Fire Authority on the Collection Fund in 2007/8, by the Council Tax Base. The amount of Council Tax payable for other bands is determined by applying a fixed proportion of the band D amount. A separate report on the calculation of the amount of Council Tax payable for each band will be submitted to Council at a later date.

## **3. CALCULATION OF TAX BASE**

**3.1** To calculate the Council Tax Base it is necessary to:-

- (a)** Calculate "the relevant amount" for the year for each valuation band in the valuation list. For each band this represents the full year equivalent of each chargeable dwelling in that band, taking into account entitlement to disability reductions and discounts.
- (b)** The relevant amount for each band are expressed in terms of band D equivalents.
- (c)** The relevant amounts for each band are then added together and the total is multiplied by the Council's estimated collection rate for the year.

- 3.2** The following formula is used when determining the relevant amount for each valuation band:-

$$((S \times 0.75) + (D \times 0.5) + (E \times 0.9) + N) \times F/G \quad \text{where}$$

- S is the estimated number of chargeable dwellings in that band with a single occupancy discount,
- D is the estimated number of chargeable dwellings in that band with a 50% discount,
- E is the estimated number of chargeable dwellings in that band with a 10% discount,
- N is the estimated number of chargeable dwellings in that band with no discounts,
- F is the ratio applicable to that band in relation to Band D,
- G is the ratio applicable to band D (9).

A statement showing the calculation of the Council Tax Base for the Borough of Hartlepool is shown at **Appendix 1**.

- 3.3** The level of non-collection forming part of the calculation is reviewed and, where appropriate, adjusted on an annual basis. Given the positive collection performance in recent years a minor adjustment is being made to the collection rate to 99%. This means that an allowance of 1% is being used for non-collection based on my best estimate of the eventual level of collection achievable and taking into account my experience in collecting Council Tax to-date.
- 3.4** **Appendices 2 to 9** are attached to show the statement of calculation of the Council Tax Bases for the various Parishes who levy precepts on the collection fund. The calculations follow the same principles as those adopted in the calculation of the Council Tax Base for the whole Borough. As it is necessary to request details of precepts from the Parishes, these tax base calculations have been transmitted, on a provisional basis, to the various Chairpersons in advance of your meeting.

#### 4. RECOMMENDATIONS

- a) Approval of a Council Tax Base for 2007/8 of 27,551.5.
- b) Approve a Council Tax Base for those Parishes capable of levying a precept upon the Council's General Fund:

Brierton	12.4	Greatham	667.8
Claxton	14.0	Hart	294.9
Dalton Piercy	107.9	Newton Bewley	30.1
Elwick	384.2		
Headland	1020.4		

**HARTLEPOOL BOROUGH COUNCIL  
CALCULATION OF TAX BASE 2007/8**

**Appendix 1**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		24,899	5,966	5,381	2,794	1,376	565	380	41	41402
2	Exempt dwellings		1126	140	82	40	26	14	10	1	1439
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>23773</b>	<b>5826</b>	<b>5299</b>	<b>2754</b>	<b>1350</b>	<b>551</b>	<b>370</b>	<b>40</b>	<b>39963</b>
5	Disabled reductions		60	43	34	29	11	3	15	6	201
6	Effectively chargeable	60	43	34	29	11	3	15	6	0	201
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>60</b>	<b>23756</b>	<b>5817</b>	<b>5294</b>	<b>2736</b>	<b>1342</b>	<b>563</b>	<b>361</b>	<b>34</b>	<b>39963</b>
8	25% discounts	18	11748	1919	1249	531	198	65	44	1	15773
9	50% discounts	2	505	73	40	26	13	15	11	4	689
10	10% Discount (Second Homes)	0	192	56	23	13	5	8	3	3	303
11	No discounts	40	11311	3769	3982	2166	1126	475	303	26	23198
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>54.5</b>	<b>20547.3</b>	<b>5295.15</b>	<b>4959.45</b>	<b>2588.95</b>	<b>1285.5</b>	<b>538.45</b>	<b>344.2</b>	<b>31.45</b>	<b>35644.95</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>30.28</b>	<b>13698.20</b>	<b>4118.45</b>	<b>4408.40</b>	<b>2588.95</b>	<b>1571.17</b>	<b>777.76</b>	<b>573.67</b>	<b>62.90</b>	<b>27829.77</b>
											<b>99</b>
											<b>Estimated collection rate (%)</b>
											<b>Council Tax Base</b>
											<b>27551.5</b>

**BRIERTON**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 2**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		0	4	5	2	3	0	0	0	14
2	Exempt dwellings		0	0	0	0	0	0	0	0	0
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>0</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>
5	Disabled reductions		0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>
8	25% discounts	0	0	1	1	1	0	0	0	0	3
9	50% discounts	0	0	0	0	0	0	0	0	0	0
10	10% discounts (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	0	3	4	1	3	0	0	0	11
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>0.00</b>	<b>3.75</b>	<b>4.75</b>	<b>1.75</b>	<b>3.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13.25</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>0.00</b>	<b>2.92</b>	<b>4.22</b>	<b>1.75</b>	<b>3.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>12.56</b>
Estimated collection rate (%)										<b>99</b>	
Council Tax Base										<b>12.4</b>	

**CLAXTON**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 3**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band	0	2	0	1	4	2	2	1	1	13
2	Exempt dwellings	0	0	0	0	0	0	0	0	0	0
3	Demolished dwellings	0	0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>13</b>
5	Disabled reductions	0	0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>13</b>
8	25% discounts	0	0	0	1	1	1	0	0	0	3
9	50% discounts	0	1	0	0	0	0	0	0	0	1
10	10% discounts (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	1	0	0	3	1	2	1	1	9
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0</b>	<b>1.5</b>	<b>0</b>	<b>0.75</b>	<b>3.75</b>	<b>1.75</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>11.75</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.67</b>	<b>3.75</b>	<b>2.14</b>	<b>2.89</b>	<b>1.67</b>	<b>2.00</b>	<b>14.11</b>

Estimated collection rate (%)

99

Council Tax Base

14.0



**DALTON PIERCY**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 4**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		5	10	16	12	34	14	9	0	100
2	Exempt dwellings		0	0	0	0	0	0	0	0	0
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>5</b>	<b>10</b>	<b>16</b>	<b>12</b>	<b>34</b>	<b>14</b>	<b>9</b>	<b>0</b>	<b>100</b>
5	Disabled reductions		0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>5</b>	<b>10</b>	<b>16</b>	<b>12</b>	<b>34</b>	<b>14</b>	<b>9</b>	<b>0</b>	<b>100</b>
8	25% discounts	0	1	4	4	5	3	0	1	0	18
9	50% discounts	0	0	0	0	0	0	1	0	0	1
10	10% discounts (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	4	6	12	7	31	13	8	0	81
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>4.75</b>	<b>9.00</b>	<b>15.00</b>	<b>10.75</b>	<b>33.25</b>	<b>13.50</b>	<b>8.75</b>	<b>0.00</b>	<b>95.00</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>3.17</b>	<b>7.00</b>	<b>13.33</b>	<b>10.75</b>	<b>40.64</b>	<b>19.50</b>	<b>14.58</b>	<b>0.00</b>	<b>108.97</b>
Estimated collection rate (%)										99	
Council Tax Base										107.9	

**ELWICK**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 5**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		24	32	66	83	42	34	53	23	357
2	Exempt dwellings		2	0	2	0	0	0	0	0	4
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>22</b>	<b>32</b>	<b>64</b>	<b>83</b>	<b>42</b>	<b>34</b>	<b>53</b>	<b>23</b>	<b>353</b>
5	Disabled reductions	0	0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>22</b>	<b>32</b>	<b>64</b>	<b>83</b>	<b>42</b>	<b>34</b>	<b>53</b>	<b>23</b>	<b>353</b>
8	25% discounts	0	15	5	23	13	13	6	5	0	80
9	50% discounts	0	3	1	0	3	1	0	0	2	10
10	10% discounts	0	0	0	0	0	0	0	1	2	3
11	No discounts	0	4	26	41	67	28	28	47	19	260
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>16.75</b>	<b>30.25</b>	<b>58.25</b>	<b>78.25</b>	<b>38.25</b>	<b>32.50</b>	<b>51.65</b>	<b>21.80</b>	<b>327.70</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>11.17</b>	<b>23.53</b>	<b>51.78</b>	<b>78.25</b>	<b>46.75</b>	<b>46.94</b>	<b>86.08</b>	<b>43.60</b>	<b>388.10</b>

Estimated collection rate (%)

99

Council Tax Base

384.2

**GREATHAM**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 6**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		175	427	182	78	33	8	6	1	910
2	Exempt dwellings		4	14	2	1	0	0	0	1	22
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>171</b>	<b>413</b>	<b>180</b>	<b>77</b>	<b>33</b>	<b>8</b>	<b>6</b>	<b>0</b>	<b>888</b>
5	Disabled reductions		2	2	0	0	0	0	0	0	4
6	Effectively chargeable	2	2	0	0	0	0	0	0	0	4
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>2</b>	<b>171</b>	<b>411</b>	<b>180</b>	<b>77</b>	<b>33</b>	<b>8</b>	<b>6</b>	<b>0</b>	<b>888</b>
8	25% discounts	0	93	142	39	15	4	2	1	0	296
9	50% discounts	0	2	0	1	0	0	0	0	0	3
10	10% discounts	0	0	1	0	0	0	0	0	0	1
11	No discounts	2	76	268	140	62	29	6	5	0	588
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>2</b>	<b>146.75</b>	<b>375.40</b>	<b>169.75</b>	<b>73.25</b>	<b>32.00</b>	<b>7.50</b>	<b>5.75</b>	<b>0.00</b>	<b>812.40</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>1.11</b>	<b>97.83</b>	<b>291.98</b>	<b>150.89</b>	<b>73.25</b>	<b>39.11</b>	<b>10.83</b>	<b>9.58</b>	<b>0.00</b>	<b>674.59</b>

Estimated collection rate (%)

99

Council Tax Base

667.8

**HART**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 7**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		14	82	89	42	38	30	26	0	321
2	Exempt dwellings		0	3	1	0	1	0	0	0	5
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>14</b>	<b>79</b>	<b>88</b>	<b>42</b>	<b>37</b>	<b>30</b>	<b>26</b>	<b>0</b>	<b>316</b>
5	Disabled reductions		0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>14</b>	<b>79</b>	<b>88</b>	<b>42</b>	<b>37</b>	<b>30</b>	<b>26</b>	<b>0</b>	<b>316</b>
8	25% discounts	0	6	30	26	12	6	4	7	0	91
9	50% discounts	0	0	0	3	0	1	0	1	0	5
10	10% discounts (second homes)	0	1	0	0	1	1	1	0	0	4
11	No discounts	0	7	49	59	29	29	25	18	0	216
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>12.40</b>	<b>71.50</b>	<b>80.00</b>	<b>38.90</b>	<b>34.90</b>	<b>28.90</b>	<b>23.75</b>	<b>0.00</b>	<b>290.35</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>8.27</b>	<b>55.61</b>	<b>71.11</b>	<b>38.90</b>	<b>42.66</b>	<b>41.74</b>	<b>39.58</b>	<b>0.00</b>	<b>297.87</b>

Estimated collection rate (%)

99

Council Tax Base

294.9

**NEWTON BEWLEY**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 8**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		2	1	9	6	8	3	0	1	30
2	Exempt dwellings		0	0	0	0	0	0	0	0	0
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>2</b>	<b>1</b>	<b>9</b>	<b>6</b>	<b>8</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>30</b>
5	Disabled reductions	0	0	0	1	0	0	0	0	0	1
6	Effectively chargeable	0	0	1	0	0	0	0	0	0	1
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>8</b>	<b>6</b>	<b>8</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>30</b>
8	25% discount	0	1	1	2	0	3	0	0	0	7
9	50% discount	0	0	0	0	0	0	0	0	0	0
10	10% discount (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	1	1	6	6	5	3	0	1	23
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>1.75</b>	<b>1.75</b>	<b>7.50</b>	<b>6.00</b>	<b>7.25</b>	<b>3.00</b>	<b>0.00</b>	<b>1.00</b>	<b>28.25</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>1.17</b>	<b>1.36</b>	<b>6.67</b>	<b>6.00</b>	<b>8.86</b>	<b>4.33</b>	<b>0.00</b>	<b>2.00</b>	<b>30.39</b>

Estimated collection rate (%)

99

Council Tax Base

30.1

**HEADLAND**  
**CALCULATION OF TAX BASE 2007/8**

**Appendix 9**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		1305	285	75	18	5	5	1	0	1694
2	Exempt dwellings		22	3	2	3	0	0	0	0	30
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>1283</b>	<b>282</b>	<b>73</b>	<b>15</b>	<b>5</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>1664</b>
5	Disabled reductions		2	1	0	0	0	0	0	0	3
6	Effectively chargeable	2	1	0	0	0	0	0	0	0	3
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>2</b>	<b>1282</b>	<b>281</b>	<b>73</b>	<b>15</b>	<b>5</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>1664</b>
8	25% discounts	1	658	78	17	3	0	1	0	0	758
9	50% discounts	0	15	5	0	0	0	1	0	0	21
10	10% discounts (second homes)	0	9	3	2	0	0	0	0	0	14
11	No discounts	1	600	195	54	12	5	3	1	0	871
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>1.75</b>	<b>1109.10</b>	<b>258.70</b>	<b>68.55</b>	<b>14.25</b>	<b>5.00</b>	<b>4.25</b>	<b>1.00</b>	<b>0.00</b>	<b>1462.60</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.97</b>	<b>739.40</b>	<b>201.21</b>	<b>60.93</b>	<b>14.25</b>	<b>6.11</b>	<b>6.14</b>	<b>1.67</b>	<b>0.00</b>	<b>1030.68</b>

Estimated collection rate (%)

99

Council Tax Base

1020.4

## **FINANCE PORTFOLIO**

Report to Portfolio Holder

15<sup>th</sup> December 2006



**Report of:** Chief Financial Officer

**Subject** BENEFITS SERVICE - CORPORATE  
PERFORMANCE ASSESSMENT RESULT

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### **SUMMARY**

#### **1.0 PURPOSE OF REPORT**

- 1.1 To inform the Portfolio Holder of the Benefits Fraud Inspectorate's (BFI) assessment of the Benefits service as part of the CPA 2006 process. The results of the assessment contribute to the overall CPA score for the Council.

#### **2.0 SUMMARY OF CONTENTS**

- 2.1 The report provides details of the inspection approach and the main conclusions, in particular that the Benefits service for CPA 2006 has been ranked as excellent attracting a maximum score of 4.

#### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

- 3.1. The Finance portfolio holder is the relevant executive member for Benefits Service activity.

#### **4.0 TYPE OF DECISION**

- 4.1 Non key decision.

#### **5.0 DECISION MAKING ROUTE**

- 5.1 To Portfolio holder.

**6.0 DECISION(S) REQUIRED**

- 6.1 That the Portfolio Holder notes the content of the report.



**Report of:** Chief Financial Officer

**Subject:** Benefits Service Corporate Performance Assessment result

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## **1. PURPOSE OF REPORT**

- 1.1 To inform the Portfolio Holder of the Benefits Fraud Inspectorate's (BFI) assessment of the Benefits service as part of the CPA 2006 process. The results of the assessment contribute to the overall CPA score for the Council.

## **2. BACKGROUND**

- 2.1 The BFI assessment was undertaken as part of the 2006 Comprehensive Performance Assessment (CPA) programme. Although the assessment did not constitute an on site inspection of the Council's Benefits service, the process is undertaken in a structured way.

- 2.2 The BFI assessment judgement is based upon:

- Review of a self-assessment service proforma and supporting evidence provided by the Council
- Consideration of the Council's Best Value Performance Indicators and other performance measures
- Discussions with the Benefits Manager
- Consideration of progress on the issues arising from the BFI CPA 2005 report.

## **3. Overall Performance**

- 3.1 The appendix attached to this report details the full BFI report.
- 3.2 The inspection concluded that the Council met 10 of the 12 performance measures where the Department for Work and Pensions had set a standard and 64 of the 65 enablers. This resulted in the scores reflected below:

<b>Performance Standards score</b>	<b>Excellent</b>
<b>Audit Commission score</b>	<b>4</b>

- 3.3 The Council provided the BFI with a full self-assessment against the 2005 Housing Benefit and Council Tax Benefit Performance Standards. The BFI agreed that the evidence provided by the Council supported its self-assessment.
- 3.4 The BFI recognised that the Council continued to set targets that encouraged improved performance and had comprehensive performance monitoring and reporting systems in place. In addition, 2005/2006 saw the introduction of more mobile assessments in customers' homes so that benefits claims could be processed more quickly.
- 3.5 Reported performance for processing new claims was an average of 24 days during 2005/06, a significant improvement over its performance of 40 days during 2004/05. Similarly, reported performance for processing changes of circumstances was 7 days and also demonstrated continuing improvement when compared to its performance of 19 days during 2004/05.
- 3.6 The BFI recognised the Council's efforts to reduce fraud and error. The Council met or exceeded the targets for interventions and visits, and secured 43 sanctions including 5 successful prosecutions during 2005/06.
- 3.7 The report also acknowledged the achievements of the Benefits Team and Counter Fraud Investigation Team in securing Charter Mark status for excellence in customer service.
- 3.8 The following table compares the scores for the individual Performance Standards theme scores for CPA 2005 and CPA 2006, highlighting and changes in reported performance:

Performance Standards theme scores			
Theme	2005	2006	Change
Claims administration	4	4	=
Security	4	4	=
User focus	4	2	↓
Resource management	4	4	=
Overall score	4	4	=

**4. RECOMMENDATIONS**

- 4.1 That the Portfolio Holder notes the report confirming the Council's Benefits service being assessed as Excellent for the purpose of Corporate Performance Assessment.

## Comprehensive Performance Assessment 2006

### **Hartlepool Borough Council**

#### *Introduction*

**1.1** This assessment has been undertaken as part of the 2006 Comprehensive Performance Assessment (CPA) programme and does not represent a full inspection of Hartlepool Borough Council's Benefits service. This report has been produced pursuant to powers contained in sections 10 and 11 of the Local Government Act 1999.

**1.2** Any discrepancies in reported performance will be due to either the average of 4 quarters performance not matching the annual calculation, or revision of the original figures submitted by the LA to the Department.

**1.3** We gathered information for this assessment from a range of sources including:

- ? the self-assessment and evidence provided by the council
- ? Best Value Performance Indicators and performance measures
- ? discussions with senior officers in the council
- ? BFI's CPA 2005 report.

#### *Overall Performance*

**1.4** We concluded that Hartlepool Borough Council met 10 of the 12 performance measures where the Department had set a Standard and 64 of the 65 enablers. This resulted in the scores reflected below:

<b>Performance Standards score</b>	<b>Excellent</b>
<b>Audit Commission score</b>	<b>4</b>

**1.5** Hartlepool Borough Council provided a full self-assessment against 2005 HB/CTB Performance Standards. The evidence provided by the council supported its self-assessment.

**1.6** The council continued to set national and local targets that encouraged improved performance and had comprehensive performance monitoring and reporting systems in place. In addition, 2005/2006 saw the introduction of more mobile assessments in customers' homes so that benefits claims could be processed more quickly.

**1.7** Reported performance for processing new claims was an average of 24 days during 2005/06, a significant improvement over its performance of 40 days during 2004/05. Similarly, reported performance for processing changes of circumstances was 7 days and also demonstrated continuing improvement when compared to its performance of 19 days during 2004/05.

**1.8** In its efforts to reduce fraud and error the council met or exceeded the targets for interventions and visits, and secured 43 sanctions including 5 successful prosecutions during 2005/06.

**1.9** In December 2005 the Benefits Team and Counter Fraud Investigation Team achieved Charter Mark status for excellence in customer service.

**1.10** The council identified in its self-assessment the need to improve its overpayments recovery performance by monitoring the recovery of old and new overpayment debt. In addition it needed to improve its appeals submission performance.

**1.11** Figure 1.1 compares the scores for the individual Performance Standards theme scores for CPA 2005 and CPA 2006 to highlight any changes in reported performance.

<b>Figure 1.1: Performance Standards theme scores</b>			
<b>Theme</b>	<b>2005</b>	<b>2006</b>	<b>Change</b>
<b>Claims administration</b>	4	4	=
<b>Security</b>	4	4	=
<b>User focus</b>	4	2	↓
<b>Resource management</b>	4	4	=
<b>Overall score</b>	4	4	=

Source: BFI analysis

## *Findings*

### *Claims administration*

**1.12** Hartlepool Borough Council's performance measure data for Claims administration is shown in Figure 1.2.

<b>Figure 1.2: Claims administration performance measures 2005/06</b>						
<b>Performance measure</b>	<b>Standard</b>	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>Qtr 4</b>	<b>Full year</b>
<b>PM 1: Average time for processing new claims</b>	<b>36 days</b>	23	24	21	27	<b>24 days</b>
<b>PM 2: New claims outstanding over 50 days</b>	<b>10%</b>				8	<b>8%</b>
<b>PM 3: New claims decided within 14 days of receiving all information</b>	<b>90%</b>	99	97	96	95	<b>97%</b>
<b>PM 4: Rent allowance claims paid on time or within 7 days of a decision being made</b>	<b>90%</b>			95	98	<b>93%</b>

<b>PM 5: Average time for processing changes of circumstances</b>	<b>9 days</b>	8	11	10	4	<b>7 days</b>
<b>PM 6: Cases for which the calculation of the amount of benefit due is correct</b>	<b>98%</b>	98	97	100	100	<b>99%</b>

Source: Hartlepool Borough Council

**1.13** In 2005 we reported that the council met all 6 performance measures. The council's most recent self-assessment showed that it continued to meet 6. We also reported that the council met 15 of the 16 enablers. The council's most recent self-assessment showed that it met 15.

**1.14** The council had a comprehensive performance management framework in place to ensure performance was regularly reviewed and problems quickly addressed to deliver a consistently high quality service to its customers.

**1.15** In addition to the national targets, the Benefits team had set challenging local targets that were monitored each month and published locally to make them easily accessible to customers and other stakeholders.

**1.16** In its self-assessment, the council identified the need to improve in the Claims administration theme by monitoring the recovery of old and new overpayment debt.

**1.17** This activity was included in its *Benefits Service Plan 2006/09* with a view to full implementation, after consultation with stakeholders, during 2006/07.

## Security

**1.18** Hartlepool Borough Council's performance measure data for Security is shown in Figure 1.3.

<b>Figure 1.3: Security performance measures 2005/06</b>			
<b>Performance measure</b>	<b>Annual target</b>	<b>Standard</b>	<b>Performance</b>
<b>PM 10: Interventions where review action commenced</b>	6,900	<b>100%</b>	115%
<b>PM 11: Data matches resolved within 2 months</b>	not applicable	<b>100%</b>	100%
<b>PM 12: Customers visited</b>	2,760	<b>100%</b>	112%

Source: Hartlepool Borough Council

**1.19** In 2005 we reported that the council met 2 of the 3 performance measures. The council's most recent self-assessment showed that it met 3. We also reported that the council met 21 enablers. The council's most recent self-assessment showed that it met 21.

**1.20** The Council stated in its *Counter Fraud Policy and Strategy* that it was committed to the prevention and detection of fraudulent housing and council tax benefit claims and operated a specialised, independent Benefits Investigation and Visiting Team. The

comprehensive policy document also included the important role that Benefits assessors played in preventing and detecting fraud.

**1.21** To that end, the council fully complied with the Verification Framework and exceeded the targets for interventions and visits. In addition, it secured 43 sanctions including 5 successful prosecutions during 2005/06.

### *User focus*

**1.22** Hartlepool Borough Council's performance measure data for User focus is shown in Figure 1.4.

<b>Figure 1.4: User focus performance measures 2005/06</b>						
<b>Performance measure</b>	<b>Standard</b>	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>Qtr 4</b>	<b>Full year</b>
<b>PM 17: Applications for reconsideration /revision actioned and notified within 4 weeks</b>	<b>65%</b>	67	65	94	85	<b>77%</b>
<b>PM 18: Appeals submitted to the Appeals Service in 4 weeks</b>	<b>65%</b>	67	0	29	100	<b>33%</b>
<b>PM 19: Appeals submitted to the Appeals Service in 3 months</b>	<b>95%</b>	100	75	71	0	<b>93%</b>

Source: Hartlepool Borough Council

**1.23** In 2005 we reported that the council met all of the 3 performance measures. The council's most recent self-assessment showed that it now only met one. We also reported that the council met 11 of the 12 enablers. The council's most recent self-assessment showed that it met 12.

**1.24** Appeals submission targets were not met in 2005/06 because of conflicting priorities. However, a further resource had been transferred into that work area to ensure performance improved during 2006/07.

**1.25** During 2005/06 the council developed its *Benefits Liaison Plan* and its *Revenues and Benefits Anti Poverty Strategy*. The plan detailed its work to increase take up amongst vulnerable groups and its strategy sought to ensure social inclusion for all members of the community and underpinned the council's *Financial Inclusion Partnership*.

**1.26** The council had a Benefit Liaison team with responsibility for liaison with landlords, promoting benefit take-up and targeting vulnerable groups who may otherwise have difficulty in accessing the Benefits service.

**1.27** The Benefit Liaison team regularly organised benefits exhibitions in the town centre, often working in partnership with other agencies and service providers. The

team have undertaken joint working with the Pensions Service, community groups and the ethnic community in order to reach a wider audience.

**1.28** In December 2005 the Benefits team and Counter Fraud Investigation team achieved Charter Mark status for excellence in customer service.

### ***Resource management***

**1.29** In 2005 we reported that the council met 15 of the 16 enablers. The council's most recent self-assessment showed that it met 16.

**1.30** The council continued to set national and local targets that encouraged improved performance and had comprehensive performance monitoring and reporting systems.

**1.31** During 2005/06 it developed its *Revenues and Benefits Homeworking Policy*, which included the introduction of compressed hours to aid the retention of staff.

**1.32** This supported the policies the council already had in place to provide for a skilled and competent workforce. These included staff development and performance appraisal, recruitment and selection, equality and diversity as well as its codes of conduct.