

# ***Report to the Council***

**Committee:** Cabinet

**Date:** 4 November 2014

**Subject:** Finance

**Portfolio Holder:** Cllr S Stavrou

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**Recommending:**

**That the report of the Finance Portfolio Holder be noted**

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## **Accountancy**

Our last Council meeting saw the adoption of the Financial Statements for 2013/14 and that has allowed both officers and Members to now focus on the budget for 2015/16 and beyond. Recent economic data has made it clear that the public finances are still recovering and that austerity will continue for district councils for some time regardless of the outcome of the general election. This emphasises the importance of economic development and maximising the returns from our assets. Over the medium term we have an ambition for the Council to be self-financing and not reliant on grants from central government. This is a realistic prospect but the development projects will take time to complete and so there is a need for reductions in net spending over the next couple of years.

The next meeting of the Finance Cabinet Committee on 13 November will receive some reports with suggestions to improve our revenue position and other ideas will be evaluated through the budget process. I would like to invite all Members to discuss any ideas on savings with myself or the Director of Resources as I am sure many of you will have good ideas that may not occur to either officers or Portfolio Holders.

## **Benefits**

In my previous report to Council I informed Members that the Essex Benefits Mangers group were one of the five finalists for the Institute of Rating, Revenues and Valuation (IRRV) annual award for excellence in partnership working. This was well deserved recognition for the work that has gone into the implementation of Local Council Tax Support across the county. Unfortunately, the group did not win the award but this has not reduced their enthusiasm for partnership working. To build on the success of the first two years, further work is being developed to examine the award of discounts on Council Tax accounts. This work is still being supported by Essex County Council and the Fire Authority and I am particularly pleased to report that the Police Authority have recently confirmed their ongoing support too.

The Benefits Service continues to perform well and has exceeded the key processing targets at the end of the second quarter. The performance figures on processing new claims in the second quarter show a significant improvement. During the second quarter new claims were processed on average in 22.55 days, compared to a target of 25 days and compared to 25.59 days at the end of the second quarter last year. Performance on processing changes of circumstance was also good, with the figure of 7.87 days being below the target of 10 days and showing an improvement on the first quarter.

## **Revenues**

The Revenues Service has also put in a strong performance in the second quarter. At the end of September in-year Council Tax collection was at 52.40% which is above the target of 51.94%. This is slightly up on the figure of 52.27% at this time last year.

The collection of non-domestic rates was slightly lower than the target at the end of September, with 53.37% achieved compared to the target of 55.97%. As I reported last time, this is a consequence of the change in the legislation to allow ratepayers to spread their instalments over 12 months (April to March) instead of the previous requirement to make payment over 10 months (April to January). It is evident that most of the Council's significant ratepayers have taken up the 12 month option to improve their cash flow. I am still confident that these amounts will ultimately be collected and that the annual target will still be achieved.