

This Business Plan is a draft and still subject to alteration. This plan is not scheduled for completion until March 2007



MANCHESTER
CITY COUNCIL

Appendix 2

Revenues and Benefits Unit

Corporate Services

Draft Business Plan 2007/08-2009/10

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Part One: Context:

*Foreword from The Leader of the Council and Chief Executive:
(This item will be common for all Business Plans to reinforce that this service is part of Manchester City Council).*

Introduction from the Strategic Director and Lead Executive Member

Insert Text:

1.1 Service Overview

Unit Manager: Julie Price, Head of Revenues and Benefits

Unit Management Team:

- Matthew Hassall, Benefits Manager
- Howard Mason, Technical and Support Services Manager
- Charles Metcalfe, Revenues Manager

Location: Alexandra House, Moss Side
Business Rates based in Town Hall
Counter area in Town Hall Extension

Number of Staff: 419

Split as follows:

Head of Service plus secretary	2 staff
Benefits	193 staff
Council Tax	80 staff
Business Rates	16 staff
Technical and Support services	58 staff
Admin	34 staff
Benefits Overpayments	13 staff
Counter	23 staff

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Benefits Assessment Sections: dealing with new claims, changes of circumstances and correspondence from council, housing association and private tenants. We also have a Visiting Team and a Benefits Call Centre.

Technical Services: dealing with appeals and tribunals, quality monitoring, development and publicity issues and the systems administration and the financial support functions for the unit.

Council Tax Billing and Collection: responsible for all the billing and collection for the 200,000 bills each year as well as the Council Tax telephone service and development team.

Business Rates: dealing with all aspects of the the billing, collection and debt recovery of the 20,000 Business Rates bills that the Council issues each year.

Recovery Section : providing debt recovery support for the Council Tax Service as well as the Benefits Overpayments billing and recovery team.

Customer Services: dealing with all personal callers who may have enquiries about any aspect of Benefits, Council Tax or Business Rates. As well as drop off and validation services, the section also offers advisor appointments either at the town hall or a range of surgeries at libraries across the city.

1.1.2 Our Priorities and Values

Priorities

All Areas

- Improve Best Value Performance Indicators across the service area,
- Deal with all incoming work in accordance with corporate standards,
- Improve our telephone service to customers and stakeholders
- Reduce queues and improve service at the customer counter

Benefits Service

- Provide a fast, accurate and efficient benefits service that is good value for money, meets our aims and follows best practice in how benefits are dealt with.
- Reduce fraud, and the risk of fraud, in the benefits system by using effective processes to prevent, detect and investigate fraud. We will also punish those people who commit fraud.
- Continue to involve customers and landlords to improve our performance.

Council Tax

- Provide a fast, accurate and cost effective service to the residents of Manchester in accordance with recognised best practice.
- Collect the maximum amount of Council Tax owed to the Council to allow core services to be delivered.
- Continue to develop the service, involving customers and stakeholders

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Business Rates

- Provide a fast, accurate and cost effective service to the businesses of Manchester in accordance with recognised best practice.
- Collect the maximum amount of Business Rates owed to the Council.
- Continue to develop the service, involving customers and stakeholders

Values

The Revenues and Benefits Unit Management Team seek to deliver the service in line with the following values.

Improve customer service by:

- Actively seeking customer feedback
- Making improvements in terms of cost and quality
- Providing quality front line and support services
- Ensuring written communication with customers and stakeholders is clear and concise
- Providing quality advice and information in a range of formats
- Dealing with all claims and correspondence promptly on receipt and introducing timely follow up work
- Developing electronic communications links to partners and stakeholders.

Reduce fraud and error in our service by:

- Dealing promptly with changes of circumstances
- Working closely with the Fraud Investigations Group
- Developing robust procedures and management checks which involve compliance with the Verification Framework
- Providing appropriate training and support for all staff
- Improved liaison with customers and stakeholders
- Regularly updating staff on their responsibilities in respect of fraud issues
- Taking appropriate action on both internal and external fraud and claim irregularities.

Invest in people by:

- Setting recognised standards
- Identifying and improving poor performance
- Recognition and acknowledgement of good performance and developing potential
- Providing effective, fair leadership.

Deliver results by:

- Identifying, planning and achieving our objectives
- Working together
- Continually evaluating performance and making improvements
- Regularly reviewing procedures and making changes where needed.

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1.1.3 Service Summary Data (Figures will need updating for 2006/7)

Council Tax

<u>Number of properties</u>	203,222
Total Council Tax Net Debit before applying CTB	£145.6M
Total 2005/6 Council Tax collected during 2005/6	£90.3M
Total Council Tax outstanding from previous years at year end	£38.6M
Total Council Tax collected in respect of previous years debt	£6.7M
Number of Council Tax accounts paid by direct debit	

Benefits

Benefit claimants at any one time	71,379
Housing Benefit	58,804
Manchester Housing	30,484
Registered social landlord	20,512
Private sector landlord	7,808
Council Tax Rebate	64,307
Amount paid by the Authority annually in benefits	£225.7 million
Housing Benefit	£178.2 million
Manchester Housing	£83.9 million
Registered social landlord	£67.6 million
Private sector landlord	£26.7 million
Council Tax Rebate	£47.5 million
Discretionary Housing Payments (331 claimants)	£329,700
Children in receipt of free school meals at any one time	24,498
Children receiving secondary school clothing grants	4,424

Business Rates

Number of properties on the Business Rates Register	20,929
Total Business Rates Debit	£222.4M
Total 2004/5 Business Rates collected during 2004/5	£217.8M
Business Rates outstanding from previous years at 31 March 2005	£4.67M
Total Business Rates collected in respect of previous years debt	£4.17M
Number of Business Rates accounts paid by direct debit	7,085

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1.1.4 Performance Levels within the Service

The main performance measures for the three service areas are as follows.

Council Tax

- Percentage of Council Tax collected in year (BVPI 9)

2002/3 result	87.9%
2003/4 result	89.6%
2004/5 result	90.3%
2005/6 result	89.1%
2006/7 target	91%

- Amount of cash collected from historic debts

2002/3 result	£6.3M
2003/4 result	£7.3M
2004/5 result	£7.0M
2005/6 result	£6.7M
2006/7 target	£7.4M

- Cash Collection result for 2005/6

£137.4M including:
£90.3M Council Tax current year
£6.7M arrears
£1.2 M costs income
£39.2 M Council Tax Benefit

- Cash Collection target for 2006/7

Target £144.9M including:
£97M Council Tax current year
£7.4M arrears
£1.5M costs income
£39M Council Tax Benefit

Business Rates

- Percentage of Business Rates collected in year (BVPI 10)

2002/3 result	95.7%
2003/4 result	95.2%
2004/5 result	95.7%
2005/6 result	97.9%
2006/7 target	98.2%

Benefits

- Score against Comprehensive performance Assessment

2005/6 result	3 out of 4
2006/7 result	3 out of 4

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- Average time to process new claims.

2003 / 4 result	64 days
2004 / 5 result	52 days
2005 / 6 result	48.7 days
2006/7 target	38 days

- Average time to process change of circumstances.

2003 / 4 result	26 days
2004 / 5 result	21 days
2005 / 6 result	15 days
2006/7 target	10 days

- Percentage of new claims processed within 14 days of receiving all information.

2003 / 4 result	48.6%
2004 / 5 result	76.1%
2005 / 6 result	75.3%
2006/7 target	92%

- Percentage of claims calculated accurately first time.

2003 / 4 result	97.8%
2004 / 5 result	96.8%
2005 / 6 result	99.6%
2006/7 target	xx%

- Amount collected as a result of customer invoicing of benefit overpayments.

2005/6 result	£2.19M
2006/7 target	£1.7M

Within the Benefits Service there is a further large amount of performance data that is split into 19 performance measures and 65 enablers. This information is collected annually and using a weighted scorecard approach gives a score that goes towards the Benefits aspect of the Council's Comprehensive Performance Assessment (CPA). Full details of the 2005/6 performance, against the range of performance measures and key enablers are attached at appendix xx.

1.1.5 Management Comment on performance levels

After an improving position for the last three years, performance in both Council Tax and benefits high-level performance measures dropped at the end of 2005/6 and into the first half of the 2006/7 financial years. This drop and resultant impact on performance levels was due to the implementation of a new processing system for Council Tax and Benefits administration. The post implementation recovery included clearing backlogs of benefits processing and setting up and catching up with Council Tax recovery processes. Although there is further recovery in the second half of the year, performance is still not at the levels required. Performance in Council Tax collection and the Benefits speed of processing performance indicators shows the Council to be currently performing at lower quartile levels when compared to other Councils nationally.

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There now needs to be further incremental and consistent improvement in all areas to ensure that more Council Tax is collected and the Benefits Service improves with faster processing times and increased customer service. To achieve this, targets will be set in all areas and monitored on a quarterly basis.

1.2 Corporate Context

The Revenues and Benefits Unit seeks to support and positively contribute towards the Council's Vision and Values. The Unit interacts with every domestic household and business in the city and can be a significant factor affecting the opinion that residents have about the Council as a whole. Therefore, the Unit seeks to support and contribute in a positive way towards the Council's Corporate Aims and Objectives.

The Unit supports the Council's aims and objectives primarily in a financial and advisory capacity.

Collection of Council Tax, Business Rates and Benefits Overpayments owed to the Council makes a significant contribution towards ensuring that the Council can fund the whole range of services that it provides.

The Benefits Service is responsible for the provision of claims processing, recovery of overpayments and advice functions. We also have a direct impact on Manchester residents by ensuring that people receive all the benefits and support to which they are entitled. This is done by working with partner organisations and stakeholders, developing benefit take up strategies and providing advice and validation services in many wards across the city.

The provision of the service has an indirect effect on the local economy by ensuring that all money due is paid and received on time. This affects local regeneration and the sustainability of communities by supporting registered social and private landlords by processing their tenants' claims promptly. Regeneration is further supported through the prompt processing of all claim types, which gives jobseekers confidence when coming off state benefits and moving into work.

The Service also supports the Crime and Disorder Strategy by tackling and reducing the amount of benefit fraud. This is achieved by performance in four areas within benefits:

Getting it right - benefit payments should be correct from day one, by ensuring all claims are validated effectively

Keeping it right - ensuring benefit payments are adjusted promptly as circumstances change and are either notified to us or identified by claim intervention. Communicating to claimants their responsibilities in early reporting of changes.

Putting it right- detecting when benefit payments go wrong and taking prompt action to correct them, with appropriate penalties to prevent a recurrence

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Making sure things work - monitoring progress made, evaluating findings and adjusting future action and business processes as a result.

The Benefits Service also supports the new Respect Action Plan. This new scheme may include using housing benefits as a financial penalty to remedy anti social behaviour and improve and reclaim communities. The Council will be supporting this plan and any policy changes will be implemented promptly and within the spirit of the Respect Agenda for the Council as a whole.

1.3 Environmental Scan

A major factor impacting on service delivery over the next three years will be the service review linking into the Manchester Improvement Programme. One of the main issues that will affect and determine future structures and workload splits within the Unit, are the links and developments as part of the Access Manchester strategy. The Service Improvement Project will be linking into this strategy, developing new and improved customer contact and links into customer relationship management technology, supported by necessary back office functions. Resource issues including staff retention, generic, flexible and home working and job evaluation requirements will also be covered as part of this. Access issues are covered in further detail in section 1.4 Customer and Community analysis.

Further significant factors that will influence development and delivery of the Revenues and Benefits service include:

- Benefits service delivery is a key component of the annual CPA service assessment and is judged against levels of performance and compliance with a set of "enablers" set out in the government's HB/CTB Performance Standards. These define to a substantial extent the type and level of benefit service a local authority is expected to provide and high level of achievement against these standards will continue to be a key focus for the Unit.
- Welfare reform legislation currently before Parliament brings significant changes to the way Housing Benefit for private tenants is assessed and paid from April 2008. Preparations for this, including changes to software and procedures, training and engagement with landlords and the advice and financial sectors will figure high on the agenda for 2007/8.
- The Lyons Committee on the future funding of Local Government is due to report before the end of 2006. As well as a recommendation to retain and reform Council Tax, it is likely to contain a number of local revenue raising opportunities and the possible localisation of Business Rates.
- Further work is needed to analyse the composition of our caseload and standards of service achieved, not least by ethnic origin. Work on this will continue through 2007/8.
- Increasingly diverse arrangements for the management of council housing stock, whether by transfer or management agreements (ALMOs, PFIs and so on) will continue to pose significant challenges in the conversion and maintenance of claims and the transfer of relevant information to and from the landlords and management organisations concerned.
- From April 2007, the DWP on whose behalf the Council administers benefits, have indicated that there may be significant changes to management of the live

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caseload from April 2007. Although not yet finalised, this expected development would mean a change from the current input based approach of visits and claim interventions, to an output based approach whereby recognition is granted for actually identifying fraud and error and correcting the claim details. It is expected that each Council will be set an individual target for the 2007/8 financial year. If this happens and dependent of the targets set, this could have an impact on the staffing resources, particularly for Benefits visiting staff.

- In February 2007 there will be an inspection by the Benefit Fraud Inspectorate (BFI) looking at claims administration with the Council. Following an inspection, an inspection report with recommendations will be produced, against which the Council will be expected to produce an improvement plan.

The overall conclusion to be drawn from the issues listed is that the work of the Unit is likely to need to be significantly enhanced and modified over the next three years. This is as a result of external changes from central government, as well as the internal change and service improvement requirements. These changes will have a major impact on how the service will be structured and delivered. As some of the issues raised are potential changes to legislation and government requirements, this issue has been included in the Unit's risk plan and management will actively monitor and assess developments to ensure that any required changes are promptly assessed and implemented.

1.4 Customer and Community Analysis

The Benefits Service recognises the roles and importance of our customers and stakeholders and seeks to improve relationships by improved service delivery, liaison arrangements and more effective communication.

Our main customers and stakeholders are:

- central government (on whose behalf we administer the Benefits Scheme and collect Business Rates income);
- Manchester residents who are Council Tax payers or benefit claimants;
- school administrators and parents of pupils;
- Manchester Housing;
- registered social landlords;
- private landlords;
- local councillors and MPs;
- Businesses in Manchester
- Manchester Housing
- Advice agencies
- The Valuation Service
- Government agencies
- Estate agents, letting agents and solicitors

In terms of customer feedback the Unit carefully manages complaints and customer feedback to continually review and improve service delivery. On the Benefits side there is a three yearly questionnaire, which is compiled and recorded as part of the performance indicator for customer satisfaction. This was carried out in 2006 and will be due again in 2009.

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The main issues affecting customers and communities are as follows:

- Providing services in local areas

The service is increasingly working to provide advice and other support services within all wards of the city. This involves working with external partners (social landlords) and other parts of the Council (libraries and Housing). This will continue throughout the next three years to ensure that the network of generic benefits and Council Tax advice surgeries, as well as the validation support services are extended to ensure that the services are provided in the most convenient locations for customers and other stakeholders.

- Improvements to the telephone service

Customer feedback and internal statistics confirm that the telephone service is not adequate and is not meeting the needs of customers and stakeholders. This issue is a major area for development and will be covered as part of the Service Improvement Project.

- Clearing all work within 7 days

Customers and stakeholders expect all work to be processed within 7 days. For the months following the new system implementation this has not been the case and a major part of the 2006/7 financial year has been catching up on outstanding work, which has meant that some customers and landlords have had to wait longer than expected for claims and associated correspondence to be dealt with. This is a key area of improvement and along with improved workflow and management information would have a positive impact on processing times.

- Improved information to private and registered social landlords

The current financial and summary information provided to landlords is unsatisfactory and we are working with landlords to develop improved communication and electronic transfer of information and data. This would include electronic uprating of rent increases and other financial information.

- Self Service and electronic service delivery

More and more customers expect self-service capacity for both information and service delivery. This is required by both telephone and electronically. To support this, there are a range of areas and products in development that will be available in the next twelve months. All these services will be available from customers' homes or via the network of Council sites with email or telephone contact. These include:

- Academy self service- this will enable customers to access via the internet summary account and claim information for Benefits, Council Tax and Business Rates;
- On line benefits claim forms- using smart questions and providing evidence requirements as well as links to a calculator giving indicative entitlement information.
- Mobile working using tablet devices to ensure high quality interviews in customers' homes, which would capture all relevant information at source.

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Part Two: Priorities for Improvement:

2.1 Summary of Headline Priorities

The Revenues and Benefits Unit has many challenges ahead, with a continued focus on improving service delivery and associated performance measures. The main structure for this process will be managed as part of the Council's Service Improvement Programme.

1. To improve performance to customers through the further development of systems and procedures arising from the implementation of the new computer systems and the results of the service improvement programme
2. To achieve financial targets in relation to collection, recovery and fraud reduction and to assess the relative cost of delivering the service
3. To provide a stable and skilled workforce to maximise the capacity of the division in achieving expected performance targets and levels of customer care

2.2 Relevance of, and importance to, Corporate Priorities

The efficient processing of benefit and the collection of income maximises the effects the division can have in delivering funding to the Council and to individuals in support of the Councils overall aims

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Part Three: Objectives and Risk Assessment:

3.1 Value for Money Priorities

The service is benchmarked for costs against other local councils (AGMA). Although this is useful information, all the other councils included in this benchmarking are smaller than Manchester and do not have the same levels of deprivation and transience which makes the workload more complex and challenging.

When making comparisons to the other AGMA Councils, the overall cost of providing the service within Manchester appears high in comparison. However a major element of the costs of delivering the service are the major IT costs and overheads linked to the previous IT system. As part of the transfer to the new Academy system, the central IT recharges are expected to substantially reduce, although further details are awaited. In respect of staffing costs the Council is not out of line with other Councils. As part of the SIP project further work will be undertaken to provide further benchmarking data against similar core city councils that are likely to have similar issues in respect of transience and deprivation.

Other Value for money priorities include

- Improve Financial Management Information- Within the next twelve months there will be further work to split the budget information for the service areas, providing improved management and costing information on which to base any benchmarking exercises.
- Service Improvement Programme- As part of the SIP, the staffing levels and gradings will be examined. This will include an assessment of the relationships between cost and performance, specifically in respect of benefits administration speed of processing and collection levels of Council Tax. This will establish if the Council could be under-resourced and whether it would be appropriate to reallocate or increase resources in key areas, as this may be more cost effective in terms of improvements made in both quality and in money collected by the Council.
- Improve collection in Council Tax and Benefits Overpayments- Improving collection in both these areas will have a major financial impact in cash collection. Benefits Overpayments continues to be an improving area with an increase in cash collected from approximately £800,000 a year three years ago, to more than £2M annually in the past two years. In addition, a 1% increase in Council Tax collection, means a direct financial impact of improved cash collection of approximately £1.1M each year. The Unit will therefore continually look at ways to improve collection by taking a continued robust approach to the collection of both current debt and arrears and looking at any new initiatives. Some of these initiatives may require initial outlay in either financial or staffing resources, for example, development of electronic and telephone self-service access to advice and to claim and account details. However, before the implementation of any new initiatives, the costs will be compared to the potential improvements in collection, customer service or staffing overheads.

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- Reduce Turnover- a major cost to the service are the direct and indirect costs associated with staff turnover. Turnover rates of over 25% each year for the scale 3 and 4, Benefits Officer posts have a serious impact on the service area. This is in terms of recruitment, training (each new starter requires a 10 week training course) and management time. Reducing this would have a significant impact in terms of overheads and costs and would provide a more stable and experienced workforce. This is covered in more detail within the Workforce Development Plan.
- Reduce IT overheads- as stated above this will be achieved by completing Academy integration. The Unit will also work with the Corporate Technology Unit to finalise the out of hours support requirements and the consolidation of IT support staff. At this time, this cannot be quantified as we await final costing information.
- The provision of services to accept, receipt and validate evidence to support benefits claims is a substantial resource for the Council. This is a high cost process requiring full manual involvement and certification of documents. Until recently, this was only carried out by Council staff at the Town Hall and some libraries. Working within government legislation to allow registered social landlords and other parts of the Council offers real value for money as well as improved customer service and the potential to speed up claims processing. The Unit has set targets to increase the numbers of registered social landlords carrying out this service each year. Although this requires some initial outlay in terms of setting up contracts and training staff and some ongoing work including monitoring and recording processes, this can be managed within existing resources.
- Development of self-service access points- All services within the unit attract high levels of enquiries and improved call centre access is likely to attract additional minor and straightforward enquiries. The introduction of improved opportunities for self service through the web and telephony will provide increasing opportunities for customers to check their accounts and claims directly, freeing call centre time for more complex enquiries and perhaps reducing the time spent on complex enquiries where the customer has already used self-service opportunities to clarify enough detail to make a more informed and focused enquiry to a member of staff.

3.2 Business Plan Objectives

3.2.1 Delivery Process Objectives

- A review of the whole service to support the Council's Access Manchester and Pathfinder projects to facilitate a front/back office split and improved customer service.
- Integration of the new Academy Benefits and Council Tax processing system and a review of existing support systems and business processes to achieve associated efficiency savings and E'Government requirements.
- A review of the visiting functions in the Revenues and Benefits Unit to identify options for future service delivery.
- A review of the provision of benefits receipt and validation services and Benefits and Council Tax advice to provide improved local provision.

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- A project to examine the potential for providing services to other areas of the Council who undertake similar functions including the award of other benefits and grants determined by a financial assessment.
- Introduce/revise business processes to take into account any changes in legislation;
- Clear all work to within 7 days.
- Improve performance results for the benefits speed of processing measures.
- Introduce a mobile working solution for benefits visits;
- Introduce an interactive claim form on our web-site with a simplified Claim Sheet replacing the HCTB1 as the paper copy of the claim with electronic retrieval of the claimant saved data;
- Continue to work with colleagues in Manchester Housing to ensure that all stock transfers are processed smoothly;
- Produce a Council Tax benefit take up action plan and increase the number of residents claiming Council Tax benefit;
- Process all new appeals promptly and clear the outstanding cases

3.2.2 Finance Objectives

- Improve Council Tax collection performance.
- Improve Business Rates collection performance.
- A reduction in fraud and error in the benefits system to ensure maximum grants and subsidies are achieved and increase the collection levels of benefit overpayments.
- Examine the potential to transfer the Business Rates function from the Town Hall to the main processing centre in Moss Side (potential savings of at least £15,000 per annum).

3.2.3 Workforce Objectives

- A reduction the level of staff turnover.
- A reduction on the attendance- average days lost figure.
- An increase in the number of disabled staff .
- An increase in the number of BME staff in posts at SO1 and above.
- An increase of 3 staff each year who complete the IRRV technician course

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Part Four: Key Success Factors:

Objective		Links to Corporate Plan Priorities		Performance Measures	Current Position	Targets		
						2007/08	2008/09	2009/10
ref	Delivery Process Objectives							
	Review the whole service to support the Council's Access Manchester and Pathfinder projects to facilitate a front/back office split			MIP completed	Mandate produced	Target date		
	Integration of the Academy system and a review of existing support systems and business processes.			System implemented and efficiencies gained. Move off the mainframe system and reduced overheads.	System live Plan produced	Target date		

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	Examine the potential for providing services to other areas of the Council who undertake similar functions including the award of other benefits and grants determined by a financial assessment.			MIP completed	Mandate produced	Target date		
	Introduce/revise business processes to take into account any changes in legislation			New legislation implemented to timescale.	Ongoing			
Customer and Community Objectives								
	Improve the speed of processing for benefit claims.			-Speed of processing new claims. -Speed of processing changes of circ's -% of claims decided in 14 days - % of rent allowance claims within 7 days	xx days xx days xx% xx%	31 days 9 days 93% 93%	29 days 8 days 94% 94%	27 days 7 days 94% 94%
	Improve levels of customer service			-% of Complaints within 15 days % of appointments	xx% 90%	95% 91%	96% 92%	97% 93%

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				within 10 mins of time				
	Reduce fraud and error in the benefits system.			-% of benefit claims accurate first time -% check of benefit claims prior to payment -% of target set for number of claim interventions	xx% 4% 100%	99% 4% 100%	99% 4% 100%	99% 4% 100%
	Increase network of venues carrying out benefits validation in local areas			Increased numbers of social landlords and libraries	10 out of 48 RSL's	20 RSL's	26 RSL's	28 RSL's
	Improve self service access and electronic access to services			- on line claim form product implemented - Academy self service implemented - 24 hour telephone self service implemented	Outstanding Outstanding Outstanding	Target date		
	Process all new appeals promptly and clear the outstanding cases			- % of Reviews actioned within 4 weeks, - Clear all outstanding reviews pending	xx% 700	65% Nil	67% Nil	39% Nil
Financial/Efficiency Objectives								
	Improve Council Tax collection			-% of Council Tax collected in year -Amount of cash collected	xx% £xxM	92% 8.1M	92.5% 8.2M	92.7% 8.4M

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				from historic debts. - % of arrears collected - Annual amount of cash collected	xx% £xxM	28% £146M	28.5% 148M	29% 150M
	Improve Business Rates collection			% of Business Rates collected in year	98%	98.5%	98.6%	98.7%
	Improve Benefit overpayment collection			- % of overpayments raised and recovered in year - Amount collected	60% £1.7M	61% £1.75M	62% £1.75M	63% £1.75M
	Ensure maximum grants and subsidy payments are achieved			- LABGI grants achieved - LA overpayment subsidy achieved	On target On target			
	Improve Benefit take up			Increase the number of benefit claimants	Plan produced	+2%	+2%	+2%
	Increase numbers paying Council Tax and Business Rates paying by direct debit.			- Number of Council Tax accounts - Number of Business Rates account	71,400 7,250	75,000 7,500	75,500 7,750	76,000 8,000
	Review visiting functions to achieve efficiencies.			Processes reviewed Savings achieved	Baseline information	£xx savings		
Delivering Change and Workforce Development Objectives								
	Implement home and flexible working projects.			-Home working pilot introduce and extended -Improvements in	12 people on homeworking pilot	50 people	70 people	80 people

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				productivity -Reduction in staff turnover and sickness levels				
	Achieve HR targets for turnover, absence and BME staff at SO grade and above			-A reduction in the turnover rates - A reduction on the attendance- average days - An increase in the number of disabled staff -An increase in the number of BME staff in posts at SO1 and above. An increase of 3 staff each year who complete the IRRV technician course	13% 8.95 days 5% 6% no targets set	11.5% 8 days 6% 8% 3	11% 7.5 days 7% 9% 3	10% 7 days 8% 10% 3

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Part Five: More Detailed Plans

5.1 Financial Plan

5.1.1 Current Financial Summary

This template summarises the current year budget expenditure against headline objectives/service areas and links these to developing Business Plan Objectives. It establishes the status quo prior to the integration of new priorities into the financial plan. Heads of Service are encouraged to structure this summary in the way that best reflects their current expenditure profile.

Budget Headline (Key service area or objective)	Total current Gross Budget Expenditure (1) £'000	Source of Funding (other than mainstream)	Amount of funding other than mainstream £'000	Net Mainstream Support £'000	To what extent does this align to your priorities to be addressed in the Business Plan?
Revenues & Benefits Admin 1007002	£13,483	DWP grant, legal fees, bailiff fees etc	(£12,498)	£985	Priority statutory services with delivery highly prescribed by central government and generating income for the city
Benefit expenditure* 1007003	£229,620	DWP grant + overpayment recovery income	(£228,189)	£1,430	Priority statutory services with delivery highly prescribed by central government
Total	£243,103		£240,687	£2,415	

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5.1.2 Proposed Financial Plan

This template summarises the Business Plan revenue proposals and identifies how these are to be funded and indicates if any new capital investment (i.e. not included within the existing approved capital programme) is required to achieve the business plan figures. Where capital investment requirement is shown then this should be further detailed in the template "Details of potential capital investment currently in the Gateway process but not yet included in the Capital Programme".

Objective / Budget Headline	Current Cash Limit Revenue Budget (1)		Proposed Gross Cash Limit Revenue Budgets (2)			Budget Funding (3)	Budget Funding (3)			New Capital Investment Required? (Y/N)
	Gross	Net	2007/8	2008/9	2009/10	Source	2007/8	2008/9	2009/10	
Revenues & Benefits Admin	£13,483	£985	£13,777	£14,076	£14,383	DWP Admin Grant	£6,710	£6,540	£6,375	N
						Other grants, fees etc	£5,458	£5,597	£5,778	
						Mainstream	£1,608	£1,939	£2,229	
Benefit expenditure	£229,620	£1,430	£234,192	£238,856	£243,614	DWP grant	£219,241	£224,066	£228,547	N
						Overpayment recovery	£13,247	£13,247	£13,247	
						Mainstream	£1,704	£1,543	£1,819	
Totals (4)	£243,103	£2,415	£247,969	£252,932	£257,997		£247,969	£252,932	£257,997	
			Total Mainstream Funding Required (5)				£3,312	£3,482	£4,048	

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5.1.3 Growth, Reductions and Significant Resource Movements:

Objective	Year	New Budget? (Y/N)	Growth, Reduction or Movement Proposal	Amount of Growth or Reduction	Impact
Moving Business Rates team to Alexandra House, releasing Town Hall accommodation	From 2007/8	N	Reduction	Estimated £15,000 pa	Neutral for service, more efficient use of accommodation
Introduction of Local Housing Allowance	2007/8	N	Reduction	Estimated one-off saving of £150,000 in 2007/8, thereafter probably broadly neutral	Smooth change in nature of service likely to be over-funded by government in implementation year
Additional "official error overpayment incentive" subsidy	From 2008/9	N	Reduction	Amount is dependent on keeping official error overpayments below one of two thresholds which increases the standard subsidy rate of 0% to 40% or 100%. Meeting the 40% threshold in 2008/9 would generate c£440,000	
Increase in costs charged to council tax and business rates payers summonsed for non-	From 2007/8	N	Reduction	See detailed proposals below	

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payment					
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Please note:

- a. *The above do not include substantial savings in IT costs, staffing and associated costs already identified in the Service Improvement Programme*
2. *Government funding of benefits payments and administration is highly volatile; figures have been provided on a relatively pessimistic basis assuming a relatively static caseload locally and nationally. There is particularly high risk in budgeting for incentive subsidy- we receive one of three amounts towards our official error overpayments expenditure. On expenditure of £1m we could receive, £1m, £400,000 or nil; the higher amount was achieved in 20045/5 and should again be achievable once performance with our new system has stabilised but the above has taken the middle rate of subsidy from 2008/9 onwards*

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5.1.5 Details of potential capital investment currently in the Gateway process but not yet included in the Capital Programme:

This template identifies how any capital schemes currently going through the gateway process link back to the business plan and will be used to help formulate priorities for inclusion in the revised capital programme.

Stage of Gateway Process	CPG Ref. No.	Main Service Area / Corporate Objective (Budget Headline)	Description of investment	Justification for investment (e.g. Service Need, Statutory Requirement, VFM, to further council objectives)		Will this be subject to a capital bid for 2007/8 to 2009/10 programme (Y/N)	Potential Impact on Revenue Costs (for proposals subject to bids)
				Ranking	Explanation		
			None				

Ranking:

- 1 Crucial to continuation of the service
- 2 Essential to achievement of the Business Plan
- 3 Supports the achievement of the Business Plan

Potential impact:

- 1 Will increase revenue costs within planning period
- 2 Will increase revenue costs but outside planning period
- 3 Will reduce revenue costs within planning period
- 4 Will reduce revenue costs but outside planning period
- 5 Will increase income within planning period
- 6 Will increase income but outside planning period

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5.1.6 Detailed proposals on income from charges for services:

This template outlines proposed changes to charges and estimated impact on budgeted income. (Note, where an income budget contains multiple charges/ concessions etc, this can be included on a separate sheet or explained within the business plan outlining broad proposals for charges e.g.” it is intended that all charges should increase by 2%” rather than listing individual charges)

Charge / Income Budget	Current Income £'000	Estimated Income			Reason for increase	Current Charge £.p.	Proposed Charges		
		2007/8 £'000	2008/9 £'000	2009/10 £'000			2007/8 £.p.	2008/9 £.p.	2009/10 £.p.
Costs levied on Council Tax summonses	£2,856	£3,075	£3,163	£3,295	1	£65	£70	£72	£75
Costs levied on Business Rates summonses	£240	£246	£254	£260	1	£83	£85	£88	£90

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5.2 Workforce Plan

5.2.1 Background Information Summary:

The Revenues and Benefits Unit has 419 staff split over three main service areas- Revenues, Benefits and Business Rates. Supporting the three main processing and administrative functions there are several support teams including Administration, Customer Services, Visiting, Finance, Development and Systems Administration.

Of the 419 staff there is the following split in terms of grades:

Scale 1/2	33 staff
Scale 3/4	147 staff
Scale 5/6	167 staff
SO1/2	54 staff
PO1 to PO4	14 staff
PO5+	4 staff

The split shows that the vast majority of staff (83%) are graded at below senior officer level with only 3% of staff graded at principal officer grade.

The staff are then split over the following service areas as follows:

Head of Service plus secretary	2 staff
Benefits	193 staff
Council Tax	80 staff
Business Rates	16 staff
Technical and Support services	58 staff
Admin	34 staff
Benefits Overpayments	13 staff
Counter	23 staff

Equality Information

In terms of the current workforce plans the Unit achieves above average performance on many of the headline equality measures. This includes:

- 45% of our staff are Manchester residents.
- 58% of staff are women
- 17% of staff are black and minority ethnic (BME)
- 5% of staff are disabled

However there is still more work to do particularly in the recruitment of BME staff into senior grades (SO1 and above). The 2006 figures show that for staff graded at Senior Officer grade only 6% of staff are BME. As part of the plan the Unit will have specific equality targets.

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5.2.2 Workforce issues

As part of this plan the main issues /considerations affecting the future workforce requirements have been assessed and considered. The main issues are:

1. Turnover and retention issues- linking into flexible and home working arrangements, more generic working and recruitment exercises.

This is a major issue for the Unit at the present time with a turnover rate of almost 13% overall across the Unit and much higher turnover levels of above 25% for staff graded at scale 3 and 4, particularly in, although not restricted to, benefits administration. There are many reasons for this which include the job being seen extremely technical and target driven for relatively low pay, Manchester paying less than other Council's and outsourced processing functions (London boroughs are now setting up benefits processing centres in the North paying premium rates) and also staff using the scale 3 post as a way into the Council and then after their training moving quickly into jobs in Housing and the advice sector which pay more.

We are currently looking into the impact of home and flexible working for benefits administration and we expect this to have a positive impact on turnover rates. In addition we are reviewing the recruitment processes to look at attracting people who want to stay with the Council and are looking for a career in Benefits or Revenues administration.

2. Customer Services issues – linking into corporate one stop shops and call centres and the impact of self-service and on line claims.

This corporate Access Manchester strategy will have a major impact on the Unit. This major piece of work is being led centrally, with the priorities and timetable being coordinated incrementally. Although identified as a priority the detailed workforce impact on this major piece of work including a full review of the telephone service and customer contact centres is not yet known.

The Unit continues to work with partners to increase the network of venues and agencies (libraries and registered social landlords) able to validate and receipt documentation to support benefits claims. Although requiring some initial investment into service level agreements and training and some ongoing monitoring, this improves service to Manchester residents and reduces the Council resources required in terms of both staff numbers and venues. As part of this the Unit is developing several areas which support self service and electronic service delivery, including improved on line claim forms, Benefits and Council Tax self service systems and improved telephone services providing answers to frequently asked questions.

Although some of these initiatives are being implemented in 2007, the impact of these developments will not be fully realised until 2009/10.

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3. The Council's strategy in the centralisation of support services which will impact on our Systems Administration.

Although still in development as part of Corporate Technology Unit's (CTU) SIP, the area of generic systems support has already been agreed. On this basis it is expected that the support service requirements will be changed by 2008. This is likely to result in staff transferring from the Unit to CTU.

4. Outsourcing and joint service delivery- considering the impact of outsourcing services for benefits administration and support services and where possible looking at joint service delivery including provision of services to internal departments and other councils and agencies.

There are several areas that are part of the Unit's SIP which could result in wholesale change to service delivery. The Council is currently involved in a project looking at joint service delivery for Business Rates administration with other Greater Manchester Councils. In addition there is potential for the Unit to provide support functions for other parts of the Council that require further investigation, including other parts of the Council that administer benefits or collect income or provide post, preparation and scanning and indexing services. The outcomes of these reviews will depend on other service reviews and are likely to be known although not implemented by 2008.

5. Changes to legislation- specifically for benefits administration with the introduction of the new local Housing Allowance scheme in 2008 and the changes to home visits from 2007.

There is expected to be major change to the benefits scheme in 2008 for private tenants. The changes will have a major impact on how benefits are administered and will mean changes to how tenants receive their benefit and the Council's relationship with private landlords. Bringing in the changes will require investment into the service to avoid backlogs and ensure a smooth transition and successful communication strategy.

6. Attendance Levels

Although at an average of 8.95 days lost per year the Unit is below the Council's average of 10.68 days, there is still further work to do in this area. Both long term and sporadic short-term illness continue to be an issue, although management are active and monitor this closely. Within the next few years annual targets to reduce days lost will continue to be set and monitored.

Experience from other Councils has shown that the introduction of flexible and home working can improve attendance levels. On this basis, the review of the imminent home working pilot will include the impact on attendance levels and associated costs.

7. Job evaluation and redesign

As part of the SIP process the whole area of Revenues and Benefits administration, will require a review, redesign and evaluation of the gradings of all posts. It is envisaged that the review will introduce more flexible and generic working with increased levels of responsibility.

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By increasing productivity and output, and reducing overheads and associated costs it is expected that fewer assessment resources will be required.

5.2.3 Workforce information as at 31 March 2008

As at 31 March 2008, there are not expected to be major changes to the number of staff employed within the Unit. The next major impact on the service in terms of staff is the implementation of and incorporation into, the Council's Access Manchester strategy. However, given that this is a major piece of work required to incorporate the Unit into a corporate solution, it is not expected that this will be completed by this time.

However by 2008, we expect to have eliminated overtime working and be up to date with processing work.

The home working pilot will be completed and we expect to have extended this to allow other staff onto the pilot and to have developed the strategy for increased freedoms and flexibilities to ensure and improve performance and output. This is expected to have impacts on absence levels, turnover rates, and output as well as attracting more women and disabled staff into the Council.

As part of the SIP we expect to have reviewed both the Benefits and Council Tax visiting functions and providing there are no further changes to legislation, expect to have reduced the number of Visiting staff from xx to xx.

Specific targets include:

- A reduction in the turnover rates from 13% to 11.5%.
- A reduction in the turnover rates for Benefits assessment staff from 26% in 2006 to 22%.
- A reduction on the attendance- average days lost figure from 8.95 days to 8 days.
- An increase in the number of disabled staff from 5% to 6%.
- An increase in the number of BME staff in posts at SO1 and above from 6% to 8%.
- An increase of 3 staff each year that complete the IRRV technician course.
- Maintain liP status.
- Appraise all Team Managers against corporate management standards
- 100% of appraisals completed with SMART targets.

5.2.4 Workforce information as at 31 March 2010

By 2010, it is expected that there will be a distinct front and back office split, with the front office staff being separately managed as part of the Council's central resource support.

Staff remaining in the Revenues and Benefits Unit will be working more generically within their service area with a 'cradle to grave' approach for both

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Benefits administration and Council Tax, with more generic working and joint intelligence capture.

It is planned that the Business Rates function will be situated at Alexandra House rather than the town hall, ensuring further economies of scale and a reduction in accommodation costs.

The visiting functions will have been reviewed and it is expected that with the greater use of data matching and intelligence, as well as links to central government departments the visiting function and overheads could be reduced by almost 50%.

The result of these changes not taking into account the impact of the Access Manchester strategy should be a reduction in overall staff numbers from 419 staff to 395.

The gradings will have been reviewed and generic working and flexibility should be recognised and where necessary this may result in fewer higher graded people who stay with the service longer and achieve freedoms and flexibilities to recognise high performance in all areas.

Specific targets include:

- A reduction in the turnover rates from 13% in 2006 to 10% in 2010.
- A reduction in the turnover rates for Benefits assessment staff from 26% in 2006 to 18%.
- A reduction on the attendance- average days lost figure from 8.95 days in 2006 to 7 days in 2010.
- An increase in the number of disabled staff from 5% in 2006 to 8% in 2010.
- An increase in the number of BME staff in posts at SO1 and above from 6% in 2006 to 10% in 2010.
- Maintain liP status.
- Appraise all Team Managers against corporate management standards.
- 100% of appraisals completed with SMART targets.

5.2.5 The Workforce Plan for 2007/08

To achieve the objectives the following actions need to be taken:

- Close working with the corporate team to implement Access Manchester strategy and a more distinct front and bank office split.
- A review of back office processes to ensure more generic working.
- Restructuring and job evaluation in terms of the more generic roles
- A review of the visiting functions.
- Production of learning and development plans with specific training established for BME staff.
- Specific training for BME staff that are aspiring managers.

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- A review of the Unit's approach to attendance management and an assessment of the management information available.
- Implementation of the home working pilot and if successful carrying out a full appraisal and extension.
- Implementation of self-service and e'-government developments.
- Working with partners to develop the network of validation venues.
- An ongoing review and evaluation of recruitment approaches, adopting the most successful approaches.
- Change management plans including open dialogue with trade unions and regular review meetings.
- Increase and improve the level of management information from the Council's core systems.