

**REPORT OF THE EXECUTIVE MEMBER FOR RESOURCES**

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**CLLR KAY**

**PORTFOLIO CO-ORDINATING  
DIRECTOR: DENISE PARK**

**DATE: APRIL 2014**

**WELFARE REFORM - UNIVERSAL CREDIT UPDATE**

The national roll out of Universal Credit will continue throughout 2014 with progress for claims submitted by couples and families.

**BAILIFF REGULATION CHANGES**

It has long been recognised that a review of bailiff practises and fees was required and new legislation finally came into force on 6th April 2014.

Previously, the fee structure allowed for a charge of £24.50 for a first visit and £18.00 for a second visit (where no levy is made). These were the only two clear fees applicable to all debt types and amounts. All remaining fees in connection with the taking of possession of goods were stated in legislation as 'reasonable' and were based on the debt owed.

The new legislation seeks to clarify and address not only the complexity of the fees and charges, but also actions and remedies open to both the enforcement agent (bailiff), and debtor. The main points are:

Fees and Charges - the fixed fee and charging structure introduced is:

<b>Fee stage</b>	<b>Fixed fee</b>	<b>Percentage fee for debts of £0 - £1500</b>	<b>Percentage fee for debts of &gt;£1500</b>
Administration	£75	0%	0%
Enforcement	£230	7.5%	7.5%
Sale	£105	0%	7.5%

Note: The Council does not currently use bailiffs for debts <£300

NB: The administration fee is applicable to each Liability Order.

The trigger points for the fees are as follows:

- Administration Fee - Applicable upon instruction received by Enforcement Agent (Bailiff) Company.
- Enforcement Fee - Applicable following first attendance by Enforcement Agent (Bailiff) to the debtor's premises.
- Sale Fee - Applicable when goods taken to the place of sale.

No other costs are allowed.

**CHANGES TO BUSINESS RATES**

A number of key changes to Business Rates were announced in the December Autumn Statement becoming effective from 1<sup>st</sup> April 2014.

**Payment of bills by 12 monthly instalments**

From April Business Rate payers will be able to pay their non-domestic rates over 12 months (1<sup>st</sup> April to 1<sup>st</sup> March) instead of the normal ten (April to January).

### **Retail Rate relief for properties with a rateable value of below £50,000**

For the financial years 2014-15 and 2015-16, Business Rate payers can receive relief of up to £1,000. This relief can be allowed to shops, restaurants, cafes and drinking establishments that have a rateable value below £50,000. Excluded from the scheme are the following types of business:

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting office
- Businesses that are not reasonably accessible to visiting members of the public.

Due to the lateness of the Government announcement the software required for this relief has not yet been issued, accordingly, the relief will not be awarded until mid to late April 2014. The annual bill issued in mid-March 2014 does not show this relief. The Council intends to award the relief to all eligible businesses as soon as possible; once this has been done, an amended bill will be issued. Until this is resolved all businesses have been asked pay in accordance with the instalments shown on the annual bill.

### **Rate relief for retail premises that become occupied after they have been empty for a year or more**

A 50% business rates discount will be allowed for a maximum of 18 months (between 1<sup>st</sup> April 2014 and 31<sup>st</sup> March 2016) for businesses that move into retail premises that have been empty for a year or more. Those businesses that are entitled to this relief will receive it automatically as they register for Business Rates.

### **Business rates increase**

The annual increase on business rates, normally linked to the Retail Price Index has been capped at 2% for the new financial year.

The Council will also be establishing a "local" scheme covering the town centre in Blackburn.

### **HR & LEGAL SERVICES**

During the last few months the Human Resources Team has been approached to provide services under contract to a growing number of local schools. These include Community, Voluntary Aided and Free Schools. The services provided include Consultancy Services, Payroll and some Administrative Services as requested.

The Legal Services Team already provides Legal Services through SLA's for the majority of Schools (excluding Free Schools and Academies).

### **Information Technology**

The Council is continuing its investment in technology and digital services to improve services to citizens, deliver efficiencies and save money across the Council. At the request of departments, ITM&G has worked with colleagues to implement new and upgraded systems, including a new queue management system for Customer Services and a new customer portal with more than 70 online transactions now available.

In addition, work continues on: a new customer contact centre telephony solution and a variety of public access offerings for customer facing locations and departments; corporate and public Wi-Fi Access across the core council sites; a new Library Management System and a major upgrade of the Leisure Management System; new waste management system and a major upgrade of the Flare environmental system; a new Adult Social Care System; new Youth Offending Information Systems; a new more automated HR and Payroll system with employee and manager self-service functionalities; a second Internet connection to improve overall capacity and resilience; the redesign and redevelopment of the corporate wide area network, again to reduce cost, improve capacity and resilience.