

Appendix Three: Proposed Areas of Focus for MOU 2011/12

AREAS FOR SPECIFIC FOCUS

LPS and the Council agree that the following areas for particular focus in 2011-12 will be the implementation of a performance management framework based on the following performance indicators and monitoring statements:

	Performance Indicator Name	Performance Indicator Purpose
LPS 1	Average time from the occupiable date to the issue of a valid rating assessment for domestic properties	Overarching efficiency measure covering the 3 stages from the occupiable date for domestic properties to the date that a valid rate assessment is issued by LPS. The shorter the time period the quicker rates can be collected.
LPS 1.1	Average time taken, from the occupiable date, for Building Control to supply a valid domestic survey to LPS	Step 1 of 3 (see LPS 1)
LPS 1.2	Average time taken from the date LPS receives a domestic survey from Building Control to the date the valuation certificate is issued	Step 2 of 3 (see LPS 1)
LPS 1.3	Average time taken to issue a valid rating assessment for domestic properties from the date of the valuation certificate, regardless of property status.	Step 3 of 3 (see LPS 1)
LPS 2	Average time from the occupiable date to the issue of a valid rating assessment for non-domestic properties	Overarching efficiency measure covering the 3 stages from the occupiable date for non domestic properties to the date that a valid rate assessment is issued by LPS. The shorter the time period the quicker rates can be collected.
LPS 2.1	Average time taken, from the occupiable date, for Building Control to supply a valid non-domestic survey to LPS	Step 1 of 3 (see LPS 2)
LPS 2.2	Average time taken from the date LPS receives a non-domestic survey from Building Control to the date the valuation certificate is issued, regardless of property status	Step 2 of 3 (see LPS 2)
LPS 2.3	Average time taken to issue a valid rating assessment for non-domestic properties from the date of the valuation certificate, regardless of property status	Step 3 of 3 (see LPS 2)

LPS 3	Collection performance	This measures the percentage of income due in that accounting period compared to the amount actually collected during the year.
LPS 4	Collection loss on vacant properties	This measure represents the cash value of rates not collected on vacant properties as a percentage of the gross rate income.
LPS 5	Average cost of collection per hereditament	This measures the cost effectiveness of LPS's rate collection procedures by monitoring the average cost of collection per hereditament. A 'hereditament' is a property which is or may become liable to a rate by being a separate item in a valuation list.
LPS 6	Conformance with the agreed APP / EPP timetable.	This measure reports LPS's performance for the delivery of the actual figures / results against the agreed timetable. This is important to inform our budgeting process and to strike a District Rate for the incoming year.
LPS 7	% Deviation of Estimated Penny Product from the Final Actual Penny Product	This measures the accuracy of LPS's process to produce the Estimated Penny Product at the start of the year by measuring the deviation with the Actual Penny Product at year-end.
LPS 7.1	% Deviation of the in-year Forecast Actual Penny Product from the Final Actual Penny Product	This measures the accuracy of LPS's process to review and hence forecast the Actual Penny Product mid-year by measuring the deviation with the Actual Penny Product at year-end.
LPS 8	% Variance between the outstanding arrears at the end of one financial year as compared to the outstanding arrears at the end of the subsequent financial year	This is the percentage variance between the outstanding arrears at the end of the financial year relative to the level of outstanding debt at the end of the previous financial year. This measures the efficiency of the enforcement process.
LPS 9	% Cash collected against Non Domestic Vacant Rating (NDVR)	This is the percentage of cash collected in year against the current year non domestic vacant properties
LPS 10	LPS Proof of Debit	This ensures that the gross rate income has been derived from the relevant data.

	Monitoring Statements
	Cost of collection
	Monthly collection performance including details of any debt written-off
	Quarterly comparison of original Estimated Penny Product against in year revised Actual Penny Product.
	Analysis of vacant properties in the city
	Analysis of Benefits take-up