

# RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

## REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No

meeting date: 24 NOVEMBER 2009  
 title: REVENUES AND BENEFITS GENERAL REPORT  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: MARK EDMONDSON

### 1 PURPOSE

1.1 To inform committee of debts outstanding for business rates, council tax and sundry debtors. Also to update committee on Benefits Performance, including Benefits Fraud investigations, Prosecutions and Sanctions.

1.2 Relevance to the Council's ambitions and priorities:

❖ **Council Ambitions/Community Objectives/Corporate Priorities**

Without the revenue collected from rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

### 2 NATIONAL NON-DOMESTIC RATES (NNDR)

2.1 The following is a collection statement to 10 November 2009:

	£000	£000	2009/10 % to 10 November	2008/09 % to 10 November
Balance Outstanding 1 April 2009		271		
NNDR amounts due	13,551			
Plus costs	7			
Transitional surcharge	3			
Write ons	5			
	<b>13,566</b>			
Less				
- Transitional relief	10			
- Exemptions	-473			
- Charity, Rural, Former Agricultural Discretionary Relief	-731			
- Small Business Rate Relief	-651			
- Write offs	-12			
- Interest Due	-2			
	<b>-1,859</b>	11,707		
Total amount to recover		<b>11,978</b>		
Less cash received to 10 November		-8,103	67.6	68.7
<b>Amount Outstanding</b>		<b>3,875</b>	<b>32.4</b>	<b>31.3</b>

NB The figures included in the table include not only those charges for 2009/10 but also those relating to previous years, but we are required to report to the Department of Communities and Local Government (DCLG) our in year collection rate. This figure is published and is used to compare our performance with other local authorities. On this measure our current in year collection rate at 31 October 2009 is 67.6% compared with 69.3% at 31 October 2008. This reduction is due to the current credit crunch/recession and the alteration to the Rateable Value of BAE systems at Samlesbury.

### 3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 10 November 2009:

	£000	£000	2009/10 % to 10 November	2008/09 % to 10 November
Balance Outstanding 1 April 2009		382		
Council Tax amounts due	36,554			
Plus costs	54			
Transitional relief	2			
Write ons	5			
	<b>36,615</b>			
Less - Exemptions	-913			
- Discounts	-2,791			
- Disabled banding reduction	-39			
- Council Tax Benefit	-2,183			
- Write offs	-17			
	<b>-5,943</b>	30,672		
<b>Total amount to recover</b>		<b>31,054</b>		
Less cash received to 10 November		-21,465	69.1	69.2
<b>Amount Outstanding</b>		<b>9,589</b>	<b>30.9</b>	<b>30.8</b>

NB The figures included in the table include not only those charges for 2009/10 but also those relating to previous years, but we are required to report our in year collection rate to the DCLG. This figure is published by them and is used to compare our performance against other local authorities. On this measure our current in year collection rate at 31 October 2009 is 69.2% compared to 69.4% at 31 October 2008. This small reduction is due to the current credit crunch/recession.

#### 4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 16 November 2009 is:

	<b>£000</b>	<b>%</b>
Amount Outstanding 1 April 2009	270	
Invoices Raised	1,057	
	<b>1,327</b>	<b>100</b>
Less Paid	<b>1,022</b>	<b>77</b>
<b>Total Outstanding</b>	<b>305</b>	<b>23</b>

<b>Aged Debtors</b>	<b>000s</b>	<b>%</b>
< 30 days	62	20.3
30 - 59 days	31	10.2
60 - 89 days	12	3.9
90 - 119 days	14	4.6
120 – 149 days	3	1.0
150+ days	183	60.0
	<b>305</b>	<b>100</b>

#### 5 HOUSING BENEFIT – PERFORMANCE

5.1 The main indicators for Housing Benefit and Council Tax Benefit performance are the National Indicators for Right Benefit and Right Time. The benefit section also report on Local Performance Indicator's that have been set within the department for Benefit fraud and Overpayments.

The Department of Work and Pensions does not require Local Authorities (LA's) to report on any other Performance Measures but encourages them to monitor their own performance locally.

The Audit Commission recommends that LA's continue to monitor benefit fraud and also overpayment data.

#### 5.2 HOUSING BENEFIT RIGHT BENEFIT AND RIGHT TIME INDICATORS 2009/2010

The right benefit indicator measures the number of changes of circumstances established by LA's which affect customers' HB/CTB entitlement within the year.

The purpose of the right benefit indicator is to ensure that LA's are focused on accurately maintaining their caseload and establishing whether their customers have undergone any change of circumstances (CIC), which might affect their benefit entitlement.

The average Right Benefit Indicator for the period 1 July 2009 – 30 September 2009

Target for quarter	Actual Performance	Average Performance
675	774	No target set by DWP

Right time indicator for period 1 July 2009 to 30 September 2009

The right time indicator will measure the time taken to process HB/CTB new claims and change events; this includes changes in circumstances, interventions, fraud referrals and prints generated by the benefit department.

Target for quarter	Actual Performance	Average Performance
13 days	13.82 days	20 days per IRRV

Performance for new claims

Target for quarter	Actual Performance	Top Grade 4 for all LA's 2007/08
21 days	20 days	Under 30 days

## 6 HOUSING BENEFIT FRAUD

6.1 The following is summary of fraud investigation for the period 1 July 2009 to 30 September 2009

Completed fraud investigations	
	2009/10
1.7.2009. – 30.9.2009.	45
<b>Total</b>	<b>45</b>

Average caseload (YTD)	
2009/2010	2,671

Number of investigations per 1000 caseload		
2009/2010	45/2,671	16.84

6.2 Number of Housing/Council Tax Benefit Prosecutions and Sanctions per 1,000 caseload

The following is a summary of fraud prosecutions and sanctions for the period 1 July 2009 to 30 September 2009.

2009/2010	
Cautions	4
Administrative penalties	0
Successful prosecutions	0
<b>Total</b>	<b>4</b>

Average caseload (YTD)	
2009/2010	2,671

Number of prosecutions/sanctions per 1,000 caseload		
2009/2010	4/2,671	1.49

- 6.3 Ribble Valley Borough Council has brought four formal cautions for benefit fraud during the period 1 July 2009 to 30 September 2009.

All the cautions issued were a result of failing to report a change in their circumstances promptly. These have created overpayments in Housing/Council Tax benefit for £3,259.54.

7 HOUSING BENEFIT OVERPAYMENTS

- 7.1 Overpayment means any amount paid as Housing Benefit when there was no entitlement under the regulations. The performance for the period 1 July 2009 to 30 September 2009 is as follows:

Performance Measure	%
The amount of Housing Benefit (HB) overpayments recovered during the period being reported on as a percentage of HB overpayments deemed recoverable during that period.	93.42
The amount of Housing Benefit (HB) overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year plus amount of HB overpayments identified during the period.	17.73
The amount of Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year, plus amount of HB overpayments identified during the period.	0.00

- 7.2 Summary of write-offs for period 1 July 2009 – 30 September 2009 undertaken by the Benefit Manager or Team Leader.

The Benefit Section has written off the following overpayments for the period above:

	Number	Amount
Write offs up to £15.00	1	£6.16

8 RECOMMENDED THAT COMMITTEE

- 8.1 Note the continuing progress that we make in collecting these debts, and the performance of our Housing Benefit Section remains excellent.

REVENUES AND BENEFITS MANAGER

PF55-09/ME/AC  
6 November 2009