

**RIBBLE VALLEY BOROUGH COUNCIL** INFORMATION  
**REPORT TO POLICY & FINANCE COMMITTEE**

Agenda Item No 15

meeting date: 8 JUNE 2010  
 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 24 May 2010:

	£000	£000	2010/11 % to 24 May	2009/10 % to 24 May
Balance Outstanding 1 April 2010		383		
NNDR amounts due	14,594			
Plus costs	1			
Transitional surcharge	318			
Write ons	0			
	<b>14,913</b>			
Less				
- Transitional relief	-1,080			
- Exemptions	-620			
- Charity, Rural, Former Agricultural Discretionary Relief	-704			
- Small Business Rate Relief	-575			
- Write offs	0			
- Interest Due	-5			
	<b>-2,984</b>	11,929		
Total amount to recover		<b>12,312</b>		
Less cash received to 24 May		-1,790	14.5	14.9
<b>Amount Outstanding</b>		<b>10,522</b>	<b>85.5</b>	<b>85.1</b>

NB The figures included in the table include not only those charges for 2010/11 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 30 April 2010 is 11.4% compared with 10.0% at 30 April 2009.

### 3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 24 May 2010:

	£000	£000	2010/11 % to 24 May	2009/10 % to 24 May
Balance Outstanding 1 April 2010		403		
Council Tax amounts due	36,899			
Plus costs	4			
Transitional relief	2			
Write ons	0			
	<b>36,905</b>			
Less - Exemptions	-833			
- Discounts	-2,852			
- Disabled banding reduction	-42			
- Council Tax Benefit	-2,277			
- Write offs	0			
	<b>-6,004</b>	30,901		
<b>Total amount to recover</b>		<b>31,304</b>		
Less cash received to 24 May		-3,932	12.6	12.6
<b>Amount Outstanding</b>		<b>27,372</b>	<b>87.4</b>	<b>87.4</b>

NB The figures included in the table include not only those charges for 2010/11 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 30 April 2010 is 10.9% compared to 11.1% at 30 April 2009.

### 4 ALLPAY UPDATE

- 4.1 Since the introduction of ALLPAY cards on 1 November 2009 we have issued almost 600 cards.
- 4.2 In April almost 450 transactions were received totalling over £45,000.
- 4.3 We achieved significantly reduced charges from ALLPAY by being part of the Lancashire consortium which runs until 31 March 2011.

4.4 The consortium will be tendering shortly to appoint a supplier for the period 1 April 2011 to 31 March 2015 which will help to keep our costs down over the period.

## 5 SUNDRY DEBTORS

5.1 A summary of the sundry debtors account at 2 June 2010 is:

	<b>£000</b>	<b>%</b>
Amount Outstanding 1 April 2010	392	
Invoices Raised	337	
	<b>729</b>	<b>100</b>
Less Paid	<b>232</b>	
<b>Total Outstanding</b>	<b>497</b>	<b>100</b>

<b>Aged Debtors</b>	<b>000s</b>	<b>%</b>
< 30 days	85	17.1
30 - 59 days	40	8.0
60 - 89 days	242	48.7
90 - 119 days	2	0.4
120 – 149 days	5	1.0
150+ days	123	24.8
	<b>497</b>	<b>100</b>

## 6 HOUSING BENEFIT – PERFORMANCE

6.1 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.

### 6.2 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 April 2009 – 31 March 2010

Target for Year per 1,000	Actual Performance per 1,000	Average Performance
1,059	1,049	No target set by DWP

Right time indicator for period 1 April 2009 - 31 March 2010

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 year	Actual Performance	Average Performance
13 days	9 days	20 days per IRRV

Performance for new claims for period 1 April 2010 – 31 March 2010

Target for year	Actual Performance	Top Grade 4 for all LA's 2007/08
21 days	22.58 days	Under 30 days

## 7 HOUSING BENEFIT FRAUD

7.1 The following is summary of fraud investigation for the period 1 January 2010 to 31 March 2010.

Completed fraud investigations	
1.01.2010 – 31.03.2010	35

Average caseload (YTD)	
2009/2010	2,736

Number of investigations per 1,000 caseload		
2009/2010	35/2,736	12.79

7.2 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 January 2010 to 31 March 2010.

2009/2010	
Cautions	1
Administrative penalties	0
Successful prosecutions	1
<b>Total</b>	<b>2</b>

Average caseload (YTD)	
2009/2010	2,736

Number of prosecutions/sanctions per 1,000 caseload		
2009/2010	2/2,736	0.73

- 7.3 Ribble Valley Borough Council has brought one formal cautions and one prosecution for benefit fraud during the period 1 January 2010 to 31 March 2010.

All the above offences were a result of failing to report a change in their circumstances promptly. These have created overpayments in Housing/Council Tax benefit for £5,834.18. The claimant prosecuted was also given a 2 year conditional discharge and ordered to pay back the debt at £50 per week, plus he incurred £75.00 legal costs.

## 8 HOUSING BENEFIT OVERPAYMENTS

- 8.1 Overpayment means any amount paid as Housing Benefit when there was no entitlement under the regulations. The performance for the period 1 April 2010 to 31 March 2010 is as follows:

<b>Performance Measure</b>	<b>%</b>
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.	93.76
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.	45.92
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.	7.08

- 8.2 Summary of write-offs for period 1 January 2010 to 31 March 2010 undertaken by the Director of Resources.

The Benefit Section has written off overpayments amounting to £996.09 for the period above, plus £21,088.75 which has previously been reported to Committee on the 23 March 2010.

## 9 RECOMMENDED THAT COMMITTEE

- 9.1 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

PF14-10/ME/AC  
11 March 2010