

RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO POLICY & FINANCE COMMITTEE

DECISION

Agenda Item No 10

meeting date: 25 JANUARY 2011
 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 31 December 2010:

	£000	£000	2010/11 % to 31 Dec	2009/10 % to 31 Dec
Balance Outstanding 1 April 2010		383		
NNDR amounts due	14,286			
Plus costs	5			
Transitional surcharge	321			
Write ons	10			
	14,622			
Less				
- Transitional relief	-1,090			
- Exemptions	-581			
- Charity, Rural, Former Agricultural Discretionary Relief	-705			
- Small Business Rate Relief	-890			
- Write offs	-115			
- Interest Due	-17			
	-3,398	11,224		
Total amount to recover		11,607		
Less cash received to 31 December		-9,981	86.0	85.5
Amount Outstanding		1,626	14.0	14.5

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 31 December 2010 is 88.1% compared with 86.5% at 31 December 2009.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 31 December 2010:

	£000	£000	2010/11 % to 31 Dec	2009/10 % to 31 Dec
Balance Outstanding 1 April 2010		403		
Council Tax amounts due	36,785			
Plus costs	52			
Transitional relief	4			
Write ons	2			
	36,843			
Less - Exemptions	-917			
- Discounts	-2,850			
- Disabled banding reduction	-45			
- Council Tax Benefit	-2,260			
- Write offs	-21			
	-6,093	30,750		
Total amount to recover		31,153		
Less cash received to 31 December		-27,227	87.4	87.2
Amount Outstanding		3,926	12.6	12.8

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 31 December 2010 is 88.0% compared to 87.7% at 31 December 2009.

5 SUNDRY DEBTORS

5.1 A summary of the sundry debtors account at 12 January 2011 is:

	£000	%
Amount Outstanding 1 April 2010	392	
Invoices Raised	1,081	
	1,473	100
Less Paid	1,137	77
Total Outstanding	336	23

Aged Debtors	000s	%
< 30 days	43	12.80
30 - 59 days	53	15.77
60 - 89 days	33	9.82
90 - 119 days	5	1.49
120 – 149 days	23	6.85
150+ days	179	53.27
	336	100

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.

We obviously consider it very important to monitor benefit fraud and also overpayment data.

6.2 HOUSING BENEFIT RIGHT TIME INDICATOR 2010/2011

Right time indicator of period 1 October 2010 – 31 December 2010

The right time indicator measures 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
12 days	7.37 days	20 days per IRRV

Performance for new claims for period 1 October 2010 – 31 December 2010

Target for year	Actual Performance	Top Grade 4 for all LA's 2007/08
20 days	17.26 days	Under 30 days

7 HOUSING BENEFIT FRAUD

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

Completed fraud investigations		Average caseload (YTD)	
1.10.2010 – 31.12.2010	50	2010/2011	2,776

Number of investigations per 1,000 caseload		
2010/2011	50/2,776	18.01

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 October 2010 to 31 December 2010.

2010/2011		Average caseload (YTD)	
Cautions	2	2010/2011	2,776
Administrative penalties	0		
Successful prosecutions	2		
Total	4		

Number of prosecutions/sanctions per 1,000 caseload		
2010/2011	4/2,776	1.44

7.3 Ribble Valley Borough Council has brought two formal cautions for benefit fraud during the period 1 October 2010 to 31 December 2010.

Three of 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 £8,400.42. The prosecution cases have also received the following:

- a) 120 hours of unpaid community work and £200 towards the Council's prosecution costs.
- b) 12 months conditional discharge and £75 towards costs.

The other offence was knowingly allowing documentation or information to be produced that is known to be false. This created an overpayment in Housing /Council Tax Benefit for £1,139.37.

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 October 2010 to 31 December 2010 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.	78.69
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.	25.82
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.	0.42

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.
- 9.2 Authorise the following officers to represent the Council at Court proceedings for the recovery of Council Tax and Business Rates arrears:

Jane Pearson
Debbie Kelly

Diane Rice
Lesley Haworth

Mark Edmondson
Angela Hampson

REVENUES AND BENEFITS MANAGER

PF2-11/ME/AC
12 January 2011