

RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 16

meeting date: 29 MARCH 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 15 March 2011:

	£000	£000	2010/11 % to 15 March	2009/10 % to 15 March
Balance Outstanding 1 April 2010		383		
NNDR amounts due	14,300			
Plus costs	7			
Transitional surcharge	321			
Write ons	10			
	14,638			
Less				
- Transitional relief	-1,093			
- Exemptions	-561			
- Charity, Rural, Former Agricultural Discretionary Relief	-697			
- Small Business Rate Relief	-905			
- Write offs	-120			
- Interest Due	-18			
	-3,394	11,244		
Total amount to recover		11,627		
Less cash received to 15 March		-11,219	96.5	96
Amount Outstanding		408	3.5	4

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 estimated in year collection rate for 2010/11 will be 98.3% compared with 97.8% for 2009/10.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 15 March 2011:

	£000	£000	2010/11 % to 15 March	2009/10 % to 15 March
Balance Outstanding 1 April 2010		403		
Council Tax amounts due	36,772			
Plus costs	67			
Transitional relief	5			
Write ons	3			
	36,847			
Less - Exemptions	-963			
- Discounts	-2,866			
- Disabled banding reduction	-45			
- Council Tax Benefit	-2,251			
- Write offs	-23			
	-6,148	30,699		
Total amount to recover		31,102		
Less cash received to 15 March		-30,627	98.5	98.4
Amount Outstanding		475	1.5	1.6

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 estimated in year collection rate for 2010/11 is 99.0% compared to 99.0% for 2009/10.

5 SUNDRY DEBTORS

5.1 A summary of the sundry debtors account at 16 March 2011 is:

	£000	%
Amount Outstanding 1 April 2010	392	
Invoices Raised	1,352	
	1,744	100
Less Paid	1,446	83
Total Outstanding	298	17

Aged Debtors	000s	%
< 30 days	77	25.84
30 - 59 days	17	5.70
60 - 89 days	3	1.01
90 - 119 days	8	2.68
120 – 149 days	32	10.74
150+ days	161	54.03
	298	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.	88.58
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.	26.80
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.	0.04

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

PF17-11/ME/AC
16 March 2011