

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 19

meeting date: 12 JUNE 2012
 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 May 2012:

	£000	£000	2012/13 % to 31 May	2012/13 % to 31 May
Balance Outstanding 1 April 2012		475		
NNDR amounts due	16,698			
Plus costs	1			
Transitional surcharge	17			
Write ons	4			
	16,720			
Less				
- Transitional relief	-298			
- Exemptions	-332			
- Charity, Rural, Former Agricultural Discretionary Relief	-966			
- Small Business Rate Relief	-1,537			
- Write offs	-22			
- Interest Due	-			
	-3,155	13,565		
Total amount to recover		14,040		
Less cash received to 31 May		-2,861	20.4	19.8
Amount Outstanding		11,179	79.6	80.2

NB The figures included in the table include not only those charges for 2012/13 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 May 2012 is 21.4% compared with 20.8% at 31 May 2011.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 31 May 2012:

	£000	£000	2012/13 % to 31 May	2012/13 % to 31 May
Balance Outstanding 1 April 2012		420		
Council Tax amounts due	37,259			
Plus costs	32			
Transitional relief	1			
Write ons	1			
	37,293			
Less - Exemptions	-968			
- Discounts	-2,874			
- Disabled banding reduction	-40			
- Council Tax Benefit	-2,293			
- Write offs	-3			
	-6,178	31,115		
Total amount to recover		31,535		
Less cash received to 31 May		-6,465	20.5	20.4
Amount Outstanding		25,070	79.5	79.6

NB The figures included in the table include not only those charges for 2012/13 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 for 2012/13 at 31 May 2012 is 20.9% compared to 20.8% at 31 May 2011.

4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 1 June 2012 is:

	£000	£000	%
Amount Outstanding 1 April 2012		308	
Invoices Raised	494		
Plus costs	0.50		
	494.50		
Less write offs	0	494.5	
Total amount to recover		802.5	
Less cash received to 1 June 2012		284	35.39
Amount outstanding		518.5	

Aged Debtors	000s	%
< 30 days	74	14.29
30 - 59 days	70	13.51
60 - 89 days	191	36.87
90 - 119 days	10	1.93
120 – 149 days	9	1.74
150+ days	164	31.66
	518	100

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 Indicators that have been set within the department for benefit fraud and overpayments.
- 5.2 The Department for 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.
- 5.3 We obviously consider it very important to monitor benefit fraud and also overpayment data.

Housing Benefit Right Time Indicator 2011/2012

1 January 2012 – 31 March 2012

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
10 days	5.75 days	20 days per IRRV

New claims performance

1 January 2012 – 31 March 2012

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

6 HOUSING BENEFIT FRAUD

6.1 The following is a summary of fraud investigations for the period 1 January 2012 to 31 March 2012.

Completed fraud investigations	
1 January 2012 – 31 March 2012	17

Average caseload (YTD)	
2011/2012	2,916

Number of investigations per 1,000 caseload		
2011/2012	17/2,916	5.83

Number of Housing/Council Tax Benefit prosecutions and sanctions per 1,000 caseload

2011/2012	
Cautions	1
Administrative penalties	0
Successful prosecutions	2
Total	3

Average caseload (YTD)	
2011/2012	2,916

Number of prosecutions/sanctions per 1,000 caseload		
2011/2012	3/2,916	1.02%

6.2 Ribble Valley Borough Council has brought one formal caution and two prosecutions for benefit fraud during the period 1 January 2012 – 31 March 2012.

The above offences were a result of claimants failing to report a change in their circumstances promptly. This created overpayments in Housing/Council Tax benefit for £17,720.17 and £27,471.49 in Department of Work and Pensions overpayments.

Both prosecutions were successfully prosecuted in court and one claimant received an 8 month imprisonment suspended for 12 months, a supervision order for 12 months and £300 legal costs and the other claimant received a 12 months conditional discharge and £150 legal costs.

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 January 2012 – 31 March 2012.

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.	84.41

Performance Measure	%
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.	16.34
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.	1.06

8 CONCLUSION

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

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF25-12/ME/AC
21 MAY 2012

BACKGROUND PAPERS – None

For further information please ask for Mark Edmondson extension 4504.