

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 15

meeting date: 28 MARCH 2017
 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 17 March 2017:

	£000	£000	2016/17 %	2015/16 %
Balance Outstanding 1 April 2016		575		
NNDR amounts due	18,728			
Plus costs	5			
Transitional surcharge	5			
Write ons	49			
	18,787			
Less				
- Transitional relief	91			
- Exemptions	-415			
- Charity, Rural, Community Amateur Sports Clubs Relief	-1,054			
- Small Business Rate Relief	-2,069			
- Retail, Reoccupation, New Build, Discretionary Transitional Relief, and Flood Relief	-38			
- Interest Due	-0			
- Write Offs	-179			
	-3,664	15,123		
Total amount to recover		15,698		
Less cash received to 17 March 2017		-15,091	96.1	95.4
Amount Outstanding		607	3.9	4.6

NB The figures included in the table include not only those charges for 2016/17 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 28 February 2017 is 96.91% compared with 98.44% at 29 February 2016.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 17 March 2017:

	£000	£000	2016/17 %	2015/16 %
Balance Outstanding 1 April 2016		787		
Council Tax amounts due	41,220			
Plus costs	80			
Transitional relief	1			
Write ons	5			
	41,306			
Less - Exemptions	-534			
- Discounts	-3,755			
- Disabled banding reduction	-47			
- Council Tax Benefit	20			
- Local Council Tax Support	-1,800			
- Write offs	-19			
	-6,135	35,171		
Total amount to recover		35,958		
Less cash received to 17 March 2017		-35,059	97.5	97.6
Amount Outstanding		899	2.5	2.4

NB The figures included in the table include not only those charges for 2016/17 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 28 February 2017 is 98.50% compared to 98.48% at 29 February 2016.

4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 17 March 2017 is:

	£000	£000
Amount Outstanding 1 April 2016		478
Invoices Raised	2,106	
Plus costs	1	
		2,107
Less write offs		2
Total amount to recover		2,583
Less cash received to 17 March 2017		2,199
Amount outstanding		384

Aged Debtors	000s	%
< 30 days	50	13
30 - 59 days	9	2
60 - 89 days	16	4
90 - 119 days	2	1
120 - 149 days	20	5
150+ days	287	75
	384	100

5 HOUSING BENEFIT AND COUNCIL TAX SUPPORT PERFORMANCE

- 5.1 The main indicator for Housing Benefit and Council Tax Support performance is known as 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 overpayment data.

Housing Benefit Right Time Indicator 2016/2017

The right time indicator measures the time taken to process HB/CTS 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 1 October 2016 –31 December 2016	Average Performance
10 days	6.37 days	20 days per IRRV

New claims performance

Target for year	Actual Performance 1 October 2016 –31 December 2016	Top grade 4 for all LA's 2007/08
23 days	13.13 days	Under 30 days

6 HOUSING BENEFIT OVERPAYMENTS

- 6.1 Overpayment means any amount paid as Housing Benefit when there was no entitlement under the regulations. Performance for the period 1 October 2016 –31 December 2016:

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.	71.67
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.	15.13
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.	1.25

7 DEPARTMENT OF WORK AND PENSIONS (DWP) BEST PRACTICE VISIT

- 7.1 The National Audit Office has raised concerns about the increasing number of qualification letters issued to local authorities for Housing Benefit Final Subsidy Claims.
- 7.2 The DWP have decided to visit a number of local authorities to identify why this is occurring and also to identify where best practice can be identified.
- 7.3 The Housing Benefit Subsidy Claim is extremely complex and requires a high level of knowledge and expertise to produce an unqualified claim. As such we ensure both senior Housing Benefit staff and a Senior Accountant work closely together to ensure our claim is submitted correctly.
- 7.4 We are very pleased as part of this process that we have been selected as a local authority demonstrating good practice. It should also be noted that our claims have been unqualified for more than ten years. A copy of the letter requesting the visit is attached at Appendix 1. The DWP have stated they are particularly interested in our excellent performance in relation to these issues.

8 CONCLUSION

- 8.1 Note the continuing progress that we make in collecting these debts, and that the performance of our Housing Benefit Section has been identified by DWP as demonstrating best practice.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF22-17/ME/AC
16 March 2017

For further information please ask for Mark Edmondson.

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The Chief Executive
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28 FEB 2017

27 February 2017

Dear Sir/Madam,

Qualified Housing Benefit Subsidy Claims

Housing Benefit Circular S4/2014 confirmed National Audit Office's concern regarding the increasing number of qualification letters issued on Housing Benefit final subsidy claims and indicated that the DWP would visit a number of local authorities to obtain relevant information and assurances.

As part of this programme of visits, it has been decided to also visit local authorities whose final subsidy claims have not been qualified in recent years. It is hoped that this will provide information in regard to good practice to supplement findings from local authorities which have qualified final subsidy claims.

The DWP has noted that your local authority's recent final subsidy claims were not qualified by your auditor. The DWP would, therefore, like to visit your local authority in March 2017 to obtain information regarding the good practices which your local authority has in place.

Across the country, the largest number of qualifications relate to incorrect benefit assessments (leading to underpaid and overpaid benefit); overpayment misclassification; and failure to reconcile expenditure from benefit systems to the total expenditure amounts reported in final subsidy claims. The DWP is particularly interested in your authority's excellent performance in relation to these issues.

Accordingly, I would be grateful if the DWP could meet with appropriate officials of your local authority to discuss good practice on either 21 or 22 March. The visit will be undertaken by Michelle Fazackerley and myself and should last for a maximum of 2 hours. Please could you confirm if one of these dates is suitable for the DWP's visit; I am, of course, happy to arrange this directly with your officials.

If you have any questions on this matter or would like further information, please do not hesitate to contact me.

Yours faithfully,

Michael Mina

Michael Mina
Housing Benefit Unit Manager