

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 16

meeting date: 22 NOVEMBER 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 11 November 2011:

	£000	£000	2011/12 % to 11 Nov	2010/11 % to 11 Nov
Balance Outstanding 1 April 2011		363		
NNDR amounts due	15,719			
Plus costs	7			
Transitional surcharge	84			
Write ons	24			
	<b>15,834</b>			
Less				
- Transitional relief	-609			
- Exemptions	-448			
- Charity, Rural, Former Agricultural Discretionary Relief	-785			
- Small Business Rate Relief	-1,363			
- Write offs	-60			
- Interest Due	-2			
	<b>-3,267</b>	12,567		
Total amount to recover		<b>12,930</b>		
Less cash received to 11 Nov		-8,713	67.4	69.1
<b>Amount Outstanding</b>		<b>4,217</b>	<b>32.6</b>	<b>30.9</b>

NB The figures included in the table include not only those charges for 2011/12 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 October 2011 is 67.8% compared with 70.1% at 31 October 2010. The fall in the in year collection rate is due to the ending of the temporary increase in the empty property rate exemption threshold.

### 3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 11 November 2011:

	£000	£000	2011/12 % to 11 Nov	2010/11 % to 11 Nov
Balance Outstanding 1 April 2011		404		
Council Tax amounts due	37,013			
Plus costs	66			
Transitional relief	1			
Write ons	2			
	<b>37,082</b>			
Less - Exemptions	-987			
- Discounts	-2,834			
- Disabled banding reduction	-44			
- Council Tax Benefit	-2,305			
- Write offs	-16			
	<b>-6,186</b>	30,896		
<b>Total amount to recover</b>		<b>31,300</b>		
Less cash received to 11 Nov		-21,644	69.2	69.3
<b>Amount Outstanding</b>		<b>9,656</b>	<b>30.8</b>	<b>30.7</b>

NB The figures included in the table include not only those charges for 2011/12 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 2011/12 at 31 October 2011 is 69.1% compared to 69.2% at 31 October 2010.

#### 4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 14 November 2011 is:

	£000	£000	%
Amount Outstanding 1 April 2011		472	
Invoices Raised	985		
Plus costs	3		
	<b>988</b>		
Less write offs	<b>0</b>	<b>988</b>	
<b>Total amount to recover</b>		<b>1,460</b>	
Less cash received to 14 November 2011		1,083	74.18
<b>Amount outstanding</b>		<b>377</b>	

Aged Debtors	000s	%
< 30 days	61	16.18
30 - 59 days	14	3.71
60 - 89 days	36	9.55
90 - 119 days	10	2.65
120 – 149 days	3	0.80
150+ days	253	67.11
	<b>377</b>	<b>100</b>

#### 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 2010/2011*

1 July 2011 – 30 September 2011

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	10.33 days	20 days per IRRV

*New claims performance*

1 July 2011 – 30 September 2011

Target for year	Actual Performance	Top grade 4 for all LA's 2007/08
19 days	20.04 days	Under 30 days

6 HOUSING BENEFIT FRAUD

6.1 The following is a summary of fraud investigations for the period 1 July 2011 – 30 September 2011.

Completed fraud investigations	
1 July 2011 – 30 September	46

Average caseload (YTD)	
2011/2012	2,844

Number of investigations per 1,000 caseload		
2011/2012	46/2,844	16.17

*Number of Housing/Council Tax Benefit prosecutions and sanctions per 2,000 caseload*

2011/2012	
Cautions	1
Administrative penalties	1
Successful prosecutions	2
<b>Total</b>	<b>4</b>

Average caseload (YTD)	
2011/2012	2,844

Number of prosecutions/sanctions per 1,000 caseload		
2011/2012	4/2,844	1.40%

6.2 Ribble Valley Borough Council has brought one formal caution, one administration penalty and two prosecutions for benefit fraud during the period 1 July 2011 – 30 September 2011.

The above offences were a result of the claimants failing to report a change in their circumstances promptly. These have created overpayments in Housing/Council Tax benefit for £11,855.86. The claimant given an administration penalty must also pay back £86.20 (30% of the overpayment). Two claimants were prosecuted and received the following:

Case 1

6 months suspended sentence and 120 hours community work order. A Proceeds of Crime hearing was held at Preston Crown Court on 21 October 2011 and the claimant was ordered to pay back the overpayment within six months or face a prison sentence and the seizure of her home.

Case 2

12 months conditional discharge and £75.00 compensation

## 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 July 2011 – 30 September 2011.

<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.	64.86
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.	12.27
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.	0.15

## 8 RECOMMENDED THAT COMMITTEE

- 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 REVENUE AND BENEFITS

PF68-11/ME/AC  
15 November 2011