

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

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| INFORMATION |
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meeting date: 22 JUNE 2021
 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 processing times and overpayment recovery.

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 6 June 2021:

| | £000 | £000 | 2021/22 % | 2020/21 % |
|--|----------------|---------------|--------------|--------------|
| Balance Outstanding 1 April 2021 | | 907 | | |
| NNDR amounts due | 21,808 | | | |
| Plus costs | 3 | | | |
| Transitional surcharge | 4 | | | |
| Write ons | 0 | | | |
| | 21,815 | | | |
| Less | | | | |
| - Transitional relief | -43 | | | |
| - Exemptions | -372 | | | |
| - Charity, Rural, Community Amateur Sports Clubs Relief | -1,267 | | | |
| - Small Business Rate Relief | -3,677 | | | |
| - Nursery Discount, Retail Discount, SSB, Flood Relief, Revaluation 2017, Pub, SSB and Other reliefs | -6,436 | | | |
| - Interest Due | 0 | | | |
| - Write Offs | 0 | | | |
| | -11,795 | 10,020 | | |
| Total amount to recover | | 10,927 | | |
| Less cash received to 6 June 2021 | | -2,059 | 18.8 | 13.3 |
| Amount Outstanding | | 8,868 | 81.2 | 86.7 |

NB The figures included in the table include not only those charges for 2021/22 but also those relating to previous years, but we are required to report to the Ministry of Housing, Communities & Local Government (MHCLG) 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 2021 is 20.61% compared with 14.04% at 31 May 2020. The collection rate for 2020/21 was severely impacted by COVID19 and was 2.10% lower than 2019/20. It is too early to predict what the impact will be in 2021/22.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 6 June 2021:

| | £000 | £000 | 2021/22 % | 2020/21 % |
|---|---------------|---------------|--------------|--------------|
| Balance Outstanding 1 April 2021 | | 1,679 | | |
| Council Tax amounts due | 55,006 | | | |
| Plus costs | 68 | | | |
| Transitional relief | 1 | | | |
| Write ons | 0 | | | |
| | 55,075 | | | |
| Less - Exemptions | -771 | | | |
| - Discounts | -4,678 | | | |
| - Disabled banding reduction | -57 | | | |
| - Council Tax Benefit | 0 | | | |
| - Local Council Tax Support plus Hardship | -2,198 | | | |
| - Write offs | 0 | | | |
| | -7,704 | 47,371 | | |
| Total amount to recover | | 49,050 | | |
| Less cash received to 6 June 2021 | | -10,033 | 20.5 | 19.8 |
| Amount Outstanding | | 39,017 | 79.5 | 80.2 |

NB The figures included in the table include not only those charges for 2021/22 but also those relating to previous years, but we are required to report our in year collection rate to the MHCLG. 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 May 2021 is 20.55% compared to 19.82% at 31 May 2020. The collection rate for 2020/21 was severely impacted by COVID19 and was 2.10% lower than 2019/20. It is too early to predict what the impact will be in 2021/22.

4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 14 June 2021 is:

| | £000 | £000 |
|------------------------------------|-------|--------------|
| Amount Outstanding 1 April 2021 | | 651 |
| Invoices Raised | 1,043 | |
| Plus costs | 0 | |
| | | 1,043 |
| Less credit notes | | -101 |
| Total amount to recover | | 1,593 |
| Less cash received to 14 June 2021 | | -640 |
| Amount outstanding | | 953 |

| Aged Debtors | 000s | % |
|----------------|------------|------------|
| < 30 days | 104 | 10.91 |
| 30 - 59 days | 27 | 2.83 |
| 60 - 89 days | 402 | 42.18 |
| 90 - 119 days | 13 | 1.36 |
| 120 - 149 days | 0 | 0.00 |
| 150+ days | 407 | 42.71 |
| | 953 | 100 |

4.2 The balance of debt outstanding for '60-89 days' includes debts raised on an annual basis at the start of the financial year, which are being paid by direct debit on a monthly basis throughout the year. Another substantial element within this balance is debt relating to overpaid housing benefit due to reasons including fraud. Recovery action continues on such housing benefit debts, with some being paid by instalments.

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 2020/2021

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 January 2021– 31 March 2021 | Average Performance |
|-----------------|---|---------------------|
| 5 days | 5.11 days | 20 days per IRRV |

New claims performance

| Target for year | Actual Performance 1 January 2021 – 31 March 2021 | Top grade 4 for all LA's 2007/08 |
|-----------------|--|----------------------------------|
| 15 days | 14.81 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.
- 6.2 The figures overleaf are from the previous quarter as the latest figures were not available at the time of writing the report.

Performance for the period 1 January 2021 – 31 March 2021:

| 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. | 116.43 |
| 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. | 8.95 |
| 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. | 1.54 |

7 CONCLUSION

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

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF29-21/ME/AC
7 June 2021

For further information please ask for Mark Edmondson.