



## Cabinet 2 September 2014

### Report from the Anglia Revenues and Benefits Partnership Joint Committee: 30 June 2014

#### 1. Summary and reasons for recommendation

1.1 On 30 June 2014 the Anglia Revenues and Benefits Partnership (ARP) Joint Committee considered the following substantive items of business:

- (1) Fraud;
- (2) Future of Counter Fraud Work of ARP;
- (3) Risk Register;
- (4) Performance Report;
- (5) Final Accounts 2013/2014;
- (6) Moving to a Single Member Joint Committee; and
- (7) Welfare Reform.

1.2 This report is for information only and provides the decisions of the Joint Committee.

#### 2. Recommendation

2.1 The Cabinet is requested to **NOTE** the content of Report F99, being the report of the Anglia Revenues and Benefits Partnership Joint Committee.

#### Contact details

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### **3. Strategic priorities**

- 3.1 The recommendation meets the following, as contained within the West Suffolk Strategic Plan:

Not applicable to this report

### **4. Key issues**

#### **Fraud (Agenda Item 6)**

- 4.1 The Joint Committee had received and noted a report which detailed the work undertaken by the ARP Fraud and Visits Team during 2013/2014 in countering fraud against the public purse, compared to 2012/2013. The report also updated on the Single Fraud Investigation Service and on joint work with other parties in Countering Fraud.
- 4.2 The following appendices were attached to the report:
- Appendix A: details of the performance for each of the authorities within the partnership for 2013/2014 compared to 2012/2013;
- Appendix B: provided definitions of some of the terms used within the report; and
- Appendix C: examples of recent and current cases.
- 4.3 The Joint Committee had discussed the cases provided in Appendix C, which included a case where an investigation held into a person claiming income support, housing benefit and council tax benefit had revealed that she had failed to inform East Cambridgeshire District Council (ECDC) and the Department of Work and Pensions (DWP) that her husband had re-joined the household in June 2009. The total overpayment in this case was £57,499.61. The person was sentenced to 12 months imprisonment for each offence (DWP and ECDC) to run concurrently for 2 years. No costs were awarded but the Recovery Team can seek recovery of the overpayments over a number of years if necessary.
- 4.4 In another case, an investigation into a benefit claim revealed that falsified bank statements, tenancy agreement and supporting documentation were provided in an attempt to reduce an overpayment of benefit. The customer was prosecuted and pleaded guilty. He was sentenced to five months custody suspended for 18 months, 180 hours unpaid work, £2,000 costs and a compensation order for the full overpayment to be repaid by the end of June 2014.
- 4.5 A separate report was included on the agenda with regard to the Single Fraud Investigation Service (SFIS) (see 4.6 below).

#### **Future of Counter Fraud Work of ARP (Agenda Item 7)**

- 4.6 The Joint Committee had considered a report which sought authorisation to undertake a further review of the fraud investigation service provided by the ARP counter fraud resource, in response to the DWP's proposals to introduce a Single Fraud Investigation Service (SFIS).

- 4.7 Members noted that the SFIS is proposed to be a partnership of staff from DWP, local authorities and HMRC, rather than each organisation operating singly.
- 4.8 Four pilots have been operating, and a further four pilot sites are due to go live shortly as part of Phase 1 of the roll-out programme. Phase 2, that being all the other local authorities on a rolling programme, will follow with the transfer date for the ARP partners being 1 September 2015.
- 4.9 As yet, there has been no information regarding the numbers of staff that will transfer, what effect there may be on staff terms and conditions, operational decisions regarding policy procedures or access to ICT.
- 4.10 The Joint Committee had expressed concern that the SFIS would only be tackling benefit fraud and how will other types of fraud be investigated if staff are transferred to DWP. Further detail was expected at the next meeting in September 2014 which will consider the impact of the SFIS and provide options for continuing with investigations into other types of fraud. In the meantime, Members agreed that their local MPs should be lobbied to highlight their concerns regarding the proposed SFIS.
- 4.11 The Joint Committee **RESOLVED that a further review of the service provided by the ARP Counter Fraud resource be authorised.**

#### **Risk Register (Agenda Item 8)**

- 4.12 The Joint Committee had considered a report which presented the Risk Register for the partnership.
- 4.13 Members noted that all risks assessed, as shown in Appendix A had been annotated green after mitigation, apart from one which related to income from Business Rates Retention and Council Tax meeting budget requirements.
- 4.14 The move to locally retained business rates and the Local Council Tax Reduction Schemes from April 2013 transferred an element of risk to local authorities. The risk remains amber after mitigation because the risk is influenced by a number of factors outside of the partnership's direct control such as: economic trends, unemployment levels, businesses deciding to relocate out of a district, and increasing pensioner population. This will continue to be monitored.
- 4.15 The Joint Committee **RESOLVED that:**
- (1) the Risk Register be agreed and the contents of the report be noted; and**
  - (2) ARP risk be reviewed every six months by the Joint Committee in June and December each year.**

### **Performance Report (Agenda Item 9)**

- 4.16 The Joint Committee had received and noted a Performance Report as at 31 May 2014. The report detailed ARP's key achievements in respect of Benefits News; Council Tax News; NDR news; HBOP News; Projects; Learning and Support; and Customer Survey. This detailed report, together with the other reports considered at this meeting which are available in the public domain, can be viewed on Breckland District Council's website:

<http://democracy.breckland.gov.uk/ielistDocuments.aspx?MIId=3263&x=1>

- 4.17 While some information was yet to be populated, the balanced scorecard dashboard (summary) was annotated green in respect of all five partner authorities.

### **Final Accounts 2013/2014 (Agenda Item 10)**

- 4.18 The Joint Committee had considered a report which provided the outturn position for 2013/2014 and sought approval for the 2013/2014 final accounts and Annual Governance Statement (AGS).

- 4.19 The following appendices were attached to the report:

Appendix A: Budget outturn and variances, which showed a total outturn of £5459,958 with no variances. There had been a surplus of £50,273 and the Joint Committee had previously resolved to retain the year end surplus into reserves for projects rather than redistribute it to the partner authorities. In addition, Members had noted that they had also previously resolved to retain the total unspent grants for 2013/2014 of £221,207;

Appendix B: Annual Return 2013/2014, including AGS; and  
Appendix C: Internal Audit Report 2013/2014.

- 4.20 The Joint Committee **RESOLVED that:**

- (1) the accounting statement for the year ended 31 March 2014 be approved;**
- (2) the Annual Governance Statement be approved;**
- (3) the 2013/2014 outturn position be noted; and**
- (4) the internal audit report and review of governance arrangements be noted.**

### **Moving to a Single Member Joint Committee (Agenda Item 11)**

- 4.21 The Joint Committee had considered a report which sought to reduce the representation on the Joint Committee from two members to one per authority as it was considered that following the joining of ARP by Fenland District Council and the possibility of Suffolk Coastal and Waveney DCs becoming full partners in the future, the Joint Committee may become unwieldy.
- 4.22 Members had considered that until the future of the Partnership had been determined, no changes should be made to the current arrangements.

- 4.23 The Joint Committee **RESOLVED that Option 3, 'do nothing and continue with two members per authority', be approved.**

### **Welfare Reform (Agenda Item 12)**

- 4.24 The Joint Committee had received a verbal update on this item. A draft service plan on the implications of the introduction of the Universal Credit system would be presented to next meeting of the Joint Committee.

### **5. Other options considered**

- 5.1 See link to documents published on Breckland District Council's website as shown in Section 4.16 above.

### **6. Community impact**

- 6.1 See link to documents published on Breckland District Council's website as shown in Section 4.16 above.

### **7. Consultation**

- 7.1 See link to documents published on Breckland District Council's website as shown in Section 4.16 above.

### **8. Financial and resource implications** *(including asset management implications)*

- 8.1 See link to documents published on Breckland District Council's website as shown in Section 4.16 above.

### **9. Risk/opportunity assessment** *(potential hazards or opportunities affecting corporate, service or project objectives)*

- 9.1 See link to documents published on Breckland District Council's website as shown in Section 4.16 above.

### **10. Legal and policy implications**

- 10.1 See link to documents published on Breckland District Council's website as shown in Section 4.16 above.

### **11. Wards affected**

- 11.1 All Wards.

### **12. Background papers**

- 12.1 See link to documents published on Breckland District Council's website as shown in Section 4.16 above.

### **13. Documents attached**

None

