

Joint Executive (Cabinet) Committee

Title of Report:	Report of the Anglia Revenues and Benefits Partnership Joint Committee: 25 September 2018	
Report No:	CAB/JT/18/040	
Report to and date:	Joint Executive (Cabinet) Committee	6 November 2018
Portfolio holders:	Cllr Stephen Edwards FHDC Portfolio Holder for Resources and Performance Tel: 07904 389982 Email: stephen.edwards@forest-heath.gov.uk	Cllr Ian Houlder SEBC Portfolio Holder for Resources and Performance Tel: 07970 729435 Email: ian.houlder@stedsb.gov.uk
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Purpose of report:	On 25 September 2018, the Anglia Revenues and Benefits Partnership (ARP) Joint Committee considered the following substantive items of business: <ol style="list-style-type: none"> (1) Highlight Report, Balance Scorecards and Financial Performance Report; (2) Welfare Reform Update; (3) Norwich Partnership – Partnership Working Through Section 113 Agreement; and (4) Forthcoming Issues. This report is for information only. No decisions are required by the Cabinets.	
Recommendation:	The Joint Executive (Cabinet) Committee is requested to <u>NOTE</u> the content of Report No: CAB/JT/18/040, being the report of the Anglia Revenues and Benefits Partnership Joint Committee.	

Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/> For noting only
Consultation:	<ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Alternative option(s):	<ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Implications:	
<i>Are there any financial implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
<i>Are there any legal and/or policy implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
<i>Are there any equality implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Risk/opportunity assessment: See reports of ARP Joint Committee at link provided under 'Background papers'	<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>
Ward(s) affected:	All Ward/s
Background papers: <i>(all background papers are to be published on the website and a link included)</i>	Breckland DC Website: 25 September 2018
Documents attached:	None

1. Key Issues

1.1 **Operational Highlight Report, Balance Scorecards and Finance Report (Agenda Item 5a and 5b)**

(a) Operational Highlight Report

- 1.1.1 The Joint Committee had received and **noted** the Operational Highlight Report as at 31 August 2018. The report details ARP's key achievements in respect of Benefits and Fraud Performance; Revenues Performance and Support Performance, including Digital Transformation and Self-Service, an update on ARP website; and the implications of the new General Data Protection Regulations. This detailed report can be viewed on Breckland District Council's website at:

<http://democracy.breckland.gov.uk/documents/s49747/Joint%20Committee%20Report%20Highlight%20Report%20September%202018.pdf>

- 1.1.2 Fraud and compliance performance are already on track to exceed targets for 2018/19 with total savings achieving £1,218,423 as at 31 August 2018 against the total year end target of £1,300,000.
- 1.1.3 Revenues collection performance targets are largely continuing to be met by the partner authorities. The Further Recovery team has collected £419,000 in 2018/19 which exceeds the amount collected in the same period last year by £213,000.
- 1.1.4 The Enforcement Team also continues to perform well, having collected £11.89 million since the agency was established, of which £2.2 million has been collected in the 2018/19 financial year. A sixth Enforcement Agent has recently joined ARP to provide some resilience and had replaced another Enforcement Agent who had recently left. The Partnership has had enquiries from other authorities with a view to expanding the service.
- 1.1.5 Reminder notices encouraging customers, where necessary, to keep their council tax payments up to date, have been redesigned and appear to have had a positive impact with the number of final notices needing to be issued decreasing each month when compared to the numbers issued during the same period as last year.
- 1.1.6 The sign up to self service for council taxpayers and housing benefits recipients across ARP now exceeded 15,000 and is continuing to rise each month.
- 1.1.7 Following the redesign of the ARP website to better accommodate customers paying business rates, a new design for those paying council tax has also now been launched. Customers should now be able to access council tax information much more easily.
- 1.1.8 As Members are aware, ARP works collectively providing the administration of the statutory obligation for council tax collection, business rates, housing benefits and local council tax reduction schemes. There is an ongoing action plan in place to continue compliance with changing legislation as a result of

the introduction of GDPR, particularly with regard to the ability to comply with the new rights of the individual. Although the changes are significant, the data collected and processed by ARP is solely for the purposes of Revenues and Benefits. The sharing of data is only permitted in relation to the processing of personal data provided under this legal obligation, for example, to the Department of Work and Pensions (DWP).

1.1.9 Discussion had particularly been held at the meeting on the following issues:

- (i) Bringing empty properties back into use as quickly as possible to maximise the council tax base return, and where current legislation allowed Registered Social Landlords to receive an exemption from payment of council tax for up to six months if their properties were unoccupied during that time. This was considered wholly inappropriate given that the West Suffolk Councils charged council tax to private landlords within two weeks of their properties becoming empty. The relevant legislation connected to bringing long term empty properties back into use is currently being reviewed and updated.
- (ii) The implementation of partner Councils' discretionary rate relief schemes.
- (iii) Potential targets for encouraging more customers to sign up to self-service.
- (iv) The feasibility of customers applying for Universal Credit via the ARP website; however UC is managed by the DWP.
- (v) The situation regarding single person's discount. Members will be provided further details on this following a meeting arranged to discuss this issue scheduled for November 2018.

1.1.10 Balanced Scorecard as at end March 2018

Members had **noted** that targets had largely been met by all partner authorities with the majority of indicators annotated green as at 31 August 2018, as shown on the Balanced Scorecard at:

<http://democracy.breckland.gov.uk/documents/s49748/ARP%20Balanced%20scorecard%20Aug%202018-19.pdf>

1.1.11 The above report provides further information on indicators relevant to each partner authority, which are grouped under the following headings:

- (a) **Financial:** Collection, Budget Management
- (b) **Customer:** Customer Satisfaction, Channel Shift
- (c) **Internal Process:** Collection, Fraud
- (d) **Learning and Growth:** Performance Management

Forest Heath District and St Edmundsbury Borough Councils were both on target for all indicators.

(b) Financial Performance

- 1.1.12 In respect of the financial performance report, the Joint Committee had **noted** the position as at 31 July 2018, which currently showed an overspend of £144,599 against budget. This was largely due to the efficiency target of £140,251 not being achieved. This efficiency target had originally been calculated based on the expected combined level of reduction in the Housing Benefit Subsidy (HBS) grant, which is retained directly by the partner authorities. The actual combined level of reduction in the HBS grant has been lower than forecast at £629,000, meaning that individual partner authorities have seen increased income within their direct budgets as well as the efficiencies achieved through the ARP. Further efficiency savings are expected in future years due to Norwich City Council joining the Enforcement Service and in relation to on-going robotics projects. ARP currently holds £171,000 reserve to cover a shortfall in the efficiency target in any one year and could be utilised for this purpose if necessary, however, further efficiencies or income may be generated later in the year therefore the reserve may not be required. The efficiency target will be reviewed and reset in the budget for next year. The reasons for other specific variances, together with other details, are contained in the report at:

<http://democracy.breckland.gov.uk/documents/s49744/ARP%20Financial%20Performance%20Report.pdf>

- 1.1.13 An update had also been provided on committed expenditure for the Transformation Programme. The committed transformation funding is £128,337 as at 31 July 2018. If all of the identified expenditure goes through as planned by the end of 2018/2019, there will be £27,928 remaining for future projects.

1.2 **Welfare Reform Update (Agenda Item 6)**

- 1.2.1 The Joint Committee had received and **noted** an update on welfare reform, which included:

- (a) **Universal Credit (UC):** The current position regarding the timeline to move to the live operation of the full service for new claimants and those where circumstances had changed were discussed. Forest Heath DC are expected to roll-out in December 2018, which was mainly due to the Government's budget announcement in December 2017. Waveney District Council, St Edmundsbury BC, and now Breckland who are already operating the full service have been experiencing difficulties; however they are not alone in this. These matters have been raised locally and through the UC/LA Steering Group, the issues have been brought to the attention of the UC Programme. Furthermore, representations have been made to the DWP Secretary of State which led to a meeting between the Leader of Waveney DC, their local MP, the ARP Strategic Manager (Benefits) and the Minister for Universal Credit. The MP for Waveney continues to be actively involved in parliamentary debates on the issues arising from the roll-out of UC. Alongside this, through working with Customer Service and Housing Options teams, the DWP and stakeholders; ARP continues to minimise the impact of UC. This has been ARP's template for the partner Councils, which was successfully used with St Edmundsbury at the end of last year, and will

be replicated for all other partner Councils as the roll-out schedule continues throughout 2018. Implementation meetings have since taken place with Breckland and Fenland Councils.

The Joint Committee had noted the Government Budget announcements where improvements are expected to be made, together with the UC announcement from the DWP, as outlined in the report at the link below:

<http://democracy.breckland.gov.uk/documents/s49749/Joint%20Committee%20Report%20Welfare%20Reform%20update%20September%202018.pdf>

- (b) **Discretionary Housing Payment:** Spend continues to be within the grant provided by the DWP, and is forecast to be closer to, but within the grant. This grant is designed to help customers remain in their homes or to move to affordable and sustainable accommodation. The main area of expenditure continues to be to assist customers with rent shortfalls, in particular due to restrictions on Housing Benefit rent levels. Generally the allocations for 2018/2019 have been reduced.
- (c) **Benefit Cap:** In November 2016, the maximum family income before the Benefit Cap applies reduced from £26,000 to £20,000 (£13,400 for single adults with no children). The Benefit Service continues to work with colleagues in Customer Service and Housing Options teams to seek to avoid homelessness and the cost of temporary housing.

DWP has provided New Burdens funding to assist councils with extra administrative costs and have increased Discretionary Housing Payment grants to help customers with the reduction; however, it should be noted that the increase does not cover all reductions.
- (d) **Two Child Limit:** From April 2017, the DWP introduced legislation to restrict benefits to families having a third child from April 2017 to the two child rate. There are exceptions, such as multiple births. New claims for Universal Credit where an applicant has more than two children will be redirected to legacy benefits, i.e. housing benefit.
- (e) **Social Rented Sector Rent Restrictions:** The Government has responded to consultation on funding for supported housing and it has indicated it will not implement Local Housing Allowance rates in social housing. Supported accommodation, including hostel tenancies will remain in Housing Benefit and will not therefore move to Universal Credit.

A discussion had been held at the meeting regarding welfare provisions made for children and young people in care, and how it was important to lobby local MPs at the appropriate time regarding the operation of the DWP, to highlight experiences and issues of concern.

1.3 **Norwich Partnership – Partnership Working Through Section 113 Agreement (Agenda Item 7)**

- 1.3.1 The Joint Committee had received and **noted** an update on the successes and benefits of sharing best practice with Norwich City Council through a Section 113 Agreement.
- 1.3.2 The report provides a summary of the benefits to Norwich City Council of having the Section 113 Agreement, which includes:
- (a) ARP being able to share its knowledge and experience of the transition to Universal Credit;
 - (b) ARP providing support to Norwich CC's job centres in helping them plan for the transition for customers from Housing Benefit claims to Universal Credit;
 - (c) ARP providing support in delivering services and managing resources; and
 - (d) ARP sharing knowledge of initiatives that ARP implemented some time ago for maximising income from council tax and housing benefit overpayments.
- 1.3.3 The benefits to ARP of having the Section 113 Agreement include:
- (a) The sharing of best practice, knowledge and system functionality across both organisations has enabled ARP to put pressure on suppliers where they are perhaps behind on development;
 - (b) the sharing of ARP's management team and Fraud Services has provided ARP with efficiencies and further resilience; and
 - (c) Norwich CC is looking to delegate its enforcement work to Breckland Council and Breckland Council will pass this work to ARP's Enforcement Agency, which will provide further resilience to ARP's enforcement service.
- 1.3.4 The full report can be found at the following link:
- <http://democracy.breckland.gov.uk/documents/s49746/Norwich%20partnership%20working-%20update.pdf>

1.4 **Forthcoming Issues (Agenda Item 9)**

- 1.4.1 The Service Delivery Plan and Performance Indicators are being reviewed, as required on an annual basis, and will be reported to the Joint Committee at its next meeting on 5 December 2018.

2. Minutes

- 2.1 For further information on the discussions held at the Anglia Revenues and Benefits Partnership Joint Committee meeting on 25 September 2018, the draft minutes of the meeting may be viewed on Breckland District Council's website at the following link:
- <http://democracy.breckland.gov.uk/documents/g4233/Printed%20minutes%2025th-Sep-2018%2011.00%20Anglia%20Revenues%20and%20Benefits%20Partnership%20Joint%20Committee.pdf?T=1>