

Report of the Anglia Revenues and Benefits Partnership Joint Committee: 9 March 2021

Report number:	CAB/WS/21/018	
Report to and date:	Non-decision making virtual Cabinet	25 May 2021
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Decisions Plan: This item is not required to be included on the Decisions Plan.

Wards impacted: All wards

Recommendation: The Cabinet is requested to note the content of Report number: CAB/WS/21/018, being the report of the Anglia Revenues and Benefits Partnership Joint Committee.

1. Context to this report

1.1 On 9 March 2021, the Anglia Revenues and Benefits Partnership (ARP) Joint Committee met virtually where the following items of substantive business were discussed:

1. Performance Report
2. ARP Forecast Financial Performance 2020 to 2021
3. Performance Management Framework 2021
4. Welfare Reform Update
5. Forthcoming Issues.
6. Exempt Item: Risk Based Verification (RBV) Policy Review and Verification Policy 2021 to 2022
7. Exempt Item: Succession Planning

This report is for information only. No decisions are required by the Cabinet.

2. Updates within this report

2.1 **Performance Report: January 2021 (agenda item 5)**

2.1.1 **a. Joint Committee performance report: January 2021**

The Joint Committee received and **noted** an update on performance. This report provides relevant information relating to the performance of ARP as a whole and that of the individual partners. This detailed report can be viewed on Breckland Council's website at the following link:

[Performance Report 2020 -21 Qtr 4 January.pdf \(breckland.gov.uk\)](https://www.breckland.gov.uk/Performance%20Report%202020-21%20Qtr%204%20January.pdf)

The report indicated that when considering performance as a whole for all partner councils, the majority of targets as at January 2021 were currently being met in respect of the following categories:

- Business rates collection
- Council tax collection
- Number of electronic forms received
- Fraud and compliance

2.1.2 In respect of West Suffolk Council's individual performance, all targets as at January 2021 were currently being met in respect of the following categories:

- Business rates collection
- Local council tax reduction
- Housing benefit
- Fraud and compliance

In respect of council tax collection, this was currently underachieving its target by £1,191,722. The Government is funding a hardship scheme which has provided up to £150 to each working age recipient of the Local Council Tax Reduction Scheme. Targets have been adjusted to reflect these payments. Whilst Covid-19 has affected some customers ability to pay, ARP had not been able to take its normal action to recover outstanding amounts through the magistrates' court due to Covid-19 safety restrictions imposed, with bookings only recently been taken from January 2021. In addition, the amount of council tax support awarded has increased during the first part of the 2020 to 2021 financial year, reducing the amount to be collected.

Further recovery action in the 2020 to 2021 financial year has resulted in collection of £92,302, with enforcement action resulting in collection of £377,157. Charging orders have been obtained to secure £463,620 debt.

2.1.3 Attention was drawn to the service updates as at 31 January 2021:

- a. **Enforcement:** All enforcement visits were suspended by the Ministry of Justice in March 2020 and re-commenced on 24 August 2020; however, while ARP's enforcement agency had resumed visits, the amounts collected had not yet risen to the levels achieved in 2019. In the meantime, ARP has continued to try and engage with customers offering long term payment arrangements and assisting customers where possible. Consequently, the level of collection has reduced substantially. This year ARP has currently collected £2.419 million compared to £4.186 million at the same point last year. The team had also taken on the collection of parking fines for East and West Suffolk.
- b. **Further recovery:** With effect from March 2020 all recovery actions were temporarily suspended due to Covid-19 until summer 2020. While actions had recommenced, income of £544,540 in total has been received compared to £1.103 million at the same point last year. ARP has £1.925 million debt secured through Charging Orders.
- c. **Non-domestic rates:** The team has had an increased workload over the first two months of this financial year due to the additional rate reliefs being awarded and the payment of grants to businesses as part of the mitigating the impacts of Covid-19. This has seen extremely high levels of telephone calls and correspondence; however, the team has worked hard to bring the outstanding work down to normal levels. A new set of business grants was rolled-out for the lockdowns in November 2020 and from January 2021 onwards, which adds further pressure to the team; however, the additional work is being handled efficiently and effectively.

As a result of the Chancellor of the Exchequer's budget announcements on 3 March 2021, and in particular support provided to businesses during the 2021 to 2022 financial year, annual billing has been moved so that rate reliefs announced could be calculated into the annual rate demands.

The revaluation planned to take place on 1 April 2021 has been postponed until 1 April 2023 with an antecedent date of 1 April 2021 (this is the date that the valuations are based on).

- d. **Council tax:** As expected Covid -19 has had an impact on collection despite the application of hardship fund payments to eligible accounts. ARP has updated its website and phone message to provide help and support to those struggling to pay through this difficult time and are signposting customers to claim Universal Credit and Council Tax Support.

The option of a two month payment break has been offered to provide more flexibility during Covid-19. An online form has been produced to allow customers to request a two month payment break, a change from 10 to 12 instalments or a change of payment date.

ARP has sent two rounds of 'soft reminders' which have had a positive effect on collection. The magistrates' courts have now re-opened and hearing dates have been booked for the new year.

Demand for council tax billing continues to be significantly greater than last year, largely because of the direct impacts of the pandemic. The project to introduce Generic Council Tax Billing Officers which provide a resilient team who have been able to switch between billing and benefits to help cope with ever changing workloads and priorities during the pandemic has provided increased flexibility in the use of ARP's resources and has supported the reduction in outstanding work.

- e. **Benefits:** Whilst both Council Tax Support and Benefits performance is presently achieving targets, there is a risk Covid-19 could cause a prolonged economic downturn with potentially significant increases in unemployment and claims.

ARP continues to see significant increases in claims and ARP has seen significant increases in claims, and throughput overall for benefits has been approximately a third up on the 2019 to 2020 financial year.

In April 2020, ARP changed the Local Council Tax Support schemes for all partners to include a 'tolerance rule' which is applied to monthly changes in Universal Credit which are notified to ARP via Universal Credit Data Share (UCDS) from DWP. The new rule allows ARP to ignore changes in Universal Credit of under £15 per week, which has helped reduced the number of council tax adjustment notices being issued, and refund requests being received. It also allows customers to manage their payments more easily. As at 31 January 2021, the introduction of the tolerance rule has reduced the number of council tax support re-assessments resulting from DWP UCDS records by 32 percent, which is in line with the modelling undertaken during the consultation.

The Council Tax Support Hardship Fund awards were issued to every qualifying working age customer by the end of July 2020, either by a credit of up to £150 on to their council tax account or by arranging a refund where one is due. ARP is monitoring expenditure given the rise in caseload due to Covid-19 to ensure the fund for each partner council is neither overspent or has plans in place to fully spend the fund, either in 2020 to 2021 or in 2021 to 2022.

Since the end of September 2020, ARP has worked with the Department for Health and Social Care (DHSC) to implement the Covid-19 Test and Trace Self-Isolation payment scheme. This scheme pays £500 to each eligible person notified of a requirement to self-isolate. Whilst funded by DHSC, ARP are seeing demand outweigh the forecasted volumes, especially with the substantial increase in infections since the end of 2020, which led to the third national lockdown. The scheme has now been extended to end on 30 June 2021 and now includes provision for parents of school age children required to self isolate being able to apply for a payment.

- f. **Fraud and compliance:** The fraud team, having had a successful prosecution regarding tenancy fraud, continue to work with social housing providers in an attempt to expand the commercial aspect of their investigation service.

A full risk assessment has now been agreed across the partnership and visits have successfully resumed, with social distancing restrictions in place and supplies of appropriate Personal Protective Equipment provided to all visiting officers. Desk based fraud and compliance work continues, which is undertaken by fraud team officers working from home.

Both Norfolk and Suffolk County Councils have committed to continue providing funding for fraud and compliance work until March 2022, at which point a further review will take place.

During the pandemic it has not been possible to interview customers under caution on a face to face basis. Advice has been taken from the Law Society and the Crown Prosecution Service in relation to alternative methods of interviewing under caution. With assistance from the solicitor used for ARP Fraud prosecutions it has been agreed that customers will be interviewed by letter and a process and procedure has been set up to enable this. A number of sanctions have now been conducted using this process.

- g. **ARP systems and digital:** There continues to be an increase in ARP website activity by 60 per cent when compared with 2019 due to the effect of the pandemic. This is largely due to all the ARP offices continuing to be closed for face to face visits for the majority of customers.

The ARP Technical Team Manager continues to work with Capita, the main software provider for Revenues and Benefits in establishing a design team to develop the self-serve portal that is easy to use and satisfies the requirements expected of a modern self-service option. There have been continued discussions between the ARP Management to Senior Managers at Capita offering a more collaborative approach in development of their products, making them relevant to the Revenues and Benefits Strategic Business needs. Working with West Suffolk Council's ICT team, the ARP Technical Team Manager will be leading on a mandatory upgrade of the Capita platform for all five partners' databases. A full end to end testing of the annual billing process for each of the partners began in January 2021 and was expected to go live in February 2021.

- h. **Better Customer Journeys Programme:** Through the Better Customer Journeys Programme, ARP is identifying how to build on the major increases in ARP website visits and self-service usage. ARP partners' customer service heads are progressing plans to map out how best ARP can support customer service teams' new, emerging operating models. A gap analysis, and a set of plans for closing that gap is currently nearing completion. For example, discussions will have been held on how best to capitalise on increased online activity and interest and make sure ARP's communications with customers are pointing that way (allowing more opportunity to support traditional channels for people who need them).

Since April 2020, ARP has met every week with Capita's digital product and helpdesk teams. These sessions work alongside the design workshops and ensure the partnership can deliver on its self-service aspirations.

In a separate but related strand, ARP is developing its change delivery and project management capabilities, which apply to Better Customer Journeys projects, the Performance Framework Programme, further automation and other standalone projects.

- 2.1.4 Discussion was specifically held at the meeting on a number of topics including how council tax e-billing was being promoted, which had specific challenges as the majority of residents were only aware of their council tax bills once a year. The Customer Services Strategy Group was already looking at ways to attract more customers to sign up to e-billing which included the possibility of linking existing Customer Relationship Management (CRM) software (if partner councils already had a system). An update would be provided to a future meeting.

2.2 **ARP Forecast Financial Performance 2020 to 2021 (agenda item 6)**

- 2.2.1 The Joint Committee **noted** the financial performance report as at 31 January 2021, which currently showed an overspend against budget of £491,973 (5.02 per cent) for the whole of ARP. Appendix 1 attached to that

report provided further details, together with details and reasons for the specific variances, which were largely due to the Covid-19 pandemic. As stated above, less income than forecast was currently being generated by the enforcement agency and had a significant effect on the budget. The forecasted outturn assumed that the level of work will be back to budgeted expectations for the remainder of 2020 to 2021. It was assumed the enforcement agent visits would continue and court hearings would take place.

It is worth noting that each partner council has directly received new burdens funding from the Government to cover the costs of administering the Covid-19 grant schemes. These grants will be retained by each authority to cover additional resource costs for administering the schemes internally. In addition, the Government is providing grants to individual local authorities to offset the losses from sales fees and charges income. Authorities are expected to absorb the initial five per cent of lost income against budget and after that the grant will provide 75 pence in every pound of lost income. The lost enforcement income will be claimed under this scheme for each partner.

Other budget risks were also highlighted to members.

- 2.2.2 An update was also provided on the remaining transformation funding which had been set aside in previous years. £20,000 was earmarked for projects in progress in 2020 to 2021 and there is a further £139,509 available for future transformation projects.
- 2.2.3 Details of the funding held in the ARP ICT reserve, which had been approved as part of the budget setting process, was also contained in Appendix 1. This reserve has been established to cover costs of ICT replacement in future years.
- 2.2.4 The reasons for other specific variances, together with other details, are contained in the report at:

[ARP Forecast Financial Performance 2020-21](#)

Appendix 1:

[Appendix 1 for ARP Forecast Financial Performance 2020-21.pdf \(breckland.gov.uk\)](#)

2.3 **Performance Framework (agenda item 7)**

- 2.3.1 The Joint Committee considered a [report](#) which sought approval for the proposed performance framework.
- 2.3.2 Following an internal audit exercise undertaken in the 2019 to 2020 financial year, a conclusion had been reached that ARP's performance management

should be reviewed and expanded, with particular emphasis placed on the customer journey.

- 2.3.2 Objectives were reviewed against ARP's strategic priorities and the critical success factors were identified for meeting those objectives. Consideration was then given to the targets and measures needed to monitor progress against those objectives (at individual and team reporting level).
- 2.3.3 Attached as [Appendix 1](#) (and [Appendices A](#) and [B](#)) to the report was the proposed Performance Framework, which contained details of the targets and measures which have been identified and the strategic priority they relate to. This also contained the proposed dashboard for the presenting the monthly performance to the Operational Performance Board.
- 2.3.4 Discussion was specifically held at the meeting on whether ARP's annual plans and strategies should be reviewed every six months, particularly given the challenges being faced during the pandemic and the ongoing impacts during the recovery phase and in the medium to longer term. It was agreed that if appropriate, the Service Delivery Plan would be presented to the Joint Committee in June alongside the Risk Register, and the performance updates would continue to be provided on a quarterly basis.
- 2.3.5 Subject to the above, the Joint Committee **resolved: That**
- 1. The indicators identified, targets, tolerance levels and level of reporting be agreed; and**
 - 2. the use of the dashboard be approved.**

2.4 **Welfare reform update (agenda item 8)**

- 2.4.1 The Joint Committee **noted** an update on welfare reform, which included:
- a. **Universal Credit (UC):** From 1 April 2019, the Department for Work and Pensions (DWP) awarded a 12 month funding contract to Citizens' Advice to provide help to new Universal Credit customers to make a claim (Assisted Digital Support) and to help customers with budget monthly payments (Personal Budgeting Support). Having met with various Citizens' Advice branches across Cambridgeshire, Norfolk and Suffolk, ARP has established that the following arrangements are being implemented:
 - Local advisors will dial into a national call centre.
 - Web chat is being provided.
 - Face to face arrangements will be in place – some on an appointment basis, others on a drop in basis or a mixture of the two. Rural provision may be patchy.

ARP has raised concerns that Citizens' Advice are only funded to help to the first UC payment received; however, Citizens' Advice have said they will

continue to help vulnerable customers, drawing on their usual funding streams. Through regular liaison meetings ARP will monitor this.

DWP are yet to publish a review of the Citizens' Advice Help to Claim service and at the time of writing the report, the DWP had still not stated the contract position for the 2021 to 2022 year, citing their Covid-19 response had delayed plans. It is assumed the Citizens' Advice arrangement will continue into the 2021 to 2022 year.

The summary of the latest position on the expansion of UC and concerns raised by officers regarding specific issues in respect of the expansion on a national level were contained in sections 2.1.9 and 2.2 of the report, and which were duly noted by the Joint Committee. During July 2019, DWP commenced a small scale managed migration trial at Harrogate Job Centre, to test various aspects of the service, details of which were provided in section 2.2.1. Parliament is required to consider the outcome of the trial, which due to Covid-19, was temporarily suspended and to date has not been rescheduled.

New matters arising via the DWP in respect of UC were provided in section 2.2.3

- b. **Discretionary Housing Payment (DHP):** For the 2020 to 2021 financial year, the DWP increased funding to offset the impact of private sector rents increasing above the Local Housing Allowance (LHA) rates used to calculate housing benefit. Spend continues to be within the grant provided by the DWP, and is forecast that all grant monies would be allocated to customers. 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. ARP works closely with partner Housing Options teams to identify and help customers and the scheme is promoted through stakeholder contacts.
- 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. **Social rented sector rent restrictions:** The Government has responded to consultation on funding for supported housing, removing proposals to move away from a subsidised demand led model to a grant model. For the foreseeable future, supported accommodation, including hostel tenancies will remain in within the

Housing Benefit service and will not therefore move to Universal Credit.

- e. **Welfare benefit uprating - April 2021:** The Government has confirmed an end to the four year benefit uprating freeze in 2020. From April 2021, all benefits will increase by the September 2020 Consumer Price Inflation (CPI) measure, which equates to 0.5 per cent for the state pension rising by 2.5 per cent due to the 'Triple Lock'.

2.4.2 Further details are contained in the report at:

[Welfare Reform Report](#)

2.5 **Forthcoming issues (agenda item 9)**

2.5.1 No forthcoming issues were reported at the meeting on this occasion.

2.6 **Exempt Item (paragraph 3): Risk Based Verification (RBV) Policy Review and Verification Policy 2021 to 2022**

2.6.1 The Joint Committee considered this item in private session, therefore the information contained in this report is limited and based on the content of the public minutes.

2.6.2 The Department of Work and Pensions (DWP) requires councils to review their Risk Based Verification Policies annually and requires members to approve the continuance or revision of their policy.

2.6.3 The Joint Committee **resolved: That**

- 1. The Risk Based Verification (RBV) policy remains unchanged in 2020 to 2021; and**
- 2. the replacement of RBV with a Verification Policy for Housing Benefit and Council Tax Support claims from April 2021 for Breckland Council, East Cambridgeshire District Council, East Suffolk Council, Fenland Council and West Suffolk Council.**

2.7 **Exempt Item (paragraphs 1, 2 and 3): Succession Planning**

2.7.1 The Joint Committee considered this item in private session, therefore the information contained in this report is limited and based on the content of the public minutes.

- 2.7.2 As contained as an action in ARP's Service Delivery Plan, work is being held relating to 'Leadership and Succession Planning' which aims to ensure the continuation of service delivery while securing efficiencies within the partnership. As part of this, and due to a few personnel in key roles deciding to leave the organisation, a review of the structure within in the ARP establishment is being undertaken.
- 2.7.3 The suggested interim and future arrangements were explained to members at the meeting in detail, which were welcomed.
- 2.7.4 The Joint Committee **resolved that the recommendations as listed in the exempt report, be approved.**

3. Minutes

- 3.1 For further information on the discussions held at the Anglia Revenues and Benefits Partnership Joint Committee meeting on 9 March 2021, the draft minutes of the meeting may be viewed on Breckland District Council's website at the following link:

[Printed minutes 09th-Mar-2021 11.00 Anglia Revenues and Benefits Partnership Joint Committee.pdf \(breckland.gov.uk\)](#)

4. Background papers

- 4.1 Breckland DC Website:

[9 March 2021](#)