

Report of the Anglia Revenues and Benefits Partnership Joint Committee: 1 March 2022

Report number:	CAB/WS/22/018	
Report to and date:	Cabinet	26 April 2022
Cabinet member:	Councillor Sarah Broughton Portfolio Holder for Resources and Property Telephone: 07929 305787 Email: sarah.broughton@westsuffolk.gov.uk	
Lead officer:	Rachael Mann Director (Resources and Property) Telephone: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	

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/22/018, being the report of the Anglia Revenues and Benefits Partnership Joint Committee.

1. Context to this report

1.1 On 1 March 2022, the Anglia Revenues and Benefits Partnership (ARP) Joint Committee met where the following items of substantive business were discussed:

1. Performance Report
2. Welfare Reform Update
3. ARP Financial Performance 2021 to 2022
4. Verification Policy
5. Forthcoming Issues
6. Exempt Item: Partnership Working through Section 113 Agreement

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

2. Updates within this report

2.1 Performance Report: December 2021 (agenda item 5)

2.1.1 a. Joint Committee performance report: December 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 2021-22 Qtr 3 December 2021.pdf \(breckland.gov.uk\)](https://www.breckland.gov.uk/Performance-Report-2021-22-Qtr-3-December-2021.pdf)

The reports indicated that when considering performance as a whole for all partner councils, all targets for the 2021 to 2022 financial year were presently 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 were presently being met for the 2021 to 2022 financial year in respect of the following categories:

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

2.1.3 Attention was drawn to the service updates:

- a. **Enforcement:** ARP's enforcement agency visits are continuing with appropriate Personal Protective Equipment (PPE) and risk

assessments in place. Collection has continued to rise back to near normal levels. ARP continue to try and engage with customers offering long term payment arrangements and assisting customers where possible. In November 2021, £382,048 had been collected compared to £221,137 at the same point last year. As at 31 December 2021, the total collected for the 2021 to 2022 financial year to date was £3,511,917 debt with £863,468 in fees. The collection of parking fines for East Suffolk and West Suffolk continue to remain positive.

- b. **Further recovery:** As at 31 December 2021, collection was £1,087,848, which was now exceeding the pre-pandemic further recovery performance figure. As at 31 December 2019, £988,268 had been collected.
- c. **Non-domestic rates:** Work is progressing to commence the reviews on Small Business Rate Relief (SBRR) reductions which have now commenced on a rolling basis. Reviews of discretionary reliefs have been issued. Volumes of work are in a better position than earlier in the year; however, the return of relief reviews may impact over the next few months. A new discretionary relief, COVID-19 Additional Relief Fund (CARF) had been announced and guidance was awaited on how this would be administered.
- d. **Council tax:** Demand for council tax billing continues at very high levels due to the effects of COVID-19 with a significant proportion being due to people moving home. However, outstanding work continues to be below the peaks previously experienced which can be attributed to the project to introduce generic Council Tax Billing Officers. This provides 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 and has provided increased flexibility in the use of ARP's resources.

In the 2020 to 2021 financial year, formal recovery proceedings were delayed and some customers had sought extensions into the 2021 to 2022 financial year. This may impact on this year's collection and the situation will be closely monitored.

News was awaited on the return of information from Her Majesty's Revenue and Customs (HMRC) and the Department for Work and Pensions (DWP) in relation to a Cabinet Office pilot to share data to provide information. This provided numerous benefits, as set out in the report. If the pilot is successful, ARP may in the future be able to make this an integral part of the recovery process.

- e. **Benefits:** Both Council Tax Support and Benefits performance has achieved targets, despite the increased demand attributed to economic recovery from COVID-19.

ARP continues to see significant increases in demand, particularly increases in change of addresses and continue to utilise generically trained staff to focus resource where it is most needed.

The COVID-19 Test and Trace Self-Isolation payment scheme had been extended until 31 March 2022. This scheme pays £500 to each eligible person notified of a requirement to self-isolate. Payments had risen steeply over December 2021 and January 2022 and resources were reviewed to help deal with the increased demand and ensure financial support was provided in a timely manner.

- f. **Fraud and compliance:** The fraud team are now visiting domestic (unoccupied) and business premises with appropriate COVID safety measures in place. Desk based fraud and compliance work continues, which is undertaken by fraud team officers working from home. Face-to-face interviews with customers under caution were hoping to resume by the end of 2021/early 2022.

Work has been continuing to extend the Fraud and Compliance work of East Cambridgeshire and Fenland District Councils to the Cambridgeshire Fraud Hub with both councils approving a business case to allow this element of the project to move forward. This in turn would generate fraud-related savings for the partnership.

Both Norfolk and Suffolk County Councils have committed to continue providing funding for fraud and compliance work for two years from April 2022.

- g. **ARP systems and digital:** Work is progressing with Capita to review their digital product where it is currently being utilised by other local authorities to gain feedback from a wider group of Capita users. Knowledge and experiences are being shared, which will potentially benefit ARP in the future.

Work volumes with both System Administration and Electronic Document Management System (EDMS) have been quite high but a strong plan of priorities has been devised to ensure resources can meet expectations and demands.

Work was underway on the Annual Billing process, with Customer Service teams reviewing bill content and system testing commencing.

- h. **Better Customer Journeys Programme:** Through the Better Customer Journeys Programme, ARP is continuing to improve the customer experience through the automation project or streamlining processes, which in turn is helping to make self-service the customer-preferred option.

The new online council tax change of address service is now live for all partners, following testing with customer service teams. Customer take-up is above expectations with 43 percent of customers currently

using the facility against an anticipated 30 percent, which is testament to excellent work with customers and the effectiveness of the new online form. The project team is now investing resources to implement automation, working closely with Capita to ensure it fulfils its potential.

The report outlined additional specific digital measures in place, which aim to improve the customer experience.

- 2.1.4 Discussion was specifically held at the meeting on a number of topics including the collection targets relating to each individual partner authority and how these could be reviewed if considered appropriate.

2.2 **Welfare reform update (agenda item 6)**

- 2.2.1 The Joint Committee **noted** an update on welfare reform, which included:

- a. **Universal Credit (UC):** It was announced at the end of January 2022 that the Help to Claim scheme has been renewed for a further year. Ministers confirmed that Citizens Advice will continue to deliver independent support and from April 2022 and that the support will be provided through telephony and digital channels. Individuals who are unable to access support via these channels will be supported by the local jobcentres.

The Customer Services Team, comprising partners' Heads of Customer Service support ARP's view that the best fit for residents would be for DWP to take full responsibility for helping customers to claim UC, a benefit they administer. To provide a seamless service DWP could utilise their existing digital and telephony capability to provide assistance to supplement their face-to-face Job Centre capability.

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 2.1.13 and 2.1.14, and 2.2 of the report, and which were duly noted by the Joint Committee.

- 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. Funding for 2021 to 2022 has returned to 2019/2020 levels, despite concerns the pandemic will increase demand throughout this year. ARP are in close conversations with individual Housing teams to plan, profile and monitor demand and expenditure to meet requirements to ensure full spend, but not to exceed funding levels, given a budget does not exist to top up.

Funding for 2021 to 2022 was allocated in two parts with £100 million provided at the start of the year with a further £40 million allocated in September 2021.

- 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.

The Benefits Service continues to work with colleagues in Customer Service and the Housing Options teams to seek to avoid homelessness and assist with the cost of temporary housing.

- 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 2022:** The Government ended the four year benefit uprating freeze in 2020. However, the link between pensions and the 'Triple Lock' was severed in September 2021 because of wage inflation. Instead in 2022 to 2023, the state pension will rise in line with the highest inflation rate or 2.5 percent. The Consumer Price Inflation (CPI) rate for September is historically the figure used, reported at 3.1 percent.

- 2.2.2 Discussion was specifically held at the meeting on a number of topics including the recently announced Council Tax Energy Rebate Scheme. At the time of the meeting, an extensive amount of detail needed to be interpreted and worked through with ARP on how the council tax rebate element of the overall energy support package could be facilitated and administered.

2.3 **ARP Financial Performance 2021 to 2022 (agenda item 7)**

- 2.3.1 The Joint Committee **noted** the financial performance report which presented the forecast full year financial position against budget for the ARP.

The forecast at this stage shows a small underspend against budget of £51,082 (0.53 percent) for the whole of the partnership. The reasons for the specific variances, together with other details, are contained in the report at:

[ARP Financial Performance 2021-2022](#)

[Appendix 1](#)

- 2.3.2 An update was also provided on the remaining transformation funding which had been set aside in previous years. £109,000 has been earmarked for projects in progress in 2021 to 2022 and it is expected that £20,000 will be spent in 2022 to 2023. The remaining £101,000 available will be used for future transformation projects between all five partners.
- 2.3.3 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.
- 2.3.4 The Government has continued the grants to local authorities to offset the losses from sales fees and charges income for the first quarter only of 2021 to 2022. Authorities are expected to absorb the initial five percent of lost income against budget and after that the grant will provide 75 pence in every pound of lost income. Due to the profiling of income received, ARP has been able to claim for some enforcement-related income under this scheme for each partner.
- 2.3.5 As reported at the last meeting in December 2021, the Joint Committee considered a proposal to distribute the end of year variance between the partner authorities in the approved shares.
- 2.3.6 The table below, which has been updated since last reported, shows the share of the forecast outturn for each partner based on the Joint Committee constitutional agreement and income compensation expected to be retained by each authority; however, this would be amended to reflect the final values at the end of March 2022.

	Forecast outturn	Enforcement income
Breckland	(£19,457)	(£14,374)
East Cambridgeshire	7,590	(£6,599)
East Suffolk	(£22,330)	(£23,591)
Fenland	(£12,150)	(£13,220)
West Suffolk	(£4,735)	(£17,202)
Total	(£51,082)	(£74,986)

2.4 **Verification policy (agenda item 8)**

- 2.4.1 The Joint Committee considered this report, which sought approval for its Verification Policy for 2022 to 2023 and onwards.
- 2.4.2 Housing benefit regulations require local authorities to obtain information which allows an accurate assessment of a claimant’s entitlement to benefit to be made. However, except for a national insurance number and proof of

identity, they do not specify what evidence is required in support of the claim.

- 2.4.3 In 2011, the Department for Work and Pensions (DWP) provided an option for local authorities to replace their verification policy with a risk-based approach, applying different levels of checks to benefit claims. Since 2004, DWP has not prescribed a verification policy, instead leaving individual local authorities to determine their own policy.
- 2.4.4 Anglia Revenues Partnership introduced risk-based verification (RBV) in 2012 and had continued with the same policy until April 2021, where it was found to work well.
- 2.4.5 Last year Anglia Revenues Partnership replaced RBV with a new verification policy. The onus of the new policy was to reduce the burden for customers to supply documentation and utilise digital data sharing with DWP, HMRC and housing providers.
- 2.4.6 The introduction of the new Verification Policy has proven to be very successful. As anticipated, the greater use of real time secure data has reduced the requirement for customers to obtain and submit evidence. Customers are only asked to provide information where information cannot be obtained from other sources. This has led to an improvement to the customer experience.
- 2.4.7 Further benefits of introducing a new verification policy were detailed in section 3 of the Joint Committee report.
- 2.4.8 A revised Appendix A was attached to the [Verification Policy](#) at Appendix 1, detailing the verification standards applied to different types of evidence requirements.
- 2.4.9 Following the successful implementation of the 2021/2022 Verification Policy and this 2022/2023 review, officers considered there was no longer a requirement to review it on an annual basis. Therefore, it was recommended to the Joint Committee that future reviews should take place only where there is a foreseen change to verification requirements for either housing benefit or council tax support.
- 2.4.10 Risk continues to be mitigated by compliance with DWP housing benefit regulations, which in turn will continue to satisfy DWP subsidy requirements and is compliant with the Local Council Tax Support Schemes. It was noted that the change of policy was not reducing the quality of the evidence that has always been required and will continue to be required; it was simply making maximum use of DWP and HMRC secure data share. The policy has approval from both internal and external auditors.

2.4.11 During consideration at the meeting, the Joint Committee was satisfied with the revisions and considered the proposal to review the policy as and when required rather than on an annual basis, was a sensible approach.

2.4.12 **The Joint Committee resolved that:**

- 1. the revised Verification Policy for Housing Benefit and Council Tax Support claims from April 2022 for Breckland Council, East Cambridgeshire District Council, East Suffolk Council, Fenland District Council and West Suffolk Council, be approved.**
- 2. The Verification Policy be approved as a permanent policy without the requirement to review annually.**

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

2.5.1 A discussion was held on arranging some informal meetings of the Joint Committee and potentially convening meetings at other locations of the respective partner authorities.

2.6 **Exempt item: Partnership working through Section 113 Agreement**

2.6.1 Approval was sought in private session for a Section 113 Agreement with Norwich City Council which would enable ARP to continue providing the City Council with fraud services.

2.6.2 Section 113 of the Local Government Act 1972 enables local authorities to enter into an agreement as follows:

“a local authority may enter into an agreement with another local authority for the placing at the disposal of the latter for the purposes of their functions, on such terms as may be provided by the agreement, of the services of officers employed by the former, but shall not enter into any such agreement with respect to any officer without consulting him.”

2.6.3 ARP has an existing Section 113 agreement to provide a management service to Norwich City Council (NCC), including fraud services. However, this agreement will shortly expire and NCC has asked ARP to continue to provide fraud services.

2.6.4 This would be a separate arrangement to that of the five partner authorities that form Anglia Revenues Partnership; however, it would provide opportunities and benefits for the partnership. Such benefits will include creating greater resilience and generate further efficiencies which will support ARP's Medium Term Financial Strategy. Furthermore, providing a fraud service to Norwich City Council will add social value to the work of ARP and throughout Norfolk; that, in turn, might lead to other, similar approaches and opportunities.

2.6.5 The Joint Committee considered it was an excellent opportunity and was supportive of the proposal.

2.6.6 The Joint Committee **resolved that:**

- 1. the first recommendation as listed in the report be approved.**
- 2. It be recommended to each partner authority that the second recommendation as listed in the report, be approved.**

2.6.7 In respect of 2. above, under part 3 of West Suffolk Council's Constitution, which contains the approved Scheme of Delegation to Officers, this enables officers to make this decision, in consultation with the relevant portfolio holder, which in this case is Councillor Sarah Broughton, Portfolio Holder for Resources and Property. Following necessary discussions and negotiations required to complete the agreement, the actions required to exercise the relevant delegation will be undertaken accordingly.

2.6.8 The Cabinet is therefore requested to formally **note** the position set out in paragraph 2.6.7 above.

3. Minutes

3.1 For further information on the discussions held at the Anglia Revenues and Benefits Partnership Joint Committee meeting on 1 March 2022, the draft minutes of the meeting may be viewed on Breckland District Council's website at the following link:

[Minutes](#)

4. Background papers

4.1 Breckland DC Website:

[1 March 2022](#)