

Report of the Anglia Revenues and Benefits Partnership Joint Committee: 21 June 2022

Report number:	CAB/WS/22/034	
Report to and date:	Cabinet	19 July 2022
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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/22/034, being the report of the Anglia Revenues and Benefits Partnership Joint Committee.

1. Context to this report

1.1 On 21 June 2022, the Anglia Revenues and Benefits Partnership (ARP) Joint Committee met where the following items of substantive business were discussed:

1. ARP Service Delivery Plan and Risk Register
2. ARP Four Year Business Plan
3. Performance Report: April 2022
4. Welfare Reform Update
5. ARP Actual 2021 to 2022 Financial Performance
6. New Enforcement Agency Partner
7. Forthcoming Issues

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

2. Updates within this report

2.1 ARP Service Delivery Plan and Risk Register (agenda item 7)

2.1.1 The Joint Committee considered a report, which provided an update on the Service Delivery Plan and Risk Register, as set out in the appendix attached to that report at:

[Service Delivery Plan and Risk Register](#)

[Appendix A – Service Delivery Plan and Risk Register](#)

2.1.2 The Joint Committee noted that ARP had seen significant success in 2021 to 2022, including (briefly):

- Housing benefit new claims and changes have achieved targets in 2021 to 2022 even though COVID-19 has affected levels of work and enquiries.
- Overall council tax and business rates collection exceeded target for 2021 to 2022, with £485 million and £212 million collected respectively. This has been achieved during the COVID era which brought additional work with various Government COVID-related funds to allocate together with new business grants and reliefs. Each individual Council's collection for both funds exceeded target apart from business rates for East Cambridgeshire and West Suffolk which can be attributed to the late awarding of its COVID-19 Additional Relief Fund (CARF) allocation in March 2022
- The suite of forms and other functionality is available to all customer teams using Capita customer contact software to sign customers up to e-services and the number of those using e-services continues to rise.
- ARP introduced its new portal moves form in July 2021 which feeds data directly into the back office system. By working collaboratively with their software provider and other local authorities, ARP has

helped beta test and develop the automation software to the point that it is now live, automating a small number of one specific move type. We are also now feeding housing association move data directly into the back office system for one large housing provider and plan to roll this out further over the coming months.

- The further recovery work jointly funded by Norfolk and Suffolk County Councils secured recovery of £1,478,005, a significant increase on the £680,000 achieved last year, despite limited availability within the courts and COVID related recovery pressures. Recovery in 2022 to 2023 is expected to reach the levels seen in previous years.
- The Fraud team's work, also jointly funded by the County Councils, identified over £2.4 million in fraud and error last year even with the restrictions caused by COVID. The team are on target to achieve similar values in 2022 to 2023.

2.1.2 Other achievements relating to the Transformation Programme are detailed in the report presented to the Joint Committee, which related to:

- The progression of the Digital Transformation work stream
- The project to automate Universal Credit records is progressing well, which includes the success of introducing the 'Tolerance Rule' in April 2021
- The use of ARP's enforcement services to collect parking debts following East Suffolk's and West Suffolk's move to Civil Parking Enforcement
- The successful handling of administering the COVID-19 business support grants and reliefs, COVID-19 self-isolation payments, and the more recent £150 Energy Rebate grant
- Succession planning following as a result of two key members of the Senior Management Team recently retiring
- The progression of the Customer Journey Programme
- A review of the Council Tax Support Schemes for each partner council which should help to streamline the process for potential claimants
- The overall ARP budget for 2022 to 2023 is comparable to the 2021 to 2022 budget, despite inflationary pressures on costs. This is attributable to salary savings, automation efficiencies and budgeted income from bailiff work.

2.1.3 The Joint Committee reconsidered the strategic direction for the ARP (as previously reported to Cabinet in February 2022) and the Service Delivery Plan seeks to detail actions to achieve the visioning detailed in the report. In 2022 to 2023, emphasis will be placed on:

- Investing time and resource into developing automated processes which have already delivered savings of over £120,000. In addition, a further £220,000 efficiency target is included in the budget from 2022 to 2023 onwards.
- Continuing to influence national initiatives such as Universal Credit.

- Continuing to influence system design to improve performance and generate efficiencies where possible.

2.1.4 The Joint Committee also considered the Partnership's Risk Register, which showed that all elements within the register have reached their target scores. The appeals from hospitals for business rate relief has been withdrawn, and the impact of COVID-19 is being sufficiently managed and all staff are able to work securely from home, where it has been found that productivity has been maintained. The Register also continues to highlight the need to monitor the impact of Universal Credit on customers and grant income.

2.1.5 The Joint Committee considered the content of the report in detail and subsequently **resolved that the progress in respect of the December 2021 Service Delivery Plan and the Risk Register, be noted.**

2.2 **ARP Four Year Business Plan (agenda item 8)**

2.2.1 The Joint Committee considered a report, which sought endorsement of a proposed four-year business plan, as set out in the appendix attached to that report at:

[ARP four-year business plan](#)

[Appendix A - ARP four- year business plan](#)

2.2.2 Officers of ARP, including ARP's Operational Improvement Board (OIB) had developed a proposed four-year business plan. It aimed to capture the outcomes of the Joint Committee Strategic Review undertaken in December 2021 and linked to the ARP strategic themes (set out in the Service Delivery Plan) to highlight relevant actions and aspired outcomes.

2.2.3 The Customer Strategy Group had been consulted on the draft plan, which comprised senior customer service managers throughout the partner Councils as well as the Communications teams. Support was given to the plan, finding it insightful and valued the recognition given to the significance of providing essential services to customers.

2.2.4 The Joint Committee also supported the contents of the plan and **resolved that the ARP four-year business plan for 2022 to 2026 be endorsed.**

2.3 **Performance Report: April 2022 (agenda item 9)**

2.3.1 **a. Joint Committee performance report: April 2022**

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 2022-2023 April 2022.xlsx \(breckland.gov.uk\)](#)

The reports indicated that when considering performance as a whole for all partner councils, with the exception of council tax collection (see below for explanation), all targets for the 2022 to 2023 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

2.3.2 In respect of West Suffolk Council's individual performance, with the exception of council tax collection, all targets were presently being met for the 2022 to 2023 financial year in respect of the following categories:

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

The council tax collection rates were currently under-achieving against target by £1 million across the whole partnership, out of £500 million annually. This was primarily due to the short-term impact of Energy Rebate payments being made (see 2.1.2 above), as well as the current economic position. The situation was being monitored, and the end of June figures were due shortly, although a more accurate position would not be available until July 2022.

2.3.3 Attention was drawn to the service updates:

- Enforcement:** As at 30 April 2021, the total collected for the 2022 to 2023 financial year to date was £423,263 debt with £863,468 in fees. The collection of parking fines for East Suffolk and West Suffolk continue to remain positive.
- Further recovery:** Collection as at 30 April 2021 is strongly continuing with a particularly good result with council tax, with £58,546 being collected to date.
- Non-domestic rates:** Work is continuing on the reviews on Small Business Rate Relief (SBRR) reductions which have now commenced on a rolling basis. All authorities have had their round of COVID-19 Additional Relief Fund (CARF) applications issued, assessed and wards by the end of April 2022. Annual billing has been successfully completed in the majority of cases.

- 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.

As reported earlier, collection overall is slightly down against target at April 2022, and will continue to be closely monitored.

News remained 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.

The £150 Energy Rebate scheme has required a significant amount of resource to administer. Agency contractors had therefore been retained following the end of making Test and Trace self-isolation payments, and are recruiting more to help with the additional workload and customer contact. Government guidance requesting that direct debit customers should be paid the rebate by the end of April 2022 was met for all partners. Discretionary schemes have also now been agreed and approved by members.

- 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.

- f. **Fraud and compliance:** Face-to-face interviews with customers under caution have resumed. This process will be continually reviewed to ensure both staff and customer safety at all times.

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.

Reviews of the Fraud Service at Broadland and South Norfolk District Councils have been undertaken on a consultancy basis by officers of the ARP. This may allow opportunities to extend this offer to other partners.

- 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.

The Systems team have focussed heavily on the implementation of the Energy Rebate Scheme this month, paying £22.2 million to direct debit payers by the end of April 2022. The process continued into May 2022 with processing non-direct debit payers electronic claim forms.

- 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.

- 2.3.4 Discussion was specifically held at the meeting on a number of topics with specific reference to the collection of council tax, as outlined above.

2.4 **Welfare reform update (agenda item 10)**

- 2.4.1 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 2.1.14 and 2.2 of the report, and which were duly noted by the Joint Committee. This included that in May 2022, DWP announced that the first two UC migration trial sites will be Bolton and Medway. During the trial there will be more focus on customers moving over independently and a test and learn approach will continue. It is understood that 500 claimants will be written to and given three months to make a claim for Universal Credit.

- b. **Discretionary Housing Payment (DHP):** 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.

Funding for 2022 to 2023 is being allocated in two allocations with national funding of £100 million in April 2022 and £2 million mid-year, a reduction of £38 million overall (27 percent). ARP is working closely with Housing teams and other stakeholders to devise a process to help us manage the reduced budget to assist customers with shortfalls in their rent

- 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.
- f. **Homes for Ukraine scheme:** DWP confirmed in circular A4/2022 that there will be no impact on housing benefit for anyone entering into the Homes for Ukraine scheme. As such, the £350 'thank you' payment, together with the £150 Energy Rebate will be disregarded as income and there would be no non-dependant deductions applied. The same disregards are also covered in the prescribed Local Council Tax Reduction scheme for pensioners and ARP has provisions in all the partners' Local Council Tax Support schemes for working age customers to disregard such payments.

2.4.2 Discussion was specifically held at the meeting on a number of topics including whether there was potential for increased fraud with the roll-out of UC migration; the quantity of applications for the Homes for Ukraine scheme, however, this scheme was being administered by the county councils; with the Local Government Association, lobbying DWP for more funding to help customers in receipt of Discretionary Housing Benefit with rent shortfalls; and whether there was any further information on the Help to Claim scheme, however, this was yet to be received from the DWP.

2.4.3 Further details are contained in the report at:

[Welfare Reform Report](#)

2.5 **ARP Financial Outturn 2021 to 2022 (agenda item 11)**

2.5.1 The Joint Committee **noted** the financial performance report which presented the financial outturn position against budget for 2021 to 2022 for the ARP.

The actual outturn showed a small underspend against budget of £76,473 (0.79 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.

[Financial Outturn Performance 2021-2022](#)

[Appendix 1](#)

- 2.5.2 Appendix 1 also provides details on the remaining transformation funding which was set aside in previous years from below budget spend and grant funding. £47,000 is earmarked for projects in progress or due next year and there is a further £96,000 available for future transformation projects. The appendix also provides detail on the values held and earmarked in the ICT reserve, which was introduced to smooth the financial effects of major ICT spend.
- 2.5.3 The Government is continuing to provide grants to individual 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 per cent of lost income against budget and after that the grant will provide 75 pence in every pound of lost income.
- 2.5.4 As reported at the 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.
- 2.5.5 The table below, which has been updated since last reported in March 2022, 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:

	Actual outturn	Enforcement income
Breckland	(£25,808)	(£14,374)
East Cambridgeshire	3,600	(£6,599)
East Suffolk	(£27,861)	(£23,591)
Fenland	(£13,509)	(£13,220)
West Suffolk	(£12,895)	(£17,202)
Total	(£76,473)	(£74,986)

- 2.5.6 The data cleanse work agreed by OIB with any associated costs added to the 2022 to 2023 Joint Committee budget was also highlighted.
- 2.6 **New Enforcement Agency Partner (agenda item 12)**
- 2.6.1 The Joint Committee considered this report, which sought approval for expanding its Enforcement Agency by allowing Broadland Council to join the agency.
- 2.6.2 South Norfolk District Council are in partnership with Broadland District Council. Both councils have recently reviewed their approach to align their enforcement activity looking at various options. These included withdrawing South Norfolk from Anglia Revenues Partnership Enforcement (ARPE) which was delegated to one of ARP's partner authorities, Breckland Council in

2017; establishing their own agency; seeking to add Broadland to the ARPE arrangement; or passing enforcement work for both councils to external agencies.

- 2.6.3 As part of the review and following discussions with ARP officers, South Norfolk have concluded that they wish to continue the arrangement with ARPE and Broadland wish to seek using the services of ARPE.
- 2.6.4 The service that an arrangement with Broadland Council would offer would mean that debtors are asked to enter into arrangements that are affordable and take account of new debt from new year council tax bills. The enforcement actions would seek to help debtors to find ways to break their current cycle of debt through referral to agencies and through ongoing dialogue.
- 2.6.5 Options have been considered in respect of whether it is appropriate for ARPE to take on Broadland Council's enforcement work and it was concluded that the proximity of their customer base to the area enforcement agents already cover for other councils and the location of the enforcement agents, the team consider they can deliver the work within existing resource. The arrangement will cover the costs of providing the service and might lead to other councils approaching ARP to join the agency.
- 2.6.6 At the meeting the Joint Committee held detailed discussion on the potential benefits for ARP of Broadland using the services of ARPE for its enforcement work. Several questions were asked and reassurances sought to which officers provided comprehensive responses.
- 2.6.7 The Joint Committee subsequently **resolved that the further expansion of the Enforcement Agency be agreed with Broadland Council joining the Agency.**

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

- 2.7.1 On this occasion, no forthcoming issues were discussed.

3. **Minutes**

- 3.1 For further information on the discussions held at the Anglia Revenues and Benefits Partnership Joint Committee meeting on 21 June 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:

[21 June 2022](#)