

Report of the Anglia Revenues and Benefits Partnership Joint Committee: 13 June 2023

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| Report number: | CAB/WS/23/030 | |
| Report to and date: | Cabinet | 18 July 2023 |
| Cabinet member: | Councillor Diane Hind Portfolio Holder for Resources Telephone: 01284 706542 Email: diane.hind@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/23/030, being the report of the Anglia Revenues and Benefits Partnership Joint Committee.

1. Context to this report

1.1 On 13 June 2023, the Anglia Revenues and Benefits Partnership (ARP) Joint Committee met where the following items of substantive business were discussed:

1. ARP actual performance report: 2022 to 2023
2. ARP actual financial performance report: 2022 to 2023
3. ARP service plan and risk register
4. Welfare reform update
5. ARP health and safety policy statement
6. Forthcoming issues

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

2. Updates within this report

2.1 ARP actual performance report: 2022 to 2023 (agenda item 7)

2.1.1 The Joint Committee received and **noted** the performance report which presented the performance position for the entire 2022 to 2023 year for the ARP.

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 year amended.pdf \(breckland.gov.uk\)](https://www.breckland.gov.uk/Performance%20Report%202022-2023%20year%20amended.pdf)

The reports indicated that when considering performance as a whole for all partner councils, almost all targets for the 2022 to 2023 financial year were 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 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

2.1.3 Attention was drawn to the service updates:

- a. **Enforcement:** As at 31 March 2023, the total collected for the 2022 to 2023 financial year was £4,209,340 debt with an additional £1,168,109 in fees. Due to the energy rebate awards and the cost of living impact, significantly fewer cases have been through the recovery process this year both from the partnership councils and those that ARP provide this service on a section 113 agreement basis. The position will continue to be monitored.
- b. **Further recovery:** Collection as at 31 March 2023 strongly continued with £1,005,603 being collected.
- c. **Council tax:** Year end collection exceeded target for all partners as a result of high collection rates in March 2023. The monthly profiles continue to be monitored and reviewed to ensure accurate forecasts going forward.

News remains awaited on the return of information from His 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, there had been disappointing news. HMRC will not release all of their data on cases unless a date of birth or National Insurance number is known. This means that there are a substantial number of cases to progress. Feedback was to be provided to the project via a consultation being undertaken in May 2023.

- d. **Benefits:** Both council tax support and benefits performance has achieved targets, despite increased demand.

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 review of each partner's Local Council Tax Reduction (LCTR) schemes has been completed with four partners retaining their current scheme and West Suffolk Council opting to increase the maximum LCTR for working age applicants to 100 percent for one year only. The changes have been successfully implemented.

The administration of the Energy Bills Support Scheme (Alternative Funding) has also been successful with ARP having been involved from an early stage in West Suffolk taking part as one of four early adopting pilot sites. A second energy scheme (Alternative Fuel Payments – alternative funding) has also been launched.

- e. **Non-domestic rates:** Collection for West Suffolk Council exceeded target. Work is continuing on the reviews on Small Business Rate Relief (SBRR) reductions which have now commenced on a rolling basis. The Valuation Office Agency revalued businesses for the 2023 Revaluation list, with the new list maintained in addition to the 2017 list. All lists are in balance and were actioned in time for annual billing 2023 to 2024.

- f. **ARP systems and digital:** Work is progressing with ARP's supplier to review their digital product where it is currently being utilised by other local authorities to gain feedback from a wider group of 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 council tax support fund allocations and following annual billing, they are also working on several new automation projects.

- g. **Fraud and compliance:** 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. This funding includes the premium matching service for both East and West Suffolk, providing for an additional post within the team.

The Joint Committee had previously agreed to establish s113 agreements with Broadland and South Norfolk Councils to enable ARP to continue providing these councils with fraud services. A separate s113 agreement with Lincolnshire County Council and the seven district councils within the Lincolnshire district, has also been established to provide these councils with single person discount fraud services.

- h. **Better Customer Experience Programme:** Customer take-up for the online council tax change of address service continues to be a success with around 45 percent of customers currently using the facility against an anticipated 30 percent. The project team is now outlining the automation of direct debit submissions which will complement the change of address service already on offer.

The report outlined additional specific automation and digital measures in place, and being explored, which all aim to improve the customer experience.

- 2.1.4 Discussion was specifically held at the meeting on target setting, the reporting of tenancy fraud and resources allocated towards fraud detection

and recovery. A number of actions were agreed to be taken forward as set out in the draft [minutes](#) of the meeting.

2.2 **ARP actual financial performance report: 2022 to 2023 (agenda item 8)**

2.2.1 The Joint Committee **noted** the financial performance report which presented the financial outturn position against budget for 2022 to 2023 for the ARP.

The actual outturn showed an underspend against budget of £440,888 (4.5 per cent) for the whole of ARP. Appendix A attached to that report provided further details, together with details and reasons for the specific variances.

[ARP actual financial performance report 2022-2023](#)

[Appendix A](#)

2.2.2 Appendix A 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.

2.2.3 Additional Government new burdens administrative funding for delivery of council tax rebate and business rate rebate schemes has created a budget surplus. Whilst the grants were expected, the values were not known until the grants were received in March 2023.

2.2.4 The table below, which has been updated since last reported in March 2023, shows the share of the forecast outturn for each partner based on the Joint Committee constitutional agreement. The report recommended to the Joint Committee that the end of year variance be distributed between the partner authorities in the approved shares:

| | Actual outturn (£) |
|---------------------|---------------------------|
| Breckland | (80,531) |
| East Cambridgeshire | (38,378) |
| East Suffolk | (175,154) |
| Fenland | (57,527) |
| West Suffolk | (89,298) |
| Total | (440,888) |

2.2.5 Discussion was specifically held at the meeting on a number of topics including the allocation of shares amongst the partner authorities.

2.2.6 The Joint Committee **resolved that:**

- 1. The report and appendix be noted; and**
- 2. The final full year variance at 31 March 2023 be shared between the partner authorities in the approved shares.**

2.3 **ARP service plan and risk register (agenda item 9)**

2.3.1 The Joint Committee received and **noted** a report, which provided an update on the service plan and risk register, as set out in the appendix attached to that report at:

[Service plan and risk register](#)

[Appendix A](#)

2.3.2 The Joint Committee noted that ARP had seen significant success in 2023 to date, including (briefly):

- In December 2022, a new Government scheme was announced to help support economically vulnerable families by providing additional reductions to their council tax bills. The Council Tax Support Fund was also administered at ARP's busiest time of year where automatic reductions were facilitated for those in receipt of council tax reduction at the time of annual billing and those making a claim successful claim during 2023-2024. A residual fund was retained to provide additional support via the exceptional hardship claim route throughout 2023-2024
- Council tax collection target was met for all partners for the 2022-2023 year
- More customers are using e-services. 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
- The further recovery work jointly funded by county councils secured just over £1 million. This is a great result for a small team doing Bankruptcies and Charging Orders
- The Fraud teams work, also jointly funded by the county councils, identified over £2.8 million in fraud and error last year, an increase on the previous year. Following approval by Cambridgeshire County Council, the team are incorporating the Cambridgeshire Fraud Hub in 2023-2024 to achieve even higher values
- In collaboration with each partner's Housing teams, a risk-based approach was taken to target empty properties where data indicated occupation

2.3.3 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 continuing the success the 'Tolerance Rule' introduced in April 2021, where it was increased from £65 to £100 from April 2022
- The introduction of a new online 'change of address' form
- Stronger call handling response times which has been achieved through the use of better telephone technology
- The introduction of a generic role, namely a Council Tax Billing Officer, continues to be successful providing flexibility and resilience whilst increasing skills of staff
- Resource efficiencies achieved following a review of the ARP Support Team integrating back into the Operations team

2.3.4 The Joint Committee reconsidered the strategic direction for the ARP. The service delivery plan attached as Appendix A seeks to detail actions to achieve the visioning detailed in the report. In 2023 to 2024, emphasis will be placed on (briefly):

- Continuing to develop online facilities to enable customers to self-serve
- Placing focus on the new 'Contact Us' form to replace emails
- Continuing to invest time and resource into developing automated processes to deliver savings and streamline the customer experience
- Looking to participate in any future exercise arranged by the Cabinet Office following ARP's participation in a pilot exercise in 2022-2023 relating to the provisions set out in the Digital Economy Act
- Continuing to influence national initiatives such as Universal Credit (UC) and business rates reform
- Continuing to maintain a flexible workforce and maintain resilience
- Implementing the 'Move to UC' programme where partner authorities have been notified of a potential migration to UC
- Continuing to monitor the impact of UC on customers, as highlighted in the risk register

2.3.5 Discussion was specifically held at the meeting on a number of topics including the content of, and the method used to report risks in the risk register; and data security derived from the DWP and HMRC.

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

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

- a. **'Help to Claim' scheme:** The Minister of State for Employment had announced that the 'Help to Claim' scheme operated by Citizens' Advice will be extended to March 2024 with support being considered post April 2024.

- b. **Universal Credit (UC):** 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 2.1.15 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 would be Bolton and Medway. During the trial there was more focus on customers moving over independently and a test and learn approach will continue. 500 claimants had been written to and given three months to make a claim for Universal Credit.

The three-month deadline for the trial ran into the second week of August 2022 with one-month extensions given. A further 250 letters were issued in July 2022 trialling a different approach and the trial was expanded into Cornwall. Harrow and Northumberland have also now joined the pilot.

It was announced in the Autumn Statement in November 2022 that plans to continue to move across 2.5 million cases to UC will continue but the move of a further one million customers currently in receipt of Employment and Support Allowance will be delayed until 2028. The plan to consider movement of pensioner cases has also been delayed from 2025 to 2028-2029. It was also announced in November 2022 that mortgage support through UC will be reviewed.

In January 2023, a report was issued providing analysis on the initial 499 cases moved to UC. Of the 499, 423 transitioned, with 50 percent being awarded Transitional Protection. 63 of those had applied by phone and seven cases are yet to make a claim. The migration data will help inform the next stages of migration.

In April 2023, 5,000 migration letters were sent to tax credit claimants asking them to claim UC as the move to UC expands. East Suffolk, Fenland and West Suffolk were notified in April 2023 that DWP will start to issue migration notices to households claiming tax credits only (estimated at less than 100 cases within each of the three districts) in July 2023. This does not include households in receipt of housing benefit and tax credits. Migration of housing benefit claimants is expected to commence in 2024-2025.

- c. **Discretionary Housing Payment (DHP):** DWP are proposing to retain the current methodology for DHP allocations with a two-year funding freeze with allocations to be paid in one upfront payment. This is to retain consistency and help local authorities plan. A short consultation will take place prior to allocations was held in February 2023. The outcome of this is awaited.
- d. **Benefit cap:** From April 2023, the maximum family income before the benefit cap applies will rise from £20,000 to £22,020 (from £13,400 to £14,753 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.

It was announced in the Autumn Statement in November 2022 that the benefit cap would rise by 10.1 percent in line with Consumer Price Inflation (CPI) from April 2023. This means that 60,000 households will no longer be capped, 130,000 will receive more support and 30,000 will be out of the scope of the cap.

- e. **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.
- f. **Welfare benefit uprating – April 2023:** 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 rose in line with the highest inflation rate or 2.5 percent. The Consumer Price Inflation (CPI) rate for September 2021 is historically the figure used, reported then at 3.1 percent. This figure has risen considerably since then and it was announced in the Autumn Statement in November 2022 that from April 2023, the state pension and other benefits would increase by 10.1 percent in line with inflation. The 'Triple Lock' has also resume.
- g. **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 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 At the meeting, a number of topics were discussed, particularly in respect of the potential impact to ARP regarding the proposed forthcoming Universal Credit migration of households claiming tax credits in East Suffolk, Fenland and West Suffolk.

2.4.3 Further details are contained in the report at:

[Welfare Reform Report](#)

2.5 **ARP health and safety policy statement (agenda item 11)**

- 2.5.1 The Joint Committee considered a report, which sought approval for the ARP's health and safety policy statement.

The report and appendix containing the policy statement can be found here:

[ARP health and safety policy statement](#)

- 2.5.2 The ARP Joint Committee Constitutional Agreement requires that the Joint Committee reviews its health and safety policy statement on a regular basis. The statement sets out each of the partner's responsibilities and ARP's role in maintaining the employers' health and safety policies.
- 2.5.3 The policy statement, attached as Appendix A, has been reviewed and updated with its contents discussed with each partner's health and safety representative to ensure it aligns to the individual council policies and their responsibilities as employers.
- 2.5.4 At the meeting, members' attention was particularly drawn to ARP's responsibilities, as set out in section 7 of the statement. Discussion was held on the variances between each of the partner authorities own individual health and safety policies; however, it was noted that these were minimal and it was ARP's responsibility to work with each authority to ensure alignment where possible.
- 2.5.5 The Joint Committee **resolved that the revised ARP health and safety policy statement for 2023 detailing individual employer's responsibilities and ARP's role in the review of those individual policies, be approved.**

2.6 **Forthcoming issues (agenda item 12)**

- 2.6.1 There were no forthcoming issues on this occasion.

3. **Minutes**

- 3.1 For further information on the discussions held at the Anglia Revenues and Benefits Partnership Joint Committee meeting on 13 June 2023, 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:

[13 June 2023](#)