

# Report of the Anglia Revenues and Benefits Partnership Joint Committee: 12 September 2023

<b>Report number:</b>	<b>CAB/WS/23/047</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	14 November 2023
<b>Cabinet member:</b>	Councillor Diane Hind Portfolio Holder for Resources Email: <a href="mailto:diane.hind@westsuffolk.gov.uk">diane.hind@westsuffolk.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Director (Resources and Property) Telephone: 01638 719245 Email: <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	

**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/23/047, being the report of the Anglia Revenues and Benefits Partnership Joint Committee.

## 1. Context to this report

1.1 On 12 September 2023, 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
4. Fraud and compliance team target review
5. Forthcoming issues

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

## 2. Updates within this report

### 2.1 Performance report (agenda item 5)

2.1.1 The Joint Committee received and **noted** an update on performance up to 30 June 2023.

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 2023-2024 Jun Q1 \(breckland.gov.uk\)](https://www.breckland.gov.uk/performance-report-2023-2024-jun-q1)

The reports indicated that when considering performance as a whole for all partner councils, all targets for the 2023 to 2024 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, with the exception of housing benefit, all targets were currently being met for the 2023 to 2024 financial year in respect of the following categories:

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

The number of days to process housing benefit in Quarter 1 is marginally short of the 10 day target at 10.85 days. This can be attributed to the additional workload placed on ARP to administer support schemes that had

now ended. Processing times are expected to improve moving into Quarter 2.

2.1.3 Attention was drawn to the service updates:

- a. **Enforcement:** As at 30 June 2023, the total collected for the 2023 to 2024 financial year was just over a million pounds in debt repayment with an additional £307,000 in fees. This was expected to increase considerably in the next quarter following the recovery cycle after annual billing.
- b. **Further recovery:** A strong start for the first quarter of the new financial year had resulted in a total of £166,952 being collected.
- c. **Council tax:** Overall collection for council tax in the first quarter was on target for the majority of the partner councils including West Suffolk.

Demand for council tax billing remained high; however, with the recruitment of additional Council Tax Billing Officers in July 2023, this would assist in easing the workload.

The majority of allocations of the Government-funded Council Tax Support Fund to eligible persons had been applied directly to council tax bills during the 2023/2024 annual billing process. Additional support provided through the Local Council Tax Reduction and Exceptional Hardship schemes would be applied to those in need throughout the year.

- d. **Benefits:** Overall targets for the processing of benefits in the first quarter was on target for the majority of the partner councils. See 2.1.2 above regarding West Suffolk's current position.

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) was also launched in March 2023. At the end of Quarter 1, further news was awaited on new burdens allocations for administering these schemes.

- e. **Non-domestic rates:** The overall collection rate for each partner authority is currently above target at the end of the first quarter of 2023/2024.

A new NDR Valuation list came into effect on 1 April 2023 where every property has been assigned a property value. This means changes are being administered from the 2017 and 2023 Valuation Office Agency (VOA) lists. Apart from a handful of outstanding appeals, the 2010 list is now closed.

Work is continuing on the reviews on Small Business Rate Relief (SBRR) reductions which have commenced on a rolling basis.

- 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.

Following annual billing, work is now continuing on several new automation projects.

- g. **Fraud and compliance:** The Cambridgeshire Fraud Hub became operational in Quarter 1, which provides fraud-related savings for the partnership.

Both Norfolk and Suffolk County Councils have continued 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. Work continues to commence fraud work for Broadland and South Norfolk, with the intention of going live in Quarter 2.

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:** ARP is in the final stages of development in preparation for the launch of its new Contact Us form. This will help enhance the customer experience by capturing all required information within the one form.

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

- 2.1.4 Discussion was specifically held at the meeting on council tax collection targets and progress in Quarter 2; the effects of the cost-of-living crisis on collection targets; fraud and compliance prosecution cases, with a reference to a specific case that had been reported in the press; the operational impact of administering the Government support schemes; and the customer experience undertaken when needing to register a brand new home for the payment of council tax.

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

- 2.2.1 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.

The Department for Work and Pensions (DWP) is running a two-year grant offer for those utilising the Help to Claim scheme from 2024. The deadline for applications was 28 July 2023.

- 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 2.1.16 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. ARP has now been advised that Breckland and East Cambridgeshire are also included in the aforementioned tranche and tax credit only cases will now start migrating for all five partners. Further information and timelines for the roll-out are awaited.

- 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 took place prior to allocations being made in February 2023.
- d. **Benefit cap:** From April 2023, the maximum family income before the benefit cap applies rose 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 are no longer capped, 130,000 receive more support and 30,000 are 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 resumed.

- 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.

2.2.2 At the meeting, a number of topics were discussed, particularly in respect of liaison meetings being held the DWP where ARP had been providing local authority feedback on the migration process.

2.2.3 Further details are contained in the report at:

[Welfare Reform Update](#)

### 2.3 **ARP financial performance report (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 as at 30 June 2023, showed a small underspend against budget of £49,024 (0.46 percent) for the whole of the partnership, with approximately £46,580 of this underspend being due to lower business rates for 2023 to 2024 compared to budget. Other reasons for the specific variances, are contained in the report at:

[ARP Financial Performance Report](#)

[Appendix A](#)

2.3.2 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 £70,000 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.

2.3.3 The report also drew attention to provision in the budget to allow for the yet to be announced staff pay award for 2023; receipt of Government New

Burdens funding which is designed to help off-set the costs incurred for delivering the two alternative energy funding schemes; and that the budget for 2023 to 2024 includes an efficiency target of £100k, rising to £200k in future years. The £100k for 2023 to 2024 has been achieved and is included in the forecast.

- 2.3.4 The table below shows the share of the forecast outturn for each partner based on the Joint Committee constitutional agreement; however, this will change for the final values at the end of March 2024:

	<b>Actual outturn (£)</b>
Breckland	(25,237)
East Cambridgeshire	11,075
East Suffolk	(31,743)
Fenland	874
West Suffolk	(3,993)
<b>Total</b>	<b>(49,024)</b>

## 2.4 **Fraud and compliance team target review (agenda item 8)**

- 2.4.1 The Joint Committee considered a report, which sought approval to increase the performance target for the fraud and compliance team, as set out in the report at:

[Fraud and compliance team target review](#)

- 2.4.2 The Joint Committee noted that the fraud and compliance team currently had a performance target for identifying fraud of £1.3 million. This, together with total performance in 2022 to 2023 and that identified in the first quarter of 2023 to 2024 is detailed in the table below:

	<b>Current targets</b>	<b>2022 to 2023</b>	<b>2023 to 2024 Q1</b>
Single person discount	£500,000 per annum	£1,420,000	£683,117
Council tax support	£150,000 per annum	£200,000	£82,333
Tenancy fraud	£400,000 per annum	£375,240	£279,000
Other council tax/NNDR	£250,000 per annum	£854,000	£307,720
<b>Total</b>	<b>1,300,000 per annum</b>	<b>£2,849,240</b>	<b>£1,352,170</b>



As summarised above, not only did the team exceed the annual target for 2022 to 2023, but this has already been achieved in quarter one of the new financial year.

- 2.4.3 The largest element of the fraud identified is from those awarded the single person discount (SPD). Across ARP, the collection funds for the 2023 to 2024 financial year include just over £48 million awarded in SPD. A three percent target of identifying fraud in this area amounts to approximately £1.4 million. When considering past performance and the likely level of SPD, it is considered a three percent target is stretching but achievable.
- 2.4.4 The report also provided details on matters considered when setting targets for the other areas of fraud listed in the table above.
- 2.4.5 Having considered these matters, the Joint Committee considered whether a recommended target of £2.8 million should be set for 2023 to 2024, as set out below:

	<b>2023 to 2024</b>
Single person discount	£1,400,000 per annum
Council tax support	£200,000 per annum
Tenancy fraud	£400,000 per annum
Other council tax/NNDR	£800,000 per annum
<b>Total</b>	<b>2,800,000 per annum</b>

- 2.4.6 Discussion was specifically held at the meeting on a number of topics including systems in place to help prevent fraud; methods used to monitor changes in properties from residential to commercial use, for example, in circumstances where domestic properties were used as AirBnB accommodation. This led to a discussion on other examples where business rates would be required to be paid if operating commercially in a domestic property.
- 2.4.7 The Joint Committee **resolved that the performance target for the Fraud and Compliance team be increased from £1.3 million to £2.8 million per annum.**
- 2.5 **Forthcoming issues (agenda item 9)**
- 2.5.1 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 12 September 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:

[12 September 2023](#)