



MEETING : EAST HERTS COUNCIL AND STEVENAGE
BOROUGH COUNCIL JOINT REVENUES AND
BENEFITS COMMITTEE

VENUE : SHIMKENT ROOM, DANESHILL HOUSE,
DANESTRETE, STEVENAGE, SG1 1HN

DATE : MONDAY 19TH JANUARY, 2015

TIME : 6.00 PM

MEMBERS OF THE COMMITTEE

EAST HERTS COUNCIL:

Councillor Michael Tindale (Chairman).
Councillors: L Haysey and J Thornton.

Substitutes: G McAndrew.

(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 24 hours before the meeting)

STEVENAGE BOROUGH COUNCIL

Councillors: Mrs J Lloyd (Vice-Chairman), J Thomas and A Webb.

Substitutes: R Raynor.

CONTACT OFFICER: Peter Mannings
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E-mail: peter.mannings@eastherts.gov.uk

DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:
 - fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
 - fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
 - participate in any discussion or vote on a matter in which a Member has a DPI;
 - knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

Audio/Visual Recording of meetings

Everyone is welcome to record meetings of the Council and its Committees using whatever, non-disruptive, methods you think are suitable, which may include social media of any kind, such as tweeting, blogging or Facebook. However, oral reporting or commentary is prohibited. If you have any questions about this please contact Democratic Services (members of the press should contact the Press Office). Please note that the Chairman of the meeting has the discretion to halt any recording for a number of reasons, including disruption caused by the filming or the nature of the business being conducted. Anyone filming a meeting is asked to focus only on those actively participating, but please also be aware that you may be filmed whilst attending a council meeting and that attendance at the meeting signifies your agreement to this.

AGENDA:

1. Apologies for Absence and Declarations of Interest
2. Minutes – 13 October 2014 (Pages 7 – 8).

To approve as a correct record the Minutes of the meeting of the Joint Revenues and Benefits Committee held on 13 October 2014.

3. Quarterly Update (Pages 9 – 20).

The Committee is requested to receive a report detailing the current position in the following areas:

- o Performance Reporting
- o Other Challenges

The Committee is further requested to agree recommendations that the Committee meet only once a year and that the Section 151 Officers complete the budget preparations for the Shared Service.

4. Urgent Part 1 Business

To consider any Part I Business accepted by the Chair as urgent.

5. Exclusion of Press and Public

To consider the following motions:

1. That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in paragraphs 1-7 of Part 1 of Schedule 12A of the Act as amended by SI2006 No.88.
2. That Members consider the reasons for the following reports (if any) being in Part II and determine whether or not maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

6. Urgent Part 2 Business

To consider any Part II Business accepted by the Chair as urgent.

JOINT REVENUES AND BENEFITS EXECUTIVE MINUTES

Date: Monday 13 October 2014

Time: 6.00 p.m.

Place: Shimkent Room, Daneshill House, Stevenage

- Present:** Stevenage Borough Councillors: Mrs J Lloyd (Vice-Chairman - presiding), J Thomas and A Webb.
East Herts Councillors: G McAndrew.
- In Attendance:** S Crudgington (Strategic Director (Resources) SBC) and S Tarran (Head of Revenues and Benefits).
- Start/End Time:** Start Time: 6.00 p.m.
End Time: 7.01 p.m.

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors L Haysey, J Thornton and M Tindale.

There were no declarations of interest.

3. MINUTES – 30 JUNE 2014

It was **RESOLVED** that the Minutes of the meeting of held on 30 June 2014 be approved as a correct record and signed by the Chair.

4. QUARTERLY UPDATE

The Committee received a report detailing the current position in the following areas:

- Performance Reporting
- Other Challenges

The Committee was advised that a re-sizing report had been presented to the senior management teams at both authorities and was currently working its way through the decision making process. The report had been considered necessary in light of the changing demands on the service.

Concerns were expressed with regard to the workload generated as a result of the Department of Work and Pensions' (DWP) data matching exercise and the Committee was advised of the impact on pilot sites.

The Committee was advised that processing times of 12 – 18 working days, especially where clients had not declared changes in circumstances had been recorded and issues had been identified with clients on zero-hours contracts.

With regard to Universal Credit the Committee was advised that the pilot schemes continued but that the timescale for a wider roll-out of the scheme remained unclear.

The Committee discussed the DWP plan to introduce the Single Fraud Investigation Service and was advised that a business case was being prepared to provide county-wide anti-fraud investigations as part of the Shared Internal Audit Service to address areas of fraud prevention considered not to be fully prioritised by the DWP proposals.

It was put to Members that as the Committee had been originally established to oversee the formation and bedding-in of the Joint Revenues and Benefits service it had served its purpose. It was agreed that some form of committee would have continued usefulness and it was suggested that a meeting could be called either on an ad hoc basis, should circumstances demand, or on a formal once-yearly basis, dependant on the terms of the partnership agreement. The Committee was advised that a proposal covering the available options would be included as part of the update report at the January meeting.

It was **RESOLVED** that the report be received and noted.

4. URGENT PART I BUSINESS

None.

5. EXCLUSION OF PRESS AND PUBLIC

Not required.

PART II

6. URGENT PART II BUSINESS

None.

EAST HERTS COUNCIL

COMMITTEE – DATE 19 January 2015

East Herts Council and Stevenage Borough Council Joint Revenues and Benefits Committee

REPORT BY Head of Revenues and Benefits Shared Service

REPORT TITLE : Quarterly update

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To report to committee the current position in the following areas.
 - Performance reporting
 - Other challenges

<u>RECOMMENDATIONS FOR</u> East Herts Council and Stevenage Borough Council Joint Revenues and Benefits Committee	
That:	
(A)	The report be received.
(B)	That the committee meet only once a year, annually in June.
(C)	That the section 151 officers complete the budget preparations for the shared service.

1.0 Background

1.1 Since the last report to committee (October 2014) the re-sizing report which reviews the changes in demand on the service and the available resources since the shared service was scoped, has been approved by Executive committees and recruitment has commenced.

1.2 This report includes an over view of performance and future challenges.

2.0 Report

2.1 **Performance reporting – Benefits Workload**

2.1.1 The workload received by the Benefits Service up to the end of November 2014 has reduced slightly on the same period in 13/14, although in November it has started to rise again.

2.1.2 In September 2014 the DWP commenced a major project based on a bulk data matching exercise using real time information from HRMC. So far 403 referrals have been received (SBC 229, EHC 174). This represents 3 data cuts.

2.1.4 This has proven to be a significant drain on resources as the cases are necessarily complex and many involve multiple reassessment periods. They must be assessed as a priority or they impact negatively on the councils subsidy claim.

2.1.5 Some customers are experiencing high overpayment notifications as previously undeclared income has been identified.

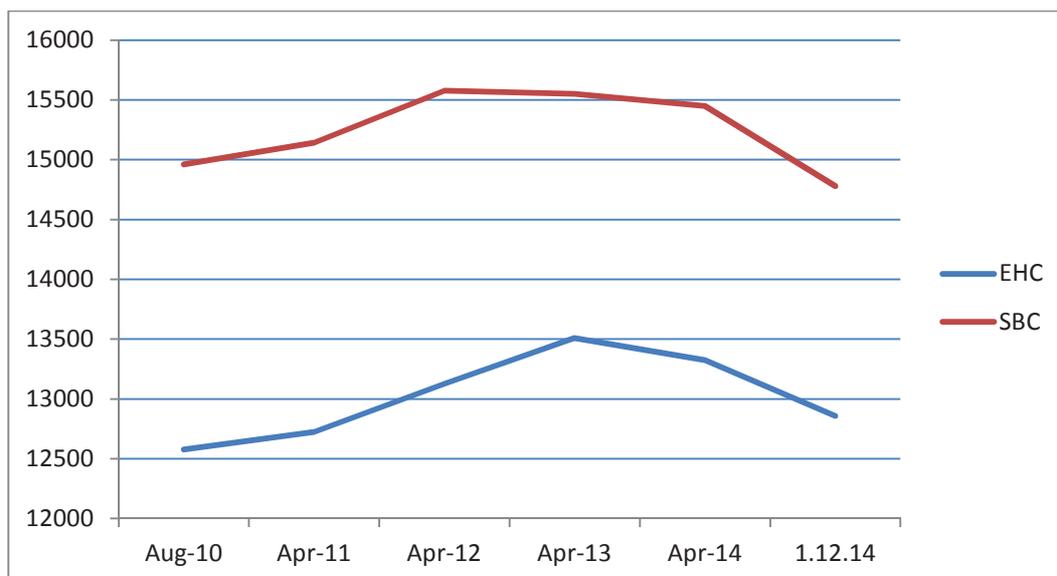
2.1.6 We have been advised that we will receive New burden funding for this exercise. The DWP advise that this will be £15.13 per referral; this includes £10.13 for dealing with the referral, plus an additional £5.00 to cover the cost of debt recovery action. This is insufficient to cover the cost of processing these cases.

2.1.13 Benefits and Council Tax Support Caseload has reduced slightly in the first 8 months of 14/15 for both pensioners and working age caseloads.

2.1.14 At a recent national conference attended by the DWP it was acknowledged that services are impacted most significantly by the number of changes requiring processing for each claim.

2.1.15 This was attributed to a number of factors including; tax credits, zero hour contracts, and the high proportion of claimants in multiple low paid part time work.

2.1.16 The graph below demonstrates the long term trend in caseload.



2.2 Performance reporting – Revenues Workload

2.2.1 The workload of the Revenues teams continues to increase as demonstrated in the level of recovery action being taken. The table below demonstrates the number of **Council Tax** reminders, final reminders, and arrangement reminders issued.

Stevenage	.12/13	13/14	% increase	14/15 to 1.12.14
Reminders	10679	16797	57.29	10239
Finals	2645	3475	31.38	2586
Arrangement	1607	3360	109.09	2727
	14931	23632	58.27	15552

East Herts	.12/13	13/14	% increase	14/15 to 1.12.14
Reminders	14591	17276	18.40	12843
Finals	3933	4149	5.49	1785
Arrangement	2231	2385	6.90	2092
	20755	23810	14.72	16720

2.2.2 These are indicative of workload increases in all areas of the Revenues service. Customer contacts are very high.

2.2.3 The Autumn statement has delivered further work streams as a result of the extension of particular reliefs from business rates. Administratively the complexity of state aid rules will require further contacts with eligible businesses to ensure that they continue to be entitled to these enhanced and or extended reliefs.

2.3 Discretionary Housing Payments

2.3.1 The demand for Discretionary Housing payments arising from the changes in the welfare reforms has also risen significantly, and has proven to be a very resource intensive work stream.

2.3.2 However the approach adopted this year, to award for longer periods for those with the most complex needs appears to be having a positive impact on the number of separate applications.

Applications for DHP	EHC	SBC
2013/14	485	668
1.12. 2014	281	447

2.3.3 At the end of November the following DHP grant had been spent &/or committed. Any unspent money has to be returned to the DWP at the end of the financial year.

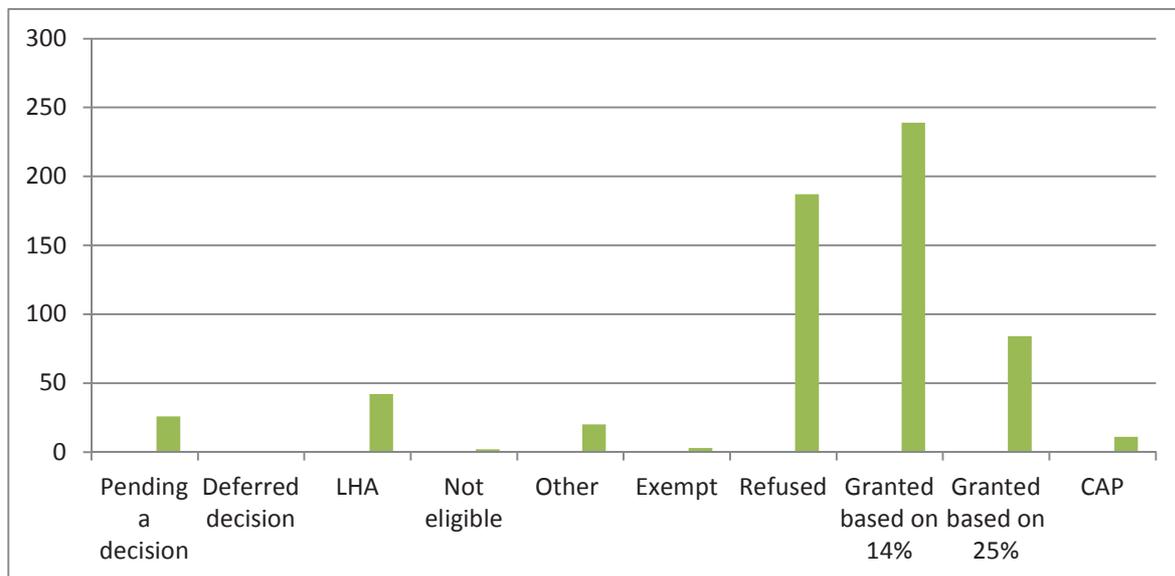
DHP	SBC	EHC
Grant	£ 183,788.00	£ 156,347.00
Spent/committed	£ 173,719.88	£ 126,798.49
%	94.5%	81%

2.3.4 The service will encourage colleagues in Housing Associations etc in the East Herts area to identify potential claimants for the uncommitted element of the funding. Consideration has

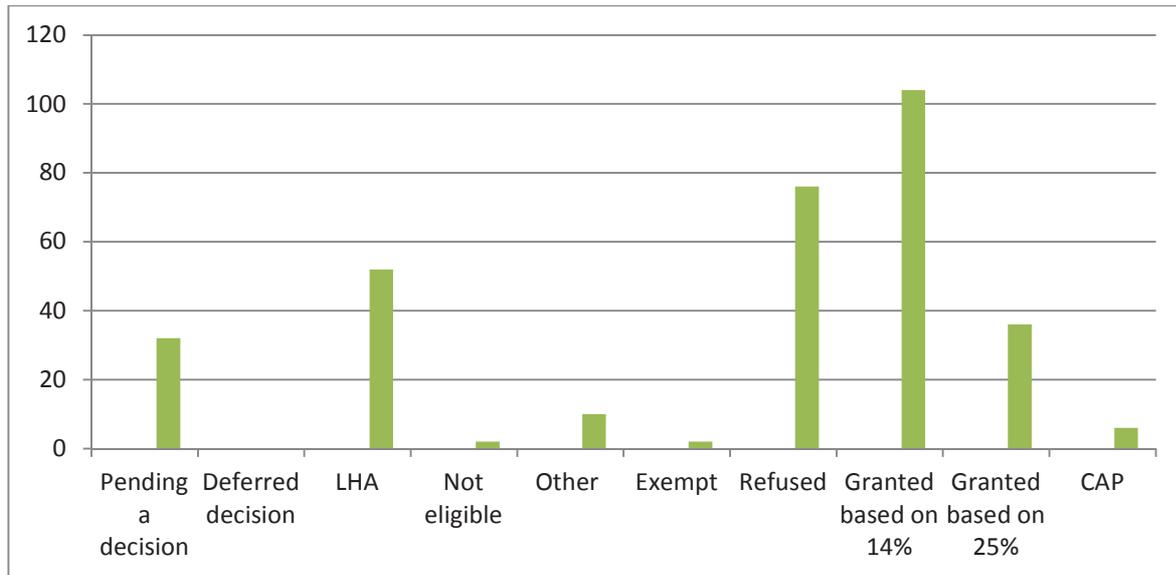
already commenced of alternative funding solutions if the SBC fund is over subscribed before year end.

- 2.3.4 The graphs below shows where the DHP is being spent in relation to cause of request during 14/15.
- 2.3.5 The most significant area continues to be in relation to the spare room subsidy.
- 2.3.6 A number of legal cases are progressing through the courts, which attempt to challenge the regulations. These mainly now focus on the definition of a bedroom and its minimum size. The shared service has submitted a challenge against a tribunal decision in respect of an appeal based on size of room. We believe the tribunal decision is faulty in law, and inconsistent with other decisions.

Stevenage



East Herts



2.4 N181 performance

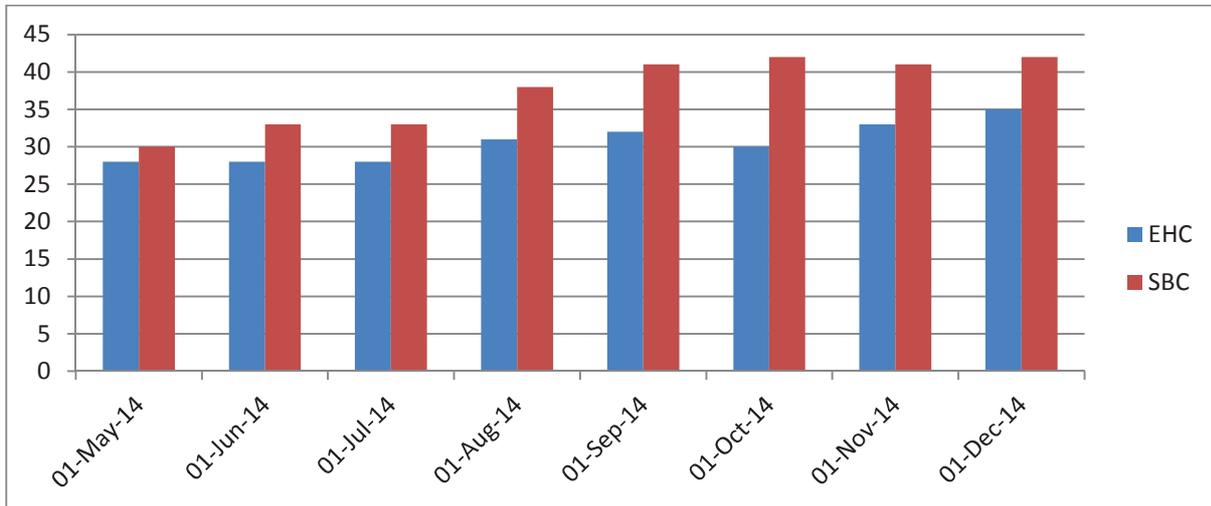
2.4.1 The current performance for Benefits N181 shows a disparity, between Councils. However as the outstanding workload continues to be at the same date for each Council. This is caused by variations in the volumes of transactions at different periods during the year.

2.4.2. Processing indicators for this year show the following alignment.

No. of days	East Herts	Stevenage
Data period	11.3.14 -2.12.14	2.4.14 - 26.11.14
New Claims	27.10 days	26.67 days
Changes in circumstances	14.62 days	14.93 days
N181(cumulative)	13.78 days	16.06 days

2.5 Benefits CAP

2.5.1 The Benefit cap is now running as a 'regular' feature of the Benefits scheme. Customers are affected by the CAP for various periods of time, but the number affected at any one time remains small, although increasing.



3. Other Challenges

Universal credit:

- 3.1 The pilots continue but very small numbers of customers are being processed in this way.
- 3.2 The DWP confirmed in October that they would be rolling out universal credit to all single claimants of (Job Seekers Allowance) JSA by March 2016.
- 3.3 The DWP also advise that in respect of **Migrants' Access to Benefits**, they will be restricting European Economic Area migrants' access to Jobseeker's Allowance from 6 to 3 months for new claimants, and extending the Genuine Prospect of Work assessment to all existing claimants not previously tested.
- 3.4 There has been no further information in respect of the 'universal credit' solution for Pensioners, since it was announced that it was delayed until 2018/19 at the earliest.

- 3.5 Some experts believe that the DWP may wish to press ahead with the roll out of direct payments to customers in the social sector, ahead of the UC rollout. This will be a significant project for all concerned. There has been no further information about this in recent months.
- 3.4 The move to include working age singles and couples in universal credit, during 2015/16 in increasing numbers of areas may indicate that progress in roll out is now being made.

Single Fraud Investigation Service (SFIS) & Shared Anti Fraud Service (SAFS)

- 3.5 The DWP continues with the roll out of SFIS. The date given for East Herts & Stevenage is 1 May 2015. Contact has now been made with their transformation team who will assist with the arrangements to move responsibility for Housing Benefit fraud to the DWP.
- 3.6 Stevenage & East Herts are now members of the SAFS group, part of the Shared Internal Audit Service, who will deliver a range of fraud functions for the member authorities.
- 3.7 Issues relating to legacy cases have yet to be concluded.

Funding

- 4.1 The service is focussed on recruiting to the new permanent and two year contract posts that the re-sizing report has secured.
- 4.2 It is anticipating that once these vacancies are completed the service can begin delivering an improved service across all areas of activity.

5. Meetings

- 5.1 Members agreed at the last meeting to review the frequency of these reports. The joint Revenues and Benefits committee was established to oversee the successful launch and implementation of the shared service. As the shared service is now in its fourth year it is now felt that the frequency of meetings can be reduced to an annual update. If any

significant events occur such as the full implementation of universal credit then extraordinary meetings will be arranged.

- 5.2 The board has been meeting three times a year, (June, October & January). The contract for the shared service actually only expected 2 meetings a year (June and January).
- 5.3 The agreement provides for changes where these are agreed between the parties.
- 5.4 The agreement currently requires that the board inform their authorities by 1 December of the proposed amounts of their contribution to the budget, with each authority to confirm by 7 March approval of the proposed budget. In practise this has been delegated to the section 151 officers.
- 5.5 It is proposed therefore, to hold one meeting a year in June to receive a report from the Head of Service, as intended in the original agreement, and that the 151 officers to continue to determine the budget proposals for the shared service.

6. Implications/Consultations

- 6.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers None

Contact Members: Joan Lloyd, Executive Member for Resources, Stevenage Borough Council, and
Michael Tindale, Executive Member for Finance, East Herts Council.

Contact Officer: Su Tarran, Head of Revenues & Benefits Shared service Contact Tel No 01279 502075

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ESSENTIAL REFERENCE PAPER ‘A’

IMPLICATIONS/CONSULTATIONS

<p>Contribution to the Council’s Corporate Priorities/ Objectives <i>(delete as appropriate):</i></p>	<p>EHC: People</p> <p>This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable</p> <p>SBC : Priorities</p> <p>A Vibrant Town: Improve the economy and encourage financial resilience Regenerate the town centre and neighbourhoods</p> <p>A Quality Environment Provide affordable homes and housing growth Help people feel safe</p> <p>An Excellent Council Deliver value for money Putting customers first</p>
<p>Consultation:</p>	<p>N/A</p>
<p>Legal:</p>	<p>N/A</p>
<p>Financial:</p>	<ul style="list-style-type: none"> • <i>Only as referenced in the report</i>
<p>Human Resource:</p>	<p>N/A</p>
<p>Risk Management:</p>	<ul style="list-style-type: none"> • <i>Only as referenced in the report.</i>

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