

Anglia Revenues Partnership

Report of Operational Board to the JOINT COMMITTEE – 3rd December 2009

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DWP Administration Funding Update

1. Purpose of Report

- 1.1 To update members on progress of this project and reallocate the funding into other key areas within Benefits Administration

2. Recommendations

- It is recommended that the Committee:
- 2.1 Note the contents of the report
 - 2.2 Approves the creation of additional cost centre codes & reallocation of funding..

Note: In preparing this report, due regard has been had to equality of opportunity, human rights, prevention of crime and disorder, environmental and risk management considerations as appropriate. Relevant officers have been consulted in relation to any legal, financial or human resources implications and comments received are reflected in the report.

3. Information, Issues and Options

3.1 Background

- 3.1.1 During 2009 the Government has taken action on the current economic crisis in respect of the growing numbers of Unemployed people who are now claiming Housing & or Council Tax Benefit.
- 3.1.2 The Government (DWP) has provided two additional funding streams to cater for the increase in workload within Benefits Administration, ensuring that the people who need the help most are getting the benefits they are entitled to.
- 3.1.3 Previous reports have been taken to Joint Committee and approval has been given to spend the money on additional staffing. It must be noted all funding must be spent on Benefits Administration ie the funding cannot be used for any other purposes.

3.2 Issues

- 3.2.1 The DWP will have paid the Partner Authorities a total of £249,121 by the end of the current financial year. There is also the possibility of further additional funding, at a lower level into next year as the economy recovers.
- 3.2.2 Currently this funding has been fully allocated for the provision of additional staffing. Whilst the Partnership has had to bring in additional resources it is now evident that the total forecasted spend to 31 March 2009 (£90,000) is far less than the funding received.
- 3.2.3 It has become evident that other areas within the Partnership budgets have been hit hard by the additional increase in Benefit claims; areas such as stationery, car allowances & training have all experienced significant increases in expenditure. It is suggested that some of the funding is allocated to these areas to reflect the increases in expenditure.
- 3.2.4 It is also suggested that by investing some of the funding into additional computer

software we will bring in longer term savings within the Partnership. The new software is in three parts; A Quality Assurance Module, which will enable the Partnership to minimise errors within Benefits Processing & Maximise subsidy income. An electronic forms package, which will enable the customers or customer services or mobile workers to complete new claims & ultimately change of circumstances without the need for paper forms. It is anticipated this will reduce the stationery budget in 2010/11 onwards. The final part of the software is integration this will enable the New Claim & Change Of Circumstances forms to be automatically loaded from one system to another rather than double entry at present. The input data will still need to be checked but overall the staff time taken on these activities will reduce, thus giving the partnership the ability to increase income (by releasing staff to the trading arm) or by cost reduction (not filling some vacant posts).

3.2.5 It is also suggested that funding is held in reserve to extend the contract for an Overpayments Officer & Clerical Assistant for 2011/12. This is essential because it is unlikely the volume of Overpayments will reduce next year and may even increase, consequently these posts are needed to maximise revenue for each partner.

3.2.6 The projected costings & detail codes are shown in Appendix A (DWP Admin Expenditure).

3.3 Options

3.3.1 To note the report and approve the reallocation of the funding.

3.3.2 To note the report, not approve the reallocation & pay the balance of funding back to the DWP.

3.4 Reasons for Recommendation(s)

3.4.1 To provide an update on the projected costs & reallocate the remaining balances based on the reasoning in 3.2.3 to 3.2.5 above.

3.4.2

4. Risk and Financial Implications

4.1 Risk

4.1.1 None

4.2 Financial

4.2.1 Proforma B attached

5. Legal Implications

5.1 None

6. Other Implications

None.

7. Alignment to Council Priorities

7.1 To be legally compliant

8. Ward/Community Affected

8.1 All within partner authorities

Background Papers

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Key Decision Status (Executive Decisions only):

Appendices attached to this report:

DWP Admin Expenditure Update Report Appendix A

Proforma B