

## Anglia Revenues Partnership

### Report of Operational Board to the JOINT COMMITTEE – 11<sup>th</sup> March 2010

Author Kate Dann

#### DWP Admin Funding Update Report

##### **1. Purpose of Report**

- 1.1 To request to claim and use additional DWP funding to provide temporary Housing Benefits Staff.

##### **2. Recommendations**

It is recommended that the Committee:

- 2.1 Note the contents of the report  
2.2 Approves the payments necessary from the partner authorities to Breckland Council.

**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 took action on the existing economic crisis in respect of the increased workload experienced within Housing and Council Tax Benefits.

3.1.2 Funding was provided during the last financial year as an addition to the Administration funding paid to each Local Authority on a monthly basis. The extra funding will be provided only until the year ending March 2011, and will not become part of the normal Administration Grant.

3.1.3 Additional funding has been agreed for next year and the amounts to which each Local Authority is entitled to claim have been issued.

3.1.4 Previous reports have been taken to Joint Committee and approval has been given to spend the money on additional staffing and additional costs relating to the increased expenditure in stationery, travel etc. as a direct result of the increase in the number of cases. It should be noted that all funding must be spent on Benefits Administration ie the funding cannot be used for any other purposes.

3.1.5 The amount to be provided for the year 2010/11 for each of the partner authorities is

- Breckland £73,461
- Forest Heath £61,896
- East Cambs £52,582

3.1.6 The additional staff employed through the ARPT last year ensured that the additional work was undertaken still within the targets agreed and maintaining the highest level of accuracy.

###### **3.2 Issues**

3.2.1 The rate of increase in new claimants in the last quarter has slowed compared to the

previous quarters but the caseload stands at an all time high and continues to increase.

- 3.2.2 The Partnership will need to retain the staff employed using the funding last year to ensure that the current level of service is maintained.
- 3.2.3 It is proposed to continue to employ two full time temporary benefit assessors (total £58,882) and an admin officer (total cost £14,800) to support the service
- 3.2.3 It has also become clear that annual audits are becoming more stringent. Checking has become more thorough and many authorities are noticing that their claims are being qualified for some very minor 'offences' compared to previous years. It is a priority to ensure that there is no cause to allow a subsidy claim to be qualified and risk losing income.
- 3.2.4 In order to reduce the chances of subsidy qualification it has become clear that a number of procedures need to be implemented and further checking required following assessment of claims. In addition there is some project management required for the implementation of these new procedures and the software procured last year to assist with this.
- 3.2.5 It is proposed that some of the funding be allocated towards employing temporary agency staff for 3 months to back-fill two assessment staff (total £21,756), an admin officer (total £5772) and a team manager (total £14,208) to utilise existing staff for this project while enabling the service to continue uninterrupted.
- 3.2.7 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. There is a pilot which the DWP are adopting in conjunction with Capita Software Services called 'Real Time Verification'. Essentially this enables participating authorities to reduce the level of verification required on a claim dependant upon its 'risk'. It is proposed that £40,000 is earmarked for this project for purchase and first year maintenance. Future years could be self funded as it is likely the staff time taken to assess 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). Proper evaluation of the product can be undertaken if agreed and the outcome would form a future Joint Committee report.
- 3.2.6 A report was brought to Joint Committee in December highlighting the other budget areas which have been affected by the increase in workload. These factors include stationery, car allowances & training which have all experienced significant increases in expenditure. It is suggested that the remainder of the funding is allocated to these areas to reflect the increases in expenditure.
- 3.2.8 The projected costings & detail codes are shown in Appendix A (DWP Admin Expenditure).

### 3.3 Options

- 3.3.1 Not to request the extra funding available from DWP and not to employ additional staff or investigate the software.
- 3.3.2 To request the extra funding available as additional subsidy to be used for the purposes outlined.

### 3.4 Reasons for Recommendation(s)

- 3.4.1 To enable the Partnership to continue to provide the current level of service and seek to maximise subsidy.

**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

Lead Contact Officer:

Name/Post: Kate Dann / Principal Benefits Officer

Telephone: 01842 756478

Email: kate.dann@angliarevenues.gov.uk

Key Decision Status (Executive Decisions only):

Appendices attached to this report:

DWP Admin Expenditure Update Report Appendix A

Proforma B