

MINUTES of a meeting of THE LEICESTERSHIRE PARTNERSHIP REVENUES AND BENEFITS JOINT COMMITTEE held in Room G 18, The Symington Building, Harborough on THURSDAY, 8 SEPTEMBER 2016

Present: Councillor R D Bayliss (North West Leicestershire) (Chairman)

Councillors J Hallam (Harborough), M Hall (Hinckley and Bosworth) and P King (Harborough)

Chief Executives: Mr S Atkinson (HBBC)

Officers: Mrs C Hammond, Mr A Hunkin (NWLDC), Mrs J Kenny (HBBC), Mrs S O'Hanlon (Leicestershire Partnership - Revenues & Benefits), Mr S Riley (HDC) and Mr A Wilson (HBBC)

In attendance:

12. APOLOGIES FOR ABSENCE

Apologies were received from Councillors T J Pendleton and M Surtees, and Ms C E Fisher and Ms B Jolly.

13. DECLARATIONS OF INTEREST

There were no interests declared.

14. MINUTES

Consideration was given to the minutes of the meeting held on 9 June 2016.

By affirmation of the meeting it was

RESOLVED THAT:

The minutes of the meeting held on 9 June 2016 be approved and signed as a correct record.

15. IMPLEMENTATION OF RISK BASED VERIFICATION SOFTWARE

Mrs S O'Hanlon presented the report to Members. She advised Members that work had slowed down on the project over the summer due to software supplier availability. She reminded Members that moving forwards it was intended more applications would be done online therefore improving processing speed and that the software would allow more focus on the high risk applications. She informed Members that a workshop had been held to look at a new process and determine training, and then training would be rolled out to all staff that handled claim applications, adding that the Go Live date was hoped to be October 1 2016.

In response to questions from Councillor R D Bayliss, Mrs S O'Hanlon advised Members that the software would check all the claims, that the implementation timeline was as set out in the report and that a sanity check would be performed on random claims to ensure that the risk categories were correct.

In response to a question from Councillor M Hall, Mrs S O'Hanlon stated that the support from the software suppliers had been an issue due staffing levels over the holiday period.

Councillor P King felt that it would be useful for Members of all three partner authorities to have a briefing note on the changes to the awarding of claims. Mrs S O'Hanlon said that such a note was in preparation.

Chairman's initials

In response to questions from Councillor P King, Mrs S O'Hanlon stated that the efficiency gains had been taken into account as part of the restructure and that a future report would be brought to committee once staffing and performance indicators could be considered along with the impact of Universal Credit.

It was moved by Councillor M Hall, seconded by Councillor P King and

RESOLVED THAT:

The content of the report be noted.

16. FRAUD & ERROR REDUCTION INCENTIVE SCHEME (UPDATE)

Mrs S O'Hanlon presented the report to Members. She reminded Members that they had agreed to carry forward the funding that had been received to allow the Partnership to be more proactive detecting Housing Benefit fraud. She informed the Committee that since the April 1st 452 claims had been reviewed out of 882 cases with various outcomes. She advised Members that radio adverts and distribution of a flyer were being used to encourage claimants to advise officers of any changes to circumstances, adding that 86 claimants had used the flyer to notify the service of their change of circumstances.

In response to questions from Councillor M Hall, Mrs S O'Hanlon advised Members that high risk cases were targeted, that some claimants overlooked notifying the service of the changes and that the Risk Based Verification software would identify risks of fraud at the point of first claiming but then the flyer would then be used to remind them that it was their responsibility to communicate any changes.

Councillor M Hall asked if there was any role for Councillors in helping to detect fraud as they had a lot of interaction with the public. This was welcomed.

Councillor P King stated that the flyer should go out to all the stakeholders and should be in the leaflet dispensers in the customer centre. However, he raised concerns that the Harborough district had limited reach with the radio, with some parts of the district having no radio coverage and limited free newspapers, but agreed that there was a need to remind people to ring the fraud line. He also felt that many residents felt more comfortable talking to their Parish Councillors and that Parish Liaison Meetings would be a good way of getting the word spread.

Mrs J Kenny stated that as many channels as possible had been used to encourage residents to be more pro-active and that OAK FM had been an ideal option until it closed. She stated that Councillors would be useful in getting the word out in their wards.

It was moved by Councillor M Hall, seconded by Councillor J Hallam and

RESOLVED THAT:

The content of the report be noted.

17. FUTURE OF THE PARTNERSHIP

Mrs S O'Hanlon presented the report to Members. She advised Members that she had spoken to the HR leads for each authority and, having looked at the differing salary bands and terms and conditions, it became apparent that it would be a lengthy piece of work. She also stated that with the impact of Universal Credit and the changes to funding of business rates, there may be no cashable savings from outsourcing. She informed

Chairman's initials

Members that when she had looked at each authority as a single employer there was a massive cost difference between the three in relation to salary structures, such that, if it was decided to allocate staff into the job role in the lowest paying authority, the partnership would struggle to attract new staff; whereas, if the decision were to move staff into roles in the highest paying authority, there would be a significant cost increase. All other options in between would cause more complex difficulties. As a result, the Management Board proposed that the IRRV recommendations be not progressed.

Councillor R D Bayliss thanked Mrs S O'Hanlon, as it was apparent that a lot of hard work had been done, and stated that he was convinced that what was recommended was the right course of action.

Councillor M Hall stated that, having looked at the banding, he agreed that it appeared to be a complex issue and agreed with the recommendations. He asked if the Partnership was being set up now would it be done differently.

Mr S Atkinson stated that he couldn't answer that definitively, although the point had some merit. However, the way the Partnership was established was the best way at the time and there had been some benefits to the authorities involved.

Mrs S O'Hanlon stated that it would take some time to get to a single employer status, as each authority had different protection schemes and it would take time to negotiate terms and conditions.

Councillor P King stated that the Partnership had an opportunity to move forward and that when the Partnership was first created it was sold to Members that other councils would get on board and that he felt that it was costly to have three separate employers. He asked to see the SWOT analysis and expressed the view that one of the options to be investigated more closely should be a completely separate entity – outsourcing - which would allow new conditions to be considered for staff, thus reducing costs by starting afresh.

Mr A Wilson advised Members that when staff transferred under TUPE they do so with their existing terms and conditions which could be demoralising for them, as each partner authority had differing terms and conditions.

Councillor P King stated that the partnership should tender for outsourcing and should a bid that is acceptable be submitted, then wheels should be put in motion for transferring.

Mr S Atkinson stated that he had experience of outsourcing within his own Council and that the process was very time consuming, without necessarily producing the savings, as well as costing more in contract management and reduced flexibility. He accepted the point regarding growth of the partnership, which had been explored with other councils, and advised Members that the focus should now be on working to bring in other authorities to the Partnership. This would be easier as they would be able to join with immediate effect and there would not be a great additional cost involved, as management overheads per capita should reduce. He stated that, when the three partner authorities came together at the beginning, each had different strengths to bring to the Partnership, from which the Partnership had benefitted, as well as saving costs of capital infrastructure investment, in particular, which otherwise would have been necessary. He advocated that, if Members were minded to spend more time at this point, given other pressures on the horizon (such as Universal Credit), it could be reviewed in two or three years time.

Councillor P King stated that it would be great if other authorities wanted to enter the partnership, but felt that there was very little information coming forward to Members about what was being done to encourage new partners.

Mrs S O'Hanlon stated that there would be a report coming to a future meeting about income generation. She also advised Members that she had been talking to another authority that was looking at coming out of an outsourcing agreement.

Mrs J Kenny reiterated that the Head of Partnership could now focus on income generation and advised Members that external outsourcing companies would be nervous working with local authorities due to the unknown over Universal Credit.

Councillor M Hall stated that the Committee should stick with the recommendation as it was right for the moment. He advised the terms and conditions could be bought out, if that were a longer term aim, but for the time being the matter should be put to bed.

It was moved by Councillor R D Bayliss, seconded by Councillor M Hall and

RESOLVED THAT:

1. A single employer is not established and the recommendation of the IRRV relating to the matter be closed.
2. The recommendation with regard to standardised terms and conditions in not progressed further as it was intrinsically linked to a single employer.

18. PERFORMANCE REPORT JULY 2016

Mrs S O'Hanlon presented the report to Members. She advised Members that both Council Tax and Business Rates collections were on target that it appeared that more people were now paying 12 months instead of 10 and, with regards to collection rates, that reminders to those that were higher risk were being sent out earlier. In relation to Housing Benefits, Members were informed that HDC was on target for processing new claims, but HBBC and NWLDC were slightly behind and Mrs S O'Hanlon highlighted that it had been identified that HDC's expenditure on Housing Benefit payments had increased due to four overpayments. However, she had been assured that it was back on target and staff had been retrained on how to identify issues and that they are reported. Mrs S O'Hanlon stated that as requested the sickness record had been broken down and that currently there was only one member of staff on long term sick and all sickness was being monitored.

Councillor R D Bayliss stated that it was a good performance report overall and thanks was due to the staff.

In response to questions from Councillors J Hallam and P King, Mrs S O'Hanlon stated that the overpayment process had been reviewed, that overpayments had been identified at the interview process and that, where the tenant was blameless, recovery would be attempted from the landlord. She advised Members that currently the figures as of the 18 August showed that Harborough was between the lower and upper threshold and it therefore 40% of subsidy would be paid.

Mrs J Kenny stated that both HBBC and NWLDC had both been in the same position and had recovered as the year had gone on. She highlighted that the issue had been identified and was being addressed now, rather than it being left until the end of the year.

Mr S Riley stated that if the expenditure did not come down then Harborough would be looking at a bill of £29k and that the details would need to be sent to the DWP. He advised that in the past Harborough had always been under the threshold.

In response to a question from Councillor P King, Mrs S O'Hanlon confirmed that the overpayments were in the multiple thousands and that, if all four cases were the same, the process would need to be looked at; however, these were four unique cases.

Councillor P King stated that the figures needed to be back in tolerance by the end of March and asked that HDC Members on the Committee be kept up to speed with the issue.

Councillor J Hallam stated that he would be interested to see August's figures as, if the threshold was still exceeded, allowances would need to be made in the budget.

By affirmation of the meeting it was

RESOLVED THAT:

The Performance Report July 2016 be noted

19. FINANCIAL PERFORMANCE TO JULY 2016

Mr A Wilson presented the report to Members. He highlighted to Members that these were the first figures for the year and that paragraph 3.3 should read that the Partnership had '*underspent*' against the budget. He informed Members that, when the budget for the year was agreed in January, the transfer of staff, in relation to fraud investigation, to the DWP had not been agreed and now that the transfer had taken place there would be a saving of £122,000. He advised Members that the budget could therefore be amended to take out the salary costs and, in turn, reduce the partner contributions, as indicated in the report.

It was moved by Councillor M Hall, seconded by Councillor J Hallam and

RESOLVED THAT:

1. The Financial Performance of the Partnership be noted,
2. A budget amendment be made to reduce salary costs by £122,000 and,
3. Contributions from partners be reduced by £122,000 based on the agreed partnership percentages.

20. FORWARD PLAN

Mrs S O'Hanlon presented the forward plan to Members and advised that the CIPFA Benchmarking Report, which should have been considered at this meeting, had now been moved to the November meeting.

RESOLVED THAT:

The Forward Plan be noted.

21. DATES OF FUTURE MEETINGS

Members noted the date and venue of the future meetings.

The meeting commenced at 4.30 pm

The Chairman closed the meeting at 5.45 pm

Chairman's initials