

**Coventry City Council**  
**Minutes of the Meeting of Cabinet Member (Strategic Finance and Resources)**  
**held at 2.00 pm on Monday, 20 January 2014**

Present:

Members: Councillor D Gannon (Cabinet Member)  
Councillor T Sawdon (Shadow Cabinet Member)

Employees (by Directorate):

J Barlow, Resources Directorate  
B Black, Resources Directorate  
L Commane, Resources Directorate  
B Strain, Resources Directorate  
A West, Resources Directorate

**Public Business**

**43. Exclusion of the Press and Public**

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the item of business referred to in Minute 53 below relating to "Amendment to the Benefits Risk-Based Verification Policy" on the grounds that this item involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of that Act.

**44. Declarations of Interest**

There were no declarations of interest.

**45. Minutes of Previous Meeting**

The minutes of the meeting held on 9th September 2013 were agreed and signed as a true record.

There were no matters arising.

**46. Second Quarter Hospitality Statement for the Mayoralty of Councillor Gary Crookes, 2013-2014**

Cabinet Member received a report of the Executive Director, Resources, which updated on how the budget for the second quarter of the Mayoral Year 2013/14 had been spent, and gave the estimated expenditure for the third quarter of the year.

The amount of £13,651.37 was spent at the end of Quarter 2. A detailed breakdown of this sum on an event-by-event basis indicated that 21% of the original Hospitality budget had been spent. This compared with an average of 23% for the same period for the previous three years and 57% of the budget so far this year.

**RESOLVED that after due consideration of the report and matters raised at the meeting, the Cabinet Member considered and approved the contents of**

**the report which describes how the hospitality budget has been spent on an event by event basis.**

**47. Welfare Reform: Recommendations from Scrutiny Co-ordination Committee 11th December 2013**

Cabinet Member received a report of the Executive Director, Resources, which detailed recommendations made by the Scrutiny Co-ordination Committee at its meeting held on 11 December 2013, which had dedicated the whole of its meeting to issues related to the government's Welfare Reform agenda. The purpose of the meeting had been to review:

- the latest information on the implications of the Welfare Reform changes on local people, communities and the city;
- the way services and support to local people were being co-ordinated in the city; and
- the impact on the City Council and how the authority was discharging its responsibilities.

In addition to agreeing a number of areas which it wanted to pursue further at future meetings, the Committee also made two recommendations for the Cabinet Member (Strategic Finance and Resources) which supported the work being carried out to join up approaches across the authority and to involve the third sector in work on a single point of access, and sought to protect funding to those organisations that provided advice and dealt with transitional processes in relation to Welfare Reform.

Cabinet Member indicated that the issue of funding was more appropriate to consideration as part of the overall budget setting process, rather than as a separate issue within his portfolio.

**RESOLVED that after due consideration of the report and matters raised at the meeting, the Cabinet Member (Strategic Finance and Resources):**

- a) Continue to pursue a joined up approach in relation to Welfare Reform and that voluntary organisations are involved as appropriate in the developing work on a single point of access.**
- b) Recommend that funding to those organisations providing advice and dealing with transitional processes in relation to Welfare Reform be considered as part of the budget setting process.**

**48. Transformation Programme Progress Report**

The Cabinet Member received a report of the Executive Director, Resources, which had been considered by Finance and Corporate Services Scrutiny Board (1) on 13 January 2014, setting out what had been achieved through the Transformation Programme to date and how the Programme was contributing to the significant challenges faced by the Council.

The Council's **abc** Programme - A Better Council for A Bolder Coventry – was launched in June 2009, with overall objectives to achieve better value for money by reducing the costs of delivering services.

The delivery of the Transformation Programme remained a key element of the Council's response to the challenges imposed by the Government's June Spending Round announcement. The savings it produced would be essential to the Council continuing to achieve a balanced budget.

**RESOLVED that after due consideration of the report and matters raised at the meeting, the Cabinet Member:**

- a) endorsed the progress that has been made in delivering specific reviews in the Transformation Programme**
- b) affirmed commitment to the continuation of the Programme, and its contribution to the service improvement and cost reduction challenge**

#### **49. The Customer Journey**

Cabinet Member received a report of the Executive Director, Resources, which reconfirmed the vision and strategy for the way the Council delivered customer services, which would underpin the changes made leading up to the Customer Service Centre opening and beyond.

The Customer Journey programme would deliver the changes to customer facing property, ICT and the Council's ways of working, and covered every aspect of the Council's interactions with the people of Coventry.

Cabinet Member considered the feedback from Finance and Corporate Finance Scrutiny Board (1), particularly in relation to the recommendation regarding equality impact analysis and was supportive of the need that this should be initiated as soon as possible.

**RESOLVED that after due consideration of the report and matters raised at the meeting, the Cabinet Member:**

- a) Considered and endorsed recommendations put forward by Finance and Corporate Services Scrutiny Board:**
  - i) ensure that an equality impact analysis is carried out as soon as possible**
  - ii) ensure that the equality impact analysis addresses the needs of people with dementia**
- b) Endorsed the Vision and Strategy for the Customer Journey programme, reaffirming the principles within the Council's existing customer services strategy.**

50. **Amendment to the Benefits Risk-Based Verification Policy**

Cabinet Member received a report of the Executive Director, Resources, which sought approval for amendments to the Council's Risk-Based Verification (RBV) policy. There was a corresponding private report which detailed financial information in relation to the amendments and is noted at minute 53 below.

The type of supporting information required on making a claim for housing/council tax support had historically been determined by the Department for Work and Pensions' (DWP) verification framework and the Council has had to adhere to these standards in order to satisfy external auditors as part of the annual subsidy certification process.

In Housing Benefit/Council Tax Benefit (HB/CTB) circular s11/2011, the DWP confirmed that Local Authorities (LAs) had discretion to operate 'risk-based verification.' This approach involved categorising claims based on the level of risk or error that the claim presented. The approach allowed low risk claims to be expedited with minimal verification whilst resources could be focussed intelligently on medium and high risk cases which were then subject to more stringent verification.

In March 2012 the Cabinet Member (Strategic Finance and Resources) approved the Council's original benefits risk-based verification policy. The policy was also approved by the Council's audit committee in April 2012 and the policy came into force on 14 May 2012. Capita's risk and verification software was purchased for the purpose of operating a propensity model of RBV in Coventry.

The original policy included three levels of verification to be applied depending on whether a claim presented high, medium or low risk of fraud and error. For high risk cases verification was to include an interview with the claimant to confirm the information provided in the application form in addition to the provision of original documentation to support the benefit application.

Since May 2012 it has become apparent that the interview requirement has had little impact in identifying incorrect or fraudulent claims and offered little value as part of the overall verification process. In addition, the requirement for a face-to-face or telephone interview often resulted in delays in processing claims. The requirement, in high risk cases, that the claimant provided original documentation to support their claim was sufficient to allow the identification of fraud and error and the service therefore considered the interview requirement to be an unnecessary, inefficient and ineffective additional measure.

It was proposed that the interview requirement was removed from the policy from 1 April 2014. The service would continue to monitor any impact on the levels of fraud and error being detected as a result of the amendment and would review the policy within the context of the half yearly review of the Benefits Service, which was reported to Cabinet Member (Strategic Finance and Resources).

**RESOLVED that after due consideration of the report and matters raised at the meeting, the Cabinet Member approved the benefits risk-based verification policy.**

51. **Outstanding Issues**

There were no outstanding issues.

52. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.**

There were no other items of public business

53. **Amendment to the Benefits Risk-Based Verification Policy**

Further to minute 50, Cabinet Member received a report of the Executive Director, Resources, which detailed confidential financial matters in relation to amendments to the Risk-Based Verification Policy.

**RESOLVED that after due consideration of the report and matters raised at the meeting, the Cabinet Member approved the benefits risk-based verification policy as attached as appendix 1 to this report.**

(Meeting closed at 2.45 pm)