
A separate report is submitted in the private part of the agenda in respect of this item, as it contains information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972 as amended. The grounds for privacy are that it refers to the identity, financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information

Cabinet Member (Strategic Finance and Resources)

20 January 2014

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources) – Councillor Gannon

Director Approving Submission of the report:

Executive Director Resources

Ward(s) affected:

All

Title:

Amendment to the Benefits Risk-Based Verification Policy

Is this a key decision?

No. Although the matter within the Report can affect all wards in the City, it is not anticipated that the impact will be significant and it is therefore not deemed to be a key decision.

Executive Summary:

The purpose of this report is to seek the Cabinet Member's approval for amendments to the Council's benefits risk-based verification (RBV) policy to take effect from 1 April 2014.

When a customer makes a claim for housing and/or council tax support they are required to provide such information, in support of their claim, which is reasonably required to enable the Authority to make an accurate assessment of benefit entitlement. Such information may include a tenancy agreement, a wage slip or a bank statement. The type of supporting information required has 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 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.

The report recommends that the Cabinet Member (Strategic Finance and Resources) approve the updated risk-based verification policy.

Recommendations:

The Cabinet Member (Strategic Finance and Resources) is recommended to approve the benefits risk-based verification policy.

List of Appendices included:

Other useful background papers:

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Amendment to the Benefits Risk-Based Verification Policy

1. Context (or background)

- 1.1 Coventry benefits service administers more than £150 million in housing benefit (HB) and council tax support (CTS) payments each year to more than 40,000 Coventry households.
- 1.2 The Council administers HB in accordance with relevant legislation. Historically, the standards of verification applied by Councils to HB claims have been governed by the Department for Work and Pensions (DWP) verification framework. This prescriptive guidance detailed what types and levels of information were required in support of HB and what was Council Tax Benefit (CTB) claims. CTB was replaced by local CTS schemes in April 2013.
- 1.3 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.

2. Options considered and recommended proposal

- 2.1 Circular S11 confirms:
 - RBV is voluntary;
 - LAs applying RBV are required to produce an RBV policy which should detail the risk profiles, verification standards and the minimum number of claims to be checked;
 - The policy must be submitted for Members' approval and authorised by the Section 151 officer;
 - The information held in the policy should not be made public due to the sensitivity of its contents;
 - The policy must be reviewed annually but not amended in-year;
 - LAs must have a robust baseline of fraud and error against which to record the impact of RBV;
 - Reporting requirements must be detailed in the RBV policy and as a minimum LAs should report monthly on the percentage of cases in each risk category and the level of fraud and error detected in each.
- 2.2 The Council produces an annual benefit subsidy claim which is subject to certification by external auditors. Historically auditors have used the verification framework as the basis for determining whether benefit has been properly awarded. For LAs operating RBV external auditors, as part of the annual subsidy certification, check that the LA has adhered to its RBV policy.
- 2.3 This report proposes a change to the Council's RBV policy and recommends that the Cabinet Member (Strategic Finance and Resources) approve the amended RBV policy.

3. Results of consultation undertaken

- 3.1 No consultation has been undertaken.

4. Timetable for implementing this decision

The amendments to the benefits risk-based verification policy will be effective from 1 April 2014.

5. Comments from Executive Director Resources

- 5.1 Under the Social Security Contributions and Benefits Act 1992 Statutory Instrument No 2011/2425 gave authorities the ability to introduce the verification scheme outlined in this report. Changes to the policy must not be made during a financial year and must receive Member approval.

6. Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

The effective administration of HB/CTS impacts on a range of agendas and supports the Council's vision and objectives for jobs and growth, supporting young people and protecting vulnerable residents.

6.2 How is risk being managed?

Risks relating to fraud/corruption and the HB subsidy threshold's impact on the general fund revenue account are managed through the corporate risk register.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

There are no issues to consider in respect of the duty under section 149 of the Equality Act 2010.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

The effective administration of HB/CTB is in the interests of a number of partner organisations, including local social landlords, and the benefits service works closely with those organisations.

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