

**THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE**

**Date of Meeting** – 3 June 2013

**PART A**

**AGENDA ITEM**

**7**

**Title:** **REVENUES AND BENEFITS - UPDATE**

**Report of:** Phil Adlard – Head of Revenues and Benefits

**1.0 SUMMARY**

1.1 This report gives an update on the Revenues and Benefits service.

**2.0 RECOMMENDATIONS**

2.1 That the contents of the report are noted.

2.2 That the Committee approves the documentation in support of soft market testing.

**Contact Officer:**

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**Report approved by:**

David Gardner, Director of Corporate Resources & Governance – Three Rivers D.C.

Bernard Clarke, Strategic Finance Director – Watford B.C.

### 3.0 **DETAILED PROPOSAL**

#### 3.1 **Benefits Performance**

3.1.1 The number of new claims outstanding continues to be monitored on a weekly basis with the number of outstanding new claims as at 20 May 2013 being 164 for Watford and 59 for Three Rivers. Of these, 89 and 30, respectively, are awaiting further information from claimants.

Both authorities saw a peak in demand following the Annual Billing process and the total number of new claims outstanding at 8 April 2013 was 229 and 97 respectively.

3.1.2 Data from the SHBE (Department for Work & Pensions) Return showing the speed of processing in March 2013 indicates:

New Claims (Target 22 days)

Watford 25 days

Three Rivers 26 days

Changes (Target 8 days)

Watford 14 days

Three Rivers 6 days

The changes figures for March should be treated with caution as they include rent increases for Thrive Homes and the Watford Community Housing Trust that are automatically (i.e. instantly) updated to the system.

Members will recall that the Department for Work and Pensions (DWP) report was critical that the automatic notification of changes from the DWP / Tax Credits (ATLAS) had not been actioned.

In the report to Committee on 18 March 2013 it was reported that the then high statistic for Changes in Three Rivers was attributable to the fact that those cases had now been downloaded and were being addressed principally by Serco staff.

Attention has now been focussed on the backlog of ATLAS cases in Watford. Updated figures for April will be reported at the meeting and, due to the ATLAS cases, will inevitably show very high processing times for changes at both councils.

At 22 May 2013, 15,720 of 16,380 Three Rivers' ATLAS cases, dating back to July 2011, had been processed and 21,637 of 25,747 Watford cases.

As the ATLAS work is brought up to date attention will be drawn again to the changes notified to the councils. The outstanding number of these has remained constant at around 2,500 during the current quarter.

#### 3.2 **Welfare Reforms**

##### 3.2.1 *The Benefit Cap*

The Benefit Cap will be introduced with effect from 15 July 2013. This will limit the amount paid in out of work benefits to £500.00 per week for couples and lone parents and £350.00 per week to single claimants.

In March 2013 we were provided with details of affected claimants and have been sharing this data with internal partners, i.e. Housing and Community Partnerships, external partners such as WCHT, Thrive Homes and other Housing Associations

and colleagues in the Thriving Families' Team at Herts County Council.

There were 80 cases in Watford and 51 in Three Rivers.

Arrangements are also being made for a event to be held in partnership with JobcentrePlus.

Individuals who are affected by the Benefit Cap will have their Housing Benefit reduced by the amount that they exceed the £500.00/ £350.00 limit.

### 3.2.2 *Social Sector Size Criteria*

Commonly referred to as the "Bedroom Tax", we have amended Housing Benefit awards to those affected and they have been notified as part of the Annual uprating.

We continue to work closely with WCHT and Thrive Homes as appropriate.

Elements of the "Bedroom Tax" are being challenged in the courts with the judge reserving judgement in the recent hearing on 10 cases held 15-17 May 2013.

The outcome of these cases will have a bearing on a number of claimants in both Watford and Three Rivers.

### 3.2.3 *Discretionary Housing Payments*

The impact of the "Bedroom Tax" has resulted in an increase in requests for assistance through Discretionary Housing Payments.

Each request is considered on an individual basis and where there is a need for additional financial assistance, this is being offered. If possible, additional assistance is offered through Housing teams.

Expenditure will be monitored and reported to the individual Council's on a quarterly basis.

Initial figures show that as at 9 May 2013 £10,032 had been paid to Watford residents with the total commitment being £27,110 (37 households)

For Three Rivers the figures are £2900 paid, £12,697 committed (24 households)

## 3.3 **Revenues Performance**

3.3.1 The annual billing process has been completed. Collection Rates at the end of April compared to 2012/13 are as follows:

	2012/13 %	2013/14 %
Watford		
Council Tax	11.1	11.0
Business Rates	13.5	13.3
Three Rivers		
Council Tax	10.9	11.0
Business Rates	16.4	16.3

Reminders have been issued for those who have not paid the instalment due in April on time and these will be followed up with further action should they remain unpaid.

## 3.4 **Soft Market Test**

3.4.1 The Committee is reminded that at its meeting on 24 September 2012 (Minute JSS23/12 refers), "Members made comments that they were not in favour of outsourcing 100% of the service especially as there would be changes through universal credit introduced next year and the fact that the service should

concentrate on improving service especially in respect of change of circumstances. Members agreed however that research into outsourcing (soft market testing) should be undertaken by the Director of Corporate Resources and Governance”.

3.4.2 Attached at Appendix 1 is a document with which it is proposed to approach private sector providers. Officers will also seek to obtain information from Welwyn Hatfield Council who have outsourced their revenues and benefits service.

4.1 **Financial**

4.1.1 Included above.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 None specific.

Background Papers;

No papers were used in the preparation of this report.

Appendices:

1 Three Rivers and Watford Shared Services Joint Committee – Revenues and Benefits Service – Soft Market testing – June 2013