

UPDATE - “RISK BASED VERIFICATION” FOR HOUSING BENEFIT / COUNCIL TAX SUPPORT

Overview & Scrutiny Panel **17 April 2018**

Report Author **Andrew Stevens, Head of Shared Services, EK Services**

Portfolio Holder **Councillor Gregory, Cabinet Member for Financial Services and Estates**

Status **For Information**

Classification: **Unrestricted**

Key Decision **No**

Previously Considered by **Cabinet – 15th June 2017**

Ward: **All**

Executive Summary:

TDC’s “risk based verification” policy for Housing Benefit & Council Tax Support was approved by Cabinet on 15th June 2017. Overview and Scrutiny requested in their meeting on 23rd May 2017 that an update on how the policy is working in practice be brought to a future committee for review.

Recommendation(s):

Committee note the contents of this update report.

CORPORATE IMPLICATIONS

Financial and Value for Money	N/A – this is an update to the report presented in 2017 and is presented for information only. There are no financial implications directly arising from this report.
Legal	N/A – this is an update to the report presented in 2017 and is presented for information only.
Corporate	N/A – this is an update to the report presented in 2017 and is presented for information only.
Equality Act 2010 & Public Sector Equality Duty	N/A – this is an update to the report presented in 2017 and is presented for information only. An Equality Impact Assessment was completed as part of the original policy development.

CORPORATE PRIORITIES (tick those relevant)✓

A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	✓

CORPORATE VALUES (tick those relevant)✓

Delivering value for money	✓
Supporting the Workforce	
Promoting open communications	

1.0 Introduction and Background

- 1.1 Following inclusion of the “risk based verification” policy on the Council’s forward plan, Overview and Scrutiny Committee requested that an update report is produced post implementation to advise the committee on how the policy is working in practice.
- 1.2 The “Risk Based Verification” (RBV) scheme is an integral part of the new Digital Benefits system and is aimed at reducing cost, paperwork and time in the benefits claim process. The new policy is intended to focus on verifying claims for benefit using a “risk based” approach whilst improving the experience for the customers.
- 1.3 This report provides an update for information together with some data and statistics. It must be remembered that parts of the policy are restricted under Paragraph 7 (Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime) of Part 1 of Schedule 12A of the Local Government Act 1972.

2.0 The Current Situation

- 2.1 The RBV scheme was approved by Cabinet on 15th June 2017 ready for implementation work starting on the new digital benefit system which was launched in January 2018. The scheme had to be approved well in advance of the new digital benefit system being launched so that thorough testing could take place before the system was used by our customers.
- 2.2 All HB claims and CTS applications require a level of evidence verification that provides sufficient assurance against the risk of fraud and error. The level of evidence verification applied is not set out in regulations as a mandatory requirement. The only requirement is that sufficient evidence and information is provided by the customer in order for the local authority to correctly determine entitlement to benefit. Taking a risk-based approach to the level of evidence and information required offers the opportunity for potential efficiency savings and will result in vital support being offered to customers as quickly as possible to avoid arrears and homelessness.
- 2.3 RBV assigns a risk rating to each claim – the risk rating determines the level of verification required. Simply, claims are categorised as either low (only essential verification checks are made), medium (verification checks as usual), or high risk (enhanced stringency applied to verification).
- 2.4 The DWP has, for some time now, processed new claims for benefit using Risk Based Verification software which provides a real time risk assessment on the claim as the claim details are being entered into the processing system.
- 2.5 At the time of writing this report (5th March 2018), 273 new claims for Housing Benefit / Council Tax Support have been including the RBV process. The bulk of these have been made through the digital benefits system but RBV is also employed when customers claim on paper forms as well. The latest figures show that 75% of people are claiming online.
- 2.6 The breakdown of these claims falling into the “low”, “medium” and “high” risk groups can be seen below. Almost two thirds of claims fell within the “low” risk group category which is line with expectations.

	PERCENTAGE
LOW	62%
MEDIUM	16.5%
HIGH	21.5%

2.7 The overall customer experience when deploying RBV is vastly improved as the amount of evidence and information requested to support a claim is tailored to the individual customer. This means customers are aware, in real time, of what they need to do to complete their claim and there is much greater potential to get their benefit claim processed as quickly as possible.

2.8 There have been no customer complaints or negative feedback received since launching the RBV scheme. As this is a system that has been successfully used by many other councils (including Canterbury and Dover) the reassurance of a successful implementation was greatly increased.

3.0 Conclusion

Risk Based Verification has been working at TDC since January 2018. Although it is still at an early stage over 270 customers have submitted new claims using the system. Early signs are encouraging with a much improved customer experience, no negative feedback or complaints and the system gives the benefits team more scope to focus resources on those claims which are more likely to need additional documents and evidence to support them.

3.2 Committee are asked to note the contents of this report.

Contact Officer:	Andrew Stevens, Head of Shared Services, EK Services
Reporting to:	Tim Willis, Deputy Chief Executive (S151 Officer)

Annex List

None	N/A
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Background Papers

Title	Details of where to access copy
Cabinet report – 15.6.17	TDC website
OSP minutes – 23.5.17	TDC Website

Corporate Consultation

Finance	Ramesh Prashar, Head of Financial Services
Legal	Sophia Nartey, Interim Head of Legal Services and Deputy Monitoring Officer