

CABINET	AGENDA ITEM No. 8
25 MARCH 2013	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor David Seaton, Cabinet Member for Resources	
Contact Officer(s):	Richard Godfrey, Strategic Client Services	Tel. 01733 317989

RISK BASED VERIFICATION POLICY

R E C O M M E N D A T I O N S	
FROM : Executive Director Strategic Resources	Deadline date : N/A
1. To approve the Risk Based Verification (RBV) Policy	

1. ORIGIN OF REPORT

- 1.1 This report is submitted to Cabinet following guidance issued from the Department for Work and Pensions and subsequent referral from CMT on 5 March 2013.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to enable Cabinet to approve the implementation of the Risk based Verification Policy.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.4, to promote the Council's corporate and key strategies and Peterborough Community Strategy and approve strategies and cross-cutting programmes not included within the Council's major policy and budget framework.
- 2.3 There is an exempt annex (**annex 1**) attached to this report that is NOT FOR PUBLICATION by reason of paragraph 7 of Schedule 12A of Part 1 of the Local Government Act 1972 because it "relates to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime". The public interest test has been applied to the information contained within this exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it. This is because the RBV policy outlines the process used for risk scoring customers and consequently the level of additional verification applied to that claim. If this information was in the public domain, there is a possibility customers could manipulate their circumstances and submit fraudulent benefit claims.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO
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4. SUMMARY OF MAIN ISSUES

- 4.1 This report seeks to gain Cabinet approval to implement the RBV Policy which is an integral part of the roll out of an on-line Housing/Council Tax Support claim form.

- 4.2 The RBV Policy in its draft form was approved by the Cabinet Member for Resources on 6 February date as part of his delegated authority under paragraph 3.3.3 of Part 3 of the constitution in accordance with the terms of his portfolio at paragraph 3.9 (i).
- 4.3 The attached policy is NOT FOR PUBLICATION in accordance with paragraph 7 of Schedule 12A of the Local Government Act 1972 (As Amended) because it “relates to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime”.
- 4.4 The RBV software has been integrated with an on-line Housing Benefit/Council Tax Support claim form which will be launched at the same time under a directive issued by the Chief Executive in accordance with the Housing Benefit Regulations 2006 and Council Tax Benefit Regulations 2006 (as amended). The integration of the software with the on-line benefits claim form will mean that customers claiming Housing Benefit and/or Council Tax Support will be advised what documentation they have to provide at the point of submitting their claim on-line.
- 4.5 Phase 1 of the implementation of the on-line form started on 5 March 2013. Cross Keys Homes and Renaissance Landlords agreed to facilitate Phase 1.
- 4.6 Phase 1 was used to clarify the following;
- Any barriers to using the on-line form;
 - Speed of processing using the new technology;
 - Level of workload as a result of using the new technology; and
 - Procedural and customer service issues to take into consideration before full rollout of the form across the service from April 2013 onwards.
- 4.7 Phase 1 identified the following;
- 7 new on line claim forms were received over a 5 day period between 7 March and 12 March
 - No barriers to using the on-line form were identified
 - Claims took approximately 20 minutes to process and were processed within 24 hours. Paper claims take on average one hour to process
 - Level of workload as a result of new technology will be assessed ongoing
 - Procedural and customer service issues being refined. The reduction in time spent on processing claims will allow us to offer face to face processing of claims in Bayard Place which is the intention from April 2013
- 4.8 Comments from partners using the form are as follows;
- “I am delighted that we have been able to complete (one of) the first on-line Housing Benefit claims in Peterborough. The claim was processed within 24 hours, and response times like this will revolutionise the way we do business.*
- With the changes in welfare payments that are coming thick and fast at the moment, speedy accurate claim processing is going to be imperative, and I believe we now have that system in place”.*
- Neil Watson MARLA, Founder and Managing Director, Renaissance Property Management Limited
- “The form is really easy to use, this is a positive step forward for the Council”*,
Maureen Lazaratti , Area Manager, Cross Keys Homes
- 4.9 Further partners including Age UK and Axiom Homes will be added to the rollout of the on-line form until it is ready for full rollout to the public in April 2013.

5. CONSULTATION

- 5.1 Consultation took place with Internal Audit, the Council's Governance Team, Strategic Client Services and the Council's Legal Team. Due to the nature and sensitivity of the RBV Policy, there has been restricted consultation with parties outside of the Council.

6. ANTICIPATED OUTCOMES

It is anticipated that the introduction of an on-line form integrated with RBV will speed up the number of days taken to process a new claim for Housing and or Council Tax Support. It will also make the process shorter and simpler for most customers and will prevent the provision of duplicated information.

7. REASONS FOR RECOMMENDATIONS

- 7.1 Implementing an on-line claim form was part of Serco's business case for delivering the Revenues & Benefits Service and achieving efficiencies. The RBV software is considered an integral part of ensuring the on-line form delivers the efficiencies anticipated.
- 7.2 An Equalities Impact Assessment was carried out in December 2012 and did not identify any major barriers. Work has already commenced with various groups such as CAB, Age UK, MIND and members of the Council's Welfare Reform Group and relevant stakeholders of the service to remove any barriers as part of the plan to move customers from a paper form to an on-line form (widely referred to as channel shifting).
- 7.2 A major piece of work has been undertaken to identify places within the borough where customers can get access to the internet and help with filling in the on-line form. The form was recently demonstrated to over 90 people from advice agencies and voluntary organisations across the borough to enable them to help their customers complete the form. In addition, Bayard place will be equipped with PC's for customers to use and a dedicated floorwalker will be on hand to help customers complete their forms on line. A Q&A leaflet has been developed and will be distributed across the borough to be handed out to anyone wanting to make a new claim.
- 7.4 The on-line form with integrated RBV is expected to deliver the following benefits;
- "smart" on-line form which adapts itself to customer's circumstances, therefore making the claim process easier and quicker;
 - Up to 50% of customers will not need to provide duplicate evidence to validate their claim as we already hold that information and will use this to process their application;
 - Will help prepare customers for Universal Credit which will be an on-line application;
 - Landlords will be able to help their tenants complete their claims;
 - Only complete claims can be submitted which reduces the level of chase up work to the customer and they will be clear about what evidence they need to supply; and
 - On-line forms can be submitted 24 hours a day instead of being restricted to service opening hours.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 The alternative is to maintain the status quo. The disadvantages of the current situation are;
- All customers have to complete 30+ page paper application forms which is time consuming for customers and often difficult;

- Customers often submit incomplete claim forms and have to be written to for further information which leads to delays in processing;
- Paper claim forms have to be scanned and indexed before they can be processed which is resource intensive;
- All customers have to provide the same level of evidence irrespective of their circumstances;
- Customers are asked to provide information that we already hold ; and
- Current new claim processing times are approximately 45 days (January 2013) and are reviewed up to 5 times before they are put into payment because of the lack of correct information or documentation.

9. IMPLICATIONS

There are no implications.

10. BACKGROUND DOCUMENTS

DWP HB/CTB Circular S11/2011 (**Annex 2**)