
Overview & Scrutiny Panel (Economic Well-Being)

Report of the meeting held on 4th October 2012

Matters for Information

**19. HOUSING BENEFIT –
INTRODUCTION OF RISK BASED VERIFICATION**

(The following item was considered as a confidential item under paragraph 7 of Part 1 of Schedule 12A to the Local Government Act 1972.)

Following a successful pilot scheme, the Panel has considered a proposal to introduce Risk Based Verification for new Housing and Council Tax Benefit claims that are submitted using the online claim facility. The aim is to reduce fraud and error by concentrating resources on the type of claim where the risk of the claimant providing incorrect information or evidence has been deemed to be high.

Members have received an explanation of the way in which the Risk Based Verification process will operate. It is expected that as a consequence of its implementation there will be a reduction in fraud against the Council. In considering the implications of introducing the new system, the Panel has discussed the cost benefits of the proposal. A Business Case has been prepared for this purpose, which shows that the system is not expensive (c£10K) and will produce a net saving in terms of Officer time spent on the processing of claims. The Panel has suggested that the Cabinet should be provided with a copy of the Business Case to give Members a better indication of the financial implications of the change when taking a decision on this matter.

During further discussion, Members have been advised that Risk Based Verification will also be introduced for claimants who advise the Council of changes in their circumstances in due course. It is further intended to implement Risk Based Verification for Council Tax Support once the Local Government Finance Act has received Royal Assent. A further report will be submitted to the Cabinet at this time.

At the conclusion of their deliberations, the Panel has recommended that the Cabinet should adopt the proposed Benefits Risk Based Verification Policy. Item No. 32 of their Report refers.

20. THE CORPORATE OFFICE

The Panel has received a presentation by the Corporate Team Manager on the role and functions of the Council's Corporate Office and the work which is being undertaken by the Team to support people back into employment within the District.

The Corporate Office undertakes a number of core functions and also provides the lead on, or offers support for a number of Council projects. The Panel has been provided with details of various projects. Members have raised a number of questions about the staffing of the team and their overall workload. It has been established that the team reports directly to the Managing Directors and that work balance fluctuates depending on the number and nature of the projects that are 'live' at any one time.

In terms of the work which is being supported by the Corporate Team to help the unemployed back into work, Members' attention has been drawn to the establishment of the Huntingdon and St Neots Work Clubs, the work which is undertaken with voluntary organisations, the Business Support programme and the Council's involvement in the Cambridgeshire Redundancy Network. Members have welcomed these types of initiatives as a clear example of the successes which can be achieved from partnership working.

In considering the functions of the Team, Members have discussed two aspects of its work on communications function; namely internal and external communications. Having noted that one of the priorities for the Corporate Office is to improve internal communications following the significant organisational change which has recently happened, Members have highlighted the relationship between the availability of information and the impact on employee welfare and morale. There is a need to match the corporate information provided to that which is required. The Corporate Team Manager has expressed the view that there is a need for a cultural shift in communications across the organisation and, as a result, the Panel has asked her to attend a future meeting to discuss the communications matters in detail.

21. COMMUNITY RIGHT TO CHALLENGE

The Panel has considered the Council's proposed arrangements for the operation of the new Community Right to Challenge. The Right to Challenge has been created by the Localism Act and introduces a right for defined organisations and persons to submit an Expression of Interest in taking over the provision of a service on behalf of the Council.

In considering the proposed process and having noted that other Local Authorities have not been receiving a significant number of Expressions of Interest, Members have asked a number of questions about the grounds on which the Council may reject an Expression of Interest and the terms on which any interest would be considered vexatious or trivial. The wording within the Council's procedure reflects that of the Statutory Instrument and there has been no Government Guidance published to-date. It will be a matter for the Council to interpret at the appropriate time. In the case of an internal application being submitted in competition with an Expression of Interest from elsewhere, it will be judged independently against the criteria which have been defined as part of the procurement process.

The procurement process has the potential to be time consuming and costly for the Council. In view of the additional costs which might be incurred, Members have questioned whether any funding has been included within the Medium Term Plan for dealing with the Right to Challenge. Having noted that currently no such provision has been made and that the need for additional resource will only become apparent in light of experience, Members have commented that this is a further example of Central Government passing down responsibilities to local government without providing the necessary funding.

Subject to the clarification of the matters that are to be delegated to the Managing Directors and the process leading to a decision, the Panel has endorsed the Council's proposed arrangements for the operation of the Community Right to Challenge.

22. PROPOSED CIL GOVERNANCE PRINCIPLES

The Panel has been acquainted with the progress being made with the implementation of the Community Infrastructure Levy (CIL) for Huntingdonshire and details of a proposed governance structure for CIL receipts and related spending. The Government has still to provide guidance on the distribution of CIL funding and, in view of the limited expenditure which is expected in the forthcoming year, the Cabinet has agreed that any monies received during 2012/13 will be banked.

With specific reference to the re-development of RAF Brampton, Members have commented on the need for the Government to identify a figure for the 'meaningful amount' of CIL receipts which will be allocated to the area in which a development lies. This has been the subject of a Government consultation and it is estimated that there will be a dedicated pot in the region of 5% to be spent on infrastructure to support growth. This is in addition to any monies from CIL or Section 106 funding for a particular development. They have also discussed what funding provision there might be for adjacent areas which are affected by a particular development. With

exception of the 'meaningful amount', CIL in general can be spent anywhere and, therefore, it is important to develop a business plan to look at the needs of the District.

In terms of the proposed governance arrangements for the distribution of funding, Members have commented on the need to provide an opportunity for Parish Council's to exert some influence on the process. Although work has been ongoing with local communities to consider needs in groups of parishes, Members are of the opinion that there should be representation from parishes and rural areas within the Growth and Infrastructure Thematic Group.

With regard to the processes which will be in place to monitor the spend of CIL, the Panel has been reminded that the District Council is responsible for making final decisions on the allocation of funding and that expenditure for particular projects will be monitored. There is a legal requirement for there to be a robust monitoring and reporting mechanism to account for all CIL funding on an annual basis.

At the conclusion of their deliberations and having noted that a further report will be forthcoming in due course, the Panel has recommended that the Cabinet should approve the proposed CIL governance structure and authorise further work through the Huntingdonshire Strategic Partnership to develop the framework and draft Business Plan. (Item No.27 refers).

23. THE RATIONALE FOR RESERVES

The Panel has received an update on the deliberations of the Working Group which has been established to consider the Council's approach to the setting of its reserves. Having noted the key issues which have been identified as part of their deliberations, the Panel has endorsed the view that the current figure established for revenue reserves was reasonable. However, Councillor M F Shellens, one of the Members of the Working Group, has stated that this does not reflect his views.

Members have agreed that there should be further information in the Council's Budget reports to help Members understand the risks and costs related to the recommended level of reserves.

Other Matters of Interest

24. OVERVIEW AND SCRUTINY ANNUAL REPORT

In conjunction with the Panels for Social and Environmental Well-Being, the Panel has reviewed the draft Overview and Scrutiny Annual Report for 2011/12. Having been reminded that there is a

constitutional requirement to produce a Report each year, Members have approved the draft for publication.

25. LOCAL GOVERNMENT ACT 2000 – FORWARD PLAN

The Panel has been acquainted with details of the current Forward Plan of Key Decisions and has noted those items which will be presented to its future meetings.

26. OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) – PROGRESS

The Panel has reviewed its ongoing studies. Members have noted that a meeting of the Support Services Working Group will be held shortly to draw together the conclusions arising from the review of the District Council's Document Centre.

The Panel has received an update on the current status of the Working Group which has been established to investigate the business model for the One Leisure Service. Having noted that the study had come to a standstill, Members have discussed the options for a possible way forward and agreed that the Panel should proceed with the study. To this end, the Chairman has been asked to speak to the Executive Leader about prioritising the Council's services and more generally the role of scrutiny before the review recommences.

Following the recent resignation of an Independent Member, the Panel has noted that applications have been sought for her replacement and has appointed Councillors G J Bull, S Greenall and A H Williams to a Selection Panel to interview the short-listed candidates. A further report on this matter appears elsewhere on the Agenda.

27. SCRUTINY

The Panel has considered the latest edition of the Decision Digest and discussed matters contained therein.

T V Rogers
Chairman