

**Classification:** Public

**Key Decision:** No

## **Gravesham Borough Council**

**Report to:** Cabinet

**Date:** 08 January 2018

**Reporting officer:** Stuart Bobby, Director (Corporate Services)

**Subject:** Cessation of the Revenues & Benefits Shared Service

### **Purpose and summary of report:**

To provide Cabinet with an update on the current situation with regards to the shared service for Revenues & Benefits with Tonbridge & Malling Borough Council.

### **Recommendations:**

1. Cabinet are asked to formally rescind the delegated authority provided to the Director (Corporate Services), in consultation with the Portfolio Holder for Performance and Administration, for the progression of a shared Revenues & Benefits Service between Gravesham Borough Council and Tonbridge & Malling Borough Council

## **1. Introduction**

- 1.1 In March 2017, the Cabinet formally approved to the progression of a shared service for the delivery of Revenues & Benefits with Tonbridge & Malling Borough Council. At this meeting delegated authority to the Director (Corporate Services), in consultation with the Lead Member for Performance & Administration, to take all necessary practical, financial and legal actions required to enable the arrangement to be put in place.
- 1.2 Since this date, officers from both Gravesham BC and Tonbridge and Malling BC have been actively progressing the various workstreams in order to work towards the agreed implementation date of 1 July 2018. It has however, become clear that due to a number of different reasons that have come to light in recent months, as set out in section two of the report, the best decision is to cease the shared service.

## **2. Reasons for the cessation of the shared service**

- 2.1 Whilst this decision has not been taken lightly, it has been taken in light of a changing set of circumstances that have resulted in the need to strategically re-think the future direction for the service and the timing of any changes.

2.2 The key points set out below are the primary reasons for the decision:

**2.2.1 Imminent Roll-out of Universal Credit**

It is now known that Universal Credit (UC) will be going “live” for new claimants within the Borough of Gravesham in May 2018, and within TMBC’s area in November 2018. Whilst the initial roll-out of UC has had a limited effect upon the Revenues and Benefits Team (as it has so far only affected new single claimants), the wider roll-out planned for 2018 will see all new claimants for benefits being signposted to the DWP (through Job-Centre Plus) rather than the Council. What cannot be known at this stage is the full impact that this will have upon the working practices of the Revenues & Benefits team as the introduction of UC is likely to impact in a number of ways;

- A potential reduction in case-loads for Housing Benefit applications and resulting changes to resource levels necessary.
- An unknown impact upon Localised Council Tax Support (LSCT) demand as applicants for UC may still be eligible for LSCT which will continue to be administered locally, and whilst at present the primary data to process those claims comes from the applicants Housing Benefit application form, with UC, that data will either have to come from the DWP or from the applicant themselves.
- As UC is a dynamic payment which varies on a monthly basis depending upon an individual’s circumstances (such as hours worked under a zero-hours contract) there will be a need to consult on changes to our LSCT scheme to reduce the frequency of changes to that discount, otherwise, potentially there could be a need to revisit LSCT determinations up to 12 times per annum for each applicant, with the associated administration demand this creates.

For these reasons it is not considered sensible to try and implement a shared service for Revenues and Benefits at a time when this volatility exists and required staffing levels are not yet known.

**2.2.2 Future direction for Shared Services**

Recent discussions amongst North Kent Leaders have determined that further consideration should be given to opportunities for sharing more services across the North Kent cluster of authorities; those being Dartford, Gravesham, Medway, Maidstone and Swale. This is an attempt to build upon the successful shared working arrangements that already exist between or involving those authorities such as Building Control, CCTV, Audit & Counter Fraud, Payroll and Legal. In practice, this means that the peripheral services that support Revenues and Benefits, are either shared within the North Kent cluster, or (if likely to be shared at all) will be. This creates a potentially challenging situation if the Revenues & Benefits shared service with TMBC were to proceed where it would be the only service shared with an authority outside of the North Kent cluster and that could create difficulties for example in terms of maintaining IT infrastructure, handling call volumes and undertaking audit & counter fraud activity.

### 2.2.3 Technical Difficulties

Officers from both GBC and TMBC have been involved in Project Board meetings for several months now aimed at delivering a shared service for Revenues & Benefits by July 2018. What has become clear is that there are a number of technical challenges and inter-relationships involving Revenues and Benefits which would need to be overcome in order for there to be a successful partnership between the two authorities.

## 3. Communication of the decision

- 3.1 Prior to the decision being made to cease the shared service, discussions have been ongoing with the Union Branch Secretary regarding the progression and roll-out of the shared service. Whilst not a determining factor in the decision to cease the shared service, the thoughts and comments of the Branch Secretary have been considered at each stage of the shared service development.
- 3.2 In addition, a discussion took place with the Leader and the, then, Lead Member for Performance & Administration. The proposal to cease the shared service was also discussed with the Leader of the Opposition, prior to a formal decision being made on this arrangement.
- 3.3 A meeting was held with the Director (Transformation & Finance) at Tonbridge & Malling Borough Council to discuss the cessation of the shared service in detail; both Management Teams were then briefed on this at the same time.
- 3.4 Following the briefing with Management Team, staff within the Revenues & Benefits teams at both sites were informed of the decision, along with the members of the Project Board.

## 4. BACKGROUND PAPERS

- 4.1 Background papers pertaining to this report are as follows:
  - Report to Cabinet – 27 March 2017 - *Development of a Shared Service for Revenues & Benefits*
  - Report to Cabinet and Overview Scrutiny Committee – 03 July 2017 and 13 July - *Development of a Shared Service for Revenues & Benefits*
  - Report to Cabinet – 04 September 2017 - *Revenues & Benefits Shared Service - Delegation of responsibility to Tonbridge & Malling Borough Council*

Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

**IMPLICATIONS****APPENDIX 1**

<b>Legal</b>	There are no legal implications associated with this report. The shared service was still at the stage of being explored and as such, no formal agreements had been signed. As such, there are no legal issues associated with the decision not to progress with the shared service.
<b>Finance and Value for Money</b>	The potential savings associated with this shared service were in the region of £100,000 and contributed to the 'Shared Service' workstream within the Bridging the Gap Strategy.
<b>Risk Assessment</b>	Risks associated with this project have been considered in previous reports.
<b>Equality Impact Assessment</b>	<b>Screening for Equality Impacts</b>
	<b>Question</b>
	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.</p> <p>No</p>
	<p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>No</p>
<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>	
<b>Corporate Plan</b>	<p>The information set out in this report contributes to objective four – a sound and self-sufficient council. Specifically, it links to the following commitments:</p> <ul style="list-style-type: none"> <li>- Deliver on opportunities for the sharing and selling of council services.</li> <li>- Continuously review and adapt how we deliver our services to achieve financial efficiencies and improved performance.</li> <li>- Quality frontline services delivered on time and to the right people</li> </ul>
<b>Crime and Disorder</b>	There are no specific crime and disorder implications resulting from this report.
<b>Digital and website implications</b>	There are digital and website implications resulting from this report, in relation to the implementation of a digital Customer Platform for Revenues & Benefits.

<b>Safeguarding children and vulnerable adults</b>	There are no safeguarding children and vulnerable adults resulting from this report.
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