



# Summary Minutes

<b>Title of meeting:</b>	DWP Local Authority Associations (LAA) Steering Group
<b>Date:</b>	04 June 2014
<b>Location:</b>	Caxton House Room 6.03
<b>Attendees:</b>	<p><b>DWP:</b> Clare Elliott (Chair), Mont Goldman (Secretariat), Adrian Shooter, Huw Meredith, David Hanshaw, Darren Baker, Manny Ibiayo, Jenita Chelva, Chris Wood, Richard Grennan, Fiona Fellows Dial –in Janet Wilkinson, David Spence, Alexander Suswillo, Helen Matthews</p> <p><b>DCLG:</b> Margaret Uhure, Leona Patterson</p> <p><b>LAAs:</b> Rose Doran, Dan McCartney, Pat Durkin, Matthew Evans, Colin Wallbank, Paul Ellary, Lesley Pigott, Howard Mason, Andrew Stevens Dial – in: Peter Meehan, Steve Carey</p>
<b>Apologies:</b>	Andrew Parfitt, Valerie Pearce, Ben Dixon, Andrew Stevens, John Swinnerton, David Graaff

## 1. Welcome and Introductions:

DWP opened the meeting and introductions were made round the table and for those dialing in.

### Matters Arising

#### Minutes

The minutes of the previous meeting were agreed.

#### Action Points

DWP responded to the two action points from May's meeting in respect of Universal Credit (UC).

#### Local Support Service Framework

The schedule for the webinars has been completed. An event was recently held with LAs and their Jobcentres where partnerships are considering bidding. DWP would be predominately looking for mature established partnerships

#### Housing Summit

Work is ongoing on transition and migration, and once the picture becomes clearer it should be possible to produce some information for the Steering Group around planning and progress against milestones.

### 3. **Updates:**

#### **Universal Credit (UC)/Transition Working Group (TWG)**

##### **UC**

DWP informed the meeting of the steps being taken to improve the processes for the ten sites running the live service, in particular around the housing cost element and direct payment. A dedicated team has been set up to respond to queries on housing costs and a single point of contact for Housing Associations has been created. There are plans to recruit LA secondees and the intention is to work with LAs, Housing Associations and the National Housing Federation.

##### **TWG**

DWP summarised the recent TWG meeting, highlighting:

###### Design and Build Housing Costs 'Sprint'

- Screen shots were displayed giving examples of the language used and questions asked of claimants. These are being tested with some TWG LA HB claimants.
- Arrangements have been agreed for some user testing.
- TWG queried the 'Save and Resume' functionality and possible links to fraud and error gateway verification.
- TWG discussed what is not currently in scope for the 'Sprint' and which will be dealt with later in the process. Consideration is being given to members of TWG being invited to the Design Team to add to the process of intelligent challenge.

###### Payment Deduction Programme

- An update on debt was given to the meeting. TWG expressed concern about the migration of debt.
- Work is ongoing with the Local Authority Data Sharing (LADS) team on the automated solution.
- A list of what is in and out of scope was shared with the meeting.

The Steering Group asked about Liability Orders for Local Council Tax Reduction Schemes (LCTRS).

An action point was taken for colleagues in DCLG to clarify whether any amendments to current regulations are required.

##### **DCLG**

DCLG informed the meeting that the Council Tax Partnership Forum will meet on 23 June to discuss the methodology for distributing the administration subsidy for 2014/15.

The Steering Group raised an issue around the recent Valuation Tribunal decision which had overruled a LA's LCTRS. The details of the ruling will be forwarded to DCLG.

The Steering Group asked about the Prescribed Requirements for 2015/16, and whether any changes will be imposed, for example, in the case of EEA jobseekers.

An action point was taken for colleagues in DCLG to check with colleagues as to whether any changes to the Prescribed Requirements for 2015/16 will be required.

### **Single Fraud Investigation Service (SFIS)**

DWP referred the meeting to the draft National Framework Agreement. It was agreed that the usual procedure for signing off Service Level Agreements (SLA) should be followed, i.e. the detail to be considered at Practitioners Operations Group (POG) and Security Operations Group (SOG) with final recommendation for sign off to be passed to the Steering Group.

#### **4. Real Time Information (RTI) Bulk Data Matching Project**

The Steering Group asked when the volumes of likely referrals to LAs would be available. DWP explained that work is ongoing, and once the figures are available they will be shared with the Steering Group and then to LAs for planning purposes.

DWP went on to give a general update, highlighting:

- IT software providers have been given approval to develop IT to load data into LA systems, and also provide some functionality to allow some manipulation of the data.
- Following concern expressed at POG, a four week grace period has been granted to LAs before Claimant Error becomes LA Error.
- The project is aware of the urgent need for clear communications to LAs, and once all the proposals are agreed, communications will follow.

A general discussion followed, with the following key points emerging:

- DWP is expecting high quality data from HMRC, and the aspiration is that LAs will only receive a referral where an RTI record exists along with a live claim to HB.
- A tranche by tranche review will be in place and savings will be monitored.
- Regarding testing in advance, the actual data from HMRC has not yet been seen.
- Analysts are working on sample data and influencing the design to identify specific issues regarding individual data items.
- Timescales preclude any pilots, but discussions with the software suppliers around testing are taking place.
- Steering Group referred to the good practice developed through working collaboratively during the implementation of the Benefit Cap.
- Steering Group referred to concerns around the quality of HMRC data.
- DWP acknowledged the Steering Group's concerns, explaining that the project was timebound in respect of the savings, and is trying to engage as

best as possible.

- The timescales for delivery for the software suppliers will be between July and August, and the current assumption is that RTI referrals will be generated from mid September.
- The Steering Group expressed concern that September will see the transfer to SFIS along with year 3 Council Tax Support resulting in significant pressure on LAs. LAs will also face the need for additional staff training.
- DWP pointed that excluding LAs from this exercise was not an option.
- There are issues around automation and manual intervention.
- The Steering Group asked to clear any communications and early guidance.
- A further update will be given to the July Steering Group meeting.

## 5. HB Administration Subsidy: Methodology for 2015/16

DWP reported on the discussions which took place at the ad hoc Subsidy Working Group. Unfortunately this meeting did not have a wide representation from the LAAs, and despite a healthy discussion was unable to reach a consensus on any of the options. The Working Group therefore agreed to refer this decision to the LAA Steering Group.

DWP proposed that the Steering Group discuss and agree one of a range of options regarding the methodology:

- **Option A** - Allocation by caseload data, labour cost, accommodation cost and tenure type weights (most similar to current method)
- **Option B** - Allocation by caseload data, labour cost and accommodation cost weights
- **Option C** - Allocation by caseload data alone (most different to current method).

Once agreed the Group could focus on how this would impact on the total grant, once known. DWP reiterated that it was still on track to finalise the allocation process by September 2014.

The London Councils representatives expressed concern about the options considered and the impact of UC once rolled out on future LA allocations.

LAAs were concerned about not knowing the total amount of funding and the impact of any option agreed at the meeting may have on the final individual LA allocations. It was for this reason that the LAAs stated that option B would be agreed tentatively, however this would need to be reviewed following the total amount of funding being known and the outcome of the allocation process. DWP agreed that any submission to Ministers would only include the final decision of the Steering Group and not this tentative one.

DWP explained that that once the total amount of funding was known, actual figures could be produced and DWP would work together with DCLG and the Devolved Administrations. At this stage there would be room for further negotiation, and any LAA concerns would be included in the submission to Ministers.

As a result, the Steering Group provisionally agreed that option B should be taken forward.

DWP took the meeting though the reasons underpinning simplification.

The Steering Group asked if a zero cap on funding would be included if the total amount of funding was reduced. They also asked whether any consideration could be given to refreshing historical data such as caseload weightings and new claims adjustments. DWP pointed out that at present DWP was looking 2015/16 only.

Circular S4 2014

DWP explained that the circular had been issued following concerns raised by the National Audit Office regarding the levels of 'Qualified' subsidy claims from LAs.

DWP went on to say that the circular informed LAs of DWP's approach in cases where qualification issues have been recurring, DWP's intention is to start with a visit to some LAs to discuss their action plans for addressing this issue.

DWP reassured the LAAs that DWP would consider any representations made by LAs concerning their auditor's application of the certification arrangements. DWP intends to work with LAs in improving both the interpretation of the certification arrangements of both LAs and the auditors, and that these visits are an initial step in achieving this objective.

## 6. AOB

No items of AOB were brought forward.

**Date of Next Meeting** The date of the next meeting will be Wednesday 09 July 2014, Room 6.03 Caxton House.

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