

Report of the Deputy Chief Executive

RISK BASED VERIFICATION1. Purpose of report

To seek approval for the termination of Risk Based Verification (RBV) in respect of Housing Benefit and Council Tax Support new applications.

2. Background

In April 2016, Members agreed the adoption of a Risk Based Verifications and associated Policy for Housing Benefit and Council Tax Support new applications. This policy was created to work with RBV software suppliers so that each new application was risk scored. This risk score would then determine the level of verification required to support the application before making a payment. A low risk score would indicate that the risk of fraud was minimal and therefore only basic evidence was required, whereas a high risk score would indicate the claim would need to be checked more thoroughly.

As part of move to RBV, the Council signed up to working with the software company Call Credit, now named Trans Union. This provided the Council with a platform to improve their benefits processing time which is now one of the best in the Country. However, Trans Union have now provided the Council with the appropriate notice to cease providing this service from 1 October 2021. In line with this, and the more significant move of new applications going to Universal Credit, it is now felt that the use of Risk Based Verification no longer provides the administration saving originally realised. The Council now has access to all relevant earnings and benefit information from HMRC and DWP ensuring information is available without the requirement to contact the claimant.

The DWP's guidance states that Councils are not able to adapt their RBV Policy during the financial year. In view of this, it is proposed that the best approach is for the Council to terminate RBV and cease using the Risk Scoring software supplied by Trans Union from 1 April 2021.

3. Financial implications

Due to the improvements in the access to information and the significant reduction in the number of applications, this change will not create additional work for the Benefits Team.

The current cost of the Risk Scoring software, through Trans Union, which would no longer be required is £9,360 per annum.

Recommendation

The Committee is asked to RESOLVE that the termination of the Risk Based Verification process in respect of Housing Benefit and Council Tax Support with the appropriate software saving of £9,360 per annum be approved.

Background papers; Nil