

**REPORT OF: CENTRAL AND REGENERATION SERVICES
HEAD OF CENTRAL AND REGENERATION SERVICES**

TO: THE EXECUTIVE

DATES: 22nd JANUARY 2015

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MATTERS REQUIRING FINANCIAL APPROVAL

PURPOSE OF REPORT

1. This regular report summarises issues requiring consideration by the Executive under the Council's Financial and Contract Procedure Rules.

RECOMMENDATIONS

2. It is recommended that the Executive give authority for the Council to act as Accountable Body for a project to reduce fraud and error on Council Tax Support as set out in the report.

REASONS FOR RECOMMENDATION

3. To seek approval from the Executive for the Council to act as Accountable Body for funding received from the Department for Communities and Local Government.

ISSUE

4. During August 2014, the Department for Communities and Local Government (DCLG) invited local authorities to submit proposals for projects aimed at combating fraud. The overall amount of funding available is £16m over the financial years 2014/15 and 2015/16.
5. The Council participated in two bids for the funding as follows:-
 - as a participant authority with other East Lancashire Councils in a bid focused on countering tenancy fraud – This bid was **not** successful;
 - as lead authority in a consortium of 13 local authorities with Liberata focused on reducing fraud and error in the Council Tax Support Scheme. This bid was successful and funding of £1.181m will be made available to implement the activity specified in the bid.

6. Briefly, the activity will use data analysis to review entitlement to Council Tax Support and to identify error and fraud. This will involve intelligent data matching of local authority data with other sources such as DWP, HMRC, major retailers, Land Registry etc. and employ risk profiling of cases to target follow up activity to confirm entitlement.
7. The Council's Financial Procedure Rules require that where the Council is required to act as Accountable Body for specific projects where the combined income/expenditure is in excess of £20,000, the Executive is required to give approval to do so. In view of the success in obtaining the funding for the project set out above, and given the Council is the lead authority on the project, the Executive's approval is sought in this instance for the Council to act as Accountable Body for the funding.
8. Whilst the Council will be Accountable Body for the funds, given DCLG required that a local authority should lead on the bid process, the activity is being undertaken by Liberata on behalf of the 13 participant authorities and they are working in partnership with a company called Transactis who provide data management, insight and fraud services to Central Government. It is therefore proposed to pay the funding received to Liberata for the delivery of the project.
9. As the grant is unringfenced, there are no specific obligations on its use suffice to say that it should be used for the purposes outlined in the original bid (which are as set out above). As Accountable Body, however, the Council will seek assurances from the Liberata that, in the unlikely event of any proposed clawback of funding, no liability will rest with the Council.

IMPLICATIONS

Policy

10. There are no policy implications arising from the contents of this report.

Financial

11. The financial implications are generally as provided in the report.
12. The grant awarded will be paid to Liberata/Tranactis for the work they will undertake on the implementation of the project as set out in the report.

Legal

13. There are no legal implications arising directly from the contents of this report.

Risk Management

14. The grant awarded to the Council will be paid as a s31 Grant (under the Local Government Act 2003). In essence, this is a grant for non-specific purposes although the clear expectation is that it is used for the purposes set out in the bid.

Health and Safety:

15. There are no health and safety implications arising from the contents of this report.

Climate Change:

16. There are no climate change implications arising directly from the contents of this report.

Community Safety:

17. There are no community safety issues arising directly from the contents of this report.

Equality and Diversity:

18. There are no equality and diversity issues arising from the contents of this report.

Appendices

None