

# Housing Benefit and Local Council Tax Support

## Risk Based Verification Policy

**2018/19**

## **Appendix C**

### **1. Introduction**

Housing Benefit supports residents on a low income with their rental liability. Colchester Borough Council (CBC) administers Housing Benefit on behalf of the Department for Work and Pensions (DWP). In the administration of Housing Benefit CBC must adhere to legislation and associated guidance.

Local Council Tax Support (LCTS) is a localised scheme to support residents on low income meet their Council Tax liability. LCTS is administered in line with a policy defined by CBC.

Risk Based Verification is a method of applying different levels of checks to claims for benefit or support according to the risk associated with those claims.

This policy defines our operation of Risk Based Verification to reduce and prevent fraud and error within our assessment of Housing Benefit and LCTS claims.

### **2. Risk Based Verification**

Risk Based Verification (RBV) allows for more intense verification activity to be focused on claims more prone to fraud and error. Such propensity models for identifying fraud and error have been widely adopted in Welfare Benefit administration under the remit of the DWP.

In 2011 the DWP issued a subsidy circular [HB/CTB S11/2011](#) giving Local Authorities the ability to introduce a RBV in the assessment of Housing Benefit claims.

CBC adopted to use RBV in the assessment of new claims. Furthermore CBC adopted an ICT solution to support RBV rather than a manual process.

For the purposes of applying verification on a risk basis, each claim is ranked into one of three categories; these categories are Low, Medium and High Risk

#### **Low Risk**

The only check on low risk claims will be in respect of proof of identity/national insurance number.

#### **Medium Risk**

Claims in this category will be subject to identity/national insurance number checks as low risk cases.

Income and capital declarations will need to be verified through the provision of documentation. Such documentation need not be originals and should only be requested in instances where the entitlement could be affected. Documentation can be provided electronically.

Officer discretion will be allowed to accept verbal declaration of information when it is deemed to be of low significance.

## **Appendix C**

When CBC can obtain information through data exchange initiatives/portals emanating from DWP and Her Majesties Revenues and Customs (HMRC) there will be no added requirement for this to be provided by the customer.

### **High Risk**

Claims in this category will be subject to identity/national insurance number checks as low risk cases.

Income and capital declarations will need to be verified through the provision of documentation. Such documentation need not be originals. Documentation can be provided electronically.

For any evidence that CBC can obtain via data exchange with the DWP and HMRC there will be no added requirement for this to be provided by the customer

### **3. Process**

Upon making a new claim for benefit or support a risk score will be generated. However if a customer makes a new claim for LCTS and there is already an award of Housing Benefit then no further checks need be made as a risk score would have already been called upon the submission of the Housing Benefit claim.

For any period of software downtime the minimum risk applied is Medium.

Cases cannot be downgraded at any time by an officer, however, they can be increased with approval by a member of the processing management team.

If a customer makes a new claim for LCTS and there is already an award of Housing Benefit then no further checks need be made and no new risk category required.

### **4. Monitoring**

CBC will ensure that the processes it uses for RBV are monitored to ensure that they are effective.

CBC will monitor the risk rating on a monthly basis. The reports will show:

- The percentage of each risk category
- The level of any financial error discovered between the information on the claim form and the actual information received. This detection level will also be split across the risk categories.

The Technical Team will scrutinise all reports on a monthly basis and raise any areas of concern to the Benefit Processing Team Manager.

### 5. Change of Circumstances

RBV does not apply to changes in circumstances. CBC will accept the declaration of a Change or Circumstance and the evidence provided, by way of paper, email, telephone or electronic form. There is no necessity to see original documentation. However, where necessary, there is discretion afforded to officers.

Colchester Borough Council also provides a platform that allows customers to upload a document directly onto our systems. Documents can be uploaded at [www.colchester.gov.uk/uploadevidence](http://www.colchester.gov.uk/uploadevidence)

### 6. Review and Agreement

This policy is effective for 12 months from 1 April 2018. The policy will be reviewed annually. Once agreed the policy cannot be amended in-year.

This policy has been formulated and agreed by the following officers:

Name	Role
Katie Lott	Benefits Processing Manager
Sean Plummer	Section 151 Officer