

SHARED REVENUES & BENEFITS: THE KNOWN & UNKNOWN



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In a Revenues and Benefits shared service and partnership environment, engaging with existing and prospective partners to work together leads to the same question: “How are we going to factor in the national reforms to the benefit system and the migration of Housing Benefit to Universal Credit?”

Without directly quoting Donald Rumsfeld and his famous *Known Knowns* speech¹, which is relevant to a point here but not quite the full fit, we do know about the unknowns and we know it! We just don’t know the exact local delivery role in this known.

Of course, we also have some genuine unknowns that only complicate our local planning further. And then of course we have the known areas of future delivery and there will be pressure to deliver efficiency and maximise income generation here in the future as well.

Councils are faced with making the decision to invest time and effort into exploring the wider sharing of services, while at the same time working with these “known unknowns”.

While wrestling with this, the drivers for partnership remain the same: “save money and maintain or improve performance for our service users”. However, the question of reform often causes concern in terms of how to deliver these objectives, while so much about the timetable, and final role for welfare locally, remains unclear.

The strength of delivering in collaboration

What is clear is the relative strength of being a member of a partnership, in order to achieve a better outcome in delivering transitional reforms. The resilience provided through the larger scale of a shared service operation during periods of change should also not be under-estimated.

¹ Feb 2002 Donald Rumsfeld said: “...because as we know, there are known knowns; there are things we know we know. We also know there are known unknowns; that is to say we know there are some things we do not know. But there are also unknown unknowns – the ones we don’t know we don’t know...”



Donald Rumsfeld
US Secretary Of State For Defence 2002

The Government’s Universal Credit programme, unlike other recent national reforms, switches the emphasis from localisation to one of centralisation for working age benefits, including housing benefits and, perhaps in the future, local Council Tax support.

This in itself takes away some of the local delivery aspects of administrating these benefits directly, but potentially leaves some serious issues behind during the early part of the programme and indeed for the future.

The table over the page provides some of the strategic questions being faced at a local level, also from the point of view of collaborative working in the short-term.

All of these themes are being addressed at a local level and most of the time are not preventing collaboration, however many councils are faced with making the decision to invest time and effort into exploring the wider sharing of services, while at the same time working with these “known unknowns”.

With the Government announcing both support for the cost of potential redundancies as the full rollout on Universal Credit commenced in May 2016 and at the same time hinting at further localisation of some other state benefits, particularly

An Opportunity/Pitfall Matrix for Partnership Working

Issue / Theme / Strategic Challenge	Opportunity	Pitfalls
Future role of local government in the delivery of welfare locally remains unclear	<ul style="list-style-type: none"> Through increasing the scale of operations through partnership, regionally and nationally, local government can have a stronger voice in the decision-making process. Building a scaleable and referenced service, offering to encourage growth of partnership and collaboration regardless of the outcome of welfare, ie focus on the “known knowns” and keep a watch on the “known unknowns” 	<ul style="list-style-type: none"> How do we create the vision and sell our future role to senior management? How do we protect the existing service/ expertise during the transition Should we be considering a continued large scale role in welfare in the first place?
Council Tax reduction scheme future remains in doubt	Continue to refine local schemes and target support where it’s most needed in the community, reducing the administrative burden in administering the scheme.	<ul style="list-style-type: none"> Funding reducing annually against schemes Over developing schemes which may become obsolete if central government chooses to deliver support as part of Universal Credit Loss of locally targeted support to address local financial stress lost to possible centralisation - additional pressure on retaining local expertise with increased levels of uncertainty
Universal Credit – a national benefit will still leave local authorities with a high burden of contact	A local role is clear, particularly within local delivery partnerships – where issues with national benefits occur, assistance is sought through your local authority or local third sector provider.	<ul style="list-style-type: none"> Will local government be funded or know what to expect in terms of building local service provision? Local expertise retained to cope once final position is known?
The impact on local collection of revenue and historic debts	Building local support partnerships during the transitional period of reform allows local authorities to demonstrate the improved national outcomes to be achieved through a continued local role.	<ul style="list-style-type: none"> Housing Benefit overpayments debt under pressure Council Tax collection under pressure by “Universal Credit single direct payments”

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Attendance Allowance, the “unknowns” are set to continue.

Again, this points to decisions on scaling down services before all of the aspects of local delivery are known.

So what should we be doing?

Firstly, we should focus on making efficiencies through collaboration, alongside the “known” service areas such as Council Tax collection and the increased emphasis on maximising income from business rates, with 100% retention on the horizon.

This focus, whilst also managing difficult transitions effectively, will keep our services at the forefront and highlight the innovation and efficiency we continue to deliver.

This in turn will only emphasise on a national platform, the strength of our collaborative working and the benefits to be found in supporting local authorities to be a large part of continuing to deliver valuable welfare services - *locally in support of local people.*