

PFCC Decision Report

Please ensure all sections below are completed

Report reference number: 047-23

Classification (e.g. Not protectively marked/restricted): Official

Title of report: Cost Sharing Agreement – Pan Essex Data Matching

Area of county / stakeholders affected: Countywide

Report by: Annette Chan – Chief Accountant

Chief Officer: T/ACO Jules Donald

Date of report: 23rd February 2023

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1. Executive Summary

Chelmsford City Council, on behalf of Essex Local Authorities, and the Essex Police, Fire and Crime Commissioner (PFCC) procure a Pan-Essex Counter Fraud data sharing platform to assist in identifying discrepancies between locally held datasets. Savings from using this platform to data share are largely derived from increasing the Council Tax liability that is charged by removing discounts and exemptions that are claimed either as a result of deliberate fraudulent acts, accidental omissions or issues with data quality.

The results of this exercise increase the value of precepts paid to Essex Police and other preceptors. Chelmsford City Council enter into the contract on behalf of participating bodies who then enter into an agreement to share the costs of the contract. The cost sharing agreement to be signed is dated 1st April 2022 to 31st March 2027 at a total cost to Essex Police over that period of £33,882.

2. Recommendations

That the Police, Fire and Crime Commissioner (PFCC) signs the cost sharing agreement with Chelmsford City Council for the provision of Pan-Essex Data

Matching at a total cost of £33,882 (for Essex Police) covering a five-year period to 31st March 2027.

3. Background to the Proposal

The cost sharing agreement covers the Essex Police cost of contributing to the Pan-Essex Counter Fraud data sharing platform (supplied by Vigilant Applications Ltd) procured by Chelmsford City Council.

The contract entered into by Chelmsford City Council, which commenced on 1st April 2022, is for a five-year period up to 31st March 2027. The contract involves the processing of personal data of residents in households throughout Essex held by local authorities for the purpose of detecting discrepancies in council tax, housing benefit, council tax support, electoral roll, housing waiting lists and tenancy records, residents' parking permits, taxi licences, pupil registers, business rates and social care financial assessments.

The sharing of this information from all sources will benefit the local population by ensuring that people only receive discounts and benefits to which they are entitled. Reducing the number of incorrect discounts will increase the amount of money available to all participants to provide their services for the benefit of the people of Essex.

From a fraud data-matching perspective, the shared datasets are matched against each other to identify discrepancies which could be the result of deliberate act, accidental omission or data quality e.g. an address where a single person discount is in payment but electoral roll records have more than one adult present; the same person has a live benefit claim in two different council areas; a child present on a benefit claim but missing from school records; a registered taxi driver not declaring earnings on a benefit claim; resident parking permits issued to people resident elsewhere; businesses claiming small business rate relief in one area but occupying premises in another.

In future, further matches will be developed to compare other aspects of datasets, such as income and capital declared on benefit claims compared to declarations made on social care financial assessments. The results of the comparisons against specific rules are only shared to the relevant body, so that further enquiries can be made. No authority has access to any data controlled by another body.

Chelmsford City Council have entered into the contract on behalf of participating bodies following their own procurement procedures and this agreement is for sharing the cost of the contract.

4. Proposal and Associated Benefits

The PFCC has previously supported this data matching initiative and this agreement is a continuation from a previous five-year agreement period which ended on 31st March 2022.

The PFCC does not receive any results from the data-matching exercises as the data-sets involved are held by local authorities but it does result in savings derived from increasing the Council Tax liability that is charged by removing discounts and exemptions. This in turn increases the value of the precepts paid to the preceptors. Chelmsford City Council report that the additional Council Tax identified over the five years of the original contract have exceeded the cost of the contract by a ratio of 5:1. Essex Police benefit indirectly in that less fraud results in more council tax available for the delivery of policing in the County.

5. Options Analysis

This is a cost sharing agreement, the procurement of the contract was undertaken by Chelmsford City Council on behalf of all participants.

The Commissioner could decide not to participate in this however, that may jeopardise the agreement and the benefit that they receive from this activity and as a result this options is not recommended.

6. Consultation and Engagement

The options and suppliers were considered by Chelmsford City Council as part of their procurement process.

7. Strategic Links

This paper concerns the PFCC and Chief Constable's revenue resources and therefore underwrites all of the priorities and workstreams identified within the Police and Crime Plan.

8. Police operational implications

Increased levels of council tax support operation policing.

9. Financial implications

The total cost of this cost sharing agreement for the five-year period ending 31st March 2027 is £33,882 with costs profiled as follows:

2022/23 - £13,147*
2023/24 - £5,184
2024/25 - £5,184
2025/26 - £5,184
2026/27 - £5,184

*Year 1 includes licence fees for the five-year duration of the contract.

There is an annual budget provision within the Chief Constable's IT directorate for this contract of £6,777 and therefore this agreement will be within budget. Although the cost in Year 1 (2022/23) exceeds this annual budget by £6,370, this pressure is able to be contained within the overall IT budgets which are forecasting to underspend this year. It should be noted that the additional council tax that would be generated from this exercise are expected to far exceed the cost of the contract.

10. Legal implications

Local authorities have a statutory legal obligation to administer Council Tax, Housing Benefit and Council Tax Support. Part of that duty is to ensure that the details used are accurate. Both Council Tax (Admin & Enforcement) Regs SI1992/613 Reg 4(5) and Benefits (s)122E Social Security Admin Act 1992 legislation give Councils the legal authority to share information between each other to ensure that the processing is accurate and to request information from other persons (including other billing and precepting authorities) for the purpose of assessing Council Tax liability and Housing Benefit/Council Tax Support entitlement. Reg 6 of SI1992/613 allows the billing authority to use information obtained by it under any other enactment to carry out its functions relating to Council Tax.

11. Staffing implications

There are no staffing implications.

12. Equality, Diversity and Inclusion implications

There are no equality or diversity implications of this decision report.

13. Risks and Mitigations

Although there is a modest shortfall in expenditure budget to cover the cost of this sharing agreement it is anticipated that the additional council tax that would be generated from this exercise would far exceed this.

14. Governance Boards

Decision requested outside of Strategic Board due to low value.

15. Links to Future Plans

This paper concerns the management of the PFCC and Chief Constable's revenue resources and therefore underwrites all of the priorities and workstreams identified within the Police and Crime Plan and the Capital Strategy.

16. Background Papers and Appendices

No background papers.

If 'YES', please provide details of required redaction:

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Date redaction carried out:

Chief Finance Officer / Chief Executive Sign Off – for Redactions only

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

Sign:

Print:

Chief Executive / Chief Finance Officer

Decision and Final Sign Off

I agree the recommendations to this report:

Sign:



Print:

Roger Hirst

PFCC

Date signed: 14th March 2023

I do not agree the recommendations to this report because:

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Sign:

Print:

PFCC/Deputy PFCC

Date signed: