Kent Intelligence Network tackle small business rates relief fraud with HUB

The Kent Intelligence Network (KIN) is a Kent-wide partnership between local authorities whom have the shared objectives of the detection, prevention and deterrence of fraud and corruption, and where possible the recovery of taxpayers money that has been claimed unlawfully. The KIN consists of the following authorities: Ashford, Canterbury, Dartford, Dover, Folkestone & Hythe, Gravesham, Kent County Council, Kent Fire & Rescue Service, Maidstone, Medway, Sevenoaks, Swale, Thanet, Tonbridge & Malling and Tunbridge Wells.

With just over 57,000 rateable properties across Kent and a value of just over £54.5 million in awards given for Small Business Rates Relief (SBRR), the potential for fraud and error in this area was deemed significant enough for the KIN to invest in HUB. HUB is a SBRR solution designed to help identify fraud and error in cases that currently receive the relief.

HUB the nationwide small business rates relief solution
Developed by Destin Solutions, HUB acts as a central portal pooling together business ratepayer data published individually by each Authority and tracks the activities of businesses across multiple regions publishing their trading location and rateable value. Relief is typically awarded on the basis that a business only uses one property or has a rateable value of less than £15,000. HUB is used as a means to verify SBRR awards and notify Authorities of cases where awards may be incorrect and therefore require further investigation.

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>
> **Nick Scott,**
> **Operations Manager, KIN.**

Validating SBRR awards
Prior to the KIN purchasing HUB, applications for SBRR were taken at face value. Kent Authorities had no mechanisms in place to carry out checks to confirm the application met the SBRR qualifying criteria so consequently, awards were made purely on the basis of the circumstances declared. With the introduction of HUB, the KIN now have the ability to validate all SBRR awards across the whole of Kent.

The majority of ratepayers claim SBRR correctly but HUB has shown that there are a minority who are gaining a financial advantage by not declaring their true circumstances when they apply for SBRR. HUB highlights cases where the award of SBRR may not be appropriate, resulting in further investigation and either confirmation or withdrawal of the relief.

Nick Scott, Operations Manager at KIN comments,
"*HUB is very user friendly. Initially, it was used to identify cases where SBRR was being claimed in another authority but features like the 'Find a Ratepayer' function are invaluable for verifying SBRR applications from companies. The new 'Company Status' function is also straightforward to use and this has been useful for identifying insolvent companies we were not aware of - this has been particularly important for companies in receipt of 100% SBRR as many of those companies would not have made contact to advise that they had become insolvent.*"
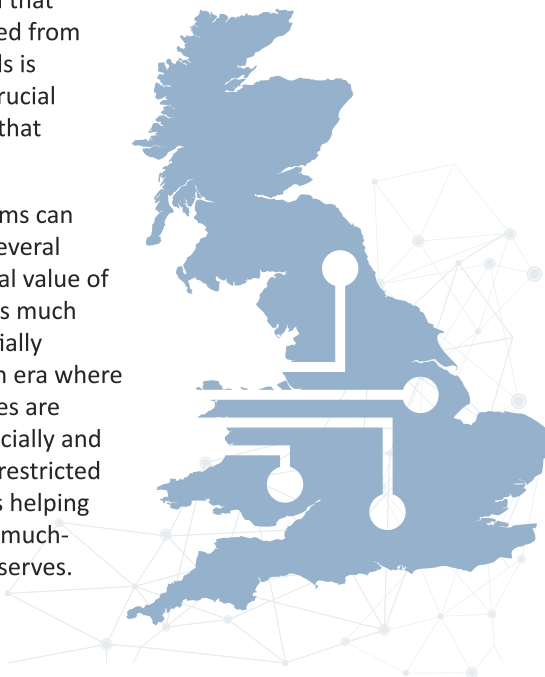
Nick Scott, Operations Manager, KIN.

> **HUB is simple but impressive. Through a collaborative approach, the solution has been deployed across all local authorities in Kent and it has been invaluable in identifying fraud and error in small business rates relief across the county.**
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KIN results using HUB

To date, the KIN has been able to send out bills for an additional £313,467 due to incorrect or fraudulent claims which have been identified using the HUB solution. Cases requiring further investigation continue to be identified but this figure shows what has been achieved in a relatively short period of time since HUB was introduced.

HUB is not only delivering savings, it also provides the assurances needed to ensure that SBRR is being correctly awarded in every case across Kent and that money recovered from incorrect awards is now reaching crucial public services that need it.

Some relief claims can be backdated several years, so the real value of revenue owed is much higher than initially estimated. In an era where many Authorities are struggling financially and operating with restricted budgets, HUB is helping generate some much-needed cash reserves.

HUB also encourages inter-authority data sharing as Nick concludes, "*HUB is simple but impressive. Through a collaborative approach, the solution has been deployed across all local authorities in Kent and it has been invaluable in identifying fraud and error in small business rates relief across the county. We have already seen a significant return on investment and together with many other functions, the product is continually evolving and introducing more datasets to give greater assurances and added value*."

ABOUT DESTIN SOLUTIONS

Destin Solutions specialise in developing technology that supports Local Authorities and other Public Sector organisations in their aim to improve performance whilst maximising efficiencies and minimising costs.

The company's expertise include; business intelligence applications, debt reporting and analytics, performance management dashboards, development of online procedure manuals and following consultation, the delivery of workflow applications designed to meet compliance adherence needs and ensure processes are bullet-proof.

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