

Additional papers 1



Audit, Governance & Standards Committee

Tue 15 Sep
2020
7.00 pm

Skype, Virtual Meeting



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**If you have any queries on this Agenda please contact
Jo Gresham**

**Town Hall, Walter Stranz Square, Redditch, B98 8AH
Tel: (01527) 64252 (Ext. 3031)
e.mail: joanne.gresham@bromsgroveandredditch.gov.uk**



Audit, Governance & Standards

Tuesday, 15th September, 2020

7.00 pm

Skype, Virtual Meeting

Agenda

Membership:

Cllrs:

John Fisher (Chair)
Mark Shurmer
(Vice-Chair)
Salman Akbar
Tom Baker-Price
Joanne Beecham

Juliet Brunner
Peter Fleming
Yvonne Smith
David Thain

7. Internal Audit - Benefits Service Presentation (Pages 1 - 6)

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REDDITCH BOROUGH COUNCILAUDIT GOVERNANCE AND STANDARDS COMMITTEE 15th SEPTEMBER 2020BENEFITS SERVICE UPDATE

Relevant Portfolio Holder	Councillor David Thain
Portfolio Holder Consulted	-
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No

1. SUMMARY OF PROPOSALS

To update Members on the progress and improvements within the housing benefit service following the limited assurance level report in 2019.

2. RECOMMENDATIONS

2.1 The Committee is asked to note updates as included in this report.

3. KEY ISSUES**Financial Implications**

3.1 The Council currently pays approximately £15.5m in Housing Benefit claims with associated funding received by the DWP.

Legal Implications

3.2 The Council has a statutory responsibility to comply with DWP financial regulations in relation to the payment and claiming of subsidy for Housing Benefit.

Service / Operational Implications

3.3 In October 2019 this Committee received an update in relation to the internal audit of the housing benefit service provided by the Council. The assurance level was limited due to a number of weaknesses in the processes and the significant delay that was faced by claimants in waiting for claims to be approved. The Committee also discussed the intervention of the DWP in the Benefits Service and the reasons why this intervention had been required. Officers explained that an interim restructure of the Benefits team had been implemented to ensure more capacity and management resource within the service. A more comprehensive report was

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requested by Members to assure them that the service had improved over the last 12 months.

- 3.4 The service area is responsible for paying over £15 million pounds of Housing Benefit and almost £6 million pounds Council Tax Support to our residents. In addition the team has £30k Essential Living Fund budget to administer alongside £125k Discretionary Housing Payments to support residents who have a shortfall in their rent to benefit level.
- 3.5 The Essential Living Fund is funded by the Council and Discretionary Housing Payments are funded by DWP and are allocated to the authority based on the caseload size and UC take up in the area. Experienced Financial Independence Team deal with the applications for these schemes and support individual needs with professional advice.
- 3.6 The service area is currently operating under an interim restructure. This was put into place following poor performance across the Housing Benefit and Council Tax Support team.
- 3.7 The service area is made up of 5 main tranches. The team works within a shared service arrangement with Bromsgrove District Council :
- Housing Benefit and Council Tax Support processing – 15 FTE
 - Financial Independence Team – 6 FTE
 - Customer Contact Team – 3.8 FTE
 - Quality and Improvement Team – 3 FTE
 - System support and admin duties for Revenues and Benefits – 5.3 FTE
- 3.8 Due to the Covid-19 pandemic the team are, in the main, currently working from home. Management has not seen any negative impact on measures or performance.
- 3.9 The team currently has an overall benefits caseload of 6,360. Housing Benefit claimants are decreasing due to the introduction of Universal Credit, with an approximate 11% decrease in Redditch since July 2019.
- 3.10 In comparison the Council has seen an increase in Council Tax Support claims as a direct impact of the increase in Universal Credit. The current caseload is just under 6,000 an increase of 200 claims from March 2020.
- 3.11 In relation to the concerns raised within the Audit the following actions have been undertaken to improve the service;
- All outstanding work has now been cleared.
 - A thorough Quality Checking Procedure was implemented which resulted in 1900 quality checks being completed. This helped officers identify training needs and put a training plan in place.

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- Whilst agency staff were utilised, officers were able to upskill and train new starters. Managers have provided external training days and also a buddying system placing experienced officers with new starters.
- Officers were split into teams and provided with a dedicated team leader. Previously there was 1 team leader for 31 officers, there are now 3 team leaders and the largest team contains 11 officers.
- This change has enabled support to be given to the officers on a day to day basis, picking up their concerns and training needs, ensuring 121's are completed and offering support and guidance.
- Management reports are being created and reviewed monthly, allowing a picture to be built on work received against work completed, staff accuracy, staff output, training needs.
- Measures have been put in place and are to be monitored monthly as detailed at Appendix 1

3.11 The actions listed have resulted in processing times dropping from 74 for New Claims and 34 for Change of Circumstances (August 2018) to 26 for New Claims and 5 for Change of Circumstances (July 2019 should that be 2020?)

	July/ August 2018	Q1 – 2020/21
New Claims	74	26
Change of Circs	34	5

3.12 The service area is also responsible for the Housing Benefit Subsidy Audit where external auditors check expenditure and accuracy and report findings to the DWP. Accuracy is imperative to “*ensuring people get the benefits they need*” Accuracy is important due to potential subsidy losses caused by Local Authority and administration error. Accuracy was an issue raised in the Audit and the following table shows the improvement in accuracy over the last 3 years.

	2018/2019	2019/2020	Q1 2020/2021
Accuracy %	82	91	95

3.13 The permanent restructure of the team has been delayed due to Covid 19 but the aim is to bring a report to the Executive and Council later this year with implementation in the new year. This will ensure that the improvements seen in the interim structure continue into the future.

AUDIT GOVERNANCE AND STANDARDS COMMITTEE 15th SEPTEMBER 2020Customer / Equalities and Diversity Implications

3.14 Customers are given support and advice from professional officers with all issues raised addressed in the format required by the customer.

4. RISK MANAGEMENT

4.1 Officers attend regular training and update sessions to ensure that any risk of incorrect payment is mitigated.

5. APPENDICES

Appendix 1 – Measures

AUTHOR OF REPORT

Name: Jayne Pickering

E Mail: j.pickering@bromsgroveandredditch.gov.uk

Tel: 01527 54252

Performance Measures for Benefits Processing, HB Subsidy, Systems and Control

Officer Title	Assistant Financial Support Manager	Senior Quality and Improvement Officer	Senior Systems and Control Officer
Weekly Performance Information	Work In Completed Outstanding	Quality Checks Completed & Accuracy levels	
Operational Measures (Monthly)	New Claim Speed of Processing	DHP Budget Spend Total & %	System Issues Outstanding
	Change of Circs Speed of Processing	CT Hardship Budget Spend Total & %	System Issue End to End Times
	Cases Closed per FTE	HB Subsidy LA Error Rates	VEP Downloads
	Outstanding Work by Case Type	HB/LCTRS Accuracy	VEP Overpayments Recorded
	Age Profile of Outstanding Work		
	ELF Budget Spend (Total & %)		

Quarterly Reporting Requirements	Progress of Action Plan Items	Progress of Action Plan Items	Progress of Action Plan Items
	FIT Case Analysis	Subsidy Estimates	VEP Performance
	Housing Benefit Caseload Info	HB Errors from QC By Type	System Improvements and conditions
	Performance Measures for Individuals	HB Overpayment Analysis	
	Training Delivered	Training Needs Identified	