

EXECUTIVE COMMITTEE

15th March 2011

BENEFITS IMPROVEMENT PLAN – QUARTERLY MONITORING OCTOBER – DECEMBER 2010

Relevant Portfolio Holder	Councillor Michael Braley, Corporate Management
Relevant Head of Service	Teresa Kristunas, Head of Finance & Resources
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To advise Members on the performance of the Benefits Service during the third quarter and to provide an update on progress against the Benefits Service Improvement Plan.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that

subject to any comments, the report be noted.

3. BACKGROUND

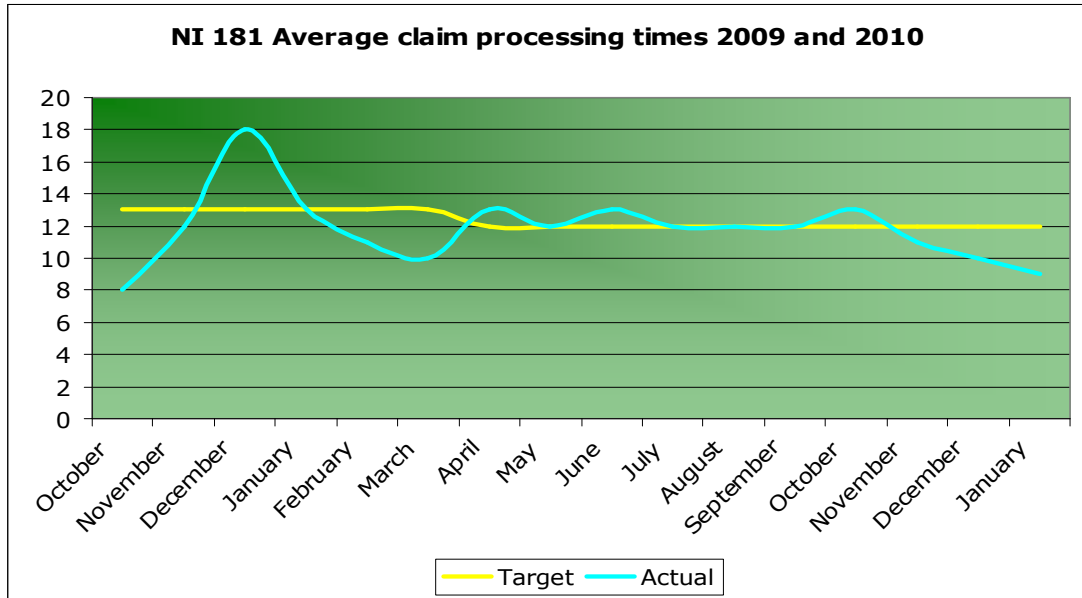
3.1 The Benefits Service Improvement Plan was developed in response to the Audit Commission Inspection in February 2009.

3.2 An improvement plan was implemented and the service was re-inspected in October 2010 with the Audit Commission reporting in January 2011 that the service was “Good” with “Promising prospects of improvement”.

4. KEY ISSUES

4.1 Claims Performance

There is currently one National Indicator for the Benefits Service, NI181, which measures the average time taken to process new claims and change events for Housing Benefit and/or Council Tax Benefit claims. The service target is for claims, on average, to be decided within 12 calendar days. This target was met for this quarter with new claims taking on average 20 days to process and change events taking 11 days on average.



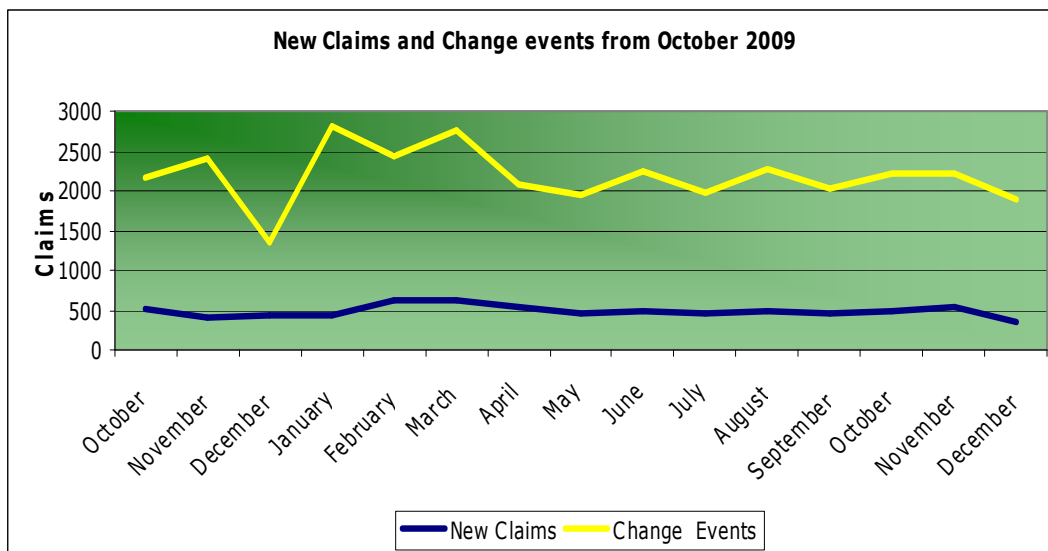
4.2 The following table gives some context to these figures. The most recent national data available is the average for the second quarter of 2010/11 and as can be seen new claims are being processed considerably faster than the national average while change events are a day behind the national average.

**EXECUTIVE
COMMITTEE**

15th March 2011

	Total	New Claims	Change of circumstances
Great Britain	13	22	11
Bromsgrove	8	15	6
Malvern Hills	17	31	13
Redditch	13	17	12
Worcester	17	31	13
Wychavon	18	36	13
Wyre Forest	14	24	11
Cannock Chase	14	14	14
East Staffordshire	13	22	11
Lichfield	14	29	12
Newcastle-under-Lyme	12	19	10
South Staffordshire	9	20	6
Stafford	10	22	6
Staffordshire Moorlands	13	15	11
Tamworth	14	19	12
North Warwickshire	9	21	6
Nuneaton and Bedworth	18	16	19
Rugby	11	24	9
Stratford-on-Avon	19	22	18
Warwick	10	12	9
Cheltenham	5	16	3
Cotswold	9	14	8
Forest of Dean	8	12	7
Gloucester	15	21	14
Stroud	10	14	10
Tewkesbury	14	24	12

- 4.3 There was a reduction in the number of claim forms received in the quarter with 926 being received compared with 1146 in the previous quarter. The caseload remained virtually static at 8129. A total of 6334 change events were worked on in the quarter compared to 6202 in the previous quarter. 1385 new claims were decided compared to 1387.



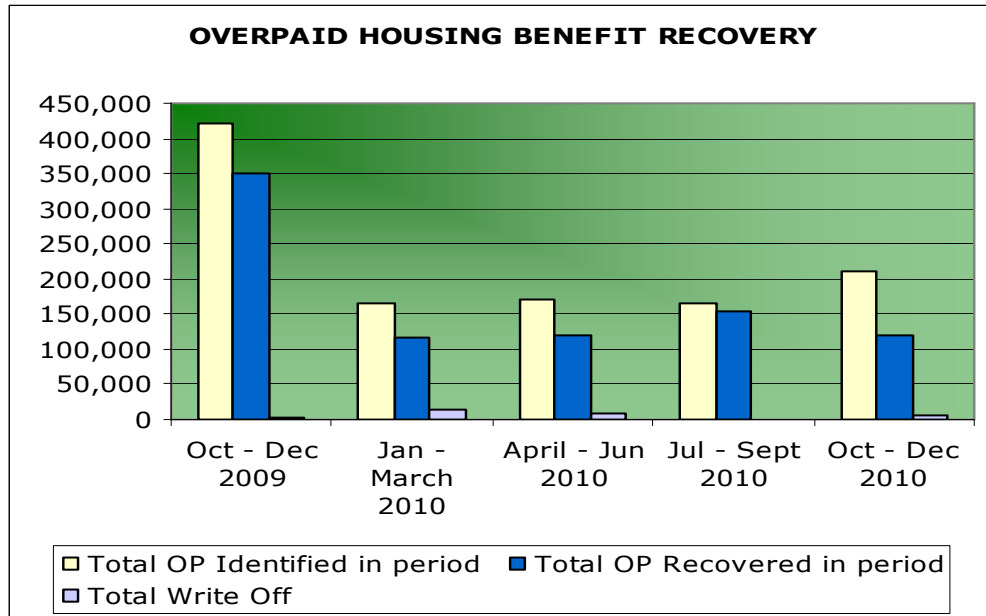
4.4 Income Maximisation

The Income Maximisation Officers have continued with their implementation of the Take-Up strategy and have been in a series of meetings with partner and voluntary organisations to jointly promote welfare benefits and reduce fuel poverty. New initiatives which commenced this quarter have been a drop in service at the library and at Orchard Place advising on benefits. During the quarter they have helped local people receive an extra £810.32 per week in additional benefits. This was made up of 7 new awards for Disability Living Allowance or Attendance Allowance, 5 claims for other benefits and 11 new Pension Credit claims. This will mean an extra income of more than £42,000 for local people if these new awards remain in payment for a year.

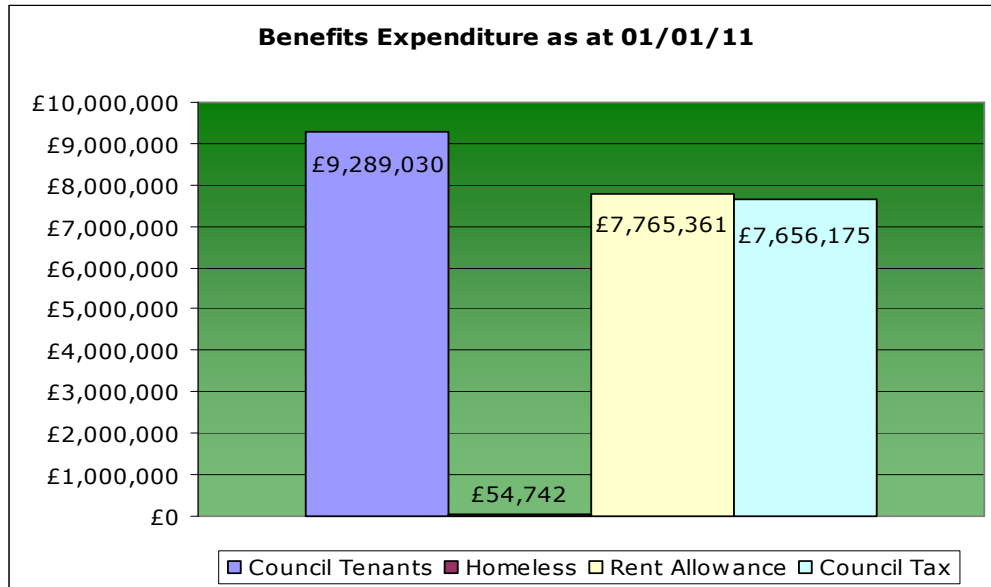
A report last year advised that more than 80% of Benefit income is spent locally.

4.5 Overpayment recovery

The amount of outstanding overpaid Housing Benefit at the beginning of the quarter was £1,158,055, a £48,216 reduction from the start of the previous quarter. New overpayments totalling £211,364 were identified in the period. £120,891 was recovered in the quarter, £83,020 recovered from ongoing Housing Benefit and £37,871 was recovered by payments towards invoices.



- 4.6 The service also monitors that the level of overpayments caused by Local Authority error remains below the threshold so 100% subsidy grant is received from the Department of Work and Pensions. Only £40,114 or 0.17% of qualifying expenditure has been coded as Local Authority error.
- 4.7 Local Authorities receive a grant to cover all overpayments attributed to Local Authority delay or error as long as the total does not exceed 0.48% of qualifying expenditure (qualifying expenditure in this case being expenditure which attracts 100% subsidy).
- 4.8 Total expenditure on Benefit payments at the end of the quarter was £24,765,308. Expenditure for the same period last year was £23,532,378.



4.9 Appeals

The number of requests asking the service to revise their decision has been reduced and an improved explanation of the appeal process has also led to a decrease in the number of formal appeals received. During the quarter 15 new appeals were received and all of them received a response within 15 working days – although they may still have to wait for a tribunal. All but one of the service’s decisions has been upheld by the tribunal service.

4.10. Accuracy

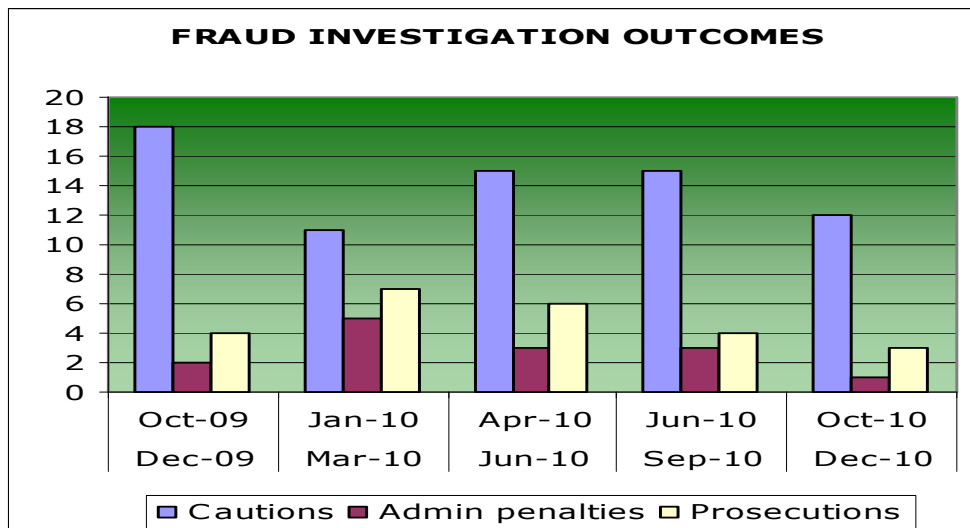
A system generated 4% sample of work processed is undertaken to help ensure that the correct decision is being made. A total of 149 claims were checked in the quarter and 100% were found to be accurate. The check requires another Officer to verify that the claim has been set up correctly. During the quarter 338 further quality checks were undertaken by home visits with 73% of claims remaining unchanged, 18% had a decrease in benefit and 10% an increase in benefit.

**EXECUTIVE
COMMITTEE**

15th March 2011

4.11 Counter Fraud work

In the quarter, 299 cases, where fraud was suspected were referred to the Investigations Team, resulting in 12 Cautions, 1 Administration penalty and 3 cases successfully prosecuted. Of the 299 referrals, 113 were not taken any further, as they were not suitable for further action but the claims were corrected. A further 39 cases were referred to either the Department of Work and Pensions or another official body and 12 cases were internally reviewed to check that the correct level of Benefit was awarded. 114 cases had fraud established and interviews arranged or letters sent advising that an offence had been committed.



4.12 Improvement Plan

In February 2009 the Audit Commission inspected the Benefits Service and rated it as a "Poor Service" with "uncertain prospects of improving". Four major recommendations were made and an improvement plan drafted in preparation for a re-inspection by the Audit Commission. This re-inspection took place in October 2010 and the report was published in January 2011. The Benefits Service is now rated as providing a "Good Service" with "promising prospects for improvement".

EXECUTIVE COMMITTEE

15th March 2011

- 4.13 The Inspectors found that customer access to the Service is good, that most customers telephoning the Service have their calls answered quickly and that customer surveys show a good level of satisfaction with the telephone service. Forms and leaflets are clear and provide information that is easy to understand. The Council's website has been redesigned and provides ease of access for customers, including an online benefit calculator and application form.
- 4.14 The Service was also praised for how it works with partners. It was found to actively seek and encourage partners, such as registered social housing providers, private landlords, Jobcentre Plus, Housing Services, Citizens Advice Bureau (CAB), Age UK, and DIAL to help deliver the benefit take-up strategy and improve overall access to the Service. Customers were surveyed and asked for their views of the Service. The Audit Commission acknowledged that the Service's strategy of working with local communities was delivering good results, and that there was more to come.
- 4.15 The Inspectors identified that sustainable improvements had been made in new claim turn-around times, that value for money had improved, customer satisfaction and overall service performance was good and that the proportion of benefit overpaid was reducing and recovery getting better.
- 4.16 The Audit Commission made four recommendations to improve the service further.

Ensure that the design of the Service meets users needs by:
using demographic data more extensively to inform service access options and benefit take-up initiatives; and

using partners and the Third Sector to improve engagement with customers and obtain customers views.

Improve customer access by:
reducing waiting times for customers at One-Stop-Shops through better analysis of the service received and by improving control over the flow of customers;

improving the speed in which changes reported by customers are dealt with; and

reducing the time taken to deal with appeals.

**EXECUTIVE
COMMITTEE**

15th March 2011

Improve the service delivered to customers by:

being clear about what service standards customers can expect;

involving customers and partners in setting the standards; and

consistently and effectively reporting performance against those standards to customers and partners.

Ensure that the plans for transformation have a focus on the 'soft side of change' and the Business Case for Shared Services is clear by:

ensuring that sufficient focus and pre planning is put into managing the impact and reactions of staff who are not directly involved in the review process;

identifying and taking appropriate actions to prevent the diminution of customer service during the review;

increasing the frequency of performance reporting during the review;

clarifying how the Council will balance changes required to customer services through individual service reviews versus taking a corporate approach to the whole service; and

ensuring that any agreement for shared service is clear on apportionment of costs, how it will deal with potential different political priorities and performance requirements.

4.17 An action plan to address these recommendations is being prepared.

5. FINANCIAL IMPLICATIONS

There are no specific financial implications.

6. LEGAL IMPLICATIONS

There are no specific legal implications.

7. POLICY IMPLICATIONS

There are no specific policy implications.

8. COUNCIL OBJECTIVES

Enterprising Community
Safe
Well Managed Organisation

EXECUTIVE COMMITTEE

15th March 2011

9. **RISK MANAGEMENT INCLUDING HEALTH & SAFETY
CONSIDERATIONS**

Without adequate performance monitoring arrangements there is a risk that improvements in the Benefits Service will not be achieved and that additional costs are incurred. In addition, without effective recovery procedures for overallowed Housing Benefit the Council will forego the ability to pursue debt recovery procedures with a consequential loss of income to the Council.

10. **CUSTOMER IMPLICATIONS**

None specific.

11. **EQUALITIES AND DIVERSITY IMPLICATIONS**

None Specific.

12. **VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND
ASSET MANAGEMENT**

None Specific.

13. **CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY**

None Specific.

14. **HUMAN RESOURCES IMPLICATIONS**

None Specific.

15. **GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS**

None specific.

16. **COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF
CRIME AND DISORDER ACT 1998**

None specific.

17. **HEALTH INEQUALITIES IMPLICATIONS**

None specific.

18. **LESSONS LEARNT**

The Performance Development Team are a useful source of learning for the Benefits Service.

**EXECUTIVE
COMMITTEE**

15th March 2011

19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

None Specific.

20. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Executive Director (S151 Officer)	Yes
Deputy Chief Executive/Executive Director – Leisure, Environment and Community Services	Yes
Executive Director – Planning & Regeneration, Regulatory and Housing Services	Yes
Director of Policy, Performance and Partnerships	Yes
Head of Service	Yes
Head of Resources	Yes
Head of Legal, Equalities & Democratic Services	Yes
Corporate Procurement Team	N/A

21. WARDS AFFECTED

No Specific Ward Relevance.

22. APPENDICES

None.

23. BACKGROUND PAPERS

Audit Commission re-inspection report.

24. KEY

**EXECUTIVE
COMMITTEE**

15th March 2011

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