

EXECUTIVE COMMITTEE

13th September 2011

BENEFITS IMPROVEMENT PLAN – QUARTERLY MONITORING APRIL – JUNE 2011

Relevant Portfolio Holder	Councillor Michael Braley, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	
Relevant Head of Service	Teresa Kristunas, Head of Finance & Resources
Wards Affected	All Wards
Ward Councillor Consulted	
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To advise Members on the performance of the Benefits Service during the first quarter.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that

- 1) subject to any comments, the report be noted; and**
- 2) Officers be requested to provide updates on transformation and future measures of the service to reflect new processes that are being implemented within the service.**

3. KEY ISSUES

Background

- 3.1 The Benefits Service developed an Improvement Plan following the Audit Commission inspection in February 2009 and to prepare for a re-inspection in January 2011. Regular reporting of Benefits performance to members and Senior Officers was recommended.

Claims Performance

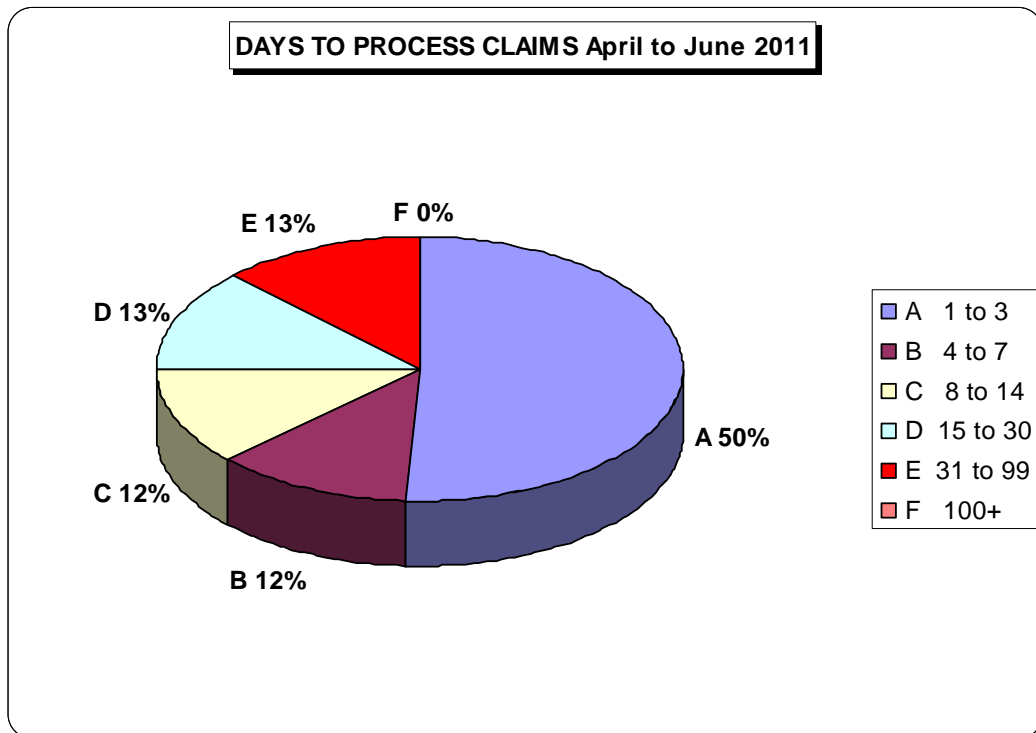
- 3.2 There is currently one National Indicator for the Benefits Service, NI181, which measures the average time taken to process new claims and change events for Housing Benefit and/or Council Tax Benefit claims. New service targets were set for 2011 and these are shown below along with performance during the first quarter.

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	Target	April	May	June	Quarter 1
New Claims					
Average days	18	17	18	20	18
No. of claims		354	412	484	1250
Changes					
Average days	8	8	10	9	9
No. of claims		1986	2040	2548	6574
Combined	10	9	11	11	10

3.3 An alternative way to view the time taken to process claims is to see how many claims were decided within a set number of days. As it can be seen in the chart below, in the first quarter 50% of claims (new and change events) were decided in three days or less.



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3.4 National data for the first quarter is not yet available but the table below shows local data (where available) for 2010/11.

2010/11	Total	New Claims	Changes
England	12	22	10
Bromsgrove	10	19	8
Malvern Hills	13	28	10
Redditch	9	19	7
Worcester	13	26	10
Wychavon	13	28	10
Wyre Forest	10	27	8
Cannock Chase	11	20	9
Lichfield	13	27	10
South Staffordshire	8	19	6
Stafford	10	23	8
Tamworth	12	22	10
North Warwickshire	8	20	6
Nuneaton and Bedworth	13	16	12
Rugby	10	21	8
Warwick	9	20	8
Cheltenham	5	18	3
Forest of Dean	8	14	7
Gloucester	11	21	9
Stroud	11	19	10

Source: DWP SHBE extracts

Caseload

3.5 The live caseload remained stable at around the 8100 mark, the same as the figure for the same period last year. However Redditch continues to experience significant numbers of customers reporting changes. The monthly Economic Summary for June 2011, compiled by Worcestershire County Council, shows that there were 1941 people unemployed in Redditch, 4.9% of the working age population. There were 615 vacancies in Redditch at the same point meaning there are just over 3 people unemployed for every vacancy. The highest rates of unemployment are Batchley and Brockhill (7.95), Central (7.6%) and Abbey (6.6%) compared to a County wide average of 3.8% of the working population. Across Worcestershire the number unemployed was reported as 10,467 and there were 3237 reported vacancies.

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Income Maximisation

- 3.6 The Income Maximisation Officers have continued their good work meeting with partner and voluntary organisations to jointly promote welfare benefits and reduce fuel poverty. During the quarter assistance was provided to 42 local people, mostly pensioners, with the following outcomes.

4	Disability Living Allowance Care awards
5	Council Tax Benefit claims
3	Disability Living Allowance Mobility awards
3	Attendance Allowance awards
3	Housing Benefit claims
6	Other Benefits

- 3.7 These new awards came to £898 per week and if they remain in payment for twelve months will total £46,658 in additional income for the recipients.
- 3.8 The Income Maximisation Officer has also awarded Discretionary Housing Payments to help maintain tenancies and it is anticipated that that this area of work will grow as the reductions in Housing Benefit introduced from April 2011 onwards begin to be noticed.

Overpayment recovery

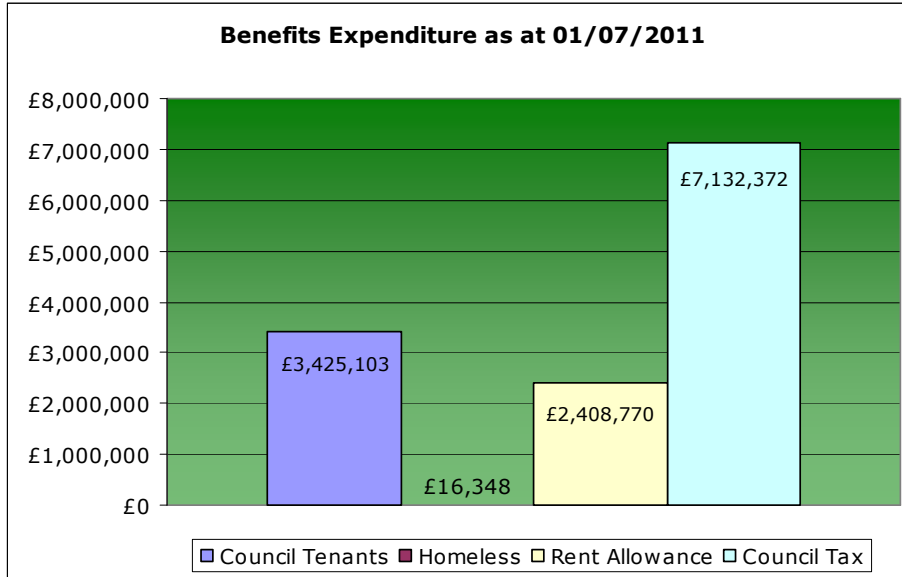
- 3.9 The amount of outstanding overpaid Housing Benefit at the beginning of the quarter was £1,272,373. A further £173,260 in overpaid Housing Benefit was identified in the quarter and £138,847 was recovered, which is just over 80% of the debt identified in the quarter and 9.6% of the total debt. £77,099 was recovered through weekly deductions from ongoing Housing Benefit and £61,749 recovered via debtors.
- 3.10 The service also monitors that the level of overpayments caused by Local Authority error or delay remains below the threshold to allow a 100% subsidy grant from the Department of Work and Pensions. Only £56,510 or 0.16% of qualifying expenditure has been attributed to Local Authority error or delay. This would enable 100% subsidy to be paid, subject to an external audit.
- 3.11 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).

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Expenditure

- 3.12 Total expenditure in the first quarter on Benefit payments increased to £12,982,593. Expenditure in 2009/10 for the same period was £12,584,247, increased Council Tenant expenditure accounted for £400,000 of this increase while there was a decrease in Council Tax Benefit expenditure.



Appeals

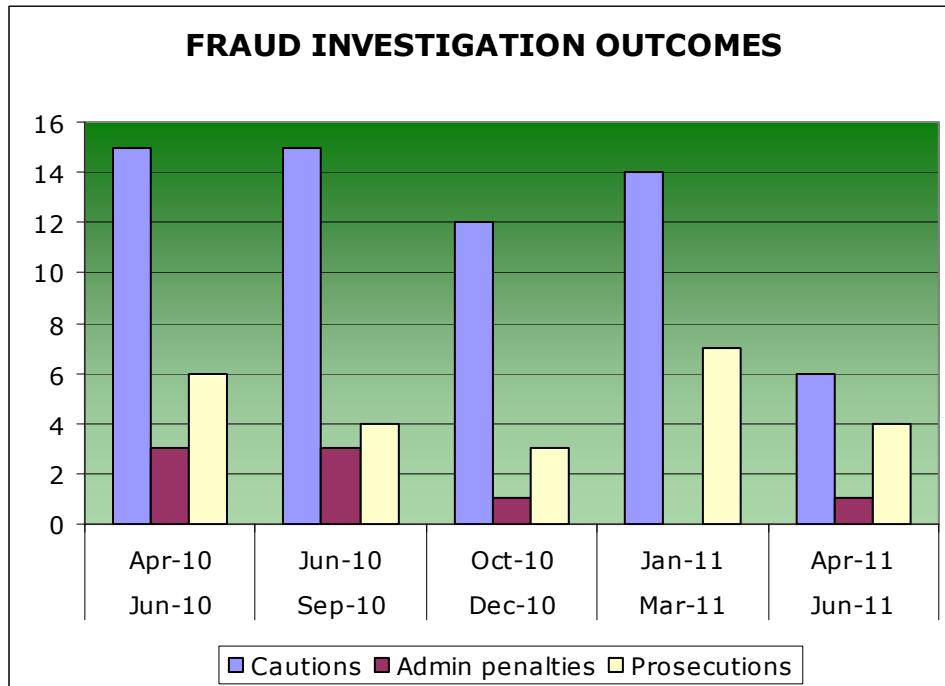
- 3.13 During the quarter 14 decisions were challenged through the appeals process, 4 of these decisions were revised in the customers favour and 4 cases were heard by the independent tribunal service which upheld the original decision. These cases were two challenges to Living together decisions, one non-commercial rent dispute and 1 challenge regarding an overpayment. All the appeals had an initial response within 15 days.

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Counter Fraud work

3.14 In the quarter, 286 cases were reported where fraud was suspected, 68 from the public, 113 from data matching and 105 from official sources. Following further enquiries 6 Cautions and 1 Administrative Penalty were issued and 4 cases were successfully prosecuted. The table below shows the results of the Investigation teams work.



3.15 During the quarter £34,230 in overpaid Housing Benefit and £7,637 in overpaid Council Tax Benefit was identified following fraud related activity. The two areas with the highest impact investigated were failure to declare work and living together as husband and wife cases. During the quarter 199 home visits were undertaken to establish that the correct level of Benefit was being paid. The visits resulted in 61% of the claims staying the same, 9% increasing and 30% decreasing.

Financial Implications

3.16 There are no specific financial implications.

Legal Implications

3.17 There are no specific legal implications.

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Service/Operational Implications

- 3.18 Enterprising a safe community and well managed organisation

Customer / Equalities and Diversity Implications

- 3.19 There are no specific implications.

4. RISK MANAGEMENT

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 over allowed Housing Benefit the Council will forego the ability to pursue debt recovery procedures with a consequential loss of income to the Council.

5. APPENDICES

There are no appendices.

6. BACKGROUND PAPERS

Audit Commission re-inspection report.

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