

**EXECUTIVE  
COMMITTEE**

6th December 2011

**BENEFITS IMPROVEMENT PLAN – QUARTERLY MONITORING –  
JULY - SEPTEMBER 2011**

Relevant Portfolio Holder	Councillor Michael Braley, Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Teresa Kristunas, Head of Finance and Resources
Wards Affected	All Wards
Ward Councillor Consulted	
Key Decision / 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  
subject to any comments, the report be noted.**

**3. KEY ISSUES**

**Financial Implications**

3.1 There are no specific financial implications.

**Legal Implications**

3.2 There are no specific legal implications.

**Service/Operational Implications**

3.3 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**

3.4 There is currently one National Indicator for the Benefits Service, Speed of Processing, which has recently changed from measuring the average time taken to process new claims and change events for Housing Benefit and/or Council Tax Benefit claims, to separate

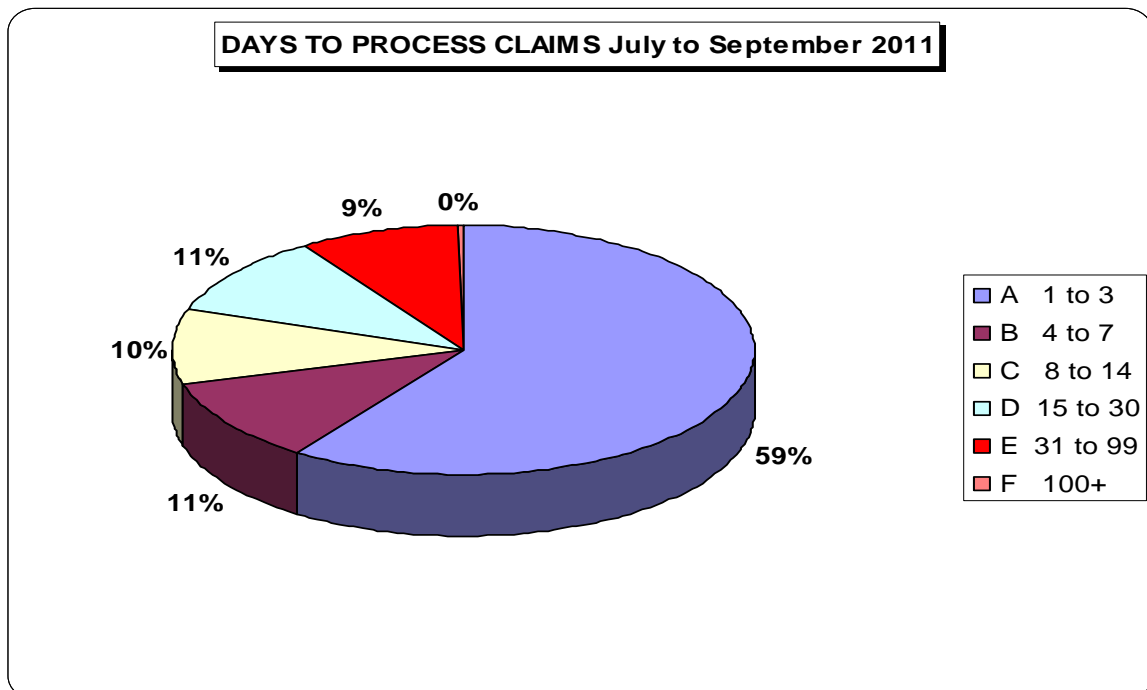
**EXECUTIVE  
COMMITTEE**

6th December 2011

indicators for new claims and change events. Performance against this indicator is shown below.

	July	August	September	Quarter 2
<b>New Claims</b>				
<b>Average days</b>	19	17	17	17
<b>No. of claims</b>	424	458	468	1350
<b>Changes</b>				
<b>Average days</b>	8	7	7	9
<b>No. of claims</b>	2491	2703	2889	8083
<b>Combined</b>	9	9	8	8

- 3.5 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. In the second quarter 59% of claims (new and change events) were decided in three days or less, up from 50% in the first quarter.



**BROMSGROVE DISTRICT OR REDDITCH BOROUGH COUNCIL**

**EXECUTIVE  
COMMITTEE**

6th December 2011

3.6 National data for the second quarter is not yet available but the table below shows local data (where available) for the first quarter 2011/12.

Q1 2011/12  Speed of processing, by Local Authority	Average Times HB & CTB		Number of claims	
	New Claims	Change of circumstances	New Claims	Change of circumstances
GREAT BRITAIN	25	12		
Bromsgrove	18	10	629	2,594
Malvern Hills	22	7	674	3,625
<b>Redditch</b>	<b>18</b>	<b>9</b>	<b>1,084</b>	<b>5,690</b>
Worcester	20	8	1,426	6,298
Wychavon	21	8	1,132	4,536
Wyre Forest	24	9	1,186	8,624
Herefordshire	26	15	1,673	7,635
Cannock Chase	10	8	1,363	6,438
East Staffordshire	27	12	1,532	5,936
Lichfield	32	14	1,052	4,369
Newcastle-under-Lyme	30	11	1,546	7,329
South Staffordshire	16	8	895	4,205
Stafford	23	13	1,206	5,361
Staffordshire Moorlands	22	11	674	2,670
Tamworth	23	14	852	4,506
North Warwickshire	20	10	699	4,179
Nuneaton and Bedworth	23	25	1,615	6,786
Rugby	16	8	1,114	5,922
Stratford-on-Avon	23	8	854	6,104
Warwick	28	15	1,167	7,419
Cheltenham	17	..	1,230	..
Cotswold	16	8	690	5,035
Forest of Dean	18	14	669	4,318
Gloucester	19	7	1,782	11,102
Stroud	21	16	869	6,070
Tewkesbury	49	20	667	4,009

Source: DWP SHBE extracts

3.7 The live caseload has remained stable at around the 8000-8100 mark for over a year now but there still remains a large number of claims moving between work and out of work and back again. The monthly Economic Summary for September 2011, compiled by Worcestershire County Council, reported that unemployment in the United Kingdom had risen to 2.57 million which was 8.1% of the working age population. But for young people between 16-24 years of age the unemployment rate is 21.3%. Locally there were 2183 people unemployed in Redditch, slightly up from the last quarter.

## **EXECUTIVE COMMITTEE**

6th December 2011

For the same period there were 731 reported vacancies (also up from last quarter) in Redditch with the ratio of vacancies to unemployed remaining in line with the County average 1:3. The highest rates of unemployment are Batchley and Brockhill (9%), Central (7.7%) and Greenlands (7.7%). The lowest rates were West (1.8%) and Astwood Bank and Feckenham (3.1%) compared to a County wide average of 3.8% of the working population.

### Income Maximisation

- 3.8 The Income Maximisation Officers have continued their partnership work, particularly with DIAL and Age UK, to jointly promote welfare benefits and reduce fuel poverty. During the quarter 5 people were helped to claim both the Care and Mobility components of Disability Living Allowance and a further 5 claims for Attendance Allowance were successful. Additionally 4 new Housing Benefit claims, 9 Council Tax Benefit claims and 1 Pension Credit claim were successful.
- 3.9 The Income Maximisation Officer has also awarded Discretionary Housing Payments to help maintain tenancies and prevent homelessness. Ongoing work is being undertaken with Housing Option Officers to identify tenants who will be affected by the reductions in Local Housing Allowance rates and the appropriate advice given.

### Overpayment recovery

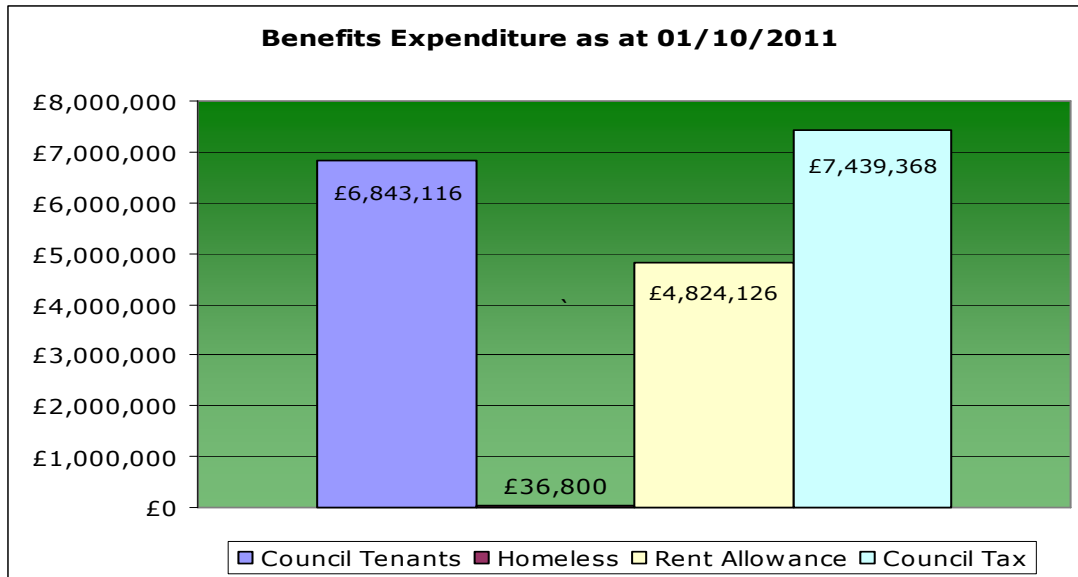
- 3.10 The amount of outstanding overpaid Housing Benefit at the beginning of the quarter was £1,250,747. A further £185,820 in overpaid Housing Benefit was identified in the quarter and £125,645 was recovered. This equates to 68% of the debt identified in the quarter being recovered and 9% of the total debt outstanding recovered.
- 3.11 The full cost of overpayments attributed to Local Authority error or delay can be fully met through subsidy as long as the overpayments are less than 0.48% of expenditure that attracts 100% subsidy. At the end of the second quarter expenditure attracting 100% subsidy was £17,859,467 and LA error or delay overpayments totalled £34,582 which is 0.19%. This will enable 100% subsidy to be paid, subject to an external audit.

### Expenditure

- 3.12 Total expenditure at the end of the second quarter stood at £19,143,410, an increase of about £600,000 from the same period last year.

**EXECUTIVE  
COMMITTEE**

6th December 2011



Appeals

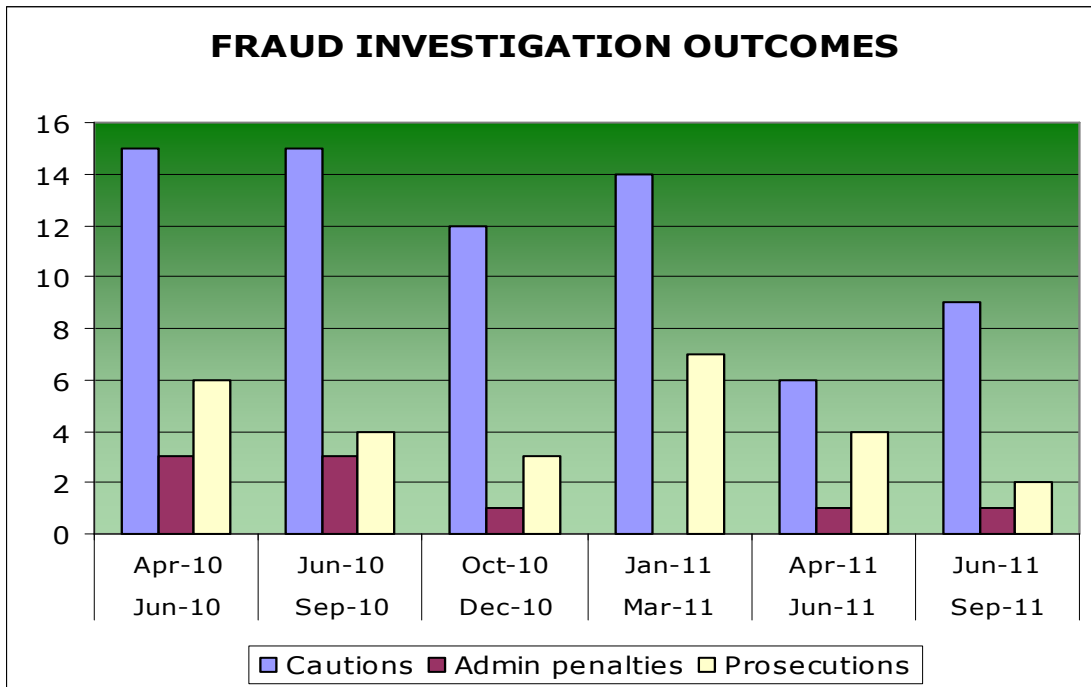
- 3.13 During the quarter, 16 decisions were formally challenged through the appeals process, 9 decisions were revised (before going to Tribunal) in the customers favour and 7 were revised not in the customers favour; 3 cases were withdrawn by the claimant before the Tribunal and 3 cases were heard by the tribunal service. In all 3 cases the original decision was upheld by the tribunal. All the appeals had an initial response within 15 days.

Counter Fraud work

- 3.14 In the quarter, 309 cases were reported where fraud was suspected: 79 from the public, 131 from data matching and 99 from other official sources. Following further Enquiries, 9 Cautions and 1 Administrative Penalty were issued and 2 cases were successfully prosecuted. The table below shows the results of the Investigation teams work:

**EXECUTIVE  
COMMITTEE**

6th December 2011



3.15 During the quarter 92 home visits were undertaken to establish that the correct level of Benefit was being paid. The visits resulted in 54% of the claims staying the same, 14% increasing and 32% decreasing.

**Transformation**

3.16 Work began in April 2011 on the Benefits Transformation intervention, but it was only during the second quarter that the test of a revised working method was extended to include all Benefit Officers. The initial analysis of demand from benefits customers to the Town Hall suggested that the process would be improved by having the benefit decision maker – the Benefit Officer – dealing directly with the customer. A rota was created where by Benefit Officers were available on the ground floor to meet customers with the intention of trying to resolve the enquiry in one go, including deciding the claim and explaining the award letters. For Benefits customers attending the Town Hall the outcome has been quicker decisions regarding their entitlement – the percentage of claims decided within 3 days has increased from around 50% of claims in the first quarter to 62% in August and September – although there have been other changes in processing tax credits that may have contributed to this increase as well. Customers also seem very happy with the service they have received. There have also been some additional benefits, such as a reported increase in the number of backdated awards being made and reduced telephone enquiries.

# **EXECUTIVE COMMITTEE**

6th December 2011

This move to more direct contact with customers has stretched Benefit Officers capacity to carry out other aspects of their duties and work is underway to identify improvements in this area. Claims and information originating from the Department of Work and Pensions (DWP) are a major source of work and can add delays into the process. Work is about to be undertaken with the DWP to identify improvements.

## **Customer / Equalities and Diversity Implications**

None specific.

### **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 overallowed Housing Benefit the Council will forego the ability to pursue debt recovery procedures with a consequential loss of income to the Council.

### **5. APPENDICES**

None.

### **6. BACKGROUND PAPERS**

Audit Commission re-inspection report.

## **AUTHOR OF REPORT**

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