



Committee and date

Audit Committee

25 November 2010

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Item No

**7**

Public

## **BENEFIT SERVICE INSPECTION REPORT**

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### **Summary**

This report is presented to provide the Audit Committee with the results of the recent Audit Commission inspection which assessed the Shropshire Benefit Service as 'fair' with 'promising' prospects for improvement. It also provides details of the action plan that has been produced to address the weaknesses identified in the report.

### **Recommendations**

- A. Members are asked to note the report.

## **REPORT**

### **Background**

1. Housing Benefit and Council Tax Benefit are national welfare benefits administered by the Council for the Department of Work and Pensions. A complex legal framework is in place to define who is entitled to benefit and to reduce fraud and error in the system. The Benefits Service within the Council has a responsibility to pay the right benefit to the right person at the right time.
2. The Audit Commission's responsibility to provide assurance (to Government, Councils, taxpayers and benefit customers) means that they consider inspection where there is a current or future risk to the service and its customers. Shropshire Council is one of nine new unitary councils which replaced 44 councils from 1 April 2009. This has meant merging many services of the former councils.

For Housing and Council Tax benefit services, this presented a particular challenge given the number of people relying on the service and the large amounts of public money involved. The Commission, in consultation with the Department of Work and Pensions has undertaken to inspect the merged Benefit Service of each of the new councils during 2010/11.

The key objectives of their inspection were:

- i. To assess the effectiveness of Shropshire Council's Benefits Service in meeting the needs of the vulnerable people it serves, and contributing to the Council's wider corporate objectives, and
- ii. To provide assurance to the Department of Work and Pensions and other stakeholders about the quality of service provision.

## Assessment

3. On a scale zero to three stars the Audit Commission Inspection Team gave the service, which pays out around £80 million a year to over 40,000 people, a 'fair' one star rating. The report shows that the Council has worked hard to provide a consistent service to all its residents throughout the reorganisation of local government in Shropshire. But the Council knows it had to speed up the time taken for local people to get the benefits they are entitled to.
4. Many of the most vulnerable people in the county rely on Shropshire's Benefits Service. The Council's commitment to maintaining the service through its reorganisation last year and its progress since has helped many people avoid financial hardship and keep their homes. Its work on raising people's awareness of the benefits they may be entitled to and encouraging claims is good news for residents. However, more needs to be done, particularly around making sure that the recent improvements in paying claims faster are sustained.
5. The full report is attached at Appendix A.

## Progress

6. Since the inspection, time taken to provide the right benefits at the right time has continued to improve. The average time taken to process new claims and change in circumstances is actually better than the national average – nine days against a national average of 11 days. The Council now answers 97.6 per cent of its calls and the average response time is 2.4 seconds.
7. New claims are processed in 20 days, but there is a fast track 48-hour process if clients present themselves at an office with their application form and all necessary evidence.

8. The Action Plan for the service is attached at Appendix B.
9. In summary there are 19 actions in the following areas, with the following completion dates:

<b>Area of service</b>	<b>No. of actions</b>	<b>Expected completion date</b>
<b>Service delivery</b>	4	March/April 2011.
<b>Access</b>	6	All March/April 2011 (except action 10 which is complete).
<b>Value for money</b>	4	March/April 2011.
<b>Fraud</b>	5	March/April 2011.

### **Results of these recommendations.**

By implementing these recommendations we will further enhance service delivery.

### **Financial Implications**

All the 19 recommendations will be delivered within the existing budgets.

### **List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

N/A

#### **Human Rights Act Appraisal**

The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.

#### **Environmental Appraisal**

N/A

#### **Risk Management Appraisal**

#### **Community / Consultations Appraisal**

#### **Cabinet Member**

Keith Barrow, Leader of the Council (Brian Williams, Chairman of Audit Committee)

#### **Local Member**

#### **Appendices**

A – Shropshire Benefits Inspection Report  
B – Action Plan