



Committee and Date

Audit Committee

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Item

16

Public

BENEFIT SERVICE INSPECTION REPORT

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1. Summary

- 1.1 This report is presented to provide the Audit Committee with an update of the action plan that was produced to address the weaknesses identified in the Audit Commission inspection which assessed the Shropshire Benefit Service as 'fair' with 'promising' prospects for improvement.

2. Recommendations

- 2.1 That members accept the position as set out in the report.

REPORT

3. Risk Assessment and Opportunities Appraisal

3.1 Risk Management

The Council provides Housing Benefit by virtue of a scheme under Section 123 of the Contributions and Benefits Act and administers in accordance with the Social Security Administration Act 1992.

3.2 Human Rights

The regulations are compatible with the provisions of the Human Rights Act 1998.

3.3 Equalities

EINAs are undertaken by the DWP to ensure equality in accessing Welfare Benefits.

3.4 Community and other Consultation

Consultations are undertaken when changes to practice are proposed.

4. Financial Implications

4.1 The action plan will be delivered within the existing budgets.

5. Background

5.1 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.

5.2 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.

5.3 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.

5.4 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.

6. Assessment

6.1 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.

6.2 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 in 2009 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.

6.3 Following the inspection the team prepared an Action Plan to address the weaknesses identified, an updated version of this is attached at **Appendix A**.

7. Progress

7.1 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 – six days (Financial Yr 2010/11) against a national average of 11 days. (Note: For the second six month period this fell to four days). The Council now answers 98.6 per cent of its calls and the average response time is 2.4 seconds.

7.2 New claims are processed in 24 days, and there is a fast track 48-hour process if clients present themselves at an office with their application form and all necessary evidence.

7.3 In summary there are 19 actions in the following areas, with the following completion dates:

Area of service	No. of actions	Completion date
Service delivery	4	March 2011.
Access	6	March 2011. (except 1 which we aim to complete June 2011)
Value for money	4	March 2011. (except 1 which we aim to complete July 2011)
Fraud	5	March 2011. (except 2 which we aim to complete July 2011)

8. Conclusions

8.1 The Benefits Service has undertaken to carry out improvements to the service that were identified in the Benefits Inspection. Most are now complete which has led to more prompt responses to customers and improvement in stakeholder engagement.

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

Audit Commission, Benefit Service Inspection 2010.11

Cabinet Member (Portfolio Holder)

Keith Barrow, Leader of the Council

Brian Williams, Chairman of Audit Committee

Local Member

N/A

Appendices A – Updated Action Plan

SHROPSHIRE COUNCIL – BENEFITS SERVICE

AUDIT COMMISSION INSPECTION

Recommendation	Update	Implementation date	How will we measure success?	Expected completion date	Responsible Officer	Outcome
Improve the service delivered to customers by: -						
<p>1) Publicising more effectively service standards that will allow customers to understand what they can expect when they get in touch with the Service</p>	<p>48 hour assessments advertised in reception via poster. Further advertising of 48 hr assessing done with HA's and other organisations via word of mouth and liaison meetings. This advertising will include an update of how long assessments are taking without this option</p>	<p>Complete September 2010</p>	<p>Feedback from customers and partner organisations gathered via liaison meetings and customer surveys</p>	<p>Complete – feedback from partner organisations shows this is working well and uptake has increased</p>	<p>Damian Carter</p>	<p>Reduction in new claims processing times from 30 days to 24 from the first half year to the second against an English average of 25 days</p>
<p>2) Involving customers and partners in setting the standards</p>	<p>Agreed – liaison meetings held with all partner organisations. These meetings involve all in setting standards</p>	<p>Complete October 2010 – though meetings are ongoing</p>	<p>Feedback from customers and partner organisations gathered via liaison meetings and customer surveys</p>	<p>Complete – feedback from partner organisations shows this is working well</p>	<p>Damian Carter</p>	<p>Improved communication from feedback given</p>
<p>3) Better analysing the service received by customers, for instance waiting times</p>	<p>Agreed – Feedback form amended to include length of time waiting. Analysis done into waiting times from responses</p>	<p>Complete - October 2010</p>	<p>Feedback from customers and partner organisations gathered via liaison meetings</p>	<p>Initial investigation complete.</p>	<p>Team Leaders</p>	<p>Improved service standards. Currently no waiting times. Customer are seen immediately</p>

Recommendation	Update	Implementation date	How will we measure success?	Expected completion date	Responsible Officer	Outcome
<p>4) Reporting performance against those standards to customers and partners, making clear to customers the service offered at different times</p>	<p>Agreed - Poster formulated advertising what level of standards customers can expect. Performance to be reported via reception and liaison meetings with partners</p>	<p>Complete September 2010. Ongoing through liaison meetings</p>	<p>Feedback from customers and partner organisations gathered via liaison meetings and customer surveys</p>	<p>Complete.</p>	<p>Damian Carter</p>	<p>Customers and partners informed of progress and standards to be expected</p>
<p>Improve access to the Service and make sure the Service is meeting the needs of all of its customers by: -</p>						
<p>5) Processing new claims and changes of circumstance consistently quickly</p>	<p>Agreed – new claims and changes in circs has been significantly reduced from the statistics that were used to inform inspection.</p> <p>For example: Days to process new claims: - April -September 30.77 October – March 24.06</p> <p>Days to process changes in circs reduced from 6.53 days to 3.97</p> <p>Percentage of claims processed within 14 days increased from 62.27% to 85% with the average for the second six month period being 88.8%</p>	<p>Ongoing – this is always a priority for the benefit service</p>	<p>The constant improving of PI's for both new claims and changes in circumstances.</p> <p>Target of 19 days and 5 days (coc's) to be hit consistently</p>	<p>Complete</p>	<p>Damian Carter and Team Leaders</p>	<p>Reduction in new claims processing times from 30 days to 24 from the first half year to the second against an English average of 25 days</p> <p>Reduction in changes in circumstances from 7 days to under 4</p> <p>We continue to aspire to meet a new claim target of less than three weeks.</p>

Recommendation	Update	Implementation date	How will we measure success?	Expected completion date	Responsible Officer	Outcome
<p>6) Providing a phone service which is responsive To customer demand</p>	<p>Agreed – resources have been redirected to phone lines. New rota of work has been allocated to ensure missed calls are kept to a minimum. For example: -</p> <p>Calls answered April – 76.9% Sept – 97.6% March – 98.6%</p>	<p>Initial changes implemented September 2010. Further work to be now done because of restructure</p>	<p>Reduction in abandoned calls</p>	<p>Target of 5% abandoned calls achieved March 2011</p>	<p>Damian Carter</p>	<p>Reduced abandoned calls from 28% (July figures) to 1.4% of total calls received</p>
<p>7) Improving the quality of benefit award letters</p>	<p>Agreed – project underway to redo notification letters that will make them more user friendly. This is being done via liaison meetings and user forums</p>	<p>Project underway August 2010 –</p>	<p>Feedback from customers and partner organisations gathered via liaison meetings and customer surveys</p>	<p>June 2011 to demonstrate improved communication</p>	<p>Lucy Pomatto</p>	<p>Improved feedback from customers and partner organisations</p>
<p>8) Managing and promoting Discretionary Housing Payments more effectively</p>	<p>Agreed – liaison work done with income and welfare team to promote. Closer liaison with partner organisations</p>	<p>Initial phase complete November 2010.</p>	<p>Increased take up of DHP's and greater awareness of service available. Feedback from partner organisations and customers from liaison</p> <p>Annual comparison of amount committed</p>	<p>Complete</p>	<p>Damian Carter</p>	<p>All monies spent in 2010/11</p>

Recommendation	Update	Implementation date	How will we measure success?	Expected completion date	Responsible Officer	Outcome
9) Analysing satisfaction with the Service of diverse groups, including undertaking equality impact assessments of the Service including telephone and other ways of contacting the Council and ensuring a focus on diverse groups in the new benefit take-up strategy and plan	Agreed to complete EIA on all procedures and policies	EIA complete October 2010	Feedback from diversity groups and partner organisations	Complete	Damian Carter	Ensured that all processes and procedures meet required standards
10) Completing Equality Impact Assessments for policies and procedures	Agreed – as above	Complete September 2010	Completion of all assessments	Complete October 2010	Damian Carter	Ensured that all processes and procedures meet required standards
Improve value for money by:-						
11) Evaluating the efficiency and effectiveness of the Service through better benchmarking	Agreed – further benchmarking to be gathered through CIPFA group & progressing with other unitary authorities	September 2010	Analysing results gathered from other unitary authorities and services with the same demographics	June/July 2011	Damian Carter /Steph Jackson	Reduction in new claims processing times from 30 days to 24 from the first half year to the second against an English average of 25 days Reduction in changes in circumstances from 7 days to under 4 We continue to

Recommendation	Update	Implementation date	How will we measure success?	Expected completion date	Responsible Officer	Outcome
						aspire to meet a new claim target of less than three weeks.
12) Reviewing the pace of implementing systems changes to improve efficiency and customer experience	Agreed – all projects to be reviewed and time scales re – evaluated	Complete September 2010	Completion of each project within timescales stated	Complete for current projects	System Admin Manager	Reduction in new claims processing
13) Review opportunities for collaboration and sharing services with other councils	Agreed – Place based budget submission sent to set up prototype integrated worklessness service with key partners. Further investigation to be done into opportunities available	Underway August 2010	Success of place based budget submission	Ongoing	Damian Carter /Steph Jackson	Improved performance in all targets and set standards
14) Further reducing benefits overpaid	Agreed – proactive commenced. Further lean review undertaken regarding all overpayment recovery and procedures	Complete August 2010	Reduction in outstanding overpayments Monthly comparisons	Complete	Damian Carter	Increase in recovered overpayments from 70% to 80%
Reduce benefit fraud and error by: -						
15) Developing an improved understanding of the fraud risks of the local area	Agreed - to be investigated as part of strategic planning	End of October 2010	Focused proactive fraud and intervention work resulting in successful sanctions	July 2011 to gather comparisons and demonstrate improvement	Mandy Beever	Increase in sanction levels
16) Ensuring the resource allocated to investigate fraud is effectively targeted and	Agreed – lean service review to be undertaken to identify	End of September 2010	Reduction in duplication or non effective procedures	Complete March 2011	Mandy Beever	Increase in sanction levels from 63 in

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maximises the benefits from having an electronic case management system	more efficient ways of working		therefore increasing capacity of investigators to complete more cases			2009/10 to 193 in 2010/11
17) Agreeing challenging targets for the Benefits service to prevent, detect and prosecute benefit fraud	Agreed – targets to be revisited	Complete September 2010	Achievement of new targets	Complete March 2011	Mandy Beever	Increase in sanction levels from 63 in 2009/10 to 193 in 2010/11
18) Undertaking appropriate proactive counter-fraud drives identified following analysis of caseload and local risk	Agreed - to be investigated as part of strategic planning. Benefit customers mapped on mosaic to improve targeted support	End of October 2010	Increased successful fraud cases from proactive drives	July 2011 to gather comparisons and demonstrate improvement	Mandy Beever	Aim to increase sanction levels by further 10% in year 11/12
19) Improving the accuracy of benefit payments	Agreed – development with being done with individual staff taken from QA results. Training needs analyses to be done with all benefit staff	Ongoing	Reduction in financial errors	Target of 90% correct claims achieved March/April 2011	Damian Carter	Improved the accuracy of claims to 90%