

**Corporate
Scrutiny and Performance Panel**

**Agenda Item
No. 6**

1 August 2011

Benefits Service

Ward(s) All

Portfolios: Councillor Chris Towe

Executive Summary:

This report informs the Panel of the impact of the recession on the Benefits Service since April 2008; how the service has delivered measurable improvements to the customer despite the increase in demand of 20% from Walsall customers.

Reason for scrutiny:

To enable the panel to use their experience and expertise to monitor improvements in service delivery and further identify potential areas for different ways of working and/or improvements; ensuring that the best possible service is provided given the context of diminishing budgets.

Recommendations:

That the Panel:

1. Consider the report and presentation; noting its contents with particular note being made of the impact that the Welfare Reform Bill may have on the service in the future.

Background papers:

n/a

Resource and legal considerations:

The administration subsidy awarded by the DWP annually is scheduled to reduce in the region of 5-6% each year. Additional administration grant to support the service through the continuing recession is also predicted to fall by 5-6%. The many changes to the Housing Benefits legislation may attract additional specific subsidy for the implementation of the specific changes and the Discretionary Housing Payments grant is predicted to increase significantly to support the expected increase in demand from customers who are adversely affected by the reduction in the local housing allowance rates.

Citizen impact:

The delivery of this service is a statutory duty with the specific objective of getting the right benefit to the right people at the right time. The Benefits Service is currently paying housing benefit and council tax benefit to over 37,100 customers and free school meals to over 10,450 children.


Performance management:

The legislation controls the activity of the service area and is specific on the financial subsidy payments and grants to deliver the service.

Equality Implications:

This service is available to all residents of the borough.

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The performance of the Benefits Service in the context of continuing slow economic recovery and the impact on Walsall people.

Background

The Benefits Service helps customers who are on low incomes to receive help with the payment of their rent, council tax and free school for their children. These benefit payments are called housing benefit and council tax benefit. Payments of housing benefit are paid either directly to the landlord or to the customer; council tax benefit is credited to the customers' council tax account, reducing the bill for payment. The schools are told of children who are entitled to free school meals. Children who are eligible for free school meals now attract an additional source of funding for schools in the form of a pupil premium.

In addition the service also administers the Discretionary Housing Payments scheme which provides short term financial support to customers in exceptional need.

The Benefits service is also responsible for the prevention, detection and investigation of fraud and error in the benefits system.

1. Impact of the recession on the Benefits Service.

Increase in customers

In April 2008 the benefits caseload stood at 31,107, by April 2009 this had risen to 33,454; April 2010 to 35,985 and April 2011 to **36,645**- an overall increase of **18%**. Similarly, the number of children eligibly to receive free school meals has increased by **20%**, to 10,418, over the same period.

Increase in the value of benefit paid

Since 2008 the housing benefit spend subsidy has increased by **27%**.

	2008/09	2009/10	2010/11
Benefit payments subsidy.	£100.2 million	£117.9 million	£127.03 million

The impact of the recession on the incidence of fraud and error

The number of referrals to the investigations team has increased over the period by 31%; with the results from the monthly data matching exercises with the DWP increasing by 4%.

Description	2008/09	2009/10	2010/11
Fraud referrals	898	1093	1176
Data matching errors	1200	1109	1249
Total referrals	2098	2202	2425

The sanctions awarded as a result of successful fraud investigations

Description	2008/09	2009/10	2010/11
Prosecutions	28	37	54
Administrative penalties	23	19	19
Formal cautions	82	85	77

2. Improved service delivery to customers in a period of high demand/reducing budgets

Despite the impact of the increased demand on the service by customers affected by the recession there is an improving trend in the speed of processing.

Type of process	2008/09	2009/10	2010/11
Changes speed of processing	11.83 days	13.08 days	12.63 days
New claims speed of processing	29.26 days	26.11 days	20.69 days
Right time indicator	17.5 days	16.5 days	14.01 days

Local authority overpayments – reducing errors and maximising grant.

Through focused training and staff briefing, mistakes have reduced. Learning from errors, complaints and audit reports has improved the teams' performance with processes being changed to prevent overpayments occurring. The analysis and correction of reports ensures quality subsidy claims are submitted to maximise grant income.

	2008/09	2009/10	2010/11
Local authority error overpayments	£252,953	£326,258	£274,348

Improved methods of working

Existing processes have been reviewed and unnecessary transactions have been removed.

Decisions are being made at lower levels with a reduction in approvals from team leaders.

Automated processes have been introduced through the commissioning of new software solutions.

The re-alignment of service teams enabling resources to support the customer journey more effectively.

Implementation of "E" benefits – an assisted claims process -- supporting the customers claim for benefit and taking ownership of the process to delivery.

3. Reduced costs of service delivery

The Service has removed the need for high cost resources and with effect from 1st July 2011 the service no longer employs agency staff.

The service is being offered to the customer via different channels –e.g. assisted claims over the telephone, assisted claims in the first stop shop, claims taken and verified by Residential Social Landlord's (RSL's) and claims being received electronically from job centre plus (JCP) and the Pension service.

The service was awarded additional government funding for implementing new ways of working e.g. Voice Risk Analysis; Government connect; WNF.

Additional administration subsidy has been received to support the service through the recession; an element of which has been used to employ and train new recruits.

4. Collaborative working

Partner organisations

Joint working campaigns with the JCP/DWP and the police and other agencies on the investigation of suspected fraudulent claims.

Whilst working closely with RSL's to refine the processes of data transfer to support a speedier delivery of the service has delivered efficiencies.

Other council departments

The benefits service is working with the homeless team and housing options team to develop proactive interventions to minimise the impact of the housing benefit changes and the recession on customers.

Supporting the implementing the "tell us once" scheme within the council through the training of registration staff and the verification of their identification status to enable access to the government gateway.

Undertaking trial focused signposting to the welfare rights team for "benefit health checks" for relatives of our customers seen in the first stop shop.

Neighbouring authorities

Benchmarking with our neighbouring authorities on performance and sharing best practise and experience to further improve on efficiencies.


Developing regional/national bids for additional funding to finance new initiatives.

5. Going forward

During 2011/12 we are developing and aim to implement the following new initiatives:-

Description	Planned impact
Home working	Improved productivity Improved work/life balance Reduce the carbon foot print Reduce sickness absence Reduce traffic congestion at peak times Reduce the accommodation requirements
ATLAS – import of Tax credit changes into the back office system	Reduce overpayments created by the customer forgetting to tell us of changes and a reduction of the associated recovery costs.
Joint recruitment – with housing options	To employ a temporary officer, funded via grant income, to proactively work with customers who are at risk of losing their homes because of the impact of the recession and the housing benefit changes. Taking preventative action; negotiating with landlords, will potentially secure tenancies and minimising costs for the council.
Joint regional bid for DWP funding (West midlands authorities and CAB)	To develop training and publicity material to support the staff and customers through the impact of housing benefit changes.
My Walsall – free school meals (FSM's)	The development of an “electronic” free school meal claim form that will indicate to the customer, after simple transactions, if they qualify for FSM's on-line.

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