

AT A MEETING
- of the -
REVENUE AND BENEFITS
WORKING GROUP held at the
Council House, Walsall on
9 August 2006 at 6.00pm

PRESENT

Councillor Towe (Lead Member)
Councillor Bird
Councillor Griffiths
Councillor Phillips
Councillor Sarohi
Councillor Turner

OFFICERS IN ATTENDANCE

Lynn Hall (Joint Head of Revenues & Benefits)
Sharon Tait (Joint Head of Revenues & Benefits)
David Johnson (Head of Strategic Transformation)
Ian Jones (Welfare Rights Manager)

SCRUTINY SUPPORT

Stuart Bentley (Scrutiny Officer)

3/06. APOLOGIES

Apologies were received on behalf of Councillor D. Shires.

4/06. MINUTES OF THE PREVIOUS MEETINGS

Resolved

That the minutes of the meeting held on 10 July 2006, copies having previously been circulated, be approved as a true and accurate record.

(Annexed)

5/06. CHARITABLE STATUS

Councillor Towe stated that he had been approached by Councillor Bird regarding the possibility of investigating charitable trust status for the service and he had been asked if Mr. Ian Jones could give the group an overview of the possibilities stemming from his experience at Sandwell council and as manager of the welfare rights service at Walsall.

Councillor Towe had agreed and welcomed Mr. Jones to the meeting.

Mr. Jones explained to the group that the option had first been looked at as part of the possible outsourcing of the service to Vertex, as there were models working around the country. He explained that it would enable access to additional funding streams that would not be available to a local authority. The welfare rights unit was currently core funded to the tune of £400,000 so there would be scope to increase this through charitable status.

He then tabled a 10 year projected income stream table for welfare rights service, based on current turnover, unmodified for losses of the register due to deaths etc. He then tabled actual data for the anti-poverty unit for the period 1996 to 2005, which indicated a gross income for claimants of £65,000,000.

(annexed)

He stated that Sandwell council had constituted a members working party to look at the Sandwell service and it had been noted that the monies received had pulled in extra money from central government. He then tabled a 10 year projected income stream table for Sandwell, based on current turnover, unmodified for losses of the register due to deaths etc... with a projected gross income of £962,500,000

(annexed)

The question was then how to examine this option and how to make the best of it.

Councillor Towe thanked Mr. Jones and stated that these projected figures were a real revelation. He then asked why the council were not doing this.

Councillor Bird stated that the anti-poverty unit had been seen as a political unit, which it was not. He felt that the unit had been handled badly, politically.

Councillor Phillips agreed that there was a large amount of money available. He added that benefit forms tended to be very complex due to the complexity of the primary legislation. Therefore, they tended to be very labour intensive resulting in a low turnover. He was concerned, however, as to how trust status would affect the council's ownership of financial oversight.

Mr. Jones replied that a charitable trust would have a board of governors and that governance arrangements would flow from that and be implemented through service level agreements where performance targets and actual deliverables could be set.

Councillor Towe asked if Lynn Hall had any comments.

Lynn Hall suggested that the working group could help to move this forward.

Mr. Jones added that the anti-poverty unit had operated under a broader remit than the revenues and benefits service and he felt this broader remit should be explored.

Resolved

That the Revenues and Benefits Working Group examine the issues around charitable status for revenues and benefits service.

6/06. ITEMS FOR INFORMATION

Councillor Towe invited Lynn Hall to give an overview of the items listed on the agenda, previously circulated.

(annexed)

She explained that the benefit fraud inspectorate (BFI) had investigated the council's speed of processing which had been very poor over the last 2 years. The BFI had identified all the services weaknesses and had made a number of recommendations. These had been taken and put into an action plan (item 5c) and processes had been identified and put in place. There had been significant progress, but there was still much to do. The BFI had stated that, although the speed of processing was slow, the quality of the result was high. Therefore, it was recognised that this quality needed to be maintained.

Councillor Bird expressed his concerns of the loss of irreplaceable documents required for some of the forms.

Lynn Hall replied that the service did not recommend posting such information and had mechanisms, through first stop shop and home visit, to verify these forms without clients having to lose sight of them.

Councillor Phillips noted that the report alluded to a reduction in outlets from 30 to 1 and he was concerned about how clients would contact the service at a local level. He stressed that he was not advocating a return to neighbourhood offices.

Lynn Hall replied that a corporate approach to local communication was being investigated, and that the service was developing an outreach facility, something like a benefits bus.

Sharon Tait added that an e-access service was also being developed and was now dependant on technical issues about the government gateway and Northgate software being sorted. This would enable self-help, which would free resources for other parts of the service.

Councillor Griffiths noted, with disappointment, that recommendation 16 "ensure that all members of the Visiting Services Team are fully trained to carry out all of the duties required under their job roles" was listed as low priority.

Lynn Hall replied that team were mainly involved with risk assessment and the re-assessing of existing claims and that there were issues around the positioning of the service as to whether the outreach functions could be given over entirely to the welfare rights service.

Councillor Bird asked if there was a mechanism to adjust automatically benefits in relation to changes in pension incomes.

Lynn Hall replied that a certain amount of automation could be achieved but that it was complicated by adjustments in private schemes and other non-means related benefits. It was also dependant on accurate and timely intelligence from the client.

Councillor Griffiths added there were often complications arising from claimants being unsure as to who they should be reporting changes in circumstances.

Councillor Phillips asked, regarding outreach, if the council were, or were planning to be, working with local partners.

Lynn Hall replied that the council were already working with registered social landlords and they were working to improve service level agreements.

Councillor Towe asked how what progress had been made against the action plan.

Lynn Hall replied that it was already 65% complete with significant progress being made on the remainder. The largest proportion of the work was the reduction in the backlog where again significant improvements had been made in the reduction of the age of the claims on the backlog list.

Councillor Bird questioned whether recommendation 1 “ensure that it educates its customers and puts processes in place to ensure that a much higher proportion of claims are supported by all evidence at the outset” was truly complete.

Lynn Hall replied that it was as the service had called in the performance development team (PDT) of the BFI to help (ref annex 5d) to 5f)).

Councillor Towe asked when a distinct change to the service would be evident.

Lynn Hall replied that there would be a marked improvement by quarter 3 of the financial year. The service was also looking to improve their CPA rating from a 2 to a 3 over this period.

Councillor Griffiths stated that the action plan was very encouraging but he felt there was a need for the group to follow it through to completion.

Councillor Bird asked whether the level of resources was sufficient for the service to meet its targets.

Lynn Hall replied that it would be a struggle as the service had currently 7 vacancies. These were being covered by agency staff.

Councillor Bird asked if the use of agency staff had any confidentially implications.

Sharon Tait replied that all agency staff were subject to rigorous vetting and that the quality of their work can be independently assessed.

Councillor Bird asked if increased pay awards could be offered as an incentive to recruitment.

Lynn Hall replied that this was an option, but in itself would have budgetary implications.

Councillor Phillips added that staff often earn more as freelance staff in any case.

Councillor Griffiths asked if agency staff were an added expense for the service.

Lynn Hall replied that this was not necessarily the case as on-costs were often reduced, especially if the agency staff did not require a desk.

Councillor Bird asked what improvements were planned for the answering of telephone queries.

Lynn Hall replied that further resources were being made available.

David Johnson replied that there was also a corporate approach to telephone queries being developed.

07/06 STRATEGIC TRANSFORMATION

Councillor Griffiths asked what the next move for the group was.

Councillor Bird stated that there was a need to monitor the improvement plan.

Councillor Phillips added that there was a need to ensure that cabinet make the resources available for the service improvement.

Councillor Bird asked what the proposed funding options were.

David Johnson replied that £300,000 was secured with the remaining £100,000 dependant on the Department of Works and Pensions (DWP). Lynn Hall added that there was now some doubt as to whether or not the Council would be eligible for the DWP contribution.

Councillor Bird suggested that the remainder could be raised through prudential borrowing as a fall back position.

David Johnson replied that this was a possibility.

Councillor Towe then asked what the view was regarding core and non-core activities.

Sharon Tait replied that the view was to outsource the less skilled work of the service to concentrate on the skilled core.

None core activities were defined as scanning and indexing, printing and enveloping and specialised training,

The mixed economy approach would primarily include the procurement of an electronic data management system (EDMS) which would facilitate much speedier data processing and allow much easier data handling. It would also allow automated responses to claims.

Councillor Bird stated that this sounded like a very good system but added that the service should be aware that couriers would not deliver to a PO Box. Also recorded deliveries would prove to be difficult.

Councillor Phillips added that an EDMS sounded very ambitious and he thought it would be helpful if members could see such a system in operation. There was general agreement with this proposal.

Councillor Griffiths added that the group and the service should make sure that a robust risk assessment was undertaken for any proposals.

Lynn Hall agreed and stated that the service was producing risk assessments as part of the transformation work.

Resolved

- That the Revenues and Benefits Working Group recommends that the Corporate Scrutiny and Performance Panel request that Cabinet ensures the £400,000 pump priming for the service transformation is made available; with the use of prudential borrowing if appropriate.
- That the Revenues and Benefits Working Group arrange visits to the manufactures of the preferred electronic data management system, and a council who are currently using the system, to assess whether they would be appropriate for Walsall.
- That the revenue and benefits service's progress against the action plan be reviewed on a regular basis.
- That the revenue and benefits service report on progress towards outsourcing of non-core activities on a regular basis.

TERMINATION OF MEETING

There being no further business, the meeting terminated at 7:40 pm.