

**BABERGH DISTRICT COUNCIL**

**FROM:** Head of Customer Services

**REPORT NUMBER:** **J27**

**TO:** Overview and Scrutiny (Community Services)

**DATE OF MEETING:** 26 May 2009

**BENEFITS SERVICE – PROCESSING CLAIMS**

1. **PURPOSE OF REPORT**

1.1 On the 24<sup>th</sup> March Overview and Scrutiny (Stewardship) Committee reviewed the Council's quarterly performance. The time taken to assess Housing and Council Tax Benefit applications was below target, consequently a report was requested outlining the position in more detail and highlighting what steps are being taken to manage the issue

2. **RECOMMENDATIONS**

2.1 That the action being taken to maintain Benefits performance be noted.

The Committee is able to resolve this matter.

3. **FINANCIAL IMPLICATIONS**

3.1 There are no financial issues to be considered in relation to this report. All actions outlined can be accommodated within existing budgets, whilst still delivering cashable savings of around £3,500 over the course of the year.

4. **RISK MANAGEMENT**

4.1 This report is most closely linked with the Council's Significant Business Risk No. 5 - Capacity. Key risks are set out below:

<b>Risk Description</b>	<b>Likelihood</b>	<b>Seriousness or Impact</b>	<b>Mitigation Measures</b>
Loss of key staff	Significant	Critical	Use of temporary contracts, part time staff to increase capacity. Consider sharing resources with other Authorities.
Sudden changes in demand	Significant	Critical	Ensure regular reviews of workloads Use of temporary contracts/flexible working to increase/decrease capacity as necessary

## 5. **KEY INFORMATION**

### 5.1 **Current Performance**

The outturn performance for 2008/09 was

- New claims 17.5 days (Target 14 days)
- Change of circumstances 6 days (Target 5 days)

### 5.2 **Factors influencing performance**

- A significant number of staff required training as the result of staff turnover or to provide cover for maternity leave.
- Long-term sickness absences in the 1st half of 2008/09 (1.5 FTE's)
- An increase in claims received as the result of the recession. Although 40% of claims were assessed within 10 days of a complete application being received, the volume of claims received has increased significantly. Compared to 2007/08 1189 (3594 overall) more new claims (an increase of 49%) and 3276 (12716 overall) change of circumstances (an increase of 37%) were processed in 2008/09.
- The number of claims received with insufficient information to complete an assessment has increased.

5.3 Completion of the training programme for new and temporary staff has stabilised the staffing situation. As their experience increases, that will be reflected in increased outputs. Staff absent in 2008, because of long-term sickness, have recovered and are back at work and fully productive.

5.4 The key issues now are to increase the number of claims received with full supporting evidence ready for immediate processing and manage the increased workload arising from the recession.

### 5.5 **Business Strategy**

5.5.1 The business strategy is to hold performance at 17 –18 days for new claims and 7 days for changes in circumstances. Continuing to work to a 14 day target is unrealistic. The council is under severe financial pressure, not only to work within existing budgets, but also to produce cashable savings. Even if funding was available it is highly unlikely that fully trained staff can be recruited.

5.5.2 An officer has been tasked to visit customers who complete telephone applications to collect evidence. This is beginning to reduce the number of customers not returning evidence promptly.

5.5.3 Officers phone customers after 10 days to chase outstanding evidence.

5.5.4 A temporary post has been filled for a 12-month period to help with the increase in demand. This post is being funded by Government grant to assist managing the increased workload arising from the recession.

5.5.5 From August an officer will work extra hours for a temporary 9 – 12 month period. Rather than filling a vacancy. This is a more effective solution to create capacity (it takes on average 6 – 8 months to train someone to a standard whereby they become effective) and also does not link Babergh into a long term cost commitment.

5.5.6 Babergh's performance stands up well against other Suffolk authorities as can be seen in the following table. Suffolk Coastal however are delivering an exceptional level of performance.

LA	New Claims (days)	CIC's (days)	NI 181 (days)*
Suffolk Coastal D C	6.22	5.01	5.15
South Norfolk	6.40	4.20	3.20
Breckland	16.00	4.90	6.80
Kings Lynn & West Norfolk	16.00	14.00	11.00
Broadland	16.70	8.18	10.00
Forest Heath	16.80	3.50	6.40
<b>Babergh</b>	<b>17.50</b>	<b>6.04</b>	<b>7.31</b>
East Cambs	18.30	4.20	5.90
North Norfolk	21.21	6.75	9.35
Ipswich	22.00	9.00	12.00
Yarmouth	25.00	8.00	9.00
Mid Suffolk D C	N/A	N/A	13.21
Waveney	N/A	N/A	14.00

\* NI 181 is time taken to process Housing Benefit/Council Tax Benefit new claims and change events

5.5.7 Suffolk Coastal's performance is attributed to a policy of visiting all households submitting new claims. It is clearly making a positive impact on their days to process. A meeting is being set up with them in order to learn from their experiences and transfer best practice. However as yet it has not been possible to compare service costs.

5.5.8 SPARSE benchmarking for 2007/08 indicates that although performance is good, the cost of the Babergh service is slightly high compared to peer authorities in general. Whether that remains true on a authority by authority comparison remains to be seen as information on the cost of individual authorities is still being collated.

5.5.9 Performance monitoring software is in place, to support Team Leaders in the management of their teams, and for individual members of staff, to monitor their own performance against personal output targets.

5.5.10 Performance monitoring information is produced and reviewed weekly, by the Head of Customer Services and Senior Revenues Manager.

5.5.11 An action plan to improve the performance and cost effectiveness of the benefits service is being developed from the Audit Commission's best practice paper published in 2008, highlighting their expectations for an efficient and effective Benefits Service. Actions within that plan are reflected in the Council's medium term plans and the outcomes delivered in 2009/10.

5.5.12 This strategy it is felt will maintain performance, achieve that outcome within existing budgets and lead to a general trend of improvement towards the end of the financial year.

## 6. BACKGROUND PAPERS REFERRED TO:

None

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