BABERGH DISTRICT COUNCIL

FROM: **Head of Revenues**

REPORT NUMBER **F171**

TO: **OVERVIEW & SCRUTINY (STEWARDSHIP) COMMITTEE**

DATE OF MEETING **30 January 2007**

BENEFITS SERVICE PERFORMANCE AND SERVICE DEVELOPMENT – 1 OCTOBER 2006 - 31 DECEMBER 2006

1. SUMMARY

1.1 The report covers the performance of the Benefit Service for the period 1 October 2006 to 31 December 2006.

1.2 Appendix A provides monthly performance snapshots of the performance of the Benefit Service over the course of the last three months.

2. RECOMMENDATION

2.1 That the performance of the Benefit Service during the period 1 October 2006 to 31 December 2006 be noted.

The Committee is able to resolve this matter.

3. FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications arising from this report.

4. RISKS

4.1

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Loss of key members of staff – leaving or sickness/absence	Low	Critical	• Ensure dependency on key individuals reduce. • Make use of temporary contracts/part-time • Consider sharing resources with other Authorities
Changes in legislation	Significant	Critical	• Ensure adequate planning and project management • Training plans are created and monitored regularly • Effective communication routeing
Sudden changes in fluctuations in demand	Low	Critical	• Ensure regular reviews of workloads are undertaken • Make use of temporary contracts • Consider sharing resource with other Authorities

5. **KEY INFORMATION**

5.1 **Performance:** The performance of the Council's Benefit Service is monitored by the Department of Work and Pensions on a quarterly basis, using 6 performance measures from the Claims Administration theme of the Performance Standards.

The grades are in a range of 1 to 4. The grades equate to 4 = Excellent, 3 = Good, 2 = Fair and 1 = Poor.

4.2 As at the 31 December 2006 our current year to date performance for the six measures reported is as follows: -

- **PM1 – Average number of days to process a new claim = 21 days - Grade 4 – Excellent**

  Over the course of this quarter we have reduced the days to process new claims from 22 days in quarter 2 to 19 days. During the next three months we are confident that days to process can be reduced to 18 which will mean we will achieve our overall target of 20 days for the current year and set a baseline performance of 18 days for 2007/08.

- **PM2 – Percentage of new claims outstanding over 50 days - 2.40% - Grade 4 – Excellent**

  This only relates to one case outstanding, and as we are under 5% we have achieved a grade 4. This case is related to customer delay in returning information to back up the claim.

- **PM3 – Percentage of new claims decided within 14 days of receiving all information - 93% - Grade 4 – Excellent**

  Performance for the current quarter is 94%, again we are confident that we will score a grade 4 overall for the year.

- **PM4 – Percentage of rent allowance claims paid on time or within seven days of the decision being made - 87% - Grade 3 – Good**

  We have achieved a very good result this quarter of 90%, that has pushed us into Grade 4 on this performance measure for the first time. As can be seen this result has also increased our year to date figure on this measure to 87%, maintaining this performance in the fourth quarter should result in a grade 4 score for the current year.

- **PM5 – Average number of days to process change of circumstances - 11 days - Grade 3 – Good**

  We have continued our focused approach in this area for the last three months and have achieved a very good result of 6 days to process for the current quarter giving us a grade 4 result. We are confident that we can maintain this progress and continue to process change of circumstances in 6 days, which will meet our target of 9 days for the current year.

- **PM6 – Percentage of accurate decisions - 99.20% - Grade 4 – Excellent**

  This target is based on the checking of 125 claims randomly selected from our caseload at the end of each quarter. A minor error was found on one case, which has now been corrected. Due to the nature of the error, no procedural changes need to be considered.

5.3 **Housing Benefit and Council Tax Benefit Subsidy Claim 2005/2006**

During November and December the Audit Commission have been on site in order to audit our subsidy claim for 2005/2006. We are pleased to report that no major errors or omissions were found and the Audit Commission has signed off the claim. This means the authority will receive full payment of subsidy.

5.4 **Verification of claims in payment**

The authority is currently required to review 50% of the benefit caseload either by post or visit during the year in order to check there are no changes in circumstances that should have been reported.

The Department of Work and Pensions have reviewed this measure and in order to tackle a national rise in fraud and error within benefit caseloads have developed a new security measure which concentrates on outputs as opposed to the current activity based measure.

The DWP recognises that authorities are good at stopping fraud and error entering the system at the new claim stage due to the high standard of verification. However, it is also recognised that fraud and error enters the system through non-reporting of changes in customer circumstances during the life of the claim.

Therefore with effect from 1 April 2007 we will be set an annual target based on the reduction of benefit. Our target for 2007/08 will be 3,720 reductions, these will be counted from any activity that leads to a reduction in benefit including benefit terminations.

As we only received the circular in late December notifying us of this change we will report back to Member's in the next quarters update on procedures developed in order to achieve our target.

6. **APPENDICES**

Appendix A - Benefit Service - Performance 1 April 2006 - 31 December 2006.

7. **BACKGROUND PAPERS REFERRED TO**

None.

CONTACT: Bob Southgate **DIRECT LINE:** 01473 825789

Benefits Service report - Overview Scrutiny Committee (Stewardship) 18/07/2006 **APPENDIX A**

BENEFITS PERFORMANCE 2006-2007														
	2005/06	2006/07 target	April	May	June	July	August	September	October	November	December	January	February	March
Process Performance														
Days to process (Current month)			20	24	22	23	22	22	20	19	19			
Days to process (Year to date)	26	20	20	22	22	22	22	22	22	21	21			
Change of circumstances(Current month)			11	14	19	17	7	6	6	7	6			
Change of circumstances(Year to date)	12	9	11	12	15	16	14	13	12	11	11			
% within 14 days (Current month)			92%	87%	94%	92%	94%	93%	95%	94%	92%			
% within 14 days (Year to date)	82%	90%	92%	90%	91%	91%	92%	92%	93%	93%	93%			
New RA claims on time(Current month)			91%	80%	95%	93%	83%	100%	100%	91%	97%			
New RA claims on time(Year to date)	77%	90%	91%	85%	88%	89%	86%	86%	87%	87%	87%			
Benefit Overpayments Outstanding			£190,973.31	£213,855.50	£210,293.06	£231,699.97	£235,132.55	£229,947.74	£227,525.55	£231,464.55	£231,256.53			
Local Authority Error Overpayments														
LA error - Rent rebates	£ 11,936	N/A	£983.00	£1,284.00	£2,609.00	£4,391.00	£5,882.00	£7,081.00	£7,219.00	£9,753.00	£10,385			
LA error - Rent allowances	£ 16,639	N/A	£4,001.00	£6,079.00	£8,078.00	£9,495.00	£11,744.00	£12,308.00	£14,258.00	£18,506.00	£19,965			
LA error - CTB	£ 16,036	N/A	£1,326.00	£2,526.00	£5,328.00	£6,436.00	£8,111.00	£9,091.00	£11,850.00	£11,850.00	£12,747			
Total	£ 44,611	N/A	£6,310.00	£9,889.00	£16,015.00	£20,322.00	£25,737.00	£28,480.00	£33,327.00	£40,109.00	£43,097.00			
Outstanding Work Items			587	690	438	278	64	209	188	268	257			
Discretionary Housing Payments														
Committed balance(£'s)	£23,588.00	£20,222.00	£4,786.00	£7,200.00	£11,478.00	£13,821.00	£14,099.00	£16,200	£16,551	£18,854	£19,157			
Un-committed balance(£'s)	£872.00	£0.00	£15,436.00	£13,022.00	£8,744.00	£6,401.00	£6,123.00	£4,022	£3,671	£1,368	£1,065			
Benefit Customers Seen At HQ			206	265	224	246	272	227	181	140	121			
Complaints														
Well founded			0	0	0	0	0	0	0	0	0			
Ongoing			0	0	0	0	0	0	0	0	0			
Dismissed			0	0	0	0	0	0	0	0	1			
Appeals			0	1	0	1	0	0	0	0	0			
Successful			0	1	0	0	0	0	0	0	0			
Un-successful			0	0	0	1	0	0	0	0	0			
Investigations & Sanctions														
Investigations in progress			33	13	18	11	20	27	21	22	35			
Cautions issued			0	1	1	2	1	2	4	3	3			
Cautions issued (Year To Date)	25	25	0	1	2	4	5	7	11	14	17			
Guilty pleas			4	1	1	1	5	1	2	0	1			
Guilty pleas (Year to Date)	27	27	4	5	6	7	12	13	15	15	16			
Admin Penalties			0	0	0	1	1	0	0	0	0			
Admin Penalties (Year to Date)	1	1	0	0	0	1	2	2	2	2	2			
Postal interventions			146	0	143	236	116	173	273	270	150			
Intervention visits			83	17	125	125	78	124	97	98	64			