

## **BABERGH DISTRICT COUNCIL**

**FROM:** Head of Revenues

**REPORT NUMBER** **E104**

**TO:** Overview & Scrutiny Committee  
(Stewardship)

**DATE OF MEETING** 16 August 2005

### **BENEFITS SERVICE – QUARTERLY PERFORMANCE AND REVISED SERVICE IMPROVEMENT PLAN**

#### 1. **SUMMARY**

The report covers the performance of the Benefits Service for the period 1 April – 30 June 2005 and service developments which have been implemented, either to adjust performance or as a planned service improvement. Full details are attached as Appendix A. The Committee is requested to note and comment on what has been achieved. An updated version of “Delivering the Vision”, the plan being used to guide and measure the development of the Benefits Service is attached as Appendix B. The Committee is recommended to give their approval to that document after having made any comment they feel appropriate.

#### 2. **RECOMMENDATIONS**

- 2.1 That the Benefits Service improvement plan “Delivering the Vision” as set out in Appendix B be approved.
- 2.2 That the performance of the Benefit Service for the period 1 April – 30 June be noted.

The Committee is able to resolve both matters.

#### 3. **FINANCIAL IMPLICATIONS**

- 3.1 There are no direct financial implications arising from the report.

#### 4. **KEY INFORMATION**

- 4.1 The Benefit Service is a key function of the Council and significant improvements are planned over the next 2.5 years.
- 4.2 By 31 March 2008 the Benefit Service will be
  - Operating at a reduced cost (2005/06 budget as the baseline)
  - Rated as “excellent” in terms of the National Performance Standards for Benefits
  - Consistently achieving top quartile performance for statutory Best Value Performance Indicators
  - Completing the assessment, determination and payment of benefit claims within 14 days of receipt.
- 4.3 The industry standard for best practice within a Benefits Service is the National Performance Standards produced by the DWP. Those guidelines were simplified for in April 2005. In practical terms however the only change is the way in which service quality is measured. The good practice the Council has already adopted is unaffected.

- 4.4 This is borne out by our first informal assessment of the current position. That has come out as “good” with a score of 3. To take that to “excellent” our score has to increase to 4. At this stage however, the user focus aspect of the assessment is incomplete. Work is progressing and will increase our score further once complete.
- 4.5 Developing best practice is only one strand of providing a Benefits Service which has an “excellent” rating. Effective management of day to day service delivery is equally crucial. Appendix A provides a comprehensive picture of that aspect of the service for the period 1 April – 30 June 2005. In general terms the trend is one of improvement although there are some areas of concern. More information is provided in Appendix A.
- 4.6 A number of specific projects or actions also support the development of the Benefits Service. More detail is provided in Section 2 of Appendix A. Key projects are outlined in the following paragraphs. Additional background information is provided in Section 2 of Appendix A.
- 4.7 Document Image Processing and Workflow is in the process of being introduced in the Revenues Division. That will greatly improve the flow and monitoring of work, enable more effective resolution of enquiries and begin to reduce the risks and file management overheads associated with a paper based filing system.
- 4.8 An online claim form is now being launched on the Council’s website which will enable claims to be submitted online. Some procedural changes are however required to obtain signatures and supporting evidence. Both are legal requirements, which cannot be fulfilled with the present level of technology.
- 4.9 The main service gain initially will come from the accessibility of the form to officers within and outside the office. The form is intelligent and only requires answers to those questions that are relevant to the applicant. From the answers given a list is generated showing the evidence which must be provided to support the claim. That level of functionality increases the range of officers able to capture full and accurate information either within the HQ, offsite or through the Sudbury Advice Centre.
- 4.10 The Division now has basic Business Process Re-engineering (BPR) skills. One officer has gained SPRINT accreditation (SPRINT is a BPR methodology developed by Salford City Council and Manchester University) and will shortly be reviewing the new claims process.
- 4.11 These three strands of work have been brought together in an updated version of “*Delivering the Vision*”, the action plan created in 2004 to guide and measure the development of the Benefits Service. A copy is attached as Appendix B.

## 5. **APPENDICES**

A – Benefits Service - Performance outturns – 1<sup>st</sup> April- 30<sup>th</sup> June 2005

B – “Delivering the Vision” – Benefits Service Improvement Plan

## 6. **BACKGROUND PAPERS REFERRED TO:**

HB/CTB Performance Standards – Department for Work and Pensions

**CONTACT:** Bob Southgate

**DIRECT LINE:** (01473) 825 789

G:\DOCS\Committee\REPORTS\Overview&Scrutiny\Stewardship\2005\160805-BenefitService-QuarterlyPerformance.doc

**BENEFITS SERVICE**  
**PERFORMANCE 1ST APRIL – 30TH JUNE 2005**

**Introduction.**

This appendix to the main report is broken down into two parts. The first section is a commentary on the detailed service performance measures attached. It picks out key points where it is anticipated that Members will find background information helpful.

The second section update Members on more general issues which are not directly linked to one aspect of performance.

**Key information is highlighted in bold.**

**Section 1 – Performance**

(Paragraph numbers match those on the attached sheet)

1. **New claims are now being processed on average in 27 days. To reach our target of 25 days however requires achieving a turn round period of 20 days during the second half of the year.** The main barrier to that is still the number of claims received which cannot be processed immediately upon receipt because of insufficient information or the claim form itself has not been completed correctly. Checklists which claimants can work through before returning a claim have been included with all claim forms issued since January 2005 but this has only created a marginal improvement.

**More effort is now being invested in increasing the number of claims fully complete on receipt.**

- **An online claim form will be available on the website from 15<sup>th</sup> August** and in that format will be not only be readily available to the public but also to Officers both within and outside the HQ. The form is intelligent, guides claimants through the form completion process and on completion produces a list of the evidence which must be returned with the application.

This process however has two major drawbacks. Current legislation still requires a physical signature on the form and the claim has to be accompanied by original documents proving the claim details. Producing a paper copy to provide a signature is an unrealistic expectation of the claimant when the person concerned is using their own IT equipment or that available in a public facility. Both of which have limited printing capacity and the form itself runs to 20 pages.

To overcome this **the online form will be used as a means of getting accurate and complete information, which is a fully electronic process with the physical process of obtaining a signature being managed by office staff.** Either by undertaking a home visit to obtain a signature and, copy and verify, the evidence or posting a paper copy for immediate return together with the appropriate evidence. Claims will also be taken by telephone appointment with officers using the online form to capture the information and then obtaining signatures and evidence in the same way.

This may seem to be an overly labour intensive process when the initial impression is probably that online forms should make the process easier, efficient and more effective. It is however based upon good practice already used by Chiltern DC who are completing the new claim process in under 14 days. Equally the time and resource spent in chasing information not supplied with a claim, returning and following up incorrectly completed claim forms and

staff time spent handling enquiries simply because customers are expecting an earlier response should not be underestimated. **The processes now being put in place is a more effective use of resources. The investment in time and effort at the start of the process being more than paid back by the savings in time and resources currently spent on post claim activity.**

2. Paying new **rent allowances** on time is proving to be a challenging target. **Performance had dropped into the bottom quartile at 31<sup>st</sup> March and despite an increase in the speed of processing claims recovery of that situation has been sporadic.** The problem hinges on the point in the week that processing of a new claim is completed. Payments are generated at weekly intervals. Consequently a processed claim missing that process is then delayed for a further 7 days. **To counteract this payments will now be generated twice weekly.**
3. Discretionary Housing Payments (**Payments made to prevent hardship created by a gap between the amount of benefit entitlement and rent or Council Tax payable by the household**) are **back on track following an under spend of the available budget in 2004/05.** Increased publicity within and outside the office has proved successful in identifying more cases where help is appropriate.  
The main practical difficulty in administering the budget is making ongoing decisions consistently while at the same time ensuring sufficient funds remain available for applications made towards the end of year.
4. **40% of visitors to Corks Lane are travelling from the west of the district,** often for what is a routine enquiry. **The availability of service from the Sudbury Advice Centre has been given a higher profile in outgoing correspondence to counteract this.** Staff there are already capable of providing service on our behalf and further training on using the online claim form is scheduled. The Centre therefore represents a far more effective claim route for customers.
5. Higher volumes of intervention (Reviews of existing claims either by post or home visit) are undertaken during the first quarter to compensate for the summer holiday period, when we have reduced staffing levels and the likelihood of arranging appointments and the risk of appointments being missed or forms being returned late is much greater. Cutting the intervention workload down during this period is therefore beneficial.

## Section 2 – General update

1. **Office reorganisation:** The transformation of Revenues Services is based upon the simple principle of providing a initial single point of contact for the customer regardless of the service they require and in the process create a more efficient, cost effective service unit. Progress on achieving that outcome has for a variety of reasons been far slower than originally envisaged. **The physical transition was however completed on the 22<sup>nd</sup> July and the office is now broken down into three functional areas.**  
A front of house team who will ultimately deal with the majority of customer enquiries, incoming payments and account maintenance.  
A middle office dealing with and co-ordinating the recovery of debt. Mainly at the point we have or are intending to commence proceedings. Customers will also contact this team direct but on a case officer basis not for general enquiries. The team is also responsible for the maintenance of the Divisions IT system.  
A back office responsible for the processing of benefit claims, investigations and prosecutions relating to benefit fraud and undertaking home visits or property inspections.  
**A three week period is being allowed for officers to settle in their new locations. From 1<sup>st</sup> September onwards Officers will undertake a programme of training to align their skills**

**with the outputs needed from their functional area.** In the main this will be to extend the spread of benefits expertise across the Division. That aspect of the **training will be delivered by the Training Officer.**

Although some adjustment of resource may be necessary as the result of **moving the majority of benefits enquiries to the front office, significantly reducing the level of interruption of staff assessing claims** and allowing them to work in a protected environment **will produce a quicker and more effective claims process.**

Target date for the **completion of that strand of service transformation is currently 31<sup>st</sup> March 2006.**

2. **Benefit take up:** All Council Tax bills issued in March 2005 included a reply coupon to raise awareness of possible benefit entitlement and as a means by which claim forms could be requested. Despite being a rather bland offering, because of copyright issues, it was a successful strategy. Of the 410 forms issued, **48 new claims were received as a result, 17 of which resulted benefit being granted for the first time. An additional £14,500 in Housing Benefit and £10,500 in Council Tax Benefit is now being paid to Babergh residents.** A random sample of the households that did not follow through with a claim will be undertaken later in the year to identify any potential barriers to claiming benefit.

**In March 2005 the DWP also supplied a list of 441 Babergh residents who** from their contact with the Pension Service were felt **may be eligible for Housing and Council Tax benefit.** This is a nation wide initiative and the Council is required to report on the work they have undertaken to establish how accurate that initial view is.

Application forms accompanied by an explanatory letter were sent to each one in May 2005. At the 30<sup>th</sup> June **contact has been established with 46 households. 8 of which are also now receiving benefit for the first time. A further £5, 000 of assistance being delivered to Babergh residents.**

3. The Rent Service: the online connection with the IT system used by the Rent Service will shortly be operational. That is part of the Council's e-development programme and will enable a quicker and more efficient exchange of rental information necessary to calculate Housing Benefit.

Bob Southgate  
Head of Revenues

**BENEFITS PERFORMANCE 2005-2006**

**APPENDIX A**

<b>BENEFITS PERFORMANCE 2005-2006</b>														
	<b>2004/05</b>	<b>2005/06 target</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>
<b>Process Performance</b>														
	Days to process (Current month)													
<b>1</b>	30	25	27	27	26									
	Days to process (Year to date)													
	6	9	11	11	11									
	Change of circumstances(Current month)													
			11	9	11									
	Change of circumstances(Year to date)													
	0.86	0.9	70%	79%	88%									
	% within 14 days (Current month)													
			70%	74%	78%									
	% within 14 days (Year to date)													
			52%	82%	86%									
	New RA claims on time(Current month)													
<b>2</b>	0.72	0.9	52%	69%	65%									
	New RA claims on time(Year to date)													
<b>Benefit Overpayments Outstanding</b>														
			169152.8	151618.37	150736.99									
<b>Local Authority Error Overpayments</b>														
	LA error - Rent rebates													
	£ 8,736		£82.00	£516.00	£1,488.00									
	LA error - Rent allowances													
	£ 6,999		£1,159.00	£2,264.00	£1,993.00									
	LA error - CTB													
	£ 8,848		£460.00	£1,640.00	£2,562.00									
	Total	£ 24,583	£1,701.00	£4,420.00	£6,043.00									
<b>Outstanding Work Items</b>														
			335	318	364									
<b>3</b>	<b>Discretionary Housing Payments</b>													
	Committed balance(£'s)													
	£13,705.00		£5,020.00	£9,803.00	£12,635.00									
	Un-committed balance(£'s)													
	£10,301.00		£18,986.00	£14,203.00	£11,371.00									
<b>4</b>	<b>Benefit Customers Seen At HQ</b>													
			315	276	277									
<b>Benefit Takeup</b>														
	Coupon campaign													
		410			17/48									
	Magic 400 (DWP list)													
		441			8/46									
<b>Complaints</b>														
	Well founded													
			0	0	0									
	Ongoing													
			0	0	0									
	Dismissed													
			0	0	0									
<b>Appeals</b>														
			0	0	0									
<b>Investigations &amp; Sanctions</b>														
	Investigations in progress													
			36	44	32									
	Cautions issued													
					8									
	Laid before the Court													
					10									
	Guilty pleas													
					8									
	Admin Penalties													
					0									
	Reward total													
					£37,600.00									
<b>5</b>	Postal interventions													
		990	0	0	419									
	Intervention visits													
		990	117	96	146									
	Note: E = estimated outcomes													

G:\Docs\Committee\Reports\Overview&Scrutiny\Stewardship\2005\160805AppABenefits

**Babergh D.C. Revenues Division “Delivering the Vision”- Building a better Benefits Service** (Version 1.1 - 160805)

Items in bold represent milestones used to measure progress.

Date	Event/Action	Status/Anticipated completion date	Outcome /Current position	Performance
May 2004	<b>O &amp; S Committee</b> <ul style="list-style-type: none"> <li>• <b>Agreement of “Vision”</b></li> <li>• <b>Discretionary Housing Policy</b></li> </ul>	<b>Complete</b>	-	-
June 2004	CPA-Benefits Self Assessment	Complete	Current service: Fair towards Good Capacity to improve:Good	Highest rating in Suffolk
6 <sup>th</sup> July 2004	O & S Committee <ul style="list-style-type: none"> <li>• “Delivering the Vision”- Progress</li> <li>• Overpayments Policy</li> <li>• Home Visit Policy</li> <li>• BFI Report 2002 – Update</li> <li>• Current performance</li> </ul>	Complete	-	-
July 2004	<b>CAST project ( Previously evaluation of service development opportunity offered by Suffolk CC &amp; Mid Suffolk DC)</b>	<b>Live project</b>	<b>At outline Business Case stage. Business process re-engineering emerging as a necessary prerequisite for subsequent work.</b>	-
July 2004	Meeting with Suffolk Coastal – Possible joint working.	Complete	Respective positions known. No further work, if necessary until CAST project outcomes clear.	-
July 2004	Meeting with Anglia Revenues Partnership	Complete	Respective positions known. No further work, if necessary until CAST project outcomes clear.	-
July 2004	<b>Training &amp; Improvement Officer Bid for DWP funding</b>	<b>Complete</b>	<b>Joint bid(With Mid Suffolk) submitted November 2004.£53K funding awarded January 2005</b>	<b>Officer in post from May 2005.</b>
September 2004	Revenue Division reorganisation	Live project- 31/3/06	Physical reorganisation complete July 2005. Training Officer to roll out regular	-

			<b>schedule of training from September 2005.</b>	
27 <sup>th</sup> September 2004	O & S Committee <ul style="list-style-type: none"> <li>• “Delivering the Vision” –Progress</li> <li>• Revised Prosecution Policy</li> <li>• Cost of Benefits Service</li> <li>• Current Performance</li> </ul>	Complete	Slippage on cost of service information. Finally provided in May 2005. Policy approved.	-
30 <sup>th</sup> September 2004	<b>DWP Quarterly Return Targets</b> <ul style="list-style-type: none"> <li>• <b>BVPI 78C – 82%</b></li> <li>• <b>14 Days – 85%</b></li> </ul>	<b>Complete</b>	-	<b>Targets achieved</b> <ul style="list-style-type: none"> <li>• <b>78C – 88%</b></li> <li>• <b>14 days – 91%</b></li> </ul>
1 <sup>st</sup> February 2005	O & S Committee <ul style="list-style-type: none"> <li>• Current Performance</li> </ul>	Complete	No Comments	On Target
February 2005	<b>Introduction of online claim form following visit to Chiltern DC</b>	<b>Live project-15/08/05</b>	<b>Initially slippage because of conflict between established and developing software issues. Resolved following direction from O &amp; S to EGSG. Form ready for launch 15/08/05. Further work still to be completed regarding form handling, evidence collation and signatures.</b>	-
31 <sup>st</sup> March 2005	<b>DWP – Quarterly return</b>	<b>Complete</b>	<b>2004/05 Yearly outturn</b> <ul style="list-style-type: none"> <li>• <b>New Claims-30 days</b></li> <li>• <b>Cof C-6 days</b></li> <li>• <b>Accuracy-100%</b></li> <li>• <b>14 Days-86%</b></li> <li>• <b>RA’s on time- 69%</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>New Claims-26 days(TQ)</b></li> <li>• <b>Cof C-7 days(2Q)</b></li> <li>• <b>Accuracy-100%(TQ)</b></li> <li>• <b>14 Days-85%(3Q)</b></li> <li>• <b>RA’s on time-63%(4Q)</b></li> </ul>
April 2005	Finalise VICTER interface to the Rent Service.(Enables online exchange of	Live project/01/09/05	Authentication routines not secure.	-

	information)			
17 <sup>th</sup> May 2005	O & S Committee <ul style="list-style-type: none"> <li>• Current Performance</li> </ul>	Complete	No comments of Performance. Issue of online claim resolved. Basic service costs provided (Carry over from September 2004)	-
18 <sup>th</sup> May 2005	"Getting it Right first Time" Business Strategy.	Live project-31/3/05	Launched at Divisional Meeting 18 <sup>th</sup> May for incorporation into staff/team targets.	
May 2005	<b>Introduce SPRINT(Business Process Re-engineering methodology) in the Revenues Division.</b>	<b>Complete</b>	<b>Slight initial delay because of Officer/Course availability. Completed training 6/7 July. First process to be reviewed – New Claims.</b>	-
May 2005	Simplify Benefit notifications by including supplemental information.	Live project – Nov 05	On hold as IBS updating and improving the production of notifications. Software release date November 2005.	
June 2005	Revenues Division – Final workshop with Member Working Group	Live project	On hold in order to create capacity for CAST work. To be rescheduled as soon as practicable.	
30 <sup>th</sup> June 2005	DWP Quarterly return	Complete	-	<ul style="list-style-type: none"> <li>• New Claims-27 days</li> <li>• C of C-10 days</li> <li>• Accuracy-99.2%</li> <li>• 14 Days-78%</li> </ul>
July 2005	Increase use of Sudbury Advice Centre to improve service in the west of the district.	Live project - ongoing	Linked to use of online claim form. On partial hold until form launched.	
July 2005	<b>Introduction of DIP/Workflow technology in the Revenues Division.</b>	<b>Live project/31/3/06</b>	<b>Software ordered from IBS.</b>	
August 2005	Move to paying Rent Allowances twice weekly.	Live project-31/8/05		

<b>August 2005</b>	<b>Review of New Claims process</b>	<b>Live project- 31/10/05</b>		
August 2005	5 Day guarantee for new claims(Complete on receipt)	Live project 31/08/05	New claims now streamed to designated officers. Training of new staff creating temporary pressure on that arrangement. Risk on publicity aspect at the moment.	
30 <sup>th</sup> September 2005	DWP Quarterly Return National Performance Standards compliance assessment Performance measures only) Target: " Good" rating	Progress check.		
<b>31<sup>st</sup> December 2005</b>	<b>DWP Quarterly Return</b>	<b>Performance milestone</b>		
31 <sup>st</sup> December 2005	National Performance Standards (BDC intermediate assessment)	Progress check		
<b>31<sup>st</sup> March 2006</b>	<b>DWP Quarterly Return Targets</b> <ul style="list-style-type: none"> <li>• <b>New Claims-25 days</b></li> <li>• <b>Cof C-? days</b></li> <li>• <b>Accuracy-100%</b></li> <li>• <b>14 days-90%</b></li> </ul> <b>Full National Performance Standards compliance assessment.</b> <b>Target: "Excellent" rating</b>	<b>Performance milestone</b>		
January 2007	Local Housing allowance	Potential strategic issue.		
31 <sup>st</sup> March 2008	<b>Targets</b> <ul style="list-style-type: none"> <li>• <b>New Claims-14 days</b></li> <li>• <b>Cof C-? days</b></li> <li>• <b>Accuracy-100%</b></li> </ul>			

	<ul style="list-style-type: none"><li>• <b>14 days-100%</b></li><li>• <b>RA's on time 95%</b></li></ul>			

Version 1.1 – Document Owner: Benefits Manager – 160805  
G:\DOCS\Committee\REPORTS\Overview&Scrutiny\Stewardship\2005\160805AppBBenefits.doc