

REPORT TO AUDIT AND PERFORMANCE REVIEW PANEL

Title: BENEFIT INSPECTION REPORT – AUDIT COMMISSION

Date: 8TH DECEMBER 2008

Member Reporting: Councillor D Hilton

Contact Officer(s): Penny Jackson, Head of Revenues and Benefits Tel: 01628 796244

Wards affected: All

1. SUMMARY

- 1.1.1 In September 2008 the Borough's Benefits Service has recently hosted a team of Audit Commission Inspectors and their report has now been received. The inspection was carried out under a new regime, replacing the former Benefit Fraud Inspectorate. In common, with all new inspections this review was carried out under the new "harder test" regime.
- 1.1.2 The inspector's score has graded the Benefit Service as "a Fair one star service, with uncertain prospects for improvement". Whilst officers recognised the current service in the fair assessment, the prospects score is disappointing. Post inspection meetings have taken place with the inspection team to discuss this element of the assessment as officers feel that a number of opportunities had not been taken into account notably the development of the Customer Service Centre, the VRA initiative and the renewed service delivery focus being driven by the Chief Executive. Disappointingly the Inspectors "evidence driven" approach did not allow these potential developments to be counted.
- 1.1.3 The report summary did show a number of strengths in the service and in particular positive comments were made about the management of discretionary housing payments, effective management of overpayment debt recovery, positive working with partners and stakeholders, and an effective fraud investigation service. An acknowledgement was made in the report about the improvement to service performance that had been achieved.
- 1.1.4 Generally the Commission complimented the renewed corporate culture of openness to change and improvement and corporate commitment to user focus and vulnerable people. However the corporate desire for a culture of enabling and empowerment is in their view, not yet fully reflected in the benefit service.
- 1.1.5 The Commission made recommendations in four key areas;
- Deliver more accurate benefits payments to customers
 - Design the service to better meet customer needs

- Improve access to the service for vulnerable people
- Improve performance management

2. RECOMMENDATION

That a combined business and improvement plan for the Benefit and Fraud Investigation service is developed for 2009/10 by involving staff, users and stakeholders to develop appropriate vision, objectives and targets for the benefit service as a whole .Key recommendations made by the Commission to be actioned with immediate effect.

What will be different for residents as a result of this decision?
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A continuously Improving benefit service which shapes the service in a way that offers value for money, meets customer needs and increases customer satisfaction for borough residents.

3. SUPPORTING INFORMATION

3.1 Background

3.1.1 From April 2008 the Benefit fraud Inspectorate merged with the Audit Commission and the responsibility for Inspection transferred to the Audit Commission.

3.1.2 This is a fresh approach to assurance in benefits across all councils and, it is integrated with the CAA. Direction of travel assessments now need to include Housing and Council Tax Benefit services. The key challenges for councils in the new inspection regime are;

- i) thinking about what benefits contributes to
- ii) knowing the important outcomes the council wants
- iii) fraud, take-up and processing need to be considered equally
- iv) shaping the service around customers

3.1.3 The Commission assesses how well customer care and value for money is being delivered and improved within the context of delivering statutory duties in a very complex legal framework. All judgements are underpinned by assessing how well the council gets the right benefit to the right people at the right time. From now on there is more focus on the perspective of the service users and local citizens and less emphasis on process.

3.1.4 This inspection process is known as the harder test and it is understood that councils who received an “excellent “ rating for the annual CPA could receive a “fair” rating using the new inspection methodology. In September a self assessment had to be produced using a Key Lines of Enquiry (KLOE) set of questions and responses and the assessment along with supporting evidence was submitted prior to the on site

inspection week, which took place in the first week of September

- 3.1.5 The inspection week saw a lot of focussed activity by the inspectors who met with: council staff across a range of service teams, landlords, partners, stakeholders and customers. This process enabled them to triangulate our KLOE self-assessment.
- 3.1.6 The triggers for this inspection this year were;
- Performance statistics for the Quarter 1 period of 2007/08 arrived one day late at the DWP and were therefore did not count when arriving at the annual performance totals for the benefit service.
 - The number of processing days taken to assess New claims and Changes of circumstance were inconsistent albeit that annual performance on processing changes of circumstance was at a top quartile level
 - Performance against a new indicator, PM10, was among the worst in the country. This indicator required the benefit service to action approximately 6500 changes of circumstance, which would lead to a reduction in benefit. The target was not met .The indicator proved to be unachievable for many councils and it has now been replaced.
- 3.1.7 In recent years the Benefits Service has faced a number of challenges which have resulted in the patchy performance identified by the Inspectors. These challenges have been well documented but include two office moves, major implementation of new software, and relatively high levels of sickness.
- 3.1.8 The Executive Summary and Recommendations from the report are attached as Appendix A. A full copy of the report is available from Democratic Services.
- 3.1.9 The assessment of current performance was recognised by managers, current performance is closely monitored and shortcomings recognised. Action plans have been developed to address these issues but the inspector's recommendations have provided a helpful framework and provided a fresh focus and impetus.
- 3.1.10 The Inspectors recommendations have been addressed in 3 phases:
- Immediate action commissioned by service management
 - Interim action plan developed as a result of meeting between Benefits team and internal partners (CSC, Welfare Benefits, Benefit Fraud, HR) a draft copy of interim action plan is attached
 - Meeting with External partners (Benefit Claimants, DWP; Housing Association, Private Landlords, CAB) to be held in January to support the development of a service action plan for the service.

4. OPTIONS AVAILABLE AND RISK ASSESSMENT

4.1 Options

	Option	Comments	Financial Implications
1.	To support a more corporate approach to planning for improvement to the Benefit Service and to address the weaker areas of the service as highlighted by the Commission	By developing a plan for improvement it will be possible to demonstrate that the council has raised the profile of the benefit service	Revenue : Officer time Capital: None
2.	Not to support a more corporate approach to planning for improvement	Prospects for improvement will remain as uncertain	Revenue: None Capital: None

4.2 Risk assessment

4.2.1 The main risk associated with improving the service is lack of staff resource. Actions are being taken to protect against this by developing a remote working capability with a market supplier so that additional resources can be contracted to assist with the benefit service assessment workload. .

5. CONSULTATIONS CARRIED OUT

5.1.1 No external consultancy has been carried out in the preparation of this report.

6. IMPLICATIONS

6.1.1 The following implications have been addressed where indicated below.

Financial	Legal	Human Rights Act	Planning	Sustainable Development	Diversity & Equality
✓ or N/A	✓ or N/A	✓ or N/A	✓ or N/A	✓ or N/A	✓ or N/A

Background Papers:

Report : Benefit Inspection Royal Borough of Windsor & Maidenhead November 2008

Summary

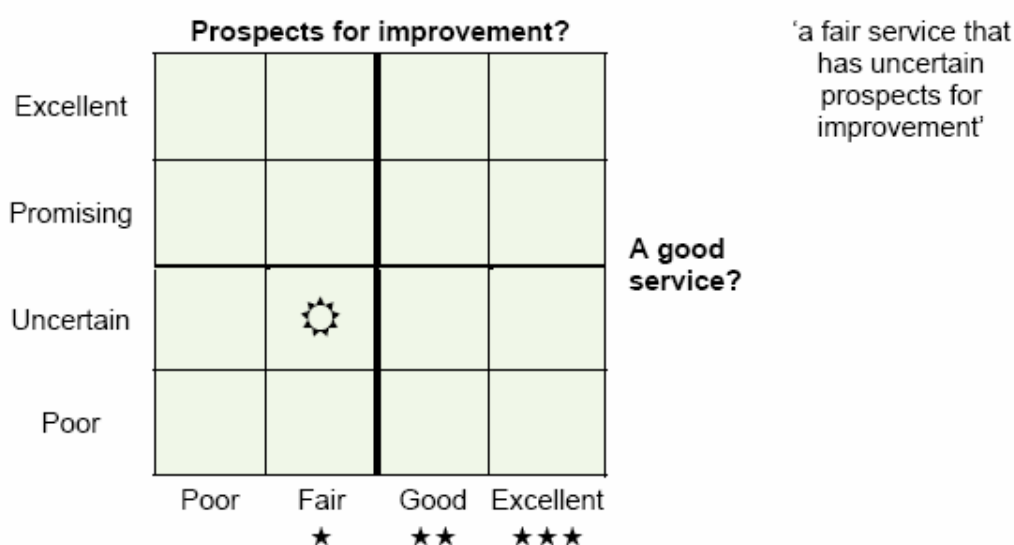
- 1 The benefits service in the Royal Borough of Windsor and Maidenhead is fair. Customers and stakeholders have access to knowledgeable, experienced staff who can deal with queries well. But there is a lack of meaningful consultation with users to find out what they would like to be improved. This is important as satisfaction with the benefits service is amongst the lowest nationally.
- 2 The Council's performance for the speed of dealing with changes in circumstances is above average. But it is amongst the worst 25 per cent of councils nationally for the time it takes to deal with new claims. It is below average for accuracy levels and there is a lack of a systematic approach to managing value for money.
- 3 The Council has had a relatively slow start in addressing equalities and there is no systematic approach to assessment and understanding of needs. Its approach to increasing take-up amongst those entitled to benefits and not claiming is patchy. However, there is a range of internal and external relationships that focus on the needs of vulnerable people. For example, the welfare benefits team's provision of home visits to older people is complementary service to the work of the benefits team. The Council's implementation of the local housing allowance (LHA) was successful and it uses discretionary housing payment effectively.
- 4 The Council's approach to overpayment recovery is effective and there is a key focus on minimising overpayments to avoid subsidy loss. The Council has an effective fraud service with high sanction levels and an equitable approach to overpayment recovery and fraud investigation.
- 5 The prospects for improvement of the benefits service are uncertain. Planning for continuous improvement is weak. Managers and staff produce some good performance monitoring information, but they do not use this to effectively maximise strengths and deal with weaknesses. Effective improvement plans are not in place. There has been relatively little involvement of staff or users in service planning and links between workforce, finance and service planning are weak.
- 6 In 2005, the Council carried out a fundamental review of the benefits service and as a result, the time taken to process new claims and to deal with changes of circumstances has improved. But this is from a very low base so some performance is still relatively weak compared to other councils nationally.
- 7 There are some good examples of partnership working and stakeholders regard the Council as good to work with, compared with other councils. Stakeholders find the benefits service generally responsive and easy to engage with for joint initiatives - such as the joint work with the local pensions' service.
- 8 There is a renewed corporate culture of openness to change and improvement and corporate commitment to user focus and vulnerable people. The new chief executive has also bringing a clear focus on performance management. The Royal Borough of Windsor and Maidenhead's Local Area Agreement (LAA) is the only one nationally to focus on two national indicators relating to benefits. But the corporate desire for a culture of enabling and empowerment is not yet fully reflected in the benefits service.

Scoring the service

Scoring the service

- 9 We have assessed the Royal Borough of Windsor and Maidenhead as providing a 'fair', one-star service that has uncertain prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

- 10 We found the benefits service to be fair because it has a range of strengths including:
- access to knowledgeable experienced staff who can deal with queries well;
 - developing relationships with key stakeholders (internal and external) to meet the needs of users, particularly vulnerable people;
 - effective fraud service with high sanction levels and an equitable approach to fraud investigation;
 - effective management of overpayment collection while considering customers' ability to pay;
 - use of discretionary housing payment; and
 - above average performance for speed of dealing with changes in circumstances that affect benefits claims.

¹ The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

Scoring the service

- 11 However, there are some areas which require improvement. These include:
- lack of a consistent approach to considering the needs of service users when designing the service;
 - lack of routine engagement/communication/consultation;
 - patchy approach to take up;
 - lack of systematic approach to assessment and understanding of needs;
 - amongst the worst performing councils nationally for speed of dealing with new claims;
 - below average performance for accuracy levels; and
 - lack of systematic approach to managing value for money of the service.
- 12 There are uncertain prospects for improvement. There are a number of strengths including:
- recent track record of improvements;
 - improvements in speed of processing new claims;
 - significant improvements in speed of processing changes of circumstances;
 - culture of openness to change and improvement;
 - corporate commitment to benefits including customer focus and vulnerable people; and
 - some good examples of partnership working.
- 13 However, there are a number of weaknesses. These include:
- improvements from a very low base so some performance still relatively weak compared nationally despite recent improvements;
 - uncertainty and unresolved issues about future delivery of frontline aspects of benefits service;
 - monitoring of performance data but not management to improve outcomes;
 - lack of robust improvement plans for the benefits service;
 - culture of enabling and empowerment not embedded across the benefits service;
 - relatively little involvement of staff or users in service planning; and
 - lack of links between workforce, finance and service planning.

Recommendations

Recommendations

- 14 To rise to the challenge of continuous improvement, councils need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the Council. In addition we identify the approximate costs² and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context the inspection team recommends that the Council should do the following.

Recommendation

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|--|
| <p>R1 Deliver quicker more accurate benefits payments to customers by:</p> <ul style="list-style-type: none"> • reducing use of letters where possible to request information and using phone or in person visits (possibly by partners) instead; • spending less time allocating work and more time supporting people that the work is allocated to; • developing a risk based approach to accuracy and quality checking; • using results from accuracy checking to develop a training programme for staff; and • regularly reporting accuracy figures as part of a new performance management framework. |
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The expected benefits of this recommendation are:

- increased accuracy and speed;
- increased value for money from reduced volumes of queries and repeat visits to the service; and
- better targeted training for staff.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2008.

² Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 percent and high cost is over 5 per cent.

Recommendations

Recommendation

R2 Design the service to meet customer needs by:

- developing service standards that clearly set out what customers can expect;
- developing a consultation and communication plan for service users;
- investigating use of registered social landlord tenant panels for regular consultation;
- working with registered social landlords, Citizens Advice Bureau and claimants to review and inform improvements to letters and leaflets; and
- asking service users about what they think service strengths and weaknesses are and what they would like to see delivered differently.

The expected benefits of this recommendation are:

- increased customer satisfaction; and
- a better understanding for the Council of the views of customers to help determine the future of the service.

The implementation of this recommendation will have high impact with low costs. This should be implemented by March 2009.

Recommendation

R3 Improve access to the service for vulnerable by:

- developing a better understanding of which groups are not claiming and why;
- using data about current claimants, knowledge of the Borough and other sources to target take-up campaigns; and
- instigating regular meetings with registered social landlords and other interested stakeholders to include discussions about planning a strategic approach to joint work on take-up.

The expected benefit of this recommendation is:

- better take up.

The implementation of this recommendation will have high impact with low costs. This should be implemented by March 2009.

Recommendations

Recommendation
<p>R4 Improve performance management by:</p> <ul style="list-style-type: none">• working with staff, users and stakeholders to develop appropriate vision, objectives and targets for the benefits service as a whole;• rationalising service plans that cover the benefits service;• ensuring that service and financial planning are fully integrated;• reviewing the human resource capacity needed to deliver the service once a decision has been made about which teams will deliver which parts of the service and then regularly reviewing capacity requirements;• improving the management information available from the document management system and stopping duplicate production of performance information;• using benchmarking to learn from high performing councils;• developing an effective performance management regime to include regular reporting of issues, highlights and corrective action for relevant officers and councillors; and• regularly involving staff in performance management reviews and discussions.

The expected benefits of this recommendation are:

- improved knowledge about relative performance of the service to inform changes and improvements; and
- an appropriately resourced service.

The implementation of this recommendation will have high impact with low costs. This should be implemented by March 2009.

- 15 We would like to thank the staff of the Royal Borough of Windsor and Maidenhead who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 1 to 5 September 2008.