

GOVERNANCE COMMITTEE

2 APRIL 2014

REPORT OF HEAD OF COMMUNITIES & NEIGHBOURHOODS

HOUSING BENEFIT SERVICE – PERFORMANCE REPORT

1.0 PURPOSE OF REPORT

- 1.1 To update the Committee on the current performance of the Council's Housing Benefit & Council Tax Service and recent external audit report (annual certification report) from Price Waterhouse Coopers (PWC) for 2012/13 financial year.

2.0 RECOMMENDATIONS

- 2.1 The committee note the Housing and Council Tax annual certification report from PWC and agree to the recommendations with the report (Agenda Item 6).
- 2.2 Members agree the action plan to rectify issues identified in the report from PWC (Agenda Item 6 - Appendix B).
- 2.3 Members note current annual performance of the Housing and Council Tax Service (Appendix A).
- 2.4 The Committee notes the recent additional grant allocation of £17,000 towards discretionary housing payment.
- 2.5 That a report on progress be brought back to the September 2014 meeting of this committee.

3.0 KEY ISSUES

- 3.1 The audit undertaken in relation to the annual certification report (2012/13) identified errors in benefit assessment that resulted in a requirement to return £27,930 to the Department of Work and Pensions. This money has been sourced from existing housing benefit budgets. In addition additional external audit work was required on the claim that will have increased the cost of the audit.
- 3.2 The housing benefit and council tax service has been qualified due to errors in the processing of benefit being found. This has resulted in miscalculations in which benefit has been paid incorrectly. The errors identified are similar to those found in the previous year's audit.
- 3.3 Errors found have been due to human error from staff processing benefit claims. The service is now identifying trends and performance issues with processing of benefits and along with the audit action plan will compile an action plan that will be agreed by the Council's management team on how to improve performance.
- 3.4 As well as the audit issues identified in the certification report the errors lead to incorrect benefit being paid which can be more or less than the claimant is entitled to. This affects the claimant and where the claimant is overpaid and this is subsequently found as a local authority error the overpayment cannot be recovered and has to be written off.

3.5 The certification report covers external audit work on all grant claims and as such is not received until a year after the financial year to which it relates. As such work on compiling the 2013/14 claim will commence internally from April 2014 with the audit scheduled to start in August 2014. As such it is proposed that a report on the 2013/14 initial audit findings be presented to this committee in September 2014 in advance of the certification report being finalised and received.

3.4 Officers recently submitted a bid to the Department of Work and Pensions requesting £20,000 for additional discretionary housing payment. The department has awarded a grant of £17,000. The money will be targeted at those renting in both the private and social housing sectors.

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 Due to continued issues in benefit performance a more robust performance management and training programme will be implemented for processing staff. This will mean existing resources will need to be targeted at this area of work within both the Customer Services team and People & Places Team.

4.2 The award of £17,000 discretionary housing payment monies has resulted in the Council being able to support more people who need support with housing related debt.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 The Council has had to fund the repayment of £29,730 to the Department of Works and Pensions as well as incurring additional audit costs due to increased testing. Any overpayments made as a result of local authority error cannot be recovered and result in the amounts being written off at the Council's expense.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 There are no additional legal implications in relation to this report.

7.0 COMMUNITY SAFETY

7.1 There are no direct implications however indirectly by ensuring people receive correct payments and support via discretionary housing payments should help reduce crime.

8.0 EQUALITIES

8.1 The report links into the existing equalities impact assessment around current policies in relation to benefit and council tax.

9.0 RISKS

9.1 **Probability**
↓

Very High A					Risk No.	Description
High B					1	Action Plan not implemented , resulting in performance not improving and further qualifications.
Significant C		1			2	Discretionary Housing Payments grant is not spent.
Low D		2				
Very Low E						
Almost Impossible F						
	IV Negligible	III Marginal	II Critical	I Catastrophic		

10.0 CLIMATE CHANGE

10.1 There are no direct implications in relation to Climate Change.

11.0 CONSULTATION

11.1 There has been consultation with staff internally and tenant & resident groups specifically in relation to discretionary housing payments.

12.0 WARDS AFFECTED

12.1 All wards are affected by this report.

Contact Officers: Ronan Browne, Jackie Aimson, Mark Shields

Date: 17 March 2014

Appendices:

Appendix A – Current Performance of Benefit Service