

4th APRIL 2017

REPORT OF HEAD OF COMMUNITIES & NEIGHBOURHOODS

UPDATE ON BENEFIT PERFORMANCE

1.0 PURPOSE OF REPORT

- 1.1 To update the Committee on current benefit performance and measures that have been put in place to effectively manage performance in relation to benefit processing across the authority.

2.0 RECOMMENDATIONS

- 2.1 **(a) Members note the current issues and continuing actions to improve the benefit processing service.**

3.0 KEY ISSUES

- 3.1 The Governance Committee asked for a review into Housing Benefit processing and performance management due to continued difficulties with external audits of subsidy claims over the past few years. A report was taken to the Committee on 28th June 2016
- 3.2. The 2015/16 External Subsidy audit that was presented at the last Governance meeting was substantively the same as the previous year. No new areas of concern were found and there is an underlying improvement emerging, therefore the Council did not suffer any subsidy financial penalties for the third consecutive year.
- 3.3 The errors that were identified are part of the External Audit testing regime that requires additional checking for issues from previous years. Reductions in this area demonstrate an improvement.
- 3.4 Some of the errors identified relate to typing errors e.g. an incorrect start date for a Housing Benefit overpayment or an error relating to an incorrect assessment of the claimant's income. There will be a targeted training programme to ensure all details relating to a claimants income are assessed fully and correctly, this includes ensuring details are entered into the benefits system correctly to avoid future errors.
- 3.5 The recent financial key controls internal audit carried out in March 2017 stated "Internal Audit reviewed a sample of 25 Benefit changes of circumstances processed in 2016/17 to ensure they were administered appropriately and claimants received notification letters. The sample included various change requests, such as changes in personal details, income, household and financial circumstances. All cases in the sample were found to have the evidence provided by the claimant to accompany the change and written notification as sent to the claimant. Members also requested at the last meeting that provision also be made as part of the internal audit plan for 2017/18 for further testing to be undertaken in order to support the service with its improvement programme. This plan is set out elsewhere on this agenda for members approval.
- 3.6 Whilst it is clear we are making improvements, the recent service review to be implemented from the 1st April 17 will support this by bringing the "Front" & "Back" office Benefit teams into one team. To compliment this, there is currently a recruitment exercise to recruit a Customer Experience & Benefits Manager and we hope this role will be in place in June/July 2017.

3.7 As part of the staffing review we have used this as an opportunity to bring in a temporary "Benefits Expert". This expert will be looking at the Quality Assurance processes to reduce the errors made. He will also focus on the annual subsidy claim. He is already targeting the quality of the benefit processors work and has identified areas to improve. At the same time he has the relevant knowledge and experience to challenge the external auditors on some of proposed testing for the 16/17 audit.

3.8 Between May 16 and February 17 the average financial accuracy (where entitlement was calculated either higher or lower than it should have been) was 94.1% (76 errors identified out of 1289 checks). These checks are carried out by the Benefits Team leaders. This is a key area that our Benefits expert & new Manager will focus on.

3.9 Over the next couple of months there will be a strong focus on the Benefits service including day to day management of the Benefits Officers and working closely with the Customer Services team in delivering a high performing service. The new Customer Experience Manager will take accountability for robust performance management, quality assurance and operational policies & procedures.

4.0 **POLICY AND CORPORATE IMPLICATIONS**

4.1 The new performance framework, targets and performance management of staff will require management resource time in relation to having to closely monitor staff performance. Positively the new performance frameworks are showing improvements and will positively impact on future audits.

5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 With regards to recent Subsidy claims the position is much improved from previous years. Whilst improvements have been made we will remain cautious in relation to the future external audits. As improvements are made and less errors are identified by External audit there is scope to challenge the level of audit fees charged with a view to these being reduced although they have reduced over the level charged some years ago.

6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 There are no legal implications arising from this report

7.0 **COMMUNITY SAFETY**

7.1 There are no particular implications arising from this report.

8.0 **EQUALITIES**

8.1 There are no particular equalities issues arising as a result of this report.

9.0 **RISKS**

L I K E L I H O O D	A	Very High				
	B	High				
	C	Significant				
	D	Low		2	1	
	E	Very Low				
	F	Almost Impossible				
			Negligible 1	Marginal 2	Critical 3	Catastrophic 4

IMPACT

Risk No	Risk Description
1	Staff accuracy performance does not improve.
2	2016/17 External Audit will result in qualification

10.0 **CLIMATE CHANGE**

10.1 There are no particular implications arising from this report

11.0 **CONSULTATION**

11.1 Consultation has taken place with staff and managers within the Communities & Neighbourhoods Department and Central Services Department.

12.0 **WARDS AFFECTED**

12.1 All wards are affected

Contact Officer: Mark Shields
 Date: 23rd March 2017
 Appendices: None