

Learning from benefits inspections



Local government
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commission

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Introduction

On 1 April 2008, responsibility for the inspection of housing and council tax benefit services was transferred from the Benefit Fraud Inspectorate to the Audit Commission.

English councils spend over £16.5 billion on housing and council tax benefit payments. Efficient and effective benefit services make a vital contribution to the social and economic well-being of an area. They make a significant contribution to local authorities' strategies to address poverty, deprivation, homelessness and worklessness. Benefit services can enable fairer access to decent homes, and be a gateway to better health. A poorly performing service can have far-reaching detrimental effects on the lives of people in our communities who find themselves in circumstances that make them vulnerable.

During 2007 we undertook pilot inspections of benefit services at the following nine councils in order to prepare for the transfer of powers:

- Blaby District Council;
- Bradford Metropolitan District Council;
- Chester-le-Street District Council;
- Derby City Council;
- Merton London Borough;
- Newham London Borough;
- Slough Borough Council;
- Tower Hamlets London Borough; and
- Wokingham District Council.

These pilot inspections have helped us to test and inform our methodology. All the councils volunteered for the inspections, although future inspections will take place only where authorities are already underperforming, or show a risk that they may do so. The inspections provided many examples of the

different approaches that councils make to deliver this important service to local people. They have also provided us with an opportunity to share the findings with other councils, in order to stimulate wider improvement.

We have also produced a web tool to accompany this report that focuses on a number of areas relating to benefit services. We have highlighted many positive examples and hope that this will help to stimulate improvement in other councils. This tool does not cover all aspects of benefits work but aims to highlight some of the most interesting approaches identified from the pilot inspections. Findings are presented under the following thematic headings:

- Benefit take-up;
- Working with customers;
- Knowing your community;
- Overpayments;
- Preventing fraud;
- Claims processing;
- Performance management;
- Investing in staff; and
- Value for money.

The findings are presented in a variety of ways:

- examples from each authority are used throughout the main body of the text to illustrate key points;
- one main example of notable practice is provided for each of the nine themes; and
- case studies are provided throughout to demonstrate the process of improvement following the pilot inspections.

1 | Benefit take-up

- 1** Housing and council tax benefit make a vital contribution to the local economy. Where income to vulnerable households is maximised, economic hardship is reduced. This increases the amount of money available to be spent in the local area, which, in turn, supports the local economy.
- 2** An effective, strategic approach to maximising benefit take-up contributes to councils' overall aims for prosperity in their local areas. Thorough evaluation of take-up projects and campaigns means that councils can benefit from initiatives that have been successful and learn lessons from those that were less effective.
- 3** The pilot benefit inspections identified notable practice in the following areas:
 - identifying and targeting potential claimants;
 - marketing and promoting benefit services;
 - reviewing literature design; and
 - working with partners.

Identifying and targeting potential claimants

- 4** Intelligent use of data sources allows authorities to identify potential customers more effectively. In Newham the benefits service is exploring ways to share data legally and securely between departments to improve benefit take-up.
- 5** Merton prioritises the collection of information about local needs, using an information system to identify priority households. This knowledge has been used to develop an effective take-up strategy which targets potentially the most vulnerable residents such as pensioners, housing association tenants and residents who may find it harder to set up bank accounts. The strategy has clear links to the local area agreement (LAA), bridging the gap between the deprived and more affluent areas of the Borough.
- 6** Publishing clear guidance and advice for customers can help to clarify what an individual's responsibilities are, what evidence they must supply with claims and where they can get additional help. Tower Hamlets produced, translated and disseminated an explanatory leaflet to improve claimants' understanding of their entitlement after confusion arose among some claimants in the Bangladeshi community about how non-dependents affect a claimant's entitlement.

Marketing and promoting benefit services

7 Tailored promotional work designed to suit the profile of the community can help to increase the success of take-up campaigns. In Newham there is an aim to reduce the level of disadvantage between different groups, and the Council is targeting take-up amongst disabled and vulnerable people. Communication methods have been tailored to target these groups, for example by:

- placing information on the Council website;
- producing flyers and posters;
- placing articles in the local newspaper; and
- producing bulletins to raise awareness.

8 Measuring and understanding the impact that take-up campaigns have on the local area helps to improve upon success and minimise costs associated with less effective promotions. Throughout 2006/07, Bradford undertook a range of activities aimed at increasing benefit take-up. These included placing entitlement checkers in local newspaper articles, in leaflets and the council newspaper; advertising benefit contact information on posters; and placing a full page advertisement in the Council A–Z of services. These activities led to an increase of 779 claimants, who received over £900,000 in benefits, of which 89 per cent was for pensioners.

Reviewing literature design

9 The design of the benefits claim form can improve benefit take-up. Key issues include ease of use, providing clear advice with examples for guidance, and highlighting different contact methods. In Derby, feedback from a local voluntary advisory group identified the lack of guidance to help fill out the benefit claim form. In response, the Council designed a fact sheet to insert inside each form, which advises customers how to fill it in and what information to provide. A well designed form helps to reduce the barriers to making a claim, encourages customers to give better information and helps to reduce claim processing times.

10 High quality information that is widely distributed helps to inform people about their entitlement and thus helps to encourage benefit take-up. Bradford distributes promotional literature and leaflets (see Appendix A) across a range of facilities and venues including to sports centres, dentists' and doctors' surgeries, landlords, schools, Age Concern and religious centres. Merton uses mail shots to target households who are not already claiming housing and/or council tax benefits in the Borough's more deprived areas.

1 | Benefit take-up

Working with partners

11 Benefit services are working innovatively with partners to improve benefit take-up. Chester-le-Street worked with The Pension Service, attending flu jab clinics and community centres to encourage pensioners to take up benefits. As a result, 129 people were entitled to housing and/or council tax benefit, with an additional £110,850 of pension credits being awarded.

12 Partnership working can help services improve the understanding of local needs and tailor services appropriately. Merton worked with partners to develop the approach towards encouraging benefit take-up. Feedback from partners such as Age Concern and the Citizens Advice Bureau identified a lack of knowledge and accessibility to benefits among elderly residents. The benefits service established an outreach visiting team in partnership with The Pension Service to address these barriers.

Notable practice

Derby City Council

Derby has developed an effective take-up plan which involves partnership working with The Pension Service, Sure Start and Derby Homes (the local arms length management organisation), to identify people who may not yet be claiming benefits.

The Council promotes benefit take-up to Borough residents by sending out benefit information (see Appendix B) with annual council tax bills. The service also supports Derby Advice (the Council's advice section providing information about benefits, debt and home energy) to oversee an annual take-up exercise for a wide range of benefits. The service identifies those people who may not be claiming benefits to which they are entitled, distributes forms and leaflets and offers interviews.

Derby is making progress in identifying who its potential service users are, and is beginning to use this information to target take-up campaigns. An equality impact assessment was used to verify the accuracy of service level data, which is now being compared against council data to identify the focus of the take-up campaigns.

The equality impact assessment was also used to ensure that the take-up policy was available to all members of the community. Derby records the ethnicity of its housing and council tax benefit customers. These data are to be compared against council data to identify where take-up campaigns should be focused.

Case study

Tower Hamlets London Borough

The inspection: In Tower Hamlets, plans to improve benefit take-up were under-developed, not fully detailed in team plans, and lacked adequate arrangements to evaluate the impact of actions on improving take-up.

Recommendation: Tower Hamlets should improve benefit take-up by running effective campaigns that are evaluated and built into future team plans. This would help to meet the Council's anti-poverty objective.

Response:

- The service plan includes targets to identify and measure current take-up and arrears in three identified groups. A publicity campaign will be designed and implemented for each identified group.
- The service will consult and work with the advice agencies forum to identify areas for targeting take-up campaigns. This year the service will target tenants with high arrears not in receipt of housing benefit, and council tax payers with high council tax arrears not in receipt of council tax benefit.
- Joint benefit take-up work with The Pension Service is underway and monitored quarterly.
- The service is identifying and addressing the training needs of partner agencies and landlords to improve their ability to promote benefit take-up.

1 | Benefit take-up

Case study

Wokingham District Council

The inspection: Wokingham was not doing enough to encourage people in the Borough to claim the benefits to which they were entitled. Plans to improve benefit take-up lacked clarity; the Service Improvement Strategy did not specifically detail how take-up campaigns would be used to encourage people to claim benefits, and benefit take-up was not highlighted as a priority in the business plan. No take-up campaigns had been undertaken in recent years and the service was not utilising published literature as a means of promoting benefit take-up.

Recommendation: The Council should increase benefit take-up by running effective campaigns that are well planned, properly evaluated, and integrated into business plans. This would reduce poverty and levels of inequality, as well as injecting additional money into the local economy.

Response:

- Benefit take-up is promoted in biannual news magazines.
- The benefits service has used partner knowledge to identify and tap into various forums in the Borough, such as the landlord, black and minority ethnic (BME) and older person's forums. Staff attend these forums to deliver presentations on benefit information and service contact details, encouraging individual benefit claims.
- A benefit take-up strategy has been developed, which identifies that the hardest-to-reach group in the Borough is the working population. This is because they often work the same hours that the service is open and therefore may have problems accessing services or information. This is being addressed by promoting benefit information in all literature that is delivered to every property, for example by attaching it to the annual bill.
- The Council is developing online access to services, as research has shown that 90 per cent of residents have daily access to private internet and all residents have access to free internet in council libraries.

2 | Working with customers

13 Customer engagement in shaping a benefit service helps to ensure that it is delivered in response to known needs rather than perceptions. Through improved engagement with the benefit service, councils can design their approach so that improvements directly relate to customer needs.

14 When councils work closely with their customers, services can be developed to meet local requirements in a balanced manner. This allows customers to feel that they have made a valuable contribution to the service.

15 The pilot benefit inspections identified notable practice in the following areas:

- measuring customer satisfaction;
- developing customer service standards;
- working with customers; and
- helping citizens back into work.

Measuring customer satisfaction

16 High and improving user satisfaction is a key factor in judging an authority's direction of travel. It demonstrates that an authority is delivering key changes that improve outcomes for users. Chester-le-Street has invested in annual resident surveys to gain regular feedback on customer satisfaction. Newham analyses the high levels of customer satisfaction within the benefits service by race, ethnicity and disability. This highlights potential barriers to access and identifies areas for improvement.

17 Collecting customer feedback from a variety of sources helps to develop a balanced view of the service. Bradford collects information about customer satisfaction from complaints forms, mystery shopping exercises and surveys at customer access points. These are used to identify quick wins and ensure improvements are responsive to customer needs. Wokingham's strategy for improvement and development outlines how it will use the following to shape the service and deliver what customers want:

- communication surveys;
- exit polls;
- comment cards;
- customer feedback;
- open days; and
- exhibitions.

18 Feedback from compliments and complaints can be a powerful tool to help identify service weaknesses and areas for improvement. Bradford has set up a customer feedback, complaints and compliments system with realistic yet challenging targets for dealing with complaints. The level and content of complaints is monitored corporately and reported to the Overview and Scrutiny Committee. Through this system, weaknesses in the service are identified, improvements are put in place and outcomes are monitored.

2 | Working with customers

Developing customer service standards

- 19** Clearly defined customer service standards enable customers to know what level of service they can expect to receive. Tower Hamlets involved residents in developing clear standards that are focused on pertinent issues such as waiting times. The standards are clear and challenging. Performance against the standards is monitored and displayed in each of the four one stop shops (OSS) in the Borough, and in a leaflet called How Can We Help You?
- 20** In Merton, the service ensures that users are clear about the standards they can expect. There is a customer service charter that sets out all standards, for example, processing times for claims and waiting times in the customer service centre. Leaflets are also available to inform customers about how they will be dealt with. Publicised standards help customers to hold the service to account.

Working with customers

- 21** Evidence of arrangements for consulting, engaging and communicating with users can demonstrate a service's commitment to working with customers. Bradford has produced a consultation calendar to demonstrate that feedback on user satisfaction is proactively sought in a number of locations and by a variety of methods. Tower Hamlets has plans to establish a register of involvement for customers who are willing to be consulted on service issues.
- 22** Slough clearly demonstrates the approach to involving customers in its corporate consultation strategy. This sets out the general principles for consultation in the Borough for all services, including benefits, and provides guidance on issues such as which methods to use when consulting residents.
- 23** In Merton, the benefits service has started to involve customers in the design of services, but it is at an early stage. The planned changes for the reception area involved asking walk-in customers if they would like their claims assessed while they waited. Most wanted a drop-off service, which involved leaving information with the council instead of waiting in the office. However, some said they would be prepared to wait. The service will offer this choice once its planned restructure is in place. By working closer with customers, the service will better understand and be able to deliver what they want.

Helping citizens back into work

24 Benefit services have worked with residents to ensure the service is truly improving outcomes for individuals. Newham has undertaken a pilot project to work with and support residents who live in households where housing benefit is being claimed and who have either never worked or have been unemployed for a considerable period of time. Advice is provided on the effects of employment, the impact this will have on benefit allowance and the support available. This project has successfully engaged with a number of residents and supported them back into work.

Notable practice

Merton London Borough Council

Merton demonstrates good communication and consultation with customers. The benefits service produces newsletters and targets different audiences, for example claimants and landlords. These newsletters were useful during the implementation period of a new system, when they were used to inform customers of the changes and explain why performance levels dipped. Consultation with customers is undertaken through annual satisfaction surveys in Merton Link. These show high levels of satisfaction which have improved year on year with over 90 per cent of both claimants and landlords rating the overall service as good or excellent in 2006 and 2007.

Case study

Tower Hamlets London Borough Council

The inspection: Tower Hamlets was not effectively seeking customer feedback and input into service design. Service standards and customer service leaflets were not widely publicised or disseminated. The service was not able to demonstrate how it used information such as customer complaints to identify improvement opportunities.

Recommendation: Tower Hamlets should improve customer engagement by seeking customer views in the future design of the service. This would help to make the service more responsive and appropriately designed to meet the needs of the community.

Response: Tower Hamlets has addressed this by designing and disseminating a questionnaire to gain customer feedback, and engaging with residents at OSS. Feedback has been positive and has led to a specific target to improve the first point of contact for customers at OSS and the benefit customer contact centre.

The service is also setting up a Customer Engagement User Forum to improve the methods of obtaining customer feedback. A biannual benefits newsletter for landlords and claimants is also planned.

2 Working with customers

Improvement example

Bradford Metropolitan District Council

The inspection: Bradford was not consistently outlining how the views of service users and citizens would be used to design service change. For example, in the revenue and benefits business change project, users and citizens were not represented on the project boards or any of the work streams feeding into the board. The system may not have been meeting all the requirements that users would like to have seen in a new modernised system.

Recommendations: Bradford should improve user focus and engagement by:

- involving customers in the design of future services and documents; and
- in target setting and customer service standards.

This would help to deliver a more customer-focused service, raise satisfaction levels and deliver a speedier service.

Response:

- A corporate customer charter has been produced, involving widespread consultation with frontline staff. Information about the charter is being promoted to staff and customers using posters and the website.
- The compliments and complaints form has been redesigned with input from a services local partner with a good knowledge of equalities issues.
- Customer focus groups are being planned to identify drivers of satisfaction.
- A consultation strategy has been developed. As part of this, throughout 2008/09, a variety of surveys are being undertaken to gather customer feedback. This includes: monthly customer satisfaction surveys; email user satisfaction surveys; consultation with stakeholders about the design of the new claims application form; and testing of promotional literature.
- The housing benefit and council tax benefit application forms have been redesigned with input from partners.
- A vulnerability policy for Local Housing Allowance has been developed.
- Benefit entitlement checkers are being promoted to help residents understand their entitlement.
- The quality of information provided to residents is being reviewed, including annotating documents on the website and addressing the quality of letters sent to customers.

3 | Knowing your community

25 In order to ensure that services are designed around local needs, councils must have a good understanding of their communities. This ensures that services are targeted at areas in the community where they can have the greatest impact. Benefits is a good example where this understanding is vital, in order to ensure that the most vulnerable people in the community receive the help they are entitled to.

26 The pilot benefit inspections identified notable practice in:

- using equality impact assessments;
- identifying customers;
- promoting equal access; and
- staff training and awareness.

Using equality impact assessments

27 Risk assessments and equality impact assessments (EIAs) can be used to shape policies, decisions and identify areas for further improvement. In Wokingham, an EIA action plan identified the need for a bailiff code of conduct, ensuring that bailiffs refer cases to the Council before taking action. This ensures that customers with additional support needs are identified and supported with their benefit claims. In Chester-le-Street, EIAs are used to assess the service's policies and procedures. These have identified potential issues such as literacy, dyslexia, sight and mental health problems.

Identifying customers

28 Understanding the local population composition can help an authority to improve benefit take-up, reduce barriers to access and improve customer focus. Bradford runs events with partners to ensure that the service makes contact with newly established groups in the Borough such as Ukrainian, Serbian and Russian communities.

29 Councils are seeking information about citizen needs from a wide range of sources, such as feedback and complaints, surveys, and liaison forums with partners. Wokingham supports a well established BME forum of 70 members with a £5,000 budget. The service has used the forum as a means of consulting with the wider community and has made a presentation to the group on benefits issues. Tower Hamlets introduced diversity monitoring categories to application and feedback forms. This information is used in a variety of ways, including assessing the impact the service is having on different community groups.

Promoting equal access

30 Councils are identifying and addressing barriers to service access. An understanding of the barriers can be used to shape service design and meet user needs.

3 | Knowing your community

Improving telephone access

31 Good telephone access can reduce reliance on face-to-face contact and help overcome barriers to access for customers. Chester-le-Street addressed its poor telephone service by acknowledging the high numbers of abandoned phone calls and procuring new call centre technology to help it manage phone calls more effectively.

Seeking expert opinion

32 Involving expert opinion and obtaining quality standards can verify the service quality for users. Tower Hamlets has all offices reviewed on an annual basis by Go Disabled to assess the level of accessibility and identify barriers to access. The claim form in Merton has received a Crystal Mark for clarity by the Plain English Campaign. This demonstrates that the authority is making good progress in communicating with people who have difficulty with written English.

Physical location and opening hours

33 The location and opening hours of council offices can impact upon physical access to the service. In Slough, a customer service centre has been developed, based on good practice in other authorities. Considerable council investment has improved the customer experience at the first point of contact. The service centre is well located with

good transport links. Access to the centre is compliant with the Disability Discrimination Act, which requires public bodies to promote equality of opportunity for disabled people. The centre has a range of opening hours, including early evenings and Saturday mornings.

Dealing with different languages

34 Councils are making good arrangements to help customers whose first language is not English. In Wokingham, front line staff know which of their colleagues speak languages other than English. There is also access to a translation service that provides immediate telephone assistance for most languages, ensuring that customers who cannot or have difficulty speaking English are able to quickly access benefit services.

35 Newham has a large BME community. The Council has prioritised face-to-face contact across services. Based on analysis of translation requests, the Council has recruited front line benefits staff with particular language skills.

36 The benefits service in Chester-le-Street takes a pragmatic approach to tailoring translation services. Materials are not routinely translated into other languages as the minority ethnic community is small and diverse, and this would not represent good value for money. The Council instead promotes a translation service (see Appendix D).

Outreach visits

37 Good telephone contact and outreach services can improve access for those people unable to physically access council offices. Derby works in partnership with The Pension Service to provide home visits to residents. During visits, officers help customers to complete claim forms, check the supporting documents and direct customers to other available help and assistance, for example, Warmfront and Carelink. Officers use the opportunity to identify whether a third party should be appointed to act on behalf of the customer. This service has proved particularly beneficial where a pension-age customer has died. In these cases, an holistic visit is made to the surviving partner to ensure that they claim all benefits that they may be entitled to.

Using the internet

38 Benefit services are providing comprehensive information on their websites, which are easy to navigate and understand, include information in different languages, and provide a good service in terms of conducting electronic transactions. Leading councils have web pages that are adaptable to different needs, for example users in Wokingham can change font size and download software from the homepage and receive site information in spoken form. In Merton web pages provide information about claiming benefits, reporting changes of circumstances and the appeals process.

Staff training and awareness

39 Appropriate training courses can help increase staff commitment to equality and diversity issues, encouraging positive changes in behaviour and an improved service delivery. Leading services had individual objectives linked to each employee to fully embed these issues at the service level.

40 Councils with staff who are representative of their population can benefit from a greater understanding of local issues. In Tower Hamlets the percentage of BME staff (43.5 per cent) in 2006/07 mirrored that of the local population (42.2 per cent). The authority has made good progress since 2003/04, when 36.6 per cent of the local authority workforce was from a BME background.

3 | Knowing your community

Notable practice

Tower Hamlets London Borough Council

Tower Hamlets demonstrates good understanding and implementation of equality and diversity practices at various levels. The Council is one of three authorities to have achieved Level 5 in the Equality Standard for local government and has achieved a Beacon status for promoting racial equality.

The service has worked hard to mainstream the corporate equality and diversity policy into service delivery, and has initiated the following improvements to increase equal opportunity for customers:

- key material and publicity has been translated into the main community languages;
- all front line offices are compliant with the Disability Discrimination Act;
- translation and interpretation services are available, as well as large print, Braille and British Sign Language interpreters;
- new electronic and telephone service transactions are being provided; and
- diversity monitoring categories have been added to application forms and surveys to assess the service impact on different groups and identify barriers to access.

There are ongoing plans to continue to embed equalities objectives and activities across all housing teams and services. A key piece of work involves exploring options for better integration of diversity data across services.

Within the benefits service, Tower Hamlets has initiated service improvement activities that have increased equality of opportunity for involvement and access to services. The service actively monitors and evaluates all available council data which can help to inform the service about the potential user base and the needs or views of residents. The authority's OSS are strategically located around the Borough and have weekend opening hours. The quality of the OSS was recognised through a Charter Mark award in December 2006, and through high levels of customer satisfaction with the buildings.

Case study

Bradford Metropolitan District Council

The inspection: Bradford was found to have inadequate translation services available for residents, especially for the newly emerging Balkan communities in the city. This was in part due to high staff turnover causing gaps in service provision. Translation of forms and information on the website was also limited, restricting access to web information for those customers who do not read English.

Recommendation: Bradford should improve its website to provide a better service to those customers whose first language is not English, and to resolve the current translation service weaknesses. This would increase and improve the level of service to customers, lead to higher customer satisfaction with all access channels and reduce frustration for staff.

Response:

- The service has produced and approved a new policy on translation and interpretation, which is in line with government recommendations. This focuses interpretation resources on new arrivals, those with multiple needs and vulnerable people.
- Bilingual staff are now available within the service and plans are in place to recruit a Polish outreach worker.
- Where information is available in print in a second language, the service aims to make the document available on the website as a downloadable PDF.
- The service has improved the way in which information is presented and organised on the website, for example, by working with the deaf community to improve the language used. Information is now available in British Sign Language format, and information is available in spoken format for users who find it easier to understand spoken English.

4 | Claims processing

41 A balanced approach to processing claims is required to ensure that benefit services can pay the right benefit, to the right person at the right time. This means not just paying benefit quickly, although this is important, but also that it is paid accurately and only to those with a legitimate entitlement to payment.

42 Through a thorough understanding of workflows within individual services, councils can ensure that customers receive the correct payment in a timely fashion. This contributes to maximising income within the local area, improving access to decent homes and improves the security of tenancies by minimising rent arrears.

43 The pilot benefit inspections identified notable practice in the following areas:

- efficiency and effectiveness;
- communicating with residents;
- working in partnership; and
- improving systems.

Efficiency and effectiveness

44 Robust processes help to ensure that new benefit claims and changes of circumstances are dealt with promptly and accurately, reducing the risk of backlogs of work. Merton has processes in place to help meet peaks in workload and ensure that customers are receiving a prompt service. Supervisors have access to real time information about the volume of telephone calls received and numbers waiting in the queue, and can allocate staff accordingly.

45 Councils are demonstrating good progress in processing claims. In Wokingham, investment in new technology, more staff and better training has in a year, helped to reduce processing by 84 days, moving the authority from the poorest performing to the strongest 25 per cent of councils in the country.

46 Managing change effectively can help to minimise negative impacts on customers. Blaby introduced an alternative approach to managing change in the benefits service. The main aim has been to focus on the customer and their specific needs, while at the same time reducing the amount of time spent on activities which do not add value, such as multiple handling. Although still a relatively new initiative, this has begun to reduce processing times, improve customer focus and reduce inefficiency.

Communicating with residents

- 47** Councils are proactively assisting users to provide all relevant information and supporting documentation to speed up their claim processing time. In Bradford, Council staff demonstrate an extensive knowledge about the full range of enquiries they receive and they know where to access help. Partners are available to assist customers and provide advice. In this way, the number of defective or unsuccessful claims are minimised and the Council saves effort in re-working original errors.
- 48** In Wokingham the benefit notification letters meet statutory requirements; they are easy to understand and provide appropriate information about benefit entitlement, responsibilities and the right to appeal. By ensuring that such letters are clear, unnecessary enquiries are prevented and customers receive accurate information about their rights.
- 49** Many authorities are providing clear advice to customers about the appeals process. In Merton, both the customer charter and relevant leaflets clearly and accurately explain the appeals process. A quick, accurate and prompt response when dealing with customer appeals helps to reduce delays and instils confidence that a quality benefit service is being delivered.

Working in partnership

- 50** The use of partner knowledge and capacity can greatly improve the customer experience. Joining up benefit services with partners, for example housing associations or Jobcentre Plus, can improve the speed of processing claims by reducing the number of times customers provide the same information. Bradford is working with housing, social and private landlords to pay rent allowance and rebates quickly and accurately. There have been no evictions as a result of slow or inaccurate benefit administration.
- 51** Councils are working with partners to provide a range of opportunities to help customers claim benefits, including face-to-face in offices, online or home visits. In Bradford, one registered social landlord (RSL) has trained 12 members of staff to assist customers in completing and submitting claims. The RSL had a 90 per cent satisfaction level with the project. With problem resolution greatly improved, the RSL claims are processed faster and there has been a reduction in the number of query letters sent to customers.

4 | Claims processing

Improving systems

52 Councils are working hard to implement new systems while limiting negative impacts on performance and customer service. Poor implementation of systems could present problems such as an increasing backlog of claims, slower processing times and low morale among staff.

53 Blaby's alternative process influences the way managers and staff think and design processes, which in turn improves customer outcomes. This approach was piloted in benefit services at the time of our inspection and results were encouraging. Working more closely with customers, the service now aims to process claims on the day they are received whenever possible, helping to improve efficiency and reduce delays. Customer feedback on the new process is positive and staff morale is significantly improved. Processing times are improving; the average is now less than 20 days, a significant reduction from 44 days in the first quarter of 2007/08.

54 Chester-le-Street has already met government targets to make all transactions available electronically and is using IT systems to further improve claims processing times. A document image processing system is being used to streamline claims processing and handheld computers are used to speed up the collection of information. The service is exploring new ways of modernising the website, for example, trialling text messaging to remind tenants about contractors' visits.

Notable practice

Newham London Borough Council

Newham reviewed its claims processing system and introduced changes to prioritise people presenting themselves as homeless. A strategic approach is now taken which aims to meet the needs of people threatened with homelessness before they become homeless. The following steps have been taken:

- Customers who are living in temporary accommodation or who are private tenants at risk of moving into temporary accommodation have their claims fast tracked at the housing options centre.
- Through forums, the benefits service is supporting, informing and better understanding the needs and difficulties of private sector and registered social landlords.
- Through the landlord accreditation scheme the service works to improve housing conditions in the private sector, provides training about housing benefit and gives support to private sector landlords.
- The benefits officer at the housing options centre deals specifically with discretionary housing payments (DHPs), which are assessed by staff within the homelessness service. This process means the Council can determine whether policy objectives for awarding DHPs to prevent homelessness are met.
- The partnership and support arrangements between the homelessness and benefit services have given landlords the confidence to rent to potential homeless people and that DHPs will be awarded appropriately. This has led to a reduction in rent arrears owed to the landlords and a reduction in the time taken to pay housing benefit to some of the Borough's most vulnerable residents, and therefore reduced the number of homeless people.

4 | Claims processing

Case study

Tower Hamlets London Borough Council

The inspection: In Tower Hamlets, a relatively high number of customer claims were unsuccessful. A significant number of these customers were later found to be entitled to benefit. The inspection team found that many claims were assessed as defective because not all customers were able to provide the additional information required when submitting the claim, or within the calendar month deadline following this. Customers were experiencing delays and valuable staff time was being wasted.

Recommendations: The inspection team advised Tower Hamlets to tailor the support provided to customers in order to lower the number of claims initially classified as defective but which are later successfully paid. This would ensure that users are more adequately supported, their benefits are paid promptly and that the service operates more efficiently.

Response: Initial operational arrangements put in place by Tower Hamlets included reviewing new claims procedures and exploring defective claims through the benefits user forum. However, upon analysis these steps did not achieve the required reduction in the number of defective claims and the service has introduced further changes.

The service is now working with registered social landlords and hostels to improve verification standards. Procedures are being reviewed to ensure phone and email contacts are captured from all callers to fast track future requests for information and evidence. Visiting officers are also being used to provide home visits to selected new claimants, collecting all information and evidence at the first visit and processing the claim in full through mobile working. Using visiting officers in this way has reduced the number of defective claims by 20 per cent compared with the previous year.

Case study

Wokingham District Council

The inspection: Wokingham's performance in amending claims was below the national average. The service was also struggling to balance the speed of processing with levels of administrative error; in 2006/07 the quality monitoring officer identified that 36 per cent of assessments in high risk cases had some form of error.

Recommendation: More effective use of information and communication technology (ICT) will improve the speed of dealing with all types of claim processing. This would help ensure the service consistently meets its aim of being quick and accurate.

Response: The authority is currently investing £2 million over the next two to three years into developing a customer service centre (CSC). The Council aims to use the CSC to deal with 80 per cent of customers at the first point of contact. New ICT systems will be installed at the centre, including Northgate e-benefits claims service and a tele-claims system which will allow staff to undertake claims processing by telephone.

5 | Preventing and detecting fraud

55 The detection and prevention of fraud must remain high on council agendas to save tax payers' money in a climate where directors of finance are looking for savings.

56 Councils have a duty to provide effective administration of public money which includes a secure gateway to the benefits system. Payments should be made to those with a genuine entitlement. Councils should prevent access to those without a legitimate entitlement. Effective management of fraudulent claims helps to ensure that those who abuse the system are dealt with. This action also acts as a deterrent to others.

57 The pilot benefit inspections identified notable practice in the following areas:

- fraud prevention;
- fraud detection;
- sanctions; and
- involving the public.

Fraud prevention

58 Staff training raises awareness of fraudulent activity within benefits and ensures they are suitably resourced to make or process referrals. Newham gives annual fraud awareness training to benefits staff. A new online fraud awareness package has been trialled to give refresher training in the future.

59 In Merton, staff are provided with clear guidance on the standards required to

verify claims. Documented examples and quick reference guides help staff to record accurate information on the IT system. This support for staff helps to ensure that the service minimises instances of fraud and error.

60 Wokingham fraud investigation team attends and participates in Local Authority Investigation Officers Group forums and regularly liaises with the National Anti Fraud Network to gain up-to-date intelligence. The service receives feedback from private companies to improve its knowledge of business and security checks.

61 Chester-le-Street actively deters internal fraud by maintaining a register of interests for staff. Staff inform the service manager of any relatives or close friends living and claiming benefit in the area, and this information is held on a register and reviewed annually. Access to friends and family records on the benefits IT system is restricted. The authority also undertakes a criminal records check (CRB) against all processing staff. This helps to ensure the system is secure against fraud.

Fraud detection

62 Authorities are using a variety of methods to identify fraud. Tower Hamlets uses the National Fraud Initiative tool to prioritise high risk cases, and passes low risk cases to the change of circumstances team to make changes as required. Using the tool in this fashion ensures that the main fraud issues are highlighted and dealt with.

63 In Bradford, the service has purchased specialist software to help undertake regular data-matching checks. Outcomes from these exercises are followed up and any staff suspected of deliberate error and fraud are investigated and disciplined where applicable.

Sanctions

64 Prosecution guidelines in Slough outline the factors to consider in determining whether to initiate a prosecution. These include:

- the seriousness of the offence;
- the accused person's physical and mental condition; and
- the evidence available to ensure a realistic prospect of conviction.

65 Derby provides guidance to staff to help them identify what factors to consider when deciding on the most appropriate sanction for a case.

66 An independent sanction panel will help to verify cases and determine the method of sanction. In Wokingham the panel reviews individual cases and provides high quality documentation to support prosecution decisions. By reviewing investigations in this manner, the Council ensures sanctions are consistently and fairly applied and that prosecution cases meet the standards required by the courts.

67 Maintaining a balanced approach to prosecutions can help to ensure customers' needs are at the heart of service design. In Merton there is a £10,000 limit on the amount of overpayment required before prosecution will be considered, although there are exceptions to this rule. There are instances where the Council has prosecuted because of the extent of intent to commit fraud, and cases where some large overpayments had not been prosecuted due to difficult personal circumstances.

68 Chester-le-Street successfully carried out 11 prosecutions for fraud in the first quarter of 2007/08 and was involved in the first crown court case resulting in a community service sentence. This authority was also the first in the region to introduce short message service (SMS) texting for reporting suspected fraud.

Involving the public

69 Councils are providing a range of options to report suspected fraud, including online, by email or by telephone to a fraud hotline. In Newham, Slough and Wokingham, the benefit services are working well with local and national newspapers to publicise successful fraud prosecutions.

5 | Preventing and detecting fraud

Notable practice

Slough Borough Council

Slough has arrangements in place to prevent fraud and error entering the system. The Council robustly tackles fraud when identified, with a corporate high-level focus on fraud in its constitution. There is an anti-fraud and corruption strategy, based on a series of comprehensive and inter-related procedures designed to frustrate any attempted fraudulent or corrupt act. The Council also has a prosecution policy in place that describes the approach when there is evidence benefit fraud has been committed. This policy identifies the factors it will consider in determining whether to initiate a prosecution, including the seriousness of the offence, the accused person's physical and mental condition, and the quality of evidence to ensure a realistic prospect of conviction.

The Benefits Service has clear procedures in place to encourage whistle-blowing by residents when they suspect fraud. Good information on the benefits pages ensures that residents are knowledgeable about fraud, and the online reporting process provides the capacity to report potential fraud in a confidential manner.

The service can demonstrate it has successfully pursued fraudulent claims to improve value for money from the service. Slough publicises successful prosecutions on the Council website, demonstrating the authority's approach to fraudulent activity.

6 | Overpayments

70 English councils spend in excess of £16.7 billion each year on housing and council tax benefit. Overpayment of benefits has an impact on customers, local tax payers and councils and robust management of this key area of benefit administration is vital.

71 When vulnerable customers are paid too much benefit, debts are accrued, increasing the likelihood of financial hardship. Council finances can be adversely affected by high levels of avoidable overpayments through loss of subsidy payments. Poor debt collection adds pressure to the cost of council tax.

72 To prevent these problems, benefit services need to take a robust and strategic approach to overpayment management. This includes taking account of the prevention of overpayments, early identification, and effective corrective and recovery action.

73 The pilot benefit inspections identified notable practice in:

- prevention;
- recovering overpayments; and
- working in partnership.

Prevention

74 High quality claims validation processes can help to identify and address error at an early stage. Wokingham undertakes high numbers of postal and visiting interventions of high-risk claims to ensure that changes of circumstances are quickly identified and levels of overpayments are minimised. In Newham, a security team checks payments of more than £750 to reduce the risk of substantial overpayments through local authority error.

75 Educating customers to report changes in circumstances as they happen can minimise overpayment. Chester-le-Street sends change of circumstances forms (see Appendix E) with all payments and notification letters to remind customers of the importance of reporting changes. Bradford undertook a joint mail shot with the Department for Work and Pensions (DWP) to alert customers to the causes and consequences of overpayment. This resulted in a significant number of changes being declared, helping to reduce overpayments and error.

Recovering overpayments

76 Clear guidance on identifying and recovering overpayments will help authorities to prioritise resources and minimise debts. In Chester-le-Street, the extensive range of recovery methods laid out in the overpayments strategy has helped to increase recovery rates by over 140 per cent in one year.

6 | Overpayments

77 Services are using a range of methods to deal with overpayments, including:

- instalments from rent rebate or rent allowance;
- blameless tenant deductions;
- attachments of DWP benefits;
- invoices;
- write-offs;
- use of debt collection agencies; and
- recovery from underpayments of benefits.

78 Merton uses different recovery options for different service users, taking account of their personal circumstances and their ability to pay. The low levels of write-offs suggest that the recovery process is managed effectively.

Working in partnership

79 Partnership working can draw on specialist skills and knowledge from agencies, stakeholders and authorities to help prevent and tackle levels of overpayment. Wokingham refers customers with overpayments and debt problems to the Citizens Advice Bureau and the Welfare Rights unit where they can receive advice and support on managing their finances.

Notable practice

Blaby District Council

Blaby has developed robust approaches to the management and recovery of overpaid benefit. The service collected 89 per cent of overpayments occurring in 2006/07, putting it in the top performing 25 per cent of English councils.

The service has a housing benefit overpayment procedure which identifies the various ways in which the Council can recover the money owed and when to use them. The guidance makes it clear for staff what action is most appropriate to take, and when. This guidance also helps ensure recovery action is effective while considering the wider consequences of such action on the customer.

The service uses available recovery methods and has agreed with other local authorities to recover overpayments from customers who have moved away from the district. Debts are prioritised and the appropriate method of recovery is applied, such as attachment of welfare benefit or using the power of the County Court.

The plans that Blaby has implemented to improve overpayment recovery have been successful. The authority set up and led an overpayment benchmarking liaison group with other authorities, which has allowed services to share knowledge such as recovering overpayments.

Case study

Tower Hamlets London Borough Council

The inspection: Tower Hamlets had a number of weaknesses in managing overpayments and debt recovery. Delays of six weeks were being experienced between a decision notice of an overpayment being sent and the debtor receiving an invoice. Debts were not prioritised, regularly reviewed or written off if deemed unrecoverable and not all sanctions were regularly used. The service was not using opportunities to work with other departments when recovering overpayments; some revenues service staff visit customers, commence bankruptcy proceedings and are authorised to make applications for complaint at County Court, yet none of these services were used by the housing benefits overpayments team.

Recommendation: Tower Hamlets should increase the recovery of housing benefit overpayments by employing a wider range of recovery options, improving debt management and by identifying bad debts for write off. This would help to improve the rate of overpayment recovery and improve the understanding of how the service's debt is structured.

Response: The service has begun to develop plans to address this by:

- revising and staggering the timetable for recovery to ensure debt is invoiced promptly;
- reviewing the debt recovery process to reduce the number of stages between invoice and court recovery;
- implementing a new debtor's management system which is being used to establish individual targets for staff with regards to recovering overpayments;
- focusing on reducing the number of non-recoverable local authority error overpayments;
- introducing a service plan target to achieve a 2 per cent increase on 2006/07 overpayments recoveries during 2008/09; and
- investigating the feasibility of using available corporate resources to recover overpaid benefits. The findings have been successfully implemented and the benefits overpayments team and corporate debt recovery teams are now working together in partnership.

6 | Overpayments

Case study

Bradford Metropolitan District Council

The inspection: Bradford had below average performance when processing changes of circumstances, creating a large backlog with high levels of overpayments resulting in workload issues for the service. While customers received prompt notifications of overpayments, performance in reducing and recovering overpayments was weak.

Recommendations: The Council should address the poor performance relating to increasing overpayment levels and improve the level of overpayments recovery. This would help to improve the level of customer service and reduce frustration for staff.

Response: Bradford has carried out extensive sampling of overpayments and identified that 95 per cent of these are due to claim changes either being reported late by the customer or not at all. The service has developed a plan to improve customer education on reporting changes which is fed into team plans.

The service has addressed the poor processing times for changes of circumstances and reduced the backlog of claims by implementing an improvement plan. Following this, the time taken to process changes of circumstances has reduced from 35.73 days to 8.24 days in eight months. Within this time period the backlog of change of circumstances work has also fallen from 9,415 to 466 cases.

The service has also improved the level of overpayment recovery. Benefits staff have received overpayments training and a new system has been implemented to allow auto recovery of overpayments.

7 | Performance management

80 Robust performance management contributes to effective and efficient benefit administration. Managers and councillors need a clear understanding of the challenges which face them, in order to design and implement effective solutions. A high level of awareness of the service, including the ability to recognise early indications of problems in performance, helps to ensure these are well managed. Through clear communication channels, people involved at all levels of the service will know what is expected of them and how their own performance contributes to meeting the councils' priorities.

81 The pilot benefit inspections identified notable practice in the following areas:

- service planning;
- performance management framework;
- learning from others; and
- challenge.

Service planning

82 Service planning helps to ensure resources and activities are prioritised appropriately to meet national and local aims. In Slough the benefits service has clear links to delivering local aims through supporting the delivery of LAA targets around reducing inequalities and making services more responsive to local needs. Linking priorities from the LAA down to service level can help to ensure that joined-up working delivers improvements in the local area.

83 Bradford prioritised the accuracy of claims processing and the service has since avoided much wasted effort in re-visiting original errors. There is less confusion for customers and a reduction in correspondence seeking clarification of claim outcomes.

Performance management framework

84 Strong performance management frameworks are helping to address declining or low performance in benefit services and driving improvement for service users. Newham uses IT systems to gather and disseminate a wide range of management information. This includes data on delays within end-to-end processing times and figures on outstanding documents on the document image processing system.

7 | Performance management

85 Robust performance reporting arrangements help to monitor progress against statutory requirements for the administration and delivery of benefit services. Tower Hamlets uses a formal challenge session to examine service indicators, identify weak performance and drive improvement.

86 Stringent management of data quality can ensure that performance indicators are accurate and reliable. Merton has issued clear guidance to staff on verification standards, which includes quick reference guides to help staff record findings accurately.

87 Staff appraisals can help to focus individuals on council and service-level priorities, and offer the opportunity for staff to feedback. An audit in Newham identified that 100 per cent of staff received appraisals, helping to ensure that everyone understands their contribution to corporate aims, has clear aspirations and can contribute towards improving the quality of customer care in the benefits service.

Learning from others

88 Through benchmarking exercises, Newham identified it had low comparative performance in the number of successful outcomes per investigations officer, and for the total number of cases per investigations officer. The service compared its processes against those in other councils and introduced changes such as altering the procedure for typing

interview transcripts and reducing the amount of work required on certain cases.

89 Wokingham uses learning from other organisations to inform its plans. Managers regularly visit other councils to identify more effective and efficient practices. Officer meetings are held to share learning and council experience is shared through newsletters and staff groups.

Challenge

90 In Chester-le-Street, there is strong councillor support for work focusing on anti-poverty and councillors provide good leadership for the benefits service. A report on the benefits service has been presented to the Overview and Scrutiny Panel to set out some of the key performance headlines in order to build councillor's understanding of the service. Knowledgeable and capable councillors can help to lead policy development, challenge poor performance and drive up service quality.

91 Staff can also be encouraged to provide feedback and challenge to the service. In Derby, managers and principal officers for benefits, revenues and customer services are encouraged to challenge the performance of other sections within the division. This ensures that all managers receive challenging and constructive feedback, which promotes ongoing personal development.

Notable practice

Chester-le-Street District Council

In Chester-le-Street, the benefits service has undergone significant transformation in the past three years including:

- implementing 228 recommended actions from the previous Benefit Fraud Inspectorate report, which have helped to deliver improvements in fraud and overpayments;
- launching an overpayments policy and a landlord information pack;
- agreeing a Service Level Agreement with an internal partner;
- enhancing the clarity of certain roles;
- improving automated internal systems;
- delivering more efficient processes and procedures; and
- working with customers on benefits claims in their own homes, which has improved services for those clients unable to travel.

Following these changes, the service has achieved top quartile performance in four out of five of the benefits Best Value Performance Indicators (BVPI); it has successfully carried out three fraud prosecutions, and applied 12 sanctions on customers committing fraud. As a result, performance has improved and customers can be assured that public funds are being protected, while the service can genuinely focus on those in the community who need the most support.

8 | Retaining and developing staff

92 Well trained, knowledgeable and competent staff provide a vital contribution to an effective benefit service. Staff costs are often the biggest expense to a benefit service. By demonstrating a commitment to staff, services can reduce sickness levels, improve staff retention and underpin service provision to the public.

93 Initiatives to invest in staff are varied and often depend on local circumstances. These include:

- professional education;
- on-the-job training;
- job shadowing; and
- frameworks to support staff in their day to day work as well as providing a safe and secure environment for them to work in.

94 The pilot benefit inspections identified notable practice in:

- investing in staff;
- staff satisfaction; and
- engaging staff.

Investing in staff

95 A comprehensive assessment of the training needs of staff and councillors will help services to plan training and development activities. Wokingham provides training and development for benefits staff and encourages the take-up of secondment opportunities. The Council has secured and maintained Investors in People accreditation.

96 In Chester-le-Street, the benefits service has invested in the development of its staff to help drive up service quality. This has been achieved by:

- a high proportion of staff having professional qualifications;
- verification staff receiving training from the DWP's National Identity Fraud unit, specialists in this area; and
- all fraud investigators being Professionalism in Security accredited (the recognised accreditation for this area of work).

97 This type of investment can help to retain and motivate staff.

98 Staff are often well supported to help them carry out their roles effectively. In Merton, staff are provided with clear guidance on the standard to verify claims, which helps to keep fraud out of the system. Supporting staff appropriately in this way will help ensure they are competent in delivering the service for users.

99 Slough uses six-weekly appraisals to identify staff needs and training requirements. The service feeds this information into a clear and effective training plan which identifies when staff will receive training, and what the training will consist of. Staff know what their needs are to help them fulfil their roles and they are clear about how these will be met.

Staff satisfaction

100 Happy and satisfied staff can improve the capacity of the service to undertake its duties in a customer focused and efficient manner. In Merton, staff morale and job satisfaction are high within the benefits service. Staff operate in a professional manner, are well trained, and are clearly valued by management. Low staff turnover ensures staff with appropriate skills and experience are retained within the service.

Engaging staff

101 Staff feedback can often be used to facilitate service improvements. The benefits service in Chester-le-Street has a well developed internal learning culture. Staff are encouraged to contribute to the improvement agenda through suggestion schemes, action learning sets and continuous process improvement techniques. An annual achievement evening rewards good individual and team performances. Initiatives such as these can encourage a feeling of empowerment among staff.

102 The views of staff and stakeholders were sought by Newham when planning significant service changes. Staff raised concerns about the integration of council tax and benefits. Feedback was used to implement changes without losing staff and without a downturn in performance. Staff were content with their degree of involvement and felt they were well informed and consulted throughout the process.

103 Merton invests in methods to ensure that staff are involved in service improvements. Staff are encouraged to put forward ideas for improvement and away days are used to gather suggestions and ideas. The service communicates well with staff about which ideas have been taken forward and how these have been implemented. This means staff are clear about how they have helped to improve the service.

8 | Retaining and developing staff

Notable practice

Bradford Metropolitan District Council

Working in partnership can allow a service to draw on the skills, knowledge and experience of staff in other organisations and departments. Bradford shares its main customer contact point, Bdirect, with several key partners including Her Majesty's Revenue and Customs, Jobcentre Plus and the Citizens Advice Bureau, all of which provide advice to the public. The benefits service and partners work together to give customers access to a wide range of services in one place.

Staff from both the Council and partner agencies are knowledgeable and equipped with appropriate resources. The service has greater flexibility to deal with a wide range of issues at the first point of contact, helping to improve customer service at the contact centre.

Working with stakeholders and partners has led to clear efficiencies. Benefit take-up has increased and the time to process both new claims and changes of circumstances has improved. Council staff at the customer contact centre are increasingly taking part in assessing simple changes of circumstance during quieter periods, which helps towards the overall achievement of service targets and BVPI performance.

The customer contact point is an excellent facility, which ultimately places the needs of the customer at the heart of its service delivery. The centre is a good example of a partnership arrangement which has enabled improved customer service.

9 | Value for money

104 Services with a clear understanding of their costs will be able to use that knowledge to identify areas for improved efficiency. Councils remain under pressure to provide improved services for the same or lower costs. Through a clear understanding of the main drivers for high costs, councils can focus their efforts on improving efficiency, without a detrimental impact on customers.

105 The pilot benefit inspections identified notable practice in the following areas:

- benchmarking;
- procurement;
- partnership working; and
- other efficiency savings.

Benchmarking

106 Many services participate in benchmarking exercises to help improve understanding of costs and how they relate to performance. Bradford undertakes both national and local cost and performance comparisons with other authorities. This gives the service a clear understanding of where it sits in relation to other councils. The service has a good understanding of the areas in which it needs to improve. This benchmarking offers the opportunity for shared learning on costs, cost benefit analyses and best practice.

Procurement

107 Procurement can help to achieve efficiency savings while maintaining and in some cases improving the quality of service. Wokingham has reviewed and improved its procurement arrangements in the benefits service. The service has recently reviewed existing computer software contracts to make a one-off saving of £13,750 while maintaining service levels. The maintenance and support contract for ICT has also been renegotiated to make savings of £40,000 over the next five years.

Partnership working

108 Tower Hamlets is working well with other local authorities in the region to identify areas where future efficiency savings may be secured. Together the services are identifying several key areas where the benefits of shared working can be explored, including appeals work, using purchasing power to secure economies of scale and producing standardised items such as leaflets. The services are also exploring opportunities around establishing a resilience contract to reduce the amount of duplicate IT testing that occurs when new software versions are released. The service is well placed to ensure it can identify and exploit opportunities for improving the efficiency of the service.

9 | Value for money

109 In Chester-le-Street, a review carried out jointly between the Housing Services team and the Benefits team has improved the cost-effectiveness and efficiency of reclaiming overpayments. Improvements were made by amending the refund request form, removing unnecessary officers, re-allocating responsibilities and tasks, and introducing electronic bank transfers for refund payments as opposed to using cheques. The original process took eight days and cost £15.79. The revised process takes three days and costs £4.60, generating savings in both time and money.

111 Several authorities are examining their use of agency staff to make efficiency savings. Agency staff are not only expensive compared to permanent staff but they offer little long-term payback for any investment councils make in their training. Newham has taken a long-term view of improving value for money (VFM) by recruiting and training permanent staff to reduce reliance on temporary agency staff. Savings from this are likely to be realised by 2008/09.

Other efficiency savings

110 Councils are exploring ways to implement savings. Chester-le-Street restructured the benefits service in 2006 to prioritise resources in training, project work, overpayment recovery and benefit assessment. Two new posts were filled to oversee benefit take-up and error reduction. These changes have been introduced alongside a new document image processing system to deliver increased efficiencies by streamlining processes and implementing smarter ways of working.

Notable practice

Wokingham District Council

Wokingham is managing VFM effectively. The benefits service's costs are relatively low and compare well with other councils providing similar levels of service. There is a strong ethos for VFM in the Council, which is driven and scrutinised at councillor level. Improvements are being seen over time with a good balance of fast processing times, low cost and high customer satisfaction.

The benefits service is reducing its costs while steadily improving performance. The average caseload has increased by 25 per cent since 2004/05 but at the same time the average cost per case has reduced from £42.17 to £29.69. This equates to an average non-cashable Gershon saving of £221,047.

Clear information about unit costs is used by managers in the service to review and compare cost-effectiveness. Benchmarking exercises help to improve this understanding, for example they have identified that the service has a relatively high caseload per member of staff.

Data from the Chartered Institute of Public Finance and Accountancy indicate Wokingham has the third lowest service expenditure in England for housing benefit administration at £3.93 per head.

The service has also improved counter fraud performance. Un-audited council data have shown reducing costs for each fraud investigation from £493.87 in 2004/05 to £384.85 in 2006/07 while the quality of counter fraud work has remained high. This has produced an efficiency saving of £221,047, which has helped the service to meet efficiency targets identified in the business plan.



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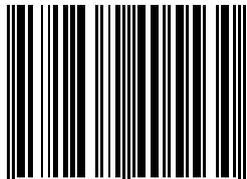
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