

**Decision Maker:** Executive & Resources PDS

**Date:** 25 February 2010

**Decision Type:** Non-Urgent Non-Executive Non-Key

**Title:** HOUSING AND COUNCIL TAX BENEFIT SERVICE  
MONITORING REPORT

**Contact Officer:** John Nightingale, Head of Benefits  
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**Chief Officer:** Paul Dale, Director of Resources

**Ward:** All

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1. Reason for report

This report details the level of performance provided by the Benefits Service during the period 01/08/09 – 31/12/09

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2. RECOMMENDATION

**Consider the current levels of performance**

**Consider performance against the 2009/2010 service plan**

**Agree a further report be submitted providing end of year performance information**

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: N/A.
  3. Budget head/performance centre: 400002
  4. Total current budget for this head: £3.4m
  5. Source of funding: Government Subsidy
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### Staff

1. Number of staff (current and additional): 8.5 plus Liberata staff
  2. If from existing staff resources, number of staff hours: N/A
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### Legal

1. Legal Requirement: Statutory requirement. The Housing Benefit Regulations 2006
  2. Call-in: Call-in is applicable
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 22,600 households
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments:

### 3. COMMENTARY

3.1 The latest position related to Liberata’s performance is detailed in this report, with graphical illustrations detailed in the appendices. A letter from the Regional Director of Liberata commenting on general progress is provided in Appendix 1.

#### Outstanding Work

3.2 Using a mechanism adopted in January 2005, the current outstanding work totals 3954 (01/01/10), which compares to a weekly target of 4,000.

3.3 Appendix 2 shows the level of outstanding work since January 2007. You will note that the 01/01/10 position shows a large increase from that previously reported. This is due to a large number of advanced notifications of April 2010 changes from the DWP.

#### Claim Processing

3.4 As previously advised, the Performance Measures (BVPI’s) reported over recent years ceased to exist in April 2008. They were replaced by just two new measures, one related to the speed of processing and one related to the payment of the correct level of benefit.

3.5 The speed of processing indicator is a combination of the new claim and change of circumstance indicators, with a few other instances not previously reported also being included.

3.6 The right benefit indicator is based on the number of changes in entitlement identified in a year, based on guidance received the target was set at 95% of the caseload. For 2009/10 this equates to a monthly target of 1,702 changes. The LA’s performance is measured by the DWP and posted on their website, unfortunately the figures in respect of all LA’s do not fall in-line with expectations. I have entered below the figures entered on the DWP website.

	April 09	May 09	June 09	July 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09
Right Time Target for 09/10 14.5 days	16.9	26.8	21.8	21.1	23.92	20.90	19.4	11.5	20.3
Right Benefit Target for 09/10 1,702 per month	17,737	2,359	1520	1688	1737	NA	NA	NA	NA

NA = Not Available

3.7 With the exception of November 2009, performance against the right time indicator has been disappointing this financial year. Our concern was raised with Liberata prior to the last monitoring report and they in turn produced a detailed recovery plan. The plan advised of extra resources being employed and informed us that a marked improvement should be expected from September. Whilst there has been an improvement, the performance in December deteriorated and the outturn for 09/10 is now expected to be 16.5 days (target 14.5 days). The performance of the service continues to be closely monitored by managers in both organisations

Performance under the new Right Time and Right Indicator is illustrated on Appendix 3

3.8 In addition to reducing the average number of days to process new claims, we are seeking to narrow the range of processing times making up the average. For this reason, in 2005/06 we agreed with Liberata the target of 80% of claims being processed within 50 days. Originally the reported performance had been solely based on new claims, now that the system cannot distinguish new claims from change of circumstances, the figure relates to all changes. Based on all changes, performance for the period August 2009 to December 2009 was 91.5%. Appendix 4a shows the range of processing times that make up the Right Time Indicator.

3.9 Appendix 4b provides information on the 30 changes (new claims and change of circumstances) that took the longest to process. The findings are disappointing in so much as they show delays within the benefits section as being the major contributor to delay, amounting to half the cases. Liberata have provided Bromley with steps being undertaken to minimise these long delays.

### **Error Rate**

3.10 Quality is key when examining ways of improving the service. Getting it right first time reduces the staff resources required for corrections and reduces complaints from customers. Measuring error rates for benefit claims assessed by Liberata staff is a measure of quality. The service agreement with Liberata requires a maximum 7% (financial) error rate. The current measurement used to identify performance includes administrative errors that could lead to a financial error in the future, thereby providing a full measure of performance. As with other BVPI measures, the accuracy indicator (BV79a) ceased to exist in April 2008.

3.11 Appendix 5 provides details of the error rate from January 2004. From April 2005 the error rate quoted is an accumulation of the results from Liberata's and Bromley's checking regimes. In our last monitoring report we advised that we had raised concerns with Liberata as to the accuracy level being obtained. Over the past few months performance has improved; however we have not returned to the levels that were once being obtained. We will continue to work with Liberata as they attempt to build on their recent improvement.

### **Complaints**

3.12 The number of complaints received is a good indicator as to the standard of the service being provided. There is a well proven correlation between the number of complaints received, the accuracy of work undertaken and the number of documents requiring attention. Appendix 6 illustrates the number of second stage complaints received on a monthly basis from January 2004.

### **Overpayments**

3.13 Unlike Council Tax and Business Rates collection that have proven methods of recovery, supported by case law and statutory regulations, benefit overpayments are, by their nature, more difficult to process and collect. Payment of Housing Benefit will always include an element of overpayment for various reasons, for example, the customer not informing us of

changes in their circumstances. The authority is then required to seek recovery of the overpayment from customers who are likely to be among the most vulnerable members of our community.

- 3.14 The 01 April 08 portfolio meeting approved the introduction of an incentive scheme with Liberata, designed to encourage Liberata to increase their work in the areas of overpayment minimisation and recovery. The scheme that commenced in April 2008 has the effect of “guaranteeing” the authority an improved recovery figure.
- 3.15 Appendix 7 shows the monthly level of HB overpayments created and recovered since April 2007. You will note that the underlying trend in respect of the percentage of overpayments recovered has deteriorated this financial year. Whilst this is not surprising given the economic downturn, further action is being taken to maximise the speed and amount of recovery. Further comments on performance in this area is contained in Liberata’s letter attached as Appendix 1 to this report

### **Call Centre (Help Line)**

- 3.16 The graph at Appendix 8 details the performance of the Call Centre compared to previous years.
- 3.17 The latest position indicates an abandoned call rate of 5.67% (December 09), with the average time a caller had to wait being 25 seconds (December 09). The abandonment rate and average wait times both show a marked improvement on the previously reported figures.

However, we have received a number of complaints about the practice of “call snatching”. This is a scheme whereby those queuing to speak to an operative are promised a call back within 24 hours rather than waiting to be put through. This practice is successful in reducing wait times and minimising the cost to the caller; but it does deny the individual direct access to the service

### **Caseload**

- 3.18 Details of the trend for the number of claims in payment are shown in Appendix 9. This illustrates that there has been a significant increase in overall caseload since Liberata became responsible for the service. In November the number of households in receipt of Housing and/or Council Tax Benefit in Bromley in November was the highest recorded figure. Whilst there was a small reduction in December, this is believed to have been a “blip” with the caseload continuing to increase in January.

### **Development Agenda**

- 3.19 It is important to recognise that in addition to committing to the improvement of processing times, Liberata have signed up to a service plan to reflect the partnership with Bromley. Attached at Appendix 10 is an update against our plan for 2009/10

### **3.20 Customer Satisfaction Survey**

In November 2009 the Benefits Section undertook a customer satisfaction survey, the responses showed that 78% (strongly agree & agree) of respondents were satisfied with the service being provided. A table showing this years results compared to previous years is contained as Appendix 11 to this report

### **General Commentary on Performance**

- 3.21 Prior to the contract commencing, Bromley’s performance was regarded as poor and statistics placed LBB in the band of lower performing authorities on many indicators, particularly benefit

payments. In 2007/08 Bromley' performance equated to an excellent service for the processing of new claims and a good service for the processing of change in circumstances, thus illustrating how far the service has come.

3.22 Although there has been an improvement in performance since the last monitoring report, the service provided to date in 2009/10 has been disappointing. We are working closely with Liberata to bring about an improvement in claim processing times and accuracy of work.

3.23 We will continue working with Liberata towards ways of levelling out the wide fluctuations in processing times that have occurred in the past.

#### **Further Information**

3.24 Janine Tjassens will be attending this meeting to answer any specific questions on Liberata's performance. He will also be advising the meeting of changes to his organisations senior management structure.

#### **4. FINANCIAL IMPLICATIONS**

4.1 Housing and Council Tax Benefit represents a significant "business". The 2009/10 budget includes payments in excess of £90 million for Housing Benefit and £17.3 million for Council Tax Benefit being generated. Good performance is important to meeting our customer needs. Any deterioration in performance could result in, for example

- Increase in "local authority error" overpayments, leading to reduced subsidy from Central Government
- Potential increase in overpayments which may not be recoverable

<b>Non-Applicable Sections:</b>	Policy, Legal, Personnel
Background Documents: (Access via Contact Officer)	[Title of document and date]