

**PART 1 - PUBLIC**

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**Decision Maker:** Executive & Resources PDS

**Date:** Wednesday 08 January 2014

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

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

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**Chief Officer:** Peter Turner

**Ward:** All

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Reason for report

1.1 This report details the level of performance provided by the Benefits Service during the period 1 April 2013 to 30 September 2013.

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**1. RECOMMENDATION(S)**

**2.1 Members are requested**

**to:**

**(a) Consider the service performance for the first 6 months of 2013/14**

**(b) Note performance of the Bromley Welfare Fund**

**(c) Consider the update on the Discretionary Housing Policy**



### 3 COMMENTARY

This report details the level of performance provided by Liberata during the period 1 April 2013 to 30 September 2013, supported with graphical illustrations in the appendices. A letter from the Contract Director of Liberata commenting on performance is provided in **Appendix 1**.

#### 3.1 Outstanding Work

The number of outstanding documents as at 27 September 2013 was 4706. From April 2011, the weekly target is 3000 items, including pending. However it should be noted that the outstanding work figure reported for September 2013 also takes into account the additional work created by the DWP's Atlas system and additional requirements resulting from Welfare Reform.

**Appendix 2** shows the level of outstanding work at the end of each month from April 2012.

#### 3.2 Claim Processing

The speed of processing indicator is a combination of the time taken to assess new claims and change of circumstances.

The table below shows Liberata's performance against the 2013/14 target of 13 days:

	April	May	June	July	Aug	Sep
	13	13	13	13	13	13
Right Time	17.75	16.83	14.37	13.94	14.40	16.93

**Average for the year (April 2013 to 30 September 2013) was 15.9 days**

Performance in the earlier months of the financial year was expected to be at a lower level as a result of the introduction of Council Tax Support and the reduction in approximately 1,800 households Housing Benefit through the removal of under occupation subsidy. Whilst as can be seen from the above table processing times were effected, the changes were implemented successfully with disruption kept to a minimum. The performance for September was disappointing and additional resources were employed to reduce processing times.

Performance under the Right time indicator since April 2012 is illustrated in **Appendix 3**.

#### 3.3 Error Rate

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 5% (financial) error rate.

From April 2011, under the specification of the Exchequer contract, accuracy levels have been calculated and report differently. The report figure is now the percentage of errors identified when checking a cross section of the contractor's assessments. This method provides a more holistic approach ensuring that all types of assessments are checked.

The table below shows the monthly performance for the period 1 April to 31 March 2013:

	April 13	May 13	June 13	July 13	Aug 13	Sep 13
% Target	5	5	5	5	5	5
% of Error rate (financial)	5	5	5	6	2	7

#### **Appendix 4**

During the Summer months concern was raised with managers within Liberata regarding the accuracy level being obtained, resulting in additional training and mentoring was put in place. This matter is addressed further in the attached letter from Liberata.

### **3.4 Complaints**

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 5** illustrates the number of second stage complaints received on a monthly basis from April 2011.

### **3.5 Overpayments**

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 the community.

Under the specification for the Exchequer Services contract, the target for overpayment recovery increased in 2013/14 from 82% to 83%

**Appendix 6** shows the monthly recovery rates since April 2012. The recovery rate for the year 1 April 2013 to 30 September 2013 was 75.54% compared to 70.70% for the same period the previous year.

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

The graph at **Appendix 7** details the performance of the Call Centre from April 2012.

The abandoned rate during the reporting period was 3.2% with an average queue length of 24.3 seconds. During the first six months of 2013/14, 117,695 calls were answered. As predicted the major changes in Housing Benefit and Council Tax translated into a significant increase in public contact.

### **3.7 Caseload**

Details of the trend for the number of claims in payment are shown at **Appendix 8**. This illustrates that there has been a significant increase overall caseload since Liberata became responsible for the service. At the end of September, 23,580 households were receiving Housing Benefit and/or Council Tax Support.

### **3.8 Bromley Welfare Fund**

At the 27 March 2013 meeting of the Exchequer and Resources PDS, Members approved the suggested policy and asked that updates be provided as part of the Benefits Monitoring report.

As at the 30 September 2013, £258,000.00 of the programme funding had been awarded. This consisted of 493 awards, of which 170 were granted to those moving into their own home following a period in hospital, prison or temporary accommodation.

The scheme that has been outsourced to Northgate was implemented successfully and available on time (1 April 2013). Reliability and accuracy of decision making has been consistently high

### **3.9 Discretionary Housing Payment Policy**

At the 18 July 2013 meeting of the Executive and Resources PDS, Members approved the suggested policy and application process for the above scheme.

It was agreed that the policy be reviewed after six months and that regular updates be provided as part of the Benefits Monitoring process.

Applicants are now able to apply online as well as by the submission of a paper based claim.

The level of applications has remained consistently high, with the majority of claims being from those experiencing a reduction of benefit through the removal of the Under Occupation Subsidy. Assistance was generally provided to members of this group where adaptations had been made to the property or a household member had an existing medical condition making it difficult/inappropriate for them to move. Short-term assistance has been provided to households downsizing to smaller accommodation but having a residue arrear at the previous property through the change in legislation.

As at the 23 November 2013, 413 awards have been made to the value of £232k. On a pro-rata basis expenditure is below the annual level of funds available (£700,174 for 13/14). However a considerable sum has been pre-allocated to those downsizing and will be the Housing Association once this has taken place.

### **3.10 General Commentary on Performance**

Under the Exchequer Services specification for the new contract the

targets are comparable or slightly higher than that 2011/12. In the reporting period, the service provided has not always been at the level stipulated in the specification. However, this has been a period of unprecedented change in the benefits service and performance needs to be seen in that light. Generally performance has held up very well, with the necessary changes being implemented smoothly and with limited disruption.

### **3.11 Further Information**

Amanda Inwood-Field, Liberata's Contract Director, will be attending the meeting to answer any specific questions on their performance.

## **4 FINANCIAL IMPLICATIONS**

- 4.1 Housing and Council Tax Benefit represents a significant "business". The 2013/14 budget includes payments in excess of £127 Million for Housing Benefits and £17.2 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. It should be noted that from 2011/12 Liberata are responsible for any subsidy loss encountered by the LBB through local authority error.