

John Nightingale
Head of Revenues and Benefits
London Borough of Bromley
Civic Centre
Stockwell Close
Bromley
BR1 3UH

Date: 2nd December 2015

Our Ref: AIF/GT

Dear John,

As we approach the January Executive & Resources PDS meeting where we consider and review the performance of the Benefits service, we take this opportunity to write to you with Liberata's assessment of the performance of this critical, high profile service that we provide to London Borough of Bromley (LBB) and its citizens.

We are very pleased to report that Liberata has made significant improvements in the performance of the Benefits Service. Following on from a very challenging year in 2014/15, we have forged closer working relationships with both the Housing and LCT teams which has resulted in claims being processed quickly and queries being resolved in a timely manner.

This summary covers performance for the period 1st April 2015 to 30th September 2015.

1. Current Status of the Benefits Service

The Benefits caseload, which measures all households receiving Housing Benefit and/or Council Tax Support, was 21,564 at the end of September 2015. This has reduced from the end of September 2014 when the caseload was 22,590. Some of the Welfare Reforms such as the Benefit Cap have been a contributory factor in this reduction.

In terms of our current position for the nationally recognised Right Time Indicator, our average performance as at 30th September 2015 was 11.14 days compared to 19.74 for the same period last year. This is against a contractual target of 13 days.

We carried out a major review of all our procedures in relation to the changes driven by the Welfare reforms such as the Benefit Cap and the Social Rent Restrictions. The processes we put in place in the latter part of 2014/15 have proven to be successful and significantly improved our processing times for new claims and change in circumstances. We continue to see sustained month-on-month improvement in these areas.

As at 28th September 2015, the total amount of outstanding work was 6,459 items which included 2,303 items pending awaiting information from the claimant and/or third-party. We have seen a significant increase in ATLAS documents and Real Time Information (RTI) files, which as a consequence inflated our volume of outstanding work. We can confirm that the workload, though high, has been processed within compliance and requests for further information have been sent to customers within 10 working days.

All Benefit Cap cases are ring fenced for assessment by our most experienced assessors. This is to ensure consistent and accurate awards as these assessments require manual calculation and extended procedural knowledge.

The Social Rent Restrictions, which were introduced in 2013, continue to increase the number of Discretionary Housing Payments being requested by customers.

1.1 Temporary Accommodation

The number of Temporary Accommodation claims continues to increase reflecting the changes implemented through welfare reform and the shortage of affordable privately rented accommodation. The Welfare Reform changes such as the Social Rent Restriction are having a significant impact on customers which are now coming through the Temporary Accommodation channel.

We have made significant improvements in the processing of Temporary Accommodation applications. We hold regular liaison meetings with the appropriate teams within the Council as well as our stakeholders. The introduction of the automated reports produced for the stakeholders has been highly effective and considerably reduced the number of queries which we receive on a daily basis.

We have carried out verification training with our stakeholders to allow them to verify their tenants original documents to the DWP's standard. This enables claims

to be assessed with minimal touch points and has a positive impact for the customer.

The positive changes which have taken place within this area have led to greatly improved processing times and reduced the level of complaints.

1.2 ATLAS

As advised in the main report, the outstanding items include the increased number of DWP ATLAS files. These are changes which affect an entitlement and would not necessarily have been advised by the customer. Three phases of the ATLAS process are now live in Bromley; Phase 1 went live in July 2014 and reported amendments in Tax Credit awards. Phase 2 went live in December 2014 and reported on additional Welfare Benefit variances. In April 2015 we went live with ATLAS Phase 3 and reported changes on the majority of Welfare Benefit entitlements and also removed the production of the Electronic Transfer of Data (ETD) previously supplied by the DWP.

The ATLAS process enables us to automate a higher number of DWP benefits and ultimately provides a better service to our customers.

1.3 Real Time Information

Based on the success of the Real Time Information (RTI) pilot, the HMRC initiative to reduce fraud and error, the DWP have decided to continue with this initiative for 2015/16. In the first 7 months of this financial year we have created in excess of £1m worth of RTI overpayments.

We are investigating the use of automation of the RTI matches we receive which could result in further benefit to the Council and the customer. This would process and automate changes and remove the requirement for manual input thus reducing the potential for error. Processing times would also be greatly improved.

1.4 Quality

We have made significant improvements with the quality of assessments. The average error rate for the period; April 2015 to September 2015 is 2.99% compared to 4.16% for the same period in 2014.

We have a robust quality management framework in operation which ensures that we continue to process claims to a high quality standard. We built on the improvements which have been made in this area and regularly review the compliance procedures which are in place.

1.5 Overpayment Strategy

The creation of overpayments is a natural bi-product of the administration of Housing Benefit & Council Tax Support, with recovery needing to be sought from some of the most vulnerable members of the community. Real Time Information (RTI) data matches have considerably contributed to the increased level of overpayments being created.

The recovery rate as at September 2015 was 70.64%. The outturn was negatively impacted due to the creation of overpayments as a result of the RTI initiative. The recovery rate excluding RTI overpayments at the end of September 2015 was 82.14%. The target for the financial year 2015/16 is 83%. The recovery rate of RTI only overpayments was 24.50% as at the end of September 2015.

The volume and value of the RTI overpayments are significant and continue to be a major factor for the increased level of overpayment being created, this type of debt is extremely difficult to recover, a high valued overpayment takes many years to collect and negatively impacts our in-year recovery performance.

We continue to use proactive measures to assist in our recovery . Use of a solicitors firm to send out letters which are followed up by phone calls, and to assist in obtaining County Court Judgements on some of our highest debts. We regularly review our processes to identify whether we can introduce any further effective initiatives. This includes the use of visiting officers to make contact with debtors at home.

Blameless tenant recovery continues to be a highly effective mechanism in recovering debts from landlords that receive benefit for multiple tenants.

1.6 Universal Credit

It has now been confirmed by the DWP that Bromley will form part of the 4th tranche of Universal Credit with an implementation date of January 2016. At this stage it will only include single working aged claimants.

Based on our experience on other Liberata contracts which have already gone live, we are expecting to see relatively low volumes of cases being transferred to the DWP, however there is likely to be considerably more effort required in dealing with the requests received from the DWP in relation to complex housing costs and rental information which we hold

There are a number of issues which are being raised and escalated to the DWP such as duplicate requests for information being received, information going to the incorrect Local Authorities and customers not receiving Universal Credit award letters.

2. Call Centre & Customer Services

The number of Revenues & Benefits customers seen in Customer Services for the period April 2015 to September 2015 totalled 23,034. During this period 73% of customers were seen within 15 minutes, against a target of 85%.

During the same period the Contact Centre (Help Line) received 104,751 calls with 84% answered.

Throughout the period the team have had to deal with increasingly more involved and complex queries, often from customers drawn into difficulties following the Welfare Reform changes; this led to an overall increase of 12% in transaction times.

During the period we have seen the teams promote the forms and information on offer on LBB's website and the My Bromley portal as we work with the Council on the important channel shift agenda.

3. Service Developments

Liberata's goal is to continue to improve and enhance the services provided to LBB and its citizens through the introduction of innovative and effective solutions.

Examples of current year new and ongoing initiatives;

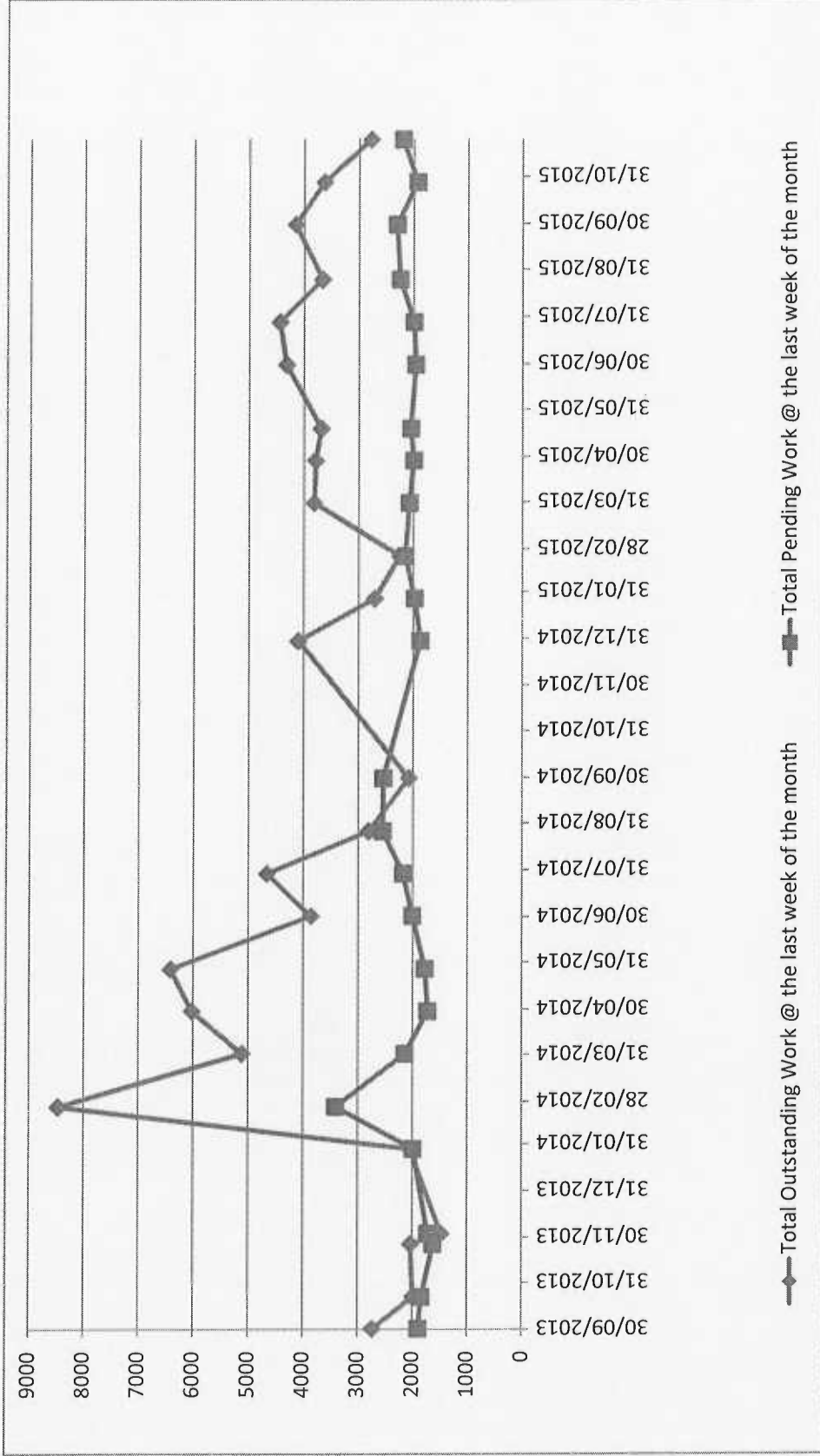
- Continue to actively call customers that have submitted claims and have not responded to our information requests after 5 working days.
- Academy 'Decisions and Appeals' – The Academy software which was purchased last year continues to play a significant role in ensuring process compliance and minimising delays with processing times.
- Recruitment of a new team of assessors specifically for Bromley who will be based at our Pendle office. They are currently undergoing an intense training programme which will be complete by the end of January 2016.
- We have upskilled a further 4 assessment officers who are now able to deal with more complex cases of benefit assessment
- Use of an independent solicitor's firm to aid our recovery of overpayments including CCJ's as an option for our high value debts
- Increased our experienced permanent resource to strengthen the expertise within the Bromley benefits service
- Investigation relating to the automation of Real Time Information (RTI) HMRC data matches
- Piloting the up-skilling of Customer Service/Call Centre staff to carry out basic changes on the benefits system.

Liberata remains firmly committed to delivering an outstanding service to the London Borough of Bromley and its citizens.

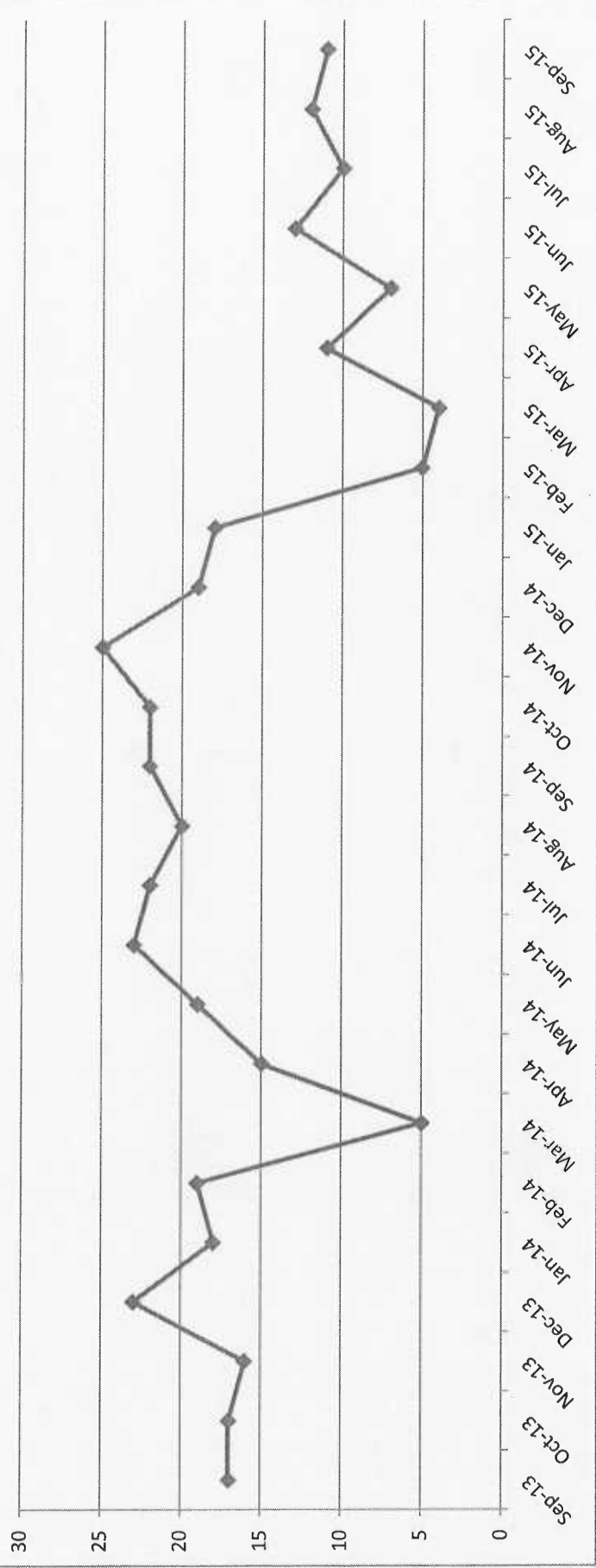
Yours sincerely,

Amanda Inwood-Field
Contract Director

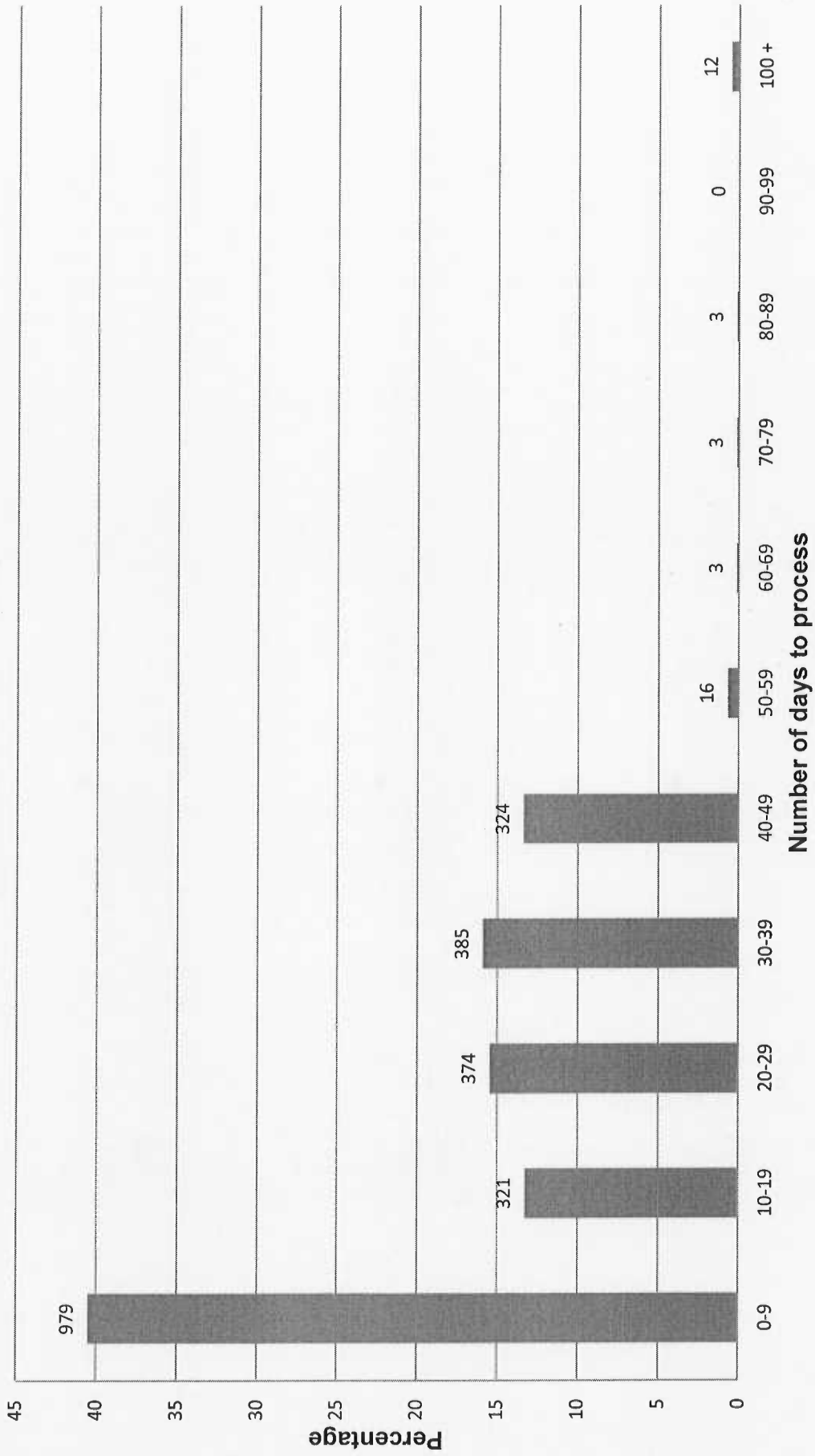
Outstanding Pending Work September 2013 to September 2015



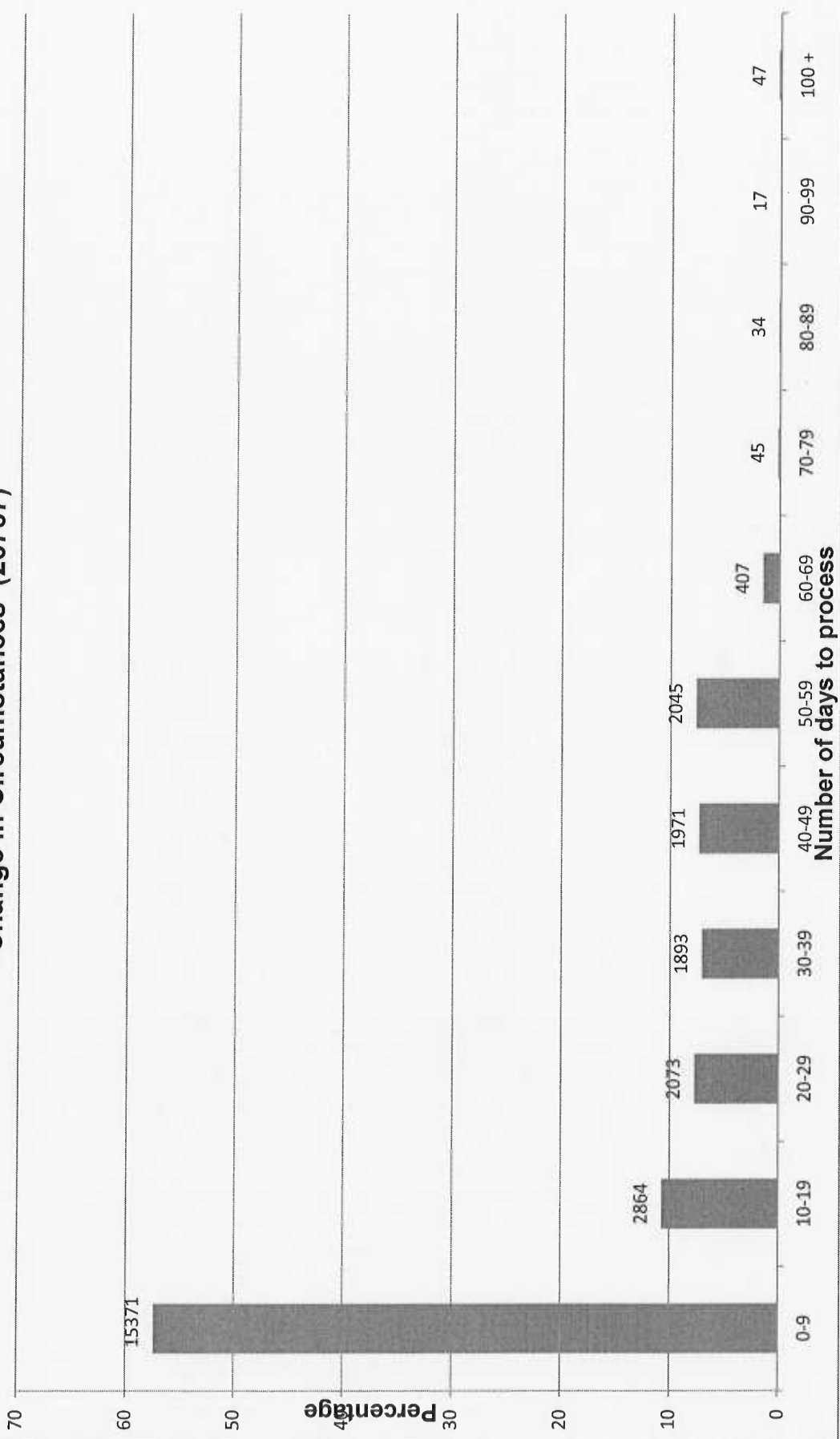
Right Time September 2013 to September 2015



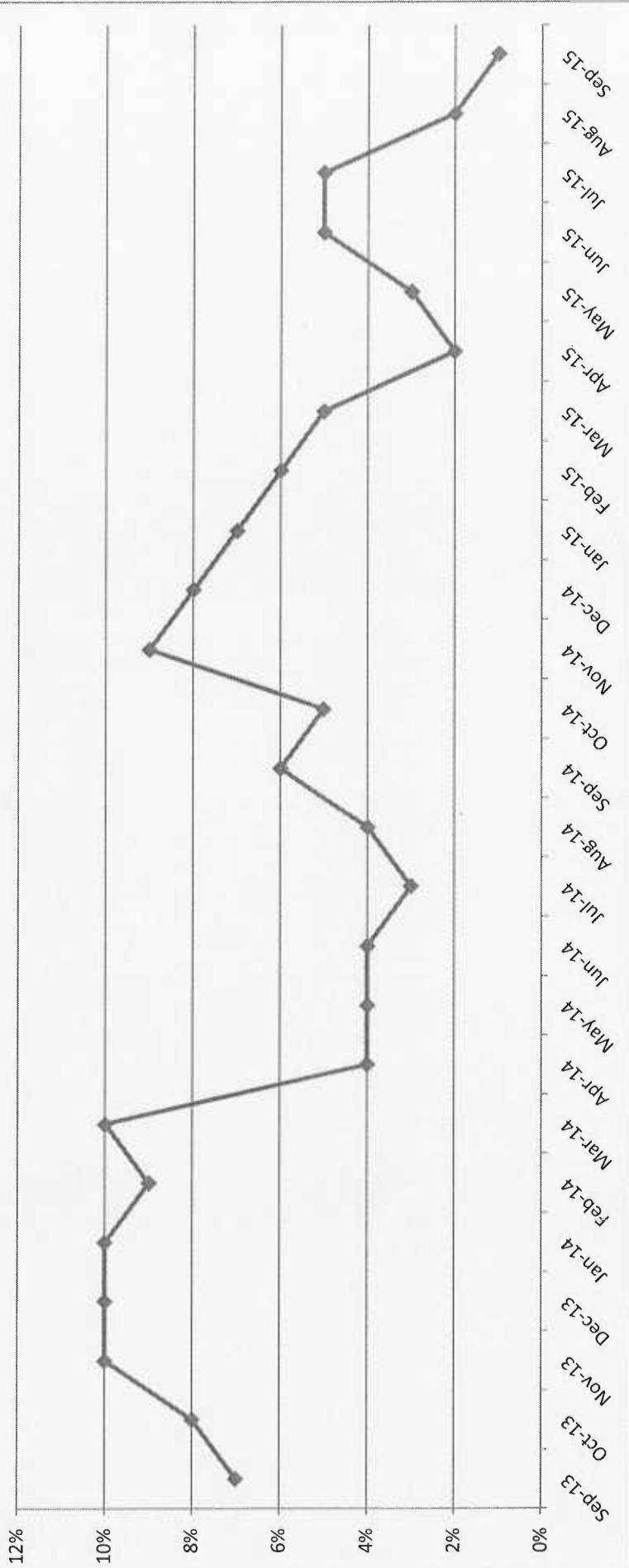
**Housing Benefit - processing time breakdown April to September 2015
New Claims (2420 cases)**



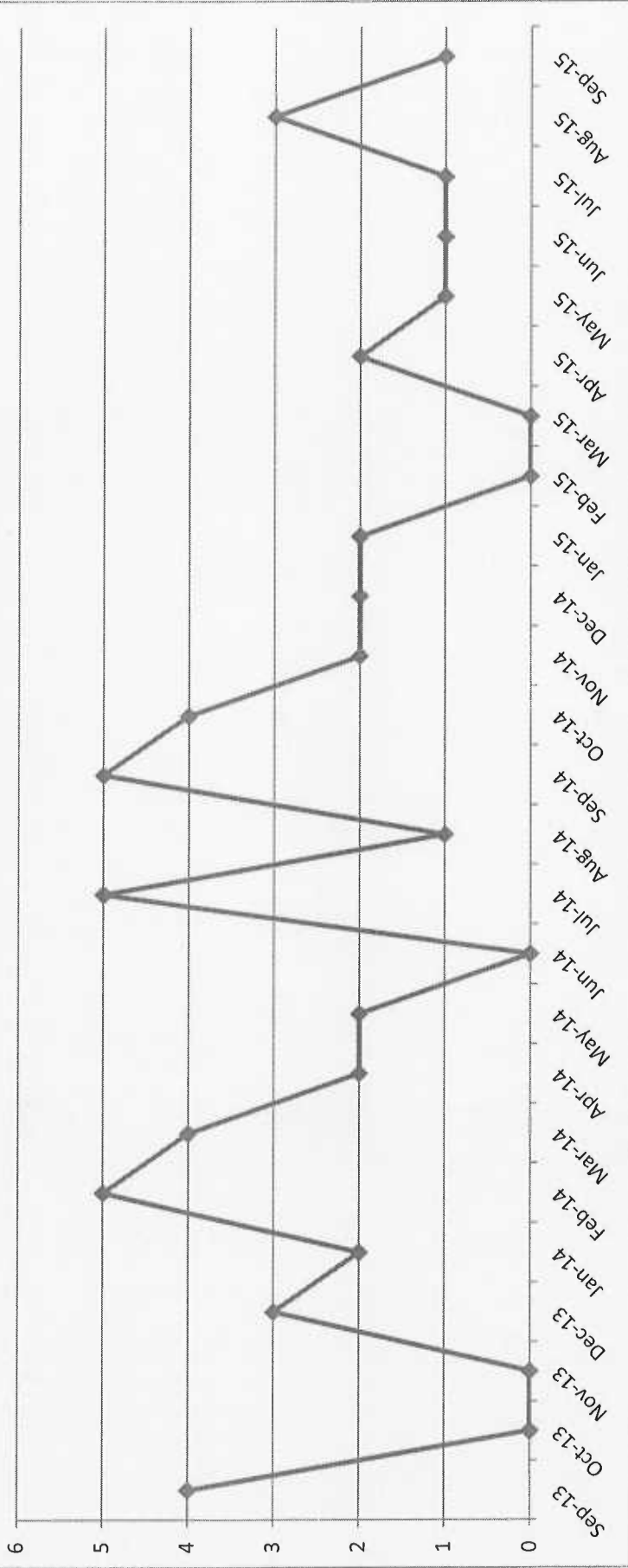
Housing Benefit - processing time breakdown April to September 2015 Change in Circumstances (26767)



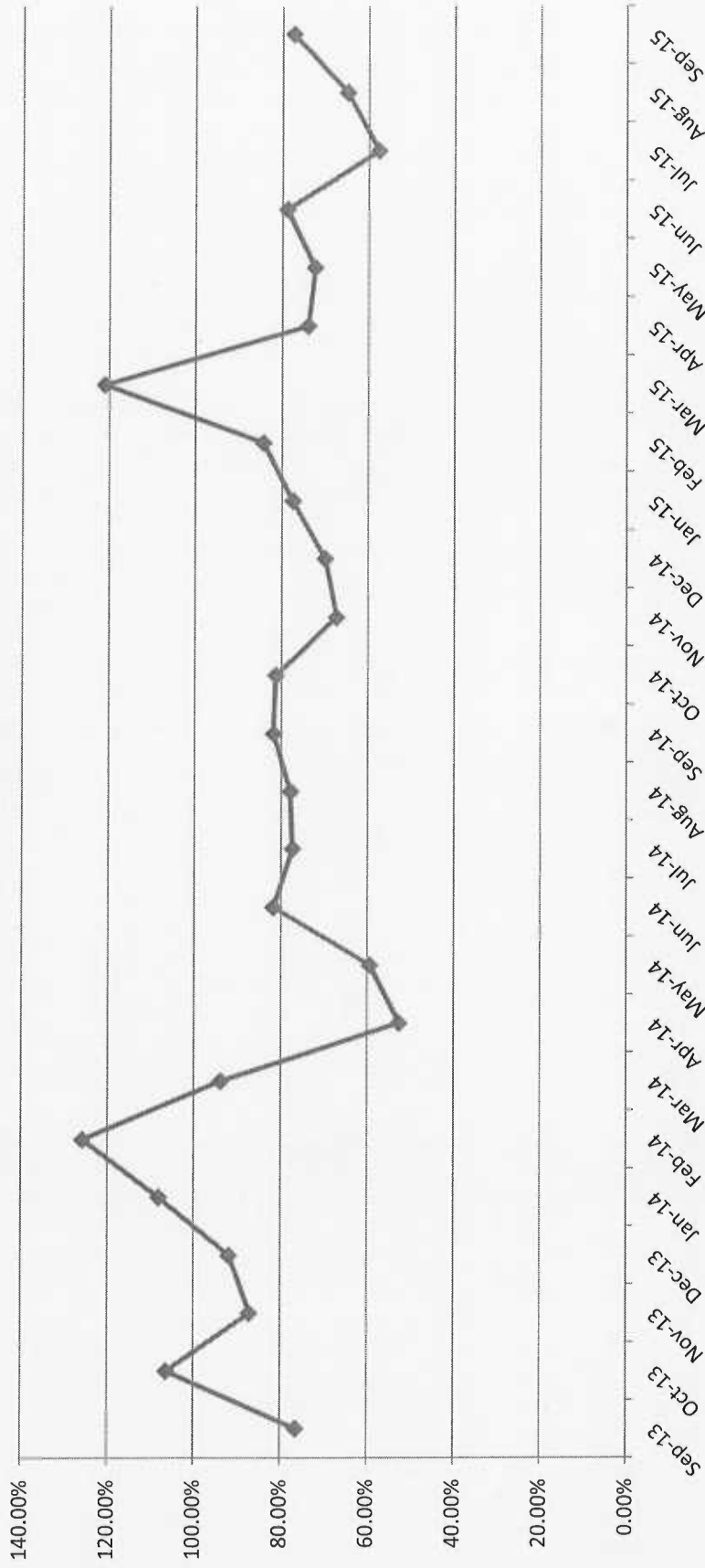
Monthly Error Rate Percentage September 2013 to September 2015



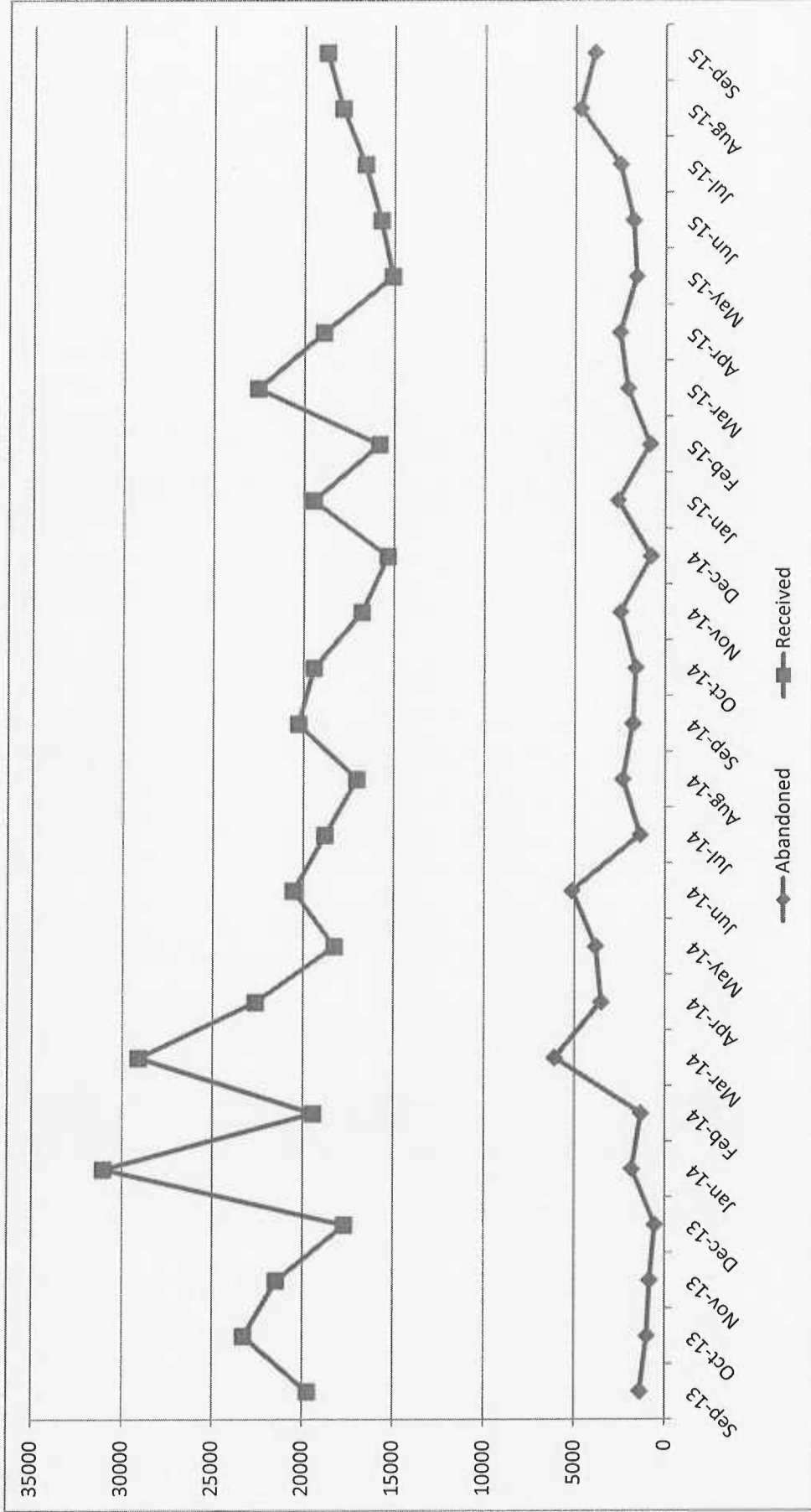
Stage 2 Complaints September 2013 to September 2015



Overpayment % recovered against that created in month September 2013 to September 2015



Received and Abandoned Calls September 2013 to September 2015



Housing Benefit Caseload September 2013 to September 2015

