
Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Monday 8 July 2024

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

Title: BENEFITS SERVICE MONITORING REPORT

Contact Officer: Jayne Carpenter, Revenue and Benefits Manager
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Chief Officer: Peter Turner, Director of Finance

Ward: (All Wards);

1. Reason for report

- 1.1 This report provides information regarding the performance of the Benefits Service provided by Liberata for the period 1 December 2023 to 31 March 2024. A letter from Bola Odunsi Liberata's Regional Contract Director (London and Southeast) is attached as Appendix 1. This communication provides Liberata's perspective of performance, together with an update on initiatives to be introduced in the coming months.

2. RECOMMENDATION(S)

2.1 The PDS is requested to:

- note the information contained with the report and the letter provided by Liberata detailed in Appendix 1

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Benefits Service impacts on all benefit recipients including vulnerable adults and/or those with children.
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Transformation Policy

1. Policy Status: Not applicable
 2. Making Bromley Even Better Priority:
(5) to Manage our resources well, providing value for money, and efficient and effective services for Bromley residents
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Financial

1. Cost of proposal: Not applicable
 2. Ongoing costs: Not applicable
 3. Budget head/performance centre: Exchequer – Benefits and Admin
 4. Total current budget for this head: £3.5m
 5. Source of funding: Existing revenue budget 2023/24 including Government Grants and Subsidy
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Personnel

1. Number of staff (current and additional): 3 plus Liberata staff
 2. If from existing staff resources, number of staff hours: Not applicable
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Legal

1. Legal Requirement: Statutory Requirement
The main pieces of legislation covering the Service are:
Housing Benefit Regulations 2006
The Council Tax Reduction\Support Schemes Regulations 2012
The Local Government Finance Act 2012
 2. Call-in: Not applicable
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Procurement

1. Summary of Procurement Implications: The Benefits Service is provided by Liberata as part of the Exchequer Services contract.
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Property

1. Summary of Property Implications: Not applicable
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Not applicable
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Impact on the Local Economy

1. Summary of Local implications: Not applicable
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Impact on Health and Wellbeing

1. Summary of Carbon Reduction/Sustainability Implications: Not applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected):15,986
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not applicable

3. COMMENTARY

- 3.1 The Exchequer Services Team monitors the contract, sets targets and performance standards, liaises with partners, progresses the development and improvement of services through leadership on specific initiatives. The team also ensures the services comply with current legislation, financial regulations, contractual obligations and audit requirements. Graphical illustrations as to the level of performance being achieved are attached as appendices to this report.
- 3.2 To maintain the drive for improved service performance, monthly service review meetings are held with operational and senior Liberata management. Regular meetings take place between senior managers in both organisations to discuss escalated items, technological advances and further development opportunities.
- 3.3 The Exchequer Service specification effective from 1 April 2020 introduced key performance indicators for the processing of new claims and change in circumstances as well reducing the tolerance level for errors to 4% (previously 5%).
- 3.4 The Housing Benefit caseload is reducing monthly due to the natural and managed migration of working age customers now receiving assistance with their Housing costs by Universal Credit.

3.5 Outstanding work

The target in the specification requires that the level of outstanding work is less than 5,700 documents of which 2,200 are in pending. At the 31 March 2024 there were 1463 outstanding documents. Of the 1463 documents, 807 were in pending awaiting further information. A graph showing the level of outstanding work since April 2021 is attached at Appendix 2.

A graph illustrating the number of Housing Benefit and Council Tax Support new claims, change in circumstance and Universal Credit notifications (new, changes and stops) since April 2021 is attached at Appendix 3

3.6 Claim Processing

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

The below table shows the Benefits Sections performance under the Right Time Indicator, the annual target for which is 13 days:

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
5.59	9.54	14.90	34.01	17.85	9.28	5.81	14.47	4.10	5.95	7.93	2.45

Average 2021/22 **6.32 days**
Average 2022/23 **5.68 days**
Average 2023/24 **8.49 days**

Performance under the Right Time Indicator is illustrated as Appendix 4.

3.7 Tabled below are the performance figures in respect of the 2 components, new claims and change of circumstances:

New claims – target for 2023/24 is 19 days

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
9.68	14.14	14.96	25.69	19.93	21.72	15.02	14.94	16.50	10.65	13.17	15.74

Average 2021/22 **13 days**
Average 2022/23 **11.13 days**
Average 2023/24 **15.95 days**

3.8 **Change in circumstances – target for 2023/24 is 9 days**

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
5.37	9.54	14.89	34.62	17.64	8.74	5.37	14.40	3.63	5.67	7.93	2.06

Average 2021/22 **7 days**
Average 2022/23 **6.81 days**
Average 2023/24 **8.09 days**

3.9 The average processing days covers a wide variance amongst claims. Appendix 5 and 5a show the “spread” in respect of new claims and change of circumstances.

For the period 1 December 2023 to 31 March 2024, 690 new claims were processed, with 3 new claims (0.43%) taking over 80 days to process. Of the 26,956 changes in circumstances processed, 104 changes (0.38%) took more than 80 days to process. The reasons why are detailed below:

New claims

Reason why the change was processed in excess of 80 days	Number of claims
Incorrect receipt dates input	0
Additional time given for the claimant to provide information	3
Administration delay	0
Retrospective changes advised by DWP report (Atlas)	0
Total	3

Change in circumstances

Reason why the change was processed in excess of 80 days	Number of claims
Incorrect receipt dates input	36
Additional time given for the claimant to provide information	44
Administration delay	24
Retrospective changes advised by DWP report (Atlas)	0
Total	104

All the 24 changes that have been recorded as administration delay were caused by the Housing Benefit Accuracy Award initiative (HBAAI) full case reviews not being dealt with upon receipt.

During 2023/24, the claim processing times have exceeded the contractual targets. The deterioration in performance was escalated and an improvement plan agreed. Liberata's explanation is contained in Appendix 1.

DWP Benchmarking - processing times for new claims and changes

The table below shows the latest benchmarking figures released by the DWP in respect of new claims and change of circumstances processing for the 19 Outer London authorities:

Local Authority	Quarter 2 2023/24		Quarter 3 2023/24	
	New Claims	Changes	New Claims	Changes
Barking and Dagenham	19	10	18	11
Barnet	17	5	17	6
Bexley	13	10	16	11
Brent	19	8	21	8
Bromley	22	18	16	6
Croydon	37	8	34	8
Ealing	24	8	22	6
Enfield	26	6	22	9
Greenwich	21	11	20	11
Harrow	23	10	21	9
Havering	21	5	16	4
Hillingdon	23	6	20	7
Hounslow	8	4	8	4
Kingston upon Thames	20	7	20	6
Merton	47	12	32	9
Redbridge	22	7	19	6
Richmond upon Thames	20	13	21	11
Sutton	13	6	14	4
Waltham Forest	16	4	15	6

As predicted in the previous monitoring report, Bromley's performance in Quarter 2 of 2023/24 deteriorated (joint 12th new claims and 19th for changes).

Bromley's performance in Quarter 3, 2023/24 improved significantly (4th for new and 4th for changes) but it is still higher than previous years.

Attached as Appendix 6 and 6a are graphical illustrations of Quarter 2 (2023/24) and Quarter 3, 2023/24 performance against our contractual target.

The DWP are due to publish Quarter 4 (January to March) 2023/24 benchmarking statistics in July 2024.

From 1 April 2020 the Exchequer Services specification requires the contractor to ensure that financial errors are found in less than 4% of the cases checked by the Authority's monitoring team. The level of tolerance for errors is strict compared to many other authorities; with DWP statistics indicating that the average error rate nationally is in excess of this figure. However, the tolerance was set in the knowledge that errors result in poor customer service and waste of resources through reworking.

The contractor remained within the 4% tolerance contained in the specification and the 3% "soft target" for the 12 months covered in this reporting period as shown in the table below. A graphical illustration is entered as Appendix 7.

Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
1.2%	2.5%	1.9%	1.9%	0.5%	1.2%	1.7%	0%	1.4%	1.3%	0%	0.5%

3.11 Complaints

Considerable changes have occurred in both Housing Benefit legislation and Council Tax Support since April 2013, with many experiencing a reduction in entitlement. In many cases this has led to a complaint and/or an appeal as a result of the claimant not comprehending the revised entitlement is due to changes in the scheme. There were no "Stage 2" complaints during the period December 2023 to 31 March 2024 which is an indication that a good service is being provided and that the customer's areas of discontent are being resolved therefore preventing unnecessary complaints.

3.12 Housing Benefit Overpayments

The Housing Benefit overpayment recovery rate percentage is based on the amount of debt raised in month against amount of debt recovered in month. Using this formula, the percentage recovered often exceeds the amount created and is referred to as the underlying trend.

Appendix 8 shows the monthly recovery rates since April 2021.

3.13 Call Centre (Help line)

The graph at Appendix 9 details the performance of the Call Centre from April 2021.

The number of calls received for the period December 2023 to March 2024 was 35,576 this is a reduction of 4.8% when compared to the same period in 2022/23. The reduction in call volumes has been attributed to the natural and managed migration of residents moving to Universal Credit.

The average abandonment rate for the period December 2023 to March 2024 was 12% which is outside of the 5% tolerance allowed for under the specification. This was caused by the increased number of calls received during February and March 2024 as a direct result of annual billing and the length of time it takes to deal with the calls.

To improve the customer experience, we have introduced a signposting voice bot and a call back request service known as RPIQ (Retain Place in Queue) which is now offered to all

customers when the number of callers waiting exceeds 3. This has been positively received with 895 customers opting for this option in March 2024, with a 100% receiving a call back.

3.14 Caseload

A graph showing the overall number of claims in payment and the Council Tax Support caseload is attached as Appendix 10. The overall caseload has been consistently reducing due to the natural migration of working age Housing Benefit claimants to Universal Credit.

At the end of March 2024, the combined caseload was 15,986 (16,402 in March 2023) and the Council Tax Support was 13,162 (13,606 in March 2023).

3.15 Discretionary Housing Payments (DHP's)

The DWP allocation for 2023/24 was £512,968, the same amount as allocated in 2022/23. From 1 April 2020 the DHP fund has been administered by Liberata and monitored by Bromley.

The fund was fully utilised with 645 awards being made.

3.16 Council Tax Support (CTS)

The Council Tax Support scheme for 2023/24 increased the minimum contribution of working-age claimants to 30% of the household's Council Tax liability and introduced a "band D" eligibility restriction.

At the end of March 2024 there were 13,162 households in receipt of Council Tax Support of which 8,176 were of working age, 723 households are affected by the "band D" eligibility restriction and 4,986 were elderly.

The working age and elderly caseload split by Council Tax band is shown below:

Council Tax Band	A	B	C	D	E	F	G	H	Total
Number of working-age claims	335	1740	3251	2127	543	137	43	0	8176
Number of elderly claims	273	974	1728	1363	452	140	54	2	4986

The working age caseload has reduced by 361 claims since March 2023 (8537).

For 2023/24, the Government provided Bromley £365,066 to help all Council Tax Support claimants. We have assisted 11,839 households from this fund with a maximum award of £32 (£25 mandatory and £7 discretionary).

3.17 **Service Development**

We committed to improving and enhancing the service by implementing initiatives that will allow us to automate our “back office” processes. It is envisaged that these will eventually lead to a significant reduction in processing times.

We have introduced on-line applications forms for Housing and Council Tax Support with the majority of the claims received now being made electronically.

Our focus remains on increasing the percentage of Universal Credit notifications that can be processed without any manual intervention. During 2023/24 we managed to automate the processing of 86% of the notifications being received, although significant progress has been made there is still more that can be done.

In addition to our internal service improvements, we continue to work on the DWP’s mandatory Housing Benefit Award Initiative (HBAAI) which requires LA’s to conduct full case reviews on a percentage of their high-risk cases to ensure that the amount of benefit being awarded is accurate.

In 2023/24 Bromley were required to review 2760 high risk-cases, the risk scores for the individual cases having been provided by the DWP.

At the end of March 2024, 2270 (98.5%) of these reviews had been completed and we identified that 23% had a change that directly affected the amount of benefit they were awarded. The remaining 33 (1.5%) have been reminded that review is still outstanding. Failure to comply with the review will ultimately lead to benefit being withdrawn.

3.18 **Universal Credit (UC) update**

Universal Credit in Bromley moved into the ‘managed migration’ of residents on old style benefits such as working tax and child tax credit in August 2023. We currently have very little details on who is being contacted by the DWP and how quickly the migration will take place. The aim is for the migration of working age residents to be completed by the end of 2025.

According to our caseload data, in August 2023 there were 1700 households in receipt of Housing Benefit and/or Council Tax Support with entitlement based on working tax and/or child tax credit. From our own caseload monitoring it appears that 20 households per week are currently migrating with more being directly affected over the coming months.

The impact of this will be significant and it is anticipated that from 2025 the only working age residents in Bromley on Housing Benefit will be those in temporary or supported/exempt accommodation.

The Department of Works and Pensions (DWP) statistics show 18,892 households in Bromley were on Universal Credit (latest provisional figures from February 2024, increase from 17,393, in August 2023) with 23,591 (previously 21,652) people in total on UC of which 8954 (previously 8178) are in employment.

The latest constituency data for Universal Credit is based on April 2024 statistics and can be found in detail on the following link [Constituency data: Universal Credit rollout \(parliament.uk\)](https://www.parliament.uk/constituency-data/universal-credit-rollout) but for information the headline figures for Bromley are:

Constituency	Households on UC	Households on Legacy Benefits	% Caseload complete
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Bromley & Chislehurst	6545	1916	77
Orpington	4774	1420	77
Beckenham	4111	1128	78
Lewisham West & Penge	12585	3394	79

The Citizens Advice Bureau (CAB) have been contracted to deliver both assistance in claiming UC and follow that through with budgeting support via a national help-line.

4 FINANCIAL IMPLICATIONS

Housing Benefit and Council Tax Support present significant “business”. The 2023/24 budget includes payments in excess of £75m for Housing Benefit and £14m (net) for Council Tax Support. Any deterioration in performance could result in, for example:

- Increase in “Local Authority Error” overpayments, leading to receipt of reduced subsidy from Central Government
- Potential increase in overpayments which may not be recoverable.

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1 One of the “Making Bromley Even Better” ambitions is to manage our resources well, providing value for money, efficient and effective services for Bromley’s residents. To achieve this, we will ensure robust contract management with a focus on efficiency and innovation to improve services for Bromley residents.

6. LEGAL IMPLICATIONS

- 6.1 This is a contract monitoring report pursuant to CPR23. There are no specific legal implications raising from this report.

7. CUSTOMER IMPACT

- 7.1 The Benefits Service directly impacts 15,986 customers.

8. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

- 8.1 Liberata exclusively uses Ark data centres which are committed to the European Green Deal, achieving the ambitious greenhouse gas reductions of the climate law, and leveraging technology and digitalisation to achieve the goal of making Europe climate neutral by 2050. For the last 6 years, all Ark facilities have been powered by 100% renewable energy. To improve sustainability further Ark has developed innovative direct air evaporative cooling capability that dramatically lowers energy consumption and cost, capable of providing compressor free cooling for 100% of every year.

The My Bromley account software supports 49,815 subscribers to e-billing, reducing paper production and postal service reliance. Officers continue to work with Liberata on projects to increase back-office automation and further reduce paper volumes.

Liberata also supports staff to volunteer for local organisations, such as Age Concern befriending scheme.

Non-Applicable Sections:	Impact on Vulnerable Adults and Children, Personnel, Procurement, Property, Impact of Local Economy, Impact on Health and Wellbeing and Ward Councillors views
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