



East Ayrshire
COUNCIL

**Finance
Department**

Service Review

*Administration of
Housing and
Council Tax Benefit*

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BENEFITS SERVICE REVIEW

INTRODUCTION

Background

1. The Benefits Section was transferred from the Housing Department to the Finance Department with effect from 1 April 1999. An early review of the service in the period April to June 1999 identified a range of issues which required urgent action to be taken. A Member/Officer Working Group was set up following an initial report to Policy and Resources Committee on 9 June 1999 and the following terms of reference were agreed at its first meeting on 2 July 1999.
 - To identify all current issues within the benefits service
 - To identify short-term actions to clear the backlog of work
 - To identify appropriate and robust organisational and procedural arrangements to deliver benefits services which conformed to legislation and meet the needs of customers
 - To ensure an appropriate and effective interface with Housing and Council Tax arrears control.

2. The main drivers for the review and the remit of the Member/Officer Working Group were the symptoms of service failure being experienced:
 - Significant backlog of work and inability to cope with ongoing workload
 - 16,000 items awaiting processing as at 28 May 1999
 - Benefit period overrun penalties for 1997/98 & 1998/99
 - Penalties of some £200k incurred in each of the 2 years
 - High level of customer dissatisfaction
 - Expressed by way of high number of customer and members complaints
 - IT systems, not fit for purpose and not common across the service
 - Legacy systems and operational practices inherited from pre-reorganisation Councils in 1996 still in operation
 - High ratio of cases to staff when compared to other Councils and the DSS benchmark
 - One member of staff to 1200 cases compared to DSS recommended ratio of 1:800
 - Poor performance indicators
 - Only 23% of benefit applications processed within 14 days in 1998/99

3. The Member/officer Working Group consisting of five Elected Council Members, three administration and two opposition, the Depute Chief Executive and the Director of Finance facilitated a series of meetings with appropriate staff from Information Technology, Homes and Corporate

Services over the period 2 July 1999 to 16 March 2000 to address the terms of reference outlined in 1 above. This report outlines the progress made during this period within the context of the requirements of a Best Value Service Review.

4. To comply with the requirements of a Best Value Service Review the report answer the following questions in each of the following sections:-
- A Why does the Benefits Service deliver the services that it does?
 - B How does Benefits deliver its service?
 - C How well does Benefits deliver its service?
 - D Could the service be delivered better?

By answering each of these questions the report will also cover the remit of the Member/Officer Working Group and the progress made during the period of operation.

SECTION A

WHY DOES THE BENEFITS SERVICE DELIVER THE SERVICES THAT IT DOES?

The Section covers the legislative basis for the provision of the service, the objectives of the Benefits Service and the commitment to the provision of a quality service.

Summary of achievements in past nine months:-

- ◆ The establishment of Service objectives within the context of a draft Finance Department Service Plan.
- ◆ Organisational commitment to ensuring the provision of a quality benefits service

1) **Legislative Requirement**

The outline rules relating to Housing Benefit (HB) and Council Tax Benefit (CTB) entitlement are contained in the Social Security Contributions and Benefits Act 1992 (as amended) and the outline rules on the administration of the schemes are now contained in the Social Security Administration Act 1992, (as amended).

The Acts enable the Secretary of State for Social Security, normally following consultation with the local authority associations, to formulate delegated legislation – ‘regulations’ and ‘orders’ - which contain and amend the details of the scheme. The main rules of the HB scheme are contained in SI 1987 No. 1971, the Housing Benefit (General) Regulations as amended by subsequent regulations. The main rules of the CTB scheme are contained in SI 1992 No. 1814, the Council Tax Benefit (General) Regulations as amended. The DSS intends that the CTB regulations should maintain common provisions with the HB regulations. The Acts and regulations are binding upon councils.

In Scotland tenants of Scottish Homes receive rent rebate from their landlord. All other tenants, whether council, housing associations or private should receive rent rebates or allowances from the local council, though agency arrangements may exist with other councils. Each authority administers CTB on the council tax collected by it. The Local Government (Scotland) Act 1994 heralded changes to the structure of local government in Scotland. Regulations were made to cover the implications of these changes for HB/CTB administration.

Despite the significant legislation governing the service, legislation and regulation alone are insufficient to provide the necessary strategic and operational framework for the provision of a Best Value Service. This is

particularly the case with the benefits service where the overall legislative framework is so wide and complex.

The development of an effective service requires the development of clear policies and strategies to ensure compliance with legislation while providing a customer focussed service.

Significant steps have been taken to provide the necessary framework through the development of a clear and concise service description and the development of service plan.

2 Benefits Service Description

As a first step in preparing a service plan a draft Benefits Service Description was prepared in July 1999 and presented to the MOWG for approval. The document describes the services to be provided to customers in respect of Housing Benefit, Council Tax Benefit and Rent Allowances. It is intended to provide customers, the service, the Council and all other stakeholders with a clear understanding of the service to be provided and the responsibilities of each party in the achievement of the level of service specified.

The document, attached at Appendix A, is designed to provide the necessary framework for delivering the service at a standard which can be measured by both customer and provider. Since July 1999 there have been changes in the way service is to be delivered and in particular an enhanced role for Local Offices. The Service Description will be updated to reflect these changes.

3) Organisational Commitment to Quality

The enthusiasm and energy which Member and Senior Management and the Benefits Section have committed to address the shortcomings of the service clearly demonstrates the commitment of the Council and its staff to providing a quality benefits service.

This commitment will be continued with the further development of a performance monitoring reporting mechanism which will keep Members up to date on service performance. The commitment of Finance Department Senior Management to the service will continue to be a significant feature as it progresses to becoming a first class service provider. The newly created post of Benefits Service Manager will be a member of the Exchequer Services Management Team which meets on a fortnightly basis to ensure effective communication within Exchequer Services and provides a basis for monitoring performance. The Finance Department Management Team will remain updated through the participation of the Head of Exchequer Services in the weekly departmental Management meetings. The benefits service has become, and will remain a high priority and its development will continue. It is intended that success in this critical Council Service will be measured by:

- ◆ Improved Performance Indicators performance levels
- ◆ “Getting things right first time”
- ◆ A reduction in the number of customers complaints
- ◆ Requests/visits from other Councils’ officers seeking advice on how east Ayrshire Council has managed to turn round a declining Service into a “best practice”

SECTION B

HOW DOES BENEFITS DELIVER ITS SERVICE?

This section covers: Relationships with Customers/Stakeholders.
Service Accessibility.
Organisation and Staffing.
Training.
Accommodation and Resources.
Information Technology.
Development of Policy and Strategy

Summary of Achievements in Past Nine Months

- ◆ Breaking the spiral of service decline resulting from inadequate service resourcing, including
 - Increased use of Local Offices has made the service more accessible and improved relationship with customers
 - As internal confidence in the service has increased relationships with customers is improving
 - Improvements introduced to the telephone system with a core team of four staff made available to deal with incoming calls.
- ◆ Improved staff structure approved by Council and recruitment process almost complete.
- ◆ Training initiative put in place to ensure staff have necessary skills through a mixture of formal training courses and regular skills/knowledge updates.
 - Improvement in communications with staff through issue of Member/Officers Working Group minutes and the introduction of regular staff meetings.
- ◆ Benefits section relocated to more suitable accommodation at 2 The Cross, Kilmarnock, and more appropriate equipment provided to staff.
- ◆ Information Technology system being rationalised with the assistance of the Software suppliers and IT services.
- ◆ Development of Policies and Strategies
 - Development of a clear Fraud and Overpayments Strategy
 - Procedure Manual developed and issued to all staff after review by non-benefits staff
- ◆ Improvement in relationships with customers
 - Appropriate working procedures agreed with Homes and Technical Services, Information and technology Section, Council Tax Section and Local Offices as to respective roles and responsibilities
 - Improvement in relationships with Housing Associations

The evaluation of the Benefits Service undertaken following the transfer from Housing to Finance identified that the service was ill equipped to provide the

expected and required service. This evaluation formed the basis of the report to Policy and Resources Committee in June 1999 and the subsequent creation of the Member/Officer Working Group.

The service was understaffed with an unacceptably high ratio of workload to staff; staff morale and esteem was low as a result of continuous backlogs and customer dissatisfaction; accommodation and equipment were inadequate, and; IT systems were inefficient. In addition the service was unable to cope with the increasing level of customer complaints and enquires being produced as a result of the failure of the service.

1) **Breaking the Spiral of Service Decline**

A critical early requirement was to break the spiral of service decline resulting from the inadequacy of the resources deployed within the service.

This was achieved by:

- ◆ Making available resources for skilled staff willing to work overtime
- ◆ Making available resources to recruit and train 14 temporary clerical staff
- ◆ Seconding suitably qualified staff from other departments (over 9 month period - some 10 staff were seconded for various periods of time as required and as available
- ◆ The boost to staff morale as a result of the commitment shown by the Council through the Member/Officer Working Group and Senior Management in the Finance Department
- ◆ Increased local access to the service and provided customer reassurance through the provision of receipts for all correspondence
- ◆ Undertaking a number of publicity initiatives to inform customers and the general public of the problems being faced, the action being taken, and seeking their patience and co-operation to allow for a difficult situation to be addressed.

To achieve some focus in the processing of outstanding mail key decisions were taken to increase the role of Local Area Offices and to review the incoming telephone enquiry arrangement to make use of a dedicated core team of 4 using the "hunt" group/queueing facility available on the system. This enabled one telephone enquiry number to be issued while allowing a team of operators to respond to calls. The main aim of these initiatives was to minimise distractions to processing staff to allow them to focus on processing mail while also continuing to provide customer access to the service. Both initiatives required an initial investment of scarce resources into the training of both local office and temporary staff. The investment proved worthwhile with, in particular, a high quality of work being achieved by local office staff in tandem with an improvement in customer service.

The telephone team of 4 was taken from the pool of temporary clerical staff recruited. The remaining temporary staff were employed in mail opening, general clerical duties, filing etc, again to enable processing staff to concentrate on clearing the backlog of correspondence. This was largely successful although the temporary staff required high levels of supervision, support and assistance from the more knowledgeable, skilled staff.

2) **Review of Service Staffing and Organisation**

A review of the staffing and organisation of the service was undertaken and presented to, and approved, by Council in November 1999. The main issues addressed by the restructure were:

- ◆ The general lack of resources
- ◆ The lack of attention to non-processing matters such as policy formulation and compliance, customer relations, general administration, filing.
- ◆ The need to strengthen management; shorten lines of accountability and ensure appropriate corporate emphasis which is calculated to bring the caseload ration in line with DSS recommended levels.

The structure prior to November 1999 is shown at Appendix B.

The outcome of the review was:

- ◆ The creation of a dedicated Benefits Processing Unit with relevant clerical support
- ◆ The creation of a Policy and Compliance Unit
- ◆ Greater emphasis on customer relations issues
- ◆ Enhanced fraud detection and prevention measures
- ◆ An increase in staffing from 29 to 48.

The revised structure is shown at Appendix C.

3) **Staff Development**

Staff turnover in the service had been high over the past two years and many of the staff in key Benefits Assistants post had insufficient knowledge and/or experience to effectively deal with claims, particularly in the high pressure, high workload environment which they found themselves working.

Developing the skills, competence and confidence of staff was critical to reversing the service. The lack of knowledge, experience and confidence in some cases at Benefits Assistant level resulted in additional pressure on the more experienced Benefits Assistants and in particular on the Team Leaders.

A significant turning point in this regard was the recruitment of an Assistant Benefits Manager in August 1999 to a post that had been vacant since June 1998. The recruitment of an experienced benefits practitioner at this level provided much needed support to Team Leaders on processing issues and allowed the Benefits Manager to begin to deal with the Policy and Compliance issues which could not previously be developed.

Arrangements were made for the Chartered Institute of Housing to provide a formal two day training course to all staff (in two separate blocks) in September and October 1999. In addition regular training/updates as part of weekly meetings were introduced.

4) Review of Accommodation and Physical Resources

At transfer from Housing in April 1999, the bulk of the Benefits Service was located in the Civic Centre North Building, John Dickie Street, Kilmarnock. Early evaluation showed significant health and safety concerns and the accommodation was inadequate in terms of size, configuration and quality. The chairs and desks being used by staff were in disrepair while the majority of the PCs available were inadequate as anything other than dumb terminals. Very few of the machines available had the capacity to operate the Council's standard software packages (including e-mail) thus seriously limiting the IT capability of the service and on-line communication between Benefits Staff and other services within the Council.

A plan was put into place to relocate the Service to more suitable accommodation. The bulk of the Service was transferred to refurbished accommodation at 2 The Cross, Kilmarnock in December 1999. The Fraud Section, being a distinct area of operation, had previously been re located to the Council Offices in Lugar due to the inadequacy of accommodation at the Civic Centre. In making the transfer to 2 The Cross, the opportunity was taken to provide staff with appropriate workstation and PCs capable of accommodating the full range of software needed by Benefits staff to do their job. The improvement in the accommodation and resources available to staff has significantly increased the morale and self esteem of the staff and epitomises the change in service from decline to success. The move was successfully completed in mid December 1999.

5) IT Systems

In April the Benefit Service was using a variety of legacy systems which had changed little since reorganisation in 1996 and were still being operated in the differing ways of the pre-1996 Councils.

Two systems were being used to process Rent Allowances (BSL and MDIS) and another two systems were being used to process Housing and Council Tax Benefits. (although both BSL)

In addition to the operational problems caused by these arrangements within the Benefits Service the support available from IT Services was also unable to be used efficiently and effectively due to the conflicting needs and requirements of the different systems and operational methods.

A programme of systems rationalisation was instigated first of all to transfer all rent allowance processing to the BSL system and then to rationalise the Housing and Council Tax Benefit Systems. The Rent Allowance rationalisation was completed in December 1999 and one combined CTB/HB system will be in operation from April 2000.

Initial concerns about the appropriateness of the BSL system have reduced during this exercise as it has become clear that the Council was not previously getting the best out of the system(s) in operation. The rationalised system will enable the service to determine whether or not the system is fit for the service purpose and it is proposed that the operation of the system is assessed over the next year to determine its ability to satisfy the ongoing requirements of the service.

The rationalised system will be beneficial in terms of clarity of purpose, consistency in application and improved efficiency in support. This will significantly improve the service provided and the quality of information available from the systems.

6) Policies and Strategies

Prior to the review the Benefits Service had based its service provision on compliance with regulations without any significant development of internal policies and procedures to clarify the level, quality and limit of the service being provided.

A Fraud and Overpayments Policy has now been drafted and this draft will be developed by the Fraud and Overpayments Officer once recruitment is completed to this newly created post.

Similarly a draft Fraud Awareness Training Manual has also been produced as a starting point for further development by the Fraud and Overpayments Officer.

A procedure manual was produced and issued to staff in January 2000 to provide a general framework of guidelines on benefits for all staff. The procedure manual will be supplemented by further detailed procedure notes for use by benefits staff in their administration of benefits.

7) Relationships with Customers and Stakeholders

The inability of the Service to cope with its workload and the lack of staffing and other resources dedicated to customer and partner relations resulted in unsatisfactory and poorly defined relationships other than the relationship with the Benefits Agency.

Customer satisfaction levels were low and the general perception of the service's inability to cope with its core tasks of processing benefit claims had become accepted as the norm. This perception will take some time to alter. The action taken over the past nine months to clear the outstanding backlogs and comply with the regulations in regard to reviewing or cancelling benefits within 60 weeks has however proved that the service can cope and will take the action necessary to comply with the statutory Benefit Regulations.

Relationships with Housing Associations have been improved through direct communication and participation in meetings to explain the problems historically faced, the corrective action taken and the successful outcome. The feedback from the Housing Associations is that the service has improved and that they are appreciative of the willingness of the service to work in partnership to deliver service improvements and general understanding of issues.

Stakeholder/Customer relationships also exist within the organisation. Like the external relationships this aspect of the service had suffered from neglect. Relationships with key customers such as Housing and Council Tax were informal and unclear while the service opportunities from relationships with Social Work Welfare staff and Local Offices were not being exploited.

Relationships with Housing and Council Tax have been improved considerably as a result of regular meetings between the services and the development of Service Level Agreement which clarify the roles, responsibilities and expectations of each of the services. The relationship with IT Services is also being clarified as part of the ongoing rationalisation of the systems. A Service Level Agreement will be put in place following this rationalisation exercise.

The development of relationships with Social Work and Local Offices have been less formal but just as significant. The link with Social Work is essential in developing the important role of Benefits in Social inclusion and the administration of benefit take-up. The link with Local offices has been particularly effective in improving customer access to services and in improving the quality of application forms received through the Local Office network. Regular liaison meetings will be put in place to ensure effective Corporate Working in the provision of the Benefits Service.

Once recruitment to the posts in the new organisational structure is completed more improvements in Customer and Stakeholder relationships will be pursued. Plans are in place to conduct a Customer Survey as a basis for

further developing relationships and service and the service will provide input to the Councilwide residents survey being conducted by MORI.

SECTION C

HOW WELL DOES BENEFITS DELIVER ITS SERVICE?

This section covers	Backlog of Processing Work. Benefit Period Overruns. Performance Indicators. Customer Feedback/Complaints. Detection of Fraud
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Summary of Achievements in Past Nine Months	
◆	Backlog problems substantially cleared by 30 November and fully by January 2000 and throughout and workload is now being monitored to ensure no backlog develop.
◆	As a result of Benefit Renewal Exercise undertaken between August and October 1999 Benefit Period Overruns have been limited to below 5% for 1999/2000 DSS and no penalties will be incurred; thus meeting the specific requirements of Members
◆	The process of reviewing and termination of claims as required by regulations has now been automated.
◆	As at 8 February 2000 saving of £19,600 in benefit payments per week due to cancellation of 795 cases where claimants have failed to renew applications in line with DSS Benefits Regulations.
◆	Processing of claims within 14 days currently averaging 47% for 1999/2000 compared to 23% for 1998/99. Realistic to expect 90%+ performance from 2000/2001 onwards.
◆	Complaints reduced substantially following clearance of the backlog.

1) **Backlog of Processing Work**

A significant backlog was evident at transfer in April 1999. An early task was to quantify the backlog which amounted to 15,600. The backlog had been reduced to a level of 13,000 at 6 August 1999 before rising again as a result of the diversion of resources to train the temporary employees and the preparation for, and impact of, the review exercise undertaken from the middle of August which culminated in the cancellation of benefits not reviewed by the due date of 4 October 1999. The backlog then peaked at 15,700 at 15 October 1999 before being reduced to zero by 14 January 2000 as a result of the efforts of a dedicated team of assessors set up to tackle the backlog. In the same timeframe a team dealing with current work, including the ongoing reviews, coped with new claims and correspondence.

This significant achievement in the three-month period did much to change the service from a failure to success

Appendix D outlines the progress of the backlog from April 1999 and outlines the volume of mail processed from 11 June 1999 to date. At 18 February 2000 3,231 items of correspondence were outstanding. This amount is equivalent to approximately 2 weeks of correspondence which is normal and does not constitute a backlog.

On a weekly basis more items are being cleared than being received indicating the continuing improvement in service and clarifying the service's ability to cope with its workload. The level of overtime worked will diminish as the recruitment process is completed.

2) **Benefit Renewal Exercise**
(Eradication of Benefit Period Overrun Problem)

The Council incurred penalties of some £200k in each of the financial years 1997/98 and 1998/99 as a result of failure to comply with regulations requiring benefit entitlement to be reviewed, within a maximum period of 60 weeks. Urgent action was needed to avoid a similar penalty in 1999/2000. Early difficulties were encountered in getting information on Benefit Period Overruns from the computer systems. Problems were due to inconsistency of operation and practice across the different systems and the need for the software suppliers to provide additional editing and reporting capability. It became clear that urgent action was required to review a significant number of claims which had gone, or would go, beyond the 60-month limit.

A review of some 6,000 cases was required and action was taken to issue the necessary review forms in August 1999 with a review date of 4 October 1999 agreed to provide time for the claimants to complete the forms and have them processed by Benefit staff. The necessary diversion of resources to the review exercise had an anticipated detrimental effect on the processing of the backlog during this period.

At 4 October 1999 some 2400 customers had not returned the review forms and had their benefit terminated as a result. Significant efforts were made to identify customers who had not returned forms and those who remained entitled were encourage to submit new claims. At 3 December 1999 the 1,000 that remained terminated at that time were identified and were visited by Council Officers to identify the reasons for non return. While this exercise resulted in more claims being received and reinstated it also resulted in investigations into benefit overpayments and, in some cases, the fraudulent nature of previously made claims. At 8 February 2000, 795 of the original 2,400 claims cancelled in October 1999 remained terminated.

All 795 cases have been pursued and fraud has been established in 51 of them. A total of £34,560 worth of Weekly Benefits Savings has been established resulting in additional entitlement of £8,640. Two of the fraud cases identified are being considered for prosecution.

The visiting and Fraud Investigation exercise has been a huge undertaking for the Benefits Fraud staff. It has resulted in diverting attention away from the normal fraud investigation work. It has however been worthwhile in clarifying to claimants, and potential claimants that the service places as high a priority on investigating, detecting and prosecuting Benefit Fraud as it does on maximising the take-up of benefits among those in society who are entitled. The current service is as a result of the Council refocusing/establishing itself as a caring, pro-active service which has no hesitation in taking action against those who attempt to defraud the Benefits system.

By December 1999 the IT systems were amended and updated to include review dates for all claims and set to automatically issue review forms 6 weeks before the review date and terminate claims not processed by that review date.

The renewal exercise was both successful and significant in several respects:

- ◆ It established effective internal control procedures to the future occurrence of Benefit Period Overruns and resultant DSS penalties
- ◆ It emphasised a change of culture in the Benefits Service complying with Benefit Regulations
- ◆ It terminated the benefits of claimants no longer entitled to receive benefits resulting in weekly savings of some £19,600, equivalent to £1m annually for the 795 claims which remain terminated at 8 February 2000.

Information provided by the system has confirmed that the Benefit Period Overruns Projection for 1999/2000 will be contained with the 5% limit resulting in no DSS penalty for 1999/2000. The process followed by the Council in projecting the BPO figure has been agreed as reasonable by the Council's External Auditors. The projection will not however be confirmed until final figures are presented for audit in October 2000.

The automation of the renewal process will ensure that Benefit Period Overruns will be minimised in future years.

3) Performance Indicators

The Accounts Commission publishes key performance indicators for the Benefits Service. The indicators are useful for analysing the performance of the service over time and for comparing performance with other local authorities.

For 1998/99 two performance indicators were produced –

- ◆ Gross Administration cost per case, and
- ◆ Percentage of applications processed within 14 days

The cost per case for the Council in 1998/99 was £28.03 against the Scottish average of £34.19.

The performance in regard to processing claims within fourteen days reflects the problems being faced by the service. Only 23.1% of claims were processed within fourteen days against the Scottish average of 73.1%. This compares with 54% achieved in 1997/98 and 74% achieved in 1996/97.

Performance during 1999/2000, particularly in the last quarter, has improved considerably and despite the existence of a significant backlog, not cleared until January 2000, the cumulative overall performance for the year is that currently some 47% of items processed to date have been processed within fourteen days. With the backlog of work cleared this will continue to improve and a realistic target of achieving 90% has been set for 2000/2001.

4) Customer Feedback/Complaints

The level of enquiries and complaints from customers and Council Members was high in the period preceding the clearance of the backlog. The bulk of enquiries, however, related to the backlog and the length of time it was taking to process claims and respond to queries. Complaints and enquiries were dealt with as they arose and resources allowed. In addition specific action was taken where possible to ensure that the causes of enquiry and complaint were dealt with to ensure that any systematic weaknesses were eradicated.

Appendix E outlines the main complaints/enquiries received, the action taken in response and the checks and balances put in place to prevent re-occurrence. This approach to dealing with complaints ensures that the root cause of complaint is addressed. Ongoing monitoring of complaints will take place in line with the Council's arrangements for reporting and managing complaints to ensure that the action taken has been successful.

SECTION D

COULD THE SERVICE BE DELIVERED BETTER?

This section will build on the achievements of the past nine months and outline an Action Plan to ensure continuous service improvements in the short, medium and long term.

Summary of achievements

- ◆ The development of an Action Plan which will provide for continuing service improvements in the short, medium and long term.

The significant achievements of the Member/Officer Working Group have been possible due to the relentless pursuit of Action Plans which have focussed effort on priority issues. The number of key priorities tackled during the nine month period has been a significant achievement given the number of issues that had to be addressed quickly.

The service can no longer be considered a failing service as a result of the progress made. Despite the improvements made there is no room for complacency and there are many service improvement opportunities to be addressed.

The Actions identified in the following table summarise the key areas of improvement planned for the next year. The detailed action plan will be developed following the appointment of a Benefits Service Manager who will be tasked with progressing the continuing improvement of the service.

It is proposed that a progress report against this plan will be presented to the Policy and resources Committee to keep Members updated.

SHORT/MEDIUM TERM ACTION PLAN

ACTIONS	TIMESCALE
◆ Complete recruitment of posts in new structure	March 2000
◆ Update Service Description	May 2000
◆ Complete EFQM Assessment	June 2000
◆ Establish inter-departmental liaison meetings	June 2000
◆ Complete the review of Benefits forms	May 2000
◆ Review standard letter templates	May 2000
◆ Sign up to and Comply with the DSS Verification Framework	March 2001
◆ Continue development of Fraud Strategy	May 2000
◆ Clarify Benefit overpayments procedures and practices to ensure recovery is maximised.	May 2000
◆ Complete rationalisation of IT systems	March 2000
◆ Prepare IT system spec and compare with current system	August 2000
◆ Set challenging Local Performance Indicators and monitor performance through regular reporting to members.	June 2000
◆ Increase involvement in Social Inclusion Programme, ensure maximisation of Benefit Take up.	June 2000
◆ Undertake Customer Survey and be more proactive in improving relationships with customers.	August 2000
◆ Review control environment	April 2000
◆ Develop training programme	April 2000
◆ Review documents archiving arrangements	August 2000

EAST AYRSHIRE COUNCIL

FINANCE DEPARTMENT

DRAFT SERVICE DESCRIPTION - BENEFITS SERVICE

1 OBJECTIVE OF THIS DRAFT SERVICE DESCRIPTION

This document describes the services to be provided by the Finance Department to customers in respect of Housing Benefit, Council Tax Benefit and Rent Allowances. It is intended to provide customers, the department and the Council with a clear understanding of the services to be provided and the responsibilities of each party in the achievement of the level of service specified.

This is designed to provide a framework for delivering the service at a standard which can be measured by both customer and provider.

2 DESCRIPTION OF SERVICE

2.1 Purpose, Goals and Values of the Finance Department

The Finance Department's purpose is to provide cost effective, responsive and accountable services which meet the needs of customers and make a significant contribution towards the proper stewardship of the Council's funds.

The Finance Department is committed to working towards providing a range of services, including the Benefits Service, which:

- have a strong customer focus;
- are responsive to customers' needs;
- empower customers; and
- are accountable and open and which meet the highest professional standard of service provision.

2.2 Location of Benefits Service Provision

The Benefits Service will be provided from Council Offices, Lugar, for customers in the South of East Ayrshire and from Civic Centre, Kilmarnock, for customers in the North.

2.3 Service Details

The following sets out in detail the range of services to be provided by the Benefits Service within the Finance Department. Some services will not be relevant to all customers.

Services provided fall into five main areas: -

- Determination
- Award
- Notification
- Investigation
- Enquiries

(a) Determination

In order to determine the level of benefit entitlement for customers the Finance Department will: -

- Provide a pre-printed application form in a format which will allow the details of personal circumstances required to allow calculation of benefit entitlement in accordance with Department of Social Security (DSS) Regulations.
- Record receipt of all applications on a daily basis.
- Verify the completeness of the information provided with the form and advise customers of any deficiency.
- Verify the accuracy of information provided on the form.
- Input the data provided to the computerised benefit calculation system.
- File the documentation in a manner which will allow easy retrieval.
- Calculate benefit entitlement based on the information provided.
- Review the award by requesting customers to confirm their current circumstances on a regular basis in line with guidance provided by DSS.

(b) Award

- Apply the calculated value of the Housing Benefit calculation to Council Tenants' Rent Accounts.
- Issue payment in respect of the calculated value Rent Allowances either to the Landlord or the Tenant as specified on the application form.
- Apply the calculated value of Council Tax Benefit to householders' Council Tax Accounts.

(c) Notification

- Advise all customers in writing of the outcome of the calculation together with details of the appropriate appeals procedure within 14 days of receipt of complete information in respect of a claim.

In terms of the Benefit Regulations, on receipt of this notification applicants have the right to ask for a review of their calculation of entitlement and this must be requested from the Director of Finance within six weeks of receipt of the Letter of Determination of Benefit. If the applicant is dissatisfied with the outcome of that review, they have the right to appeal to the Housing Benefit Review Board. Review Board Appeals must be lodged with the Director of Finance within four weeks of the case having been reviewed and the Head of Administration will arrange for the Review Board to be convened.

- Advise customers 4 week in advance of a review of award by issuing an appropriate application form to allow them to re-apply for benefit.
- Issue reminders to customers who fail to respond to the review no later than 2 weeks after the review date.

(d) Investigation

- Investigate cases where fraud is suspected.
- Complete and file investigation reports in respect of all cases.
- Initiate recovery procedures for overpayment of benefit where appropriate.
- Prosecute fraudulent claimants where appropriate.
- Liaise with DSS in cases where other Benefits are involved in fraud.
- Maintain records of cases investigated and the value of weekly benefit savings.
- Monitor achievement of statutory requirements

(e) Enquiries

Local Council Offices will be promoted as the first point of contact for Benefit enquiries by customers. The Finance Department will: -

- Provide training to Local Office staff on Benefits.

- Make systems access available to Local Office staff.
- Provide a secure enquiry line for Local Office staff.

For customers who are unable or unwilling to use this channel, the Finance Department will provide: -

- A telephone handling service capable of answering all incoming calls in normal circumstances within 5 rings. This may be achieved using automated call handling software although an operator will always be available on request.
- A dedicated e-mail address with a same day acknowledgment.
- Written response to correspondence.
- In all cases queries will be answered within 10 working days.

3 CUSTOMERS

3.1 Customers' Contribution to the Level of Service

The efficient working of the Benefits Service relies on the co-operation and assistance of its customers. A significant challenge for the service is to clearly inform customers of their contribution to receiving the required level of service in terms of: -

- Completing the application form and including the required level of accompanying evidence in accordance with the notes of guidance provided.
- Providing accurate and timely notification of any change in circumstances which may affect the level of Benefit they are entitled to.
- Checking that the data used in the calculation, as shown in their determination letter, is correct and notifying the Department of any errors immediately.

3.2 Customer Care

The Finance Department will endeavor to give the highest standard of care to every customer within the terms of this Agreement. Feedback from customers will be used to measure and improve the level of customer satisfaction.

3.3 Complaints Procedure

The Finance Department will deal with all complaints in accordance with the Council's Corporate Procedure for responding to Customer Feedback (Comments, Suggestions and Complaints) which comprises of four response stages. The process provides a framework for responding to customers in an appropriate manner, while maintaining the flexibility required to respond effectively to each customer's different expectations and needs. The four response stages are: -

- First Point of Contact
- Formal Response
- Departmental Review
- Taking it Further

(a) First Point of Contact

All communications will be responded to quickly and courteously. All staff will attempt to answer the customer's question or resolve any issue in the first instance. If the staff member is unable to provide the customer with an adequate or satisfactory response, he/she will either:

-

- refer the enquiry to an appropriate officer or manager who will be able to respond; or
- take the customer's name, address, telephone number and details of their question, find out who can provide the customer with the correct information and pass the details on, after having advised the customer accordingly.

(b) Formal Response

If the customer is dissatisfied with the response from the first line of contact, a Formal Response will be required and a written response provided within seven working days.

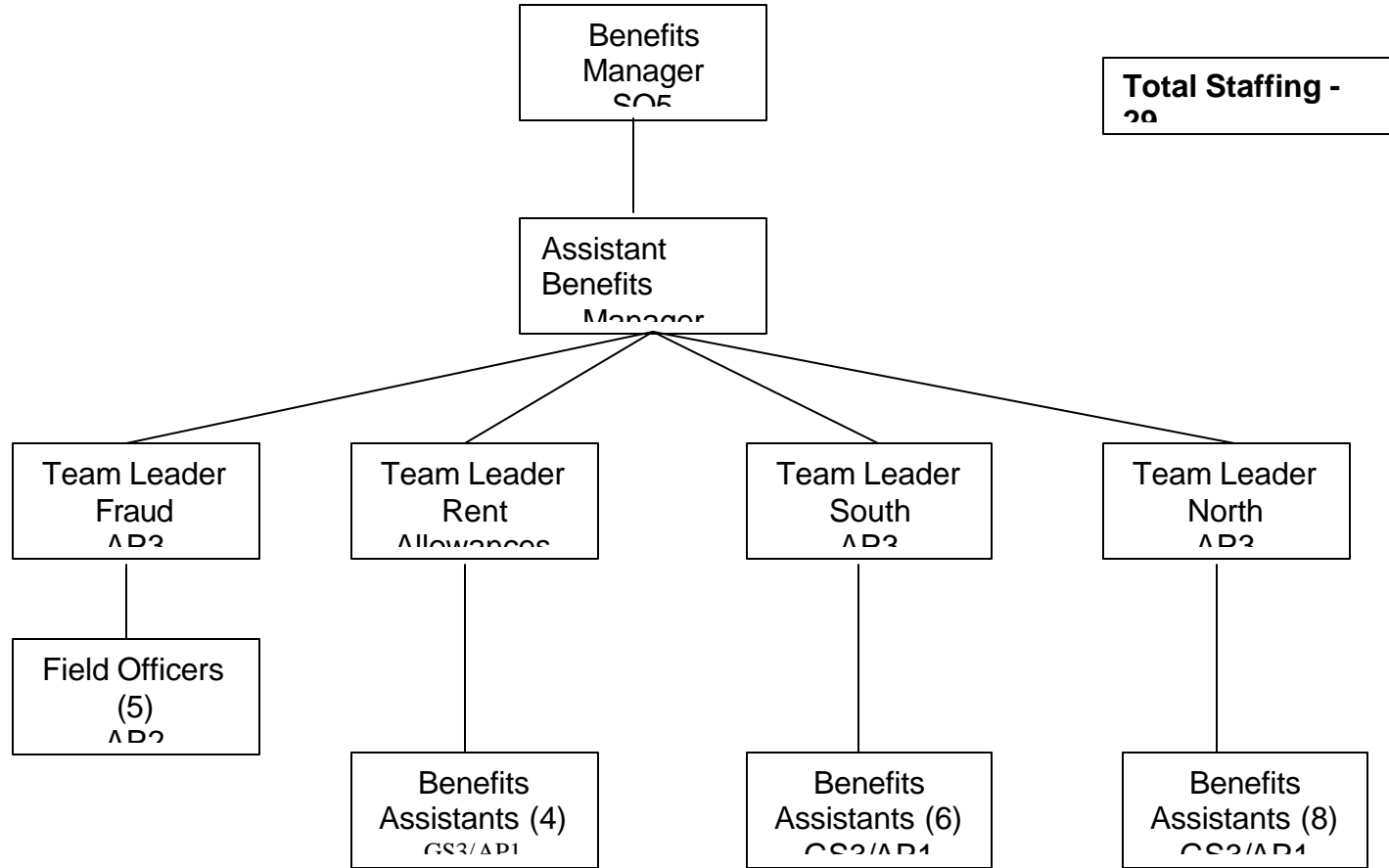
(c) Departmental Review

If the customer remains dissatisfied with the Formal Response, the Director of Finance will review the case and provide a written response to the customer within fourteen working days. Any new issues raised by the customer when replying to a Formal Response will be treated as a new complaint. In appropriate circumstances, financial compensation may be considered in consultation with the Solicitor to the Council. Where a customer decides to resort to legal action against the council the matter will be referred immediately to the Solicitor to the Council.

(d) Taking it Further

At any stage of the procedure, the customer has the option of contacting the Chief Executive of the Council who will initiate a review of any complaints made against the Council and a written response will be provided to the customer within twenty-one working days.

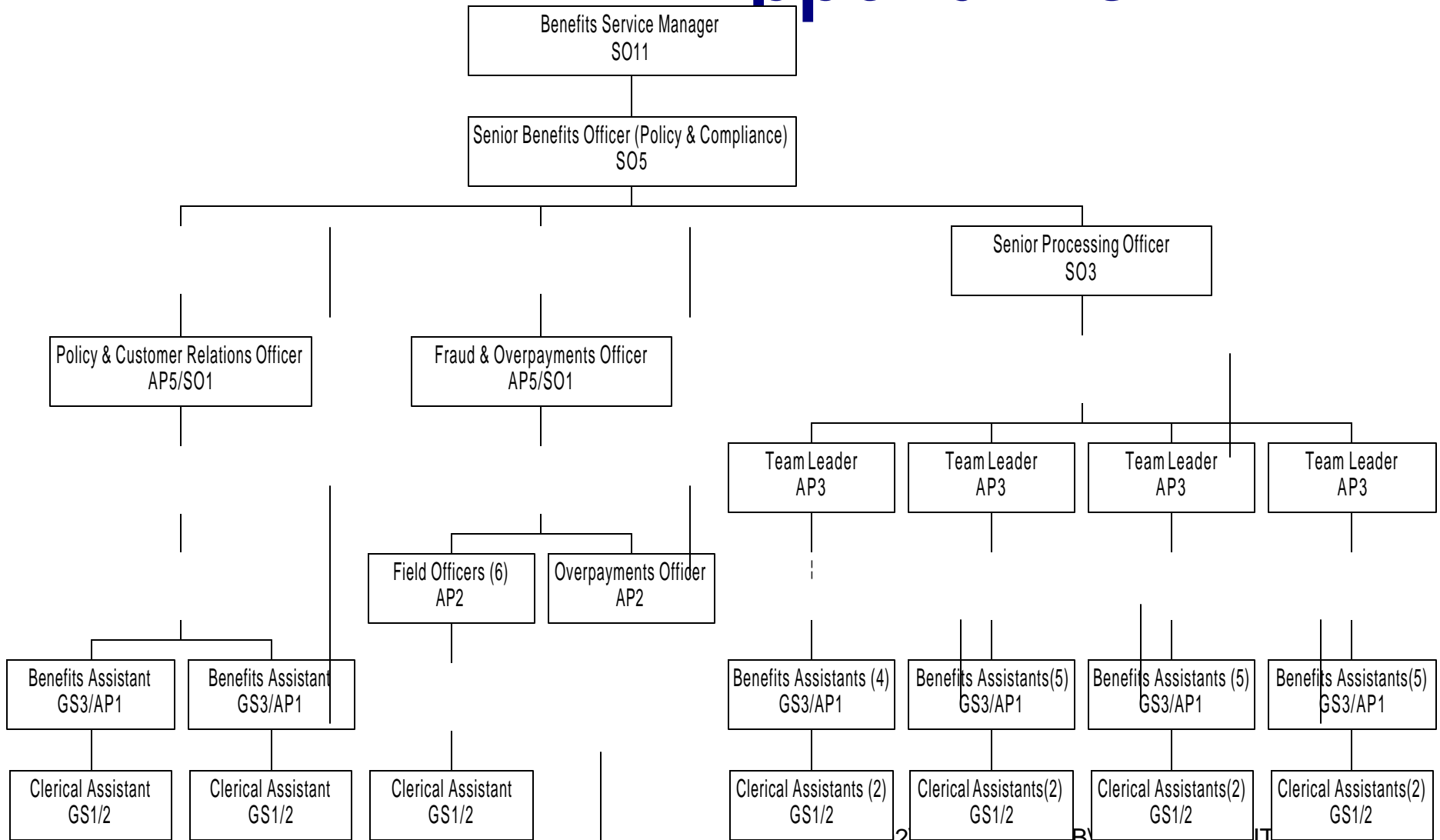
Benefits Section Structure prior to review in November 1999

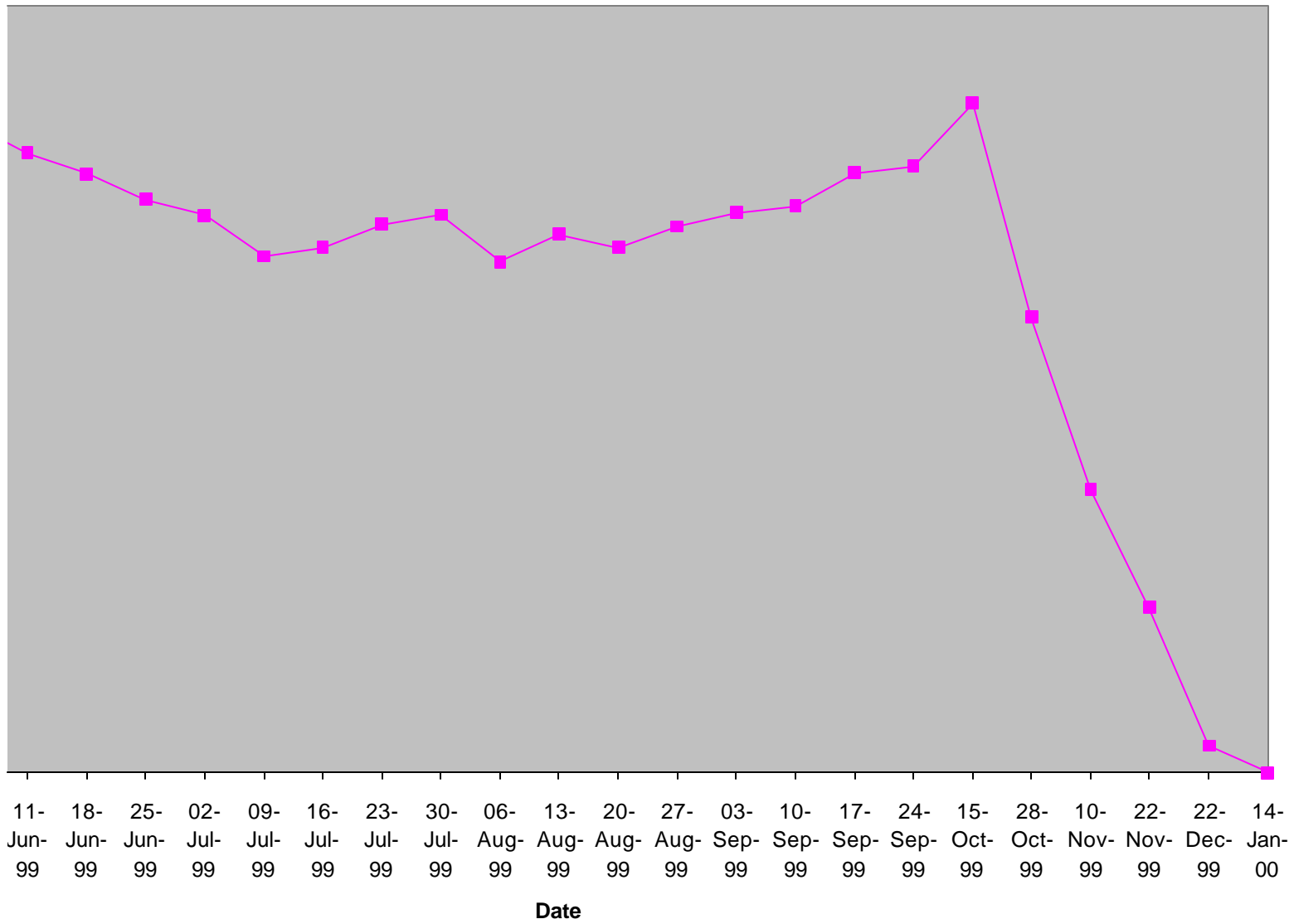


APPENDIX B

Total = 48

Appendix C





Backlog Figures April 1999 to Clearance

The backlog figures for the above period are detailed in table 1

Table 1

Date	Figure
7 April 1999	15673
28 May 1999	15791
4 June 1999	15274
11 June 1999	14557
18 June 1999	14075
25 June 1999	13472
2 July 1999	13088
9 July 1999	12126
16 July 1999	12337
23 July 1999	12891
30 July 1999	13106
6 August 1999	12005
13 August 1999	12650
20 August 1999	12336
27 August 1999	12839
3 September 1999	13161
10 September 1999	13321
17 September 1999	14096
24 September 1999	14257
15 October 1999	15737
28 October 1999	10700
10 November 1999	6649
22 November 1999	3892
22 December 1999	635
14 January 2000	0

August 25/26 1999 - Renewal Exercise

6000 Renewal forms despatched and priority given to this exercise

18 September 1999 – 4839 reminder letters despatched to those claimants who had not returned their forms. Benefits staff were involved in a major exercise to ensure that as far as possible, reminders were not sent to claimants who had returned forms.

As at 30 September 1999, 3820 Renewal forms had been returned and the Benefits Section had processed 3615. The backlog increased as a result of the priority attached to the renewal exercise.

On 4 October 1999, 2400 customers had their benefit terminated and were advised of this on 7 October 1999; this created significant additional work as the section was inundated with phone calls and visits to Local Offices and Civic Centre were much higher than normal.

Mail Received and Claims processed - 11 June 1999 to clearance (14 January 2000)

Total mail received - 41,033
Total processed - 58,113

Average mail received per week -1,323
Average processed per week - 1,874

Since 14 January 6,796 items of correspondence have been received and 7,739 have been processed.

Amount outstanding as at 18 February 2000 - 3231

Details of Complaint	Action taken in response	Checks and Balances put in place as a result
Delay in processing application forms	Where individual complaint received, form pulled and actioned as priority	Backlog cleared which has stopped the majority of these types of complaint. New structure to be in place 1.4.00 to prevent any further occurrence.
Cancellation of benefit but form and proof of income already in office.	Re-instatement of benefit entitlement.	Procedures in place to ensure all mail now cross-checked and matched to outstanding forms when it is received.
Rebates being incorrectly assessed.	Benefit checked and amended where appropriate.	Staff training now taking place on a regular basis to try to eliminate problems. Audit of claims to be brought in to ensure benefits correctly assessed.
Complaints received regarding missing or lost forms.	Mail log checked and where no form received a new form is posted out.	All forms now receipted and procedures in place to ensure all mail logged as soon as it is opened.
Delay in answering telephone calls.	Where the complaint has come via the switchboard the person is immediately phoned back by a supervisor.	A new call queuing system put in place and a new rota produced to ensure 4 staff answering phones at all times – one member of staff being an experienced assessor.
Complaints about having to send in proof of income after having handed in a form at the Local Office or Civic Centre.	Explanation given for reason proof needed and apology for inconvenience.	Staff at Civic Centre now trained to check forms and request proof. Local Offices provided with photocopiers and training to enable them to provide a good service.
CT bills/final demands going out with the wrong or no benefit showing.	Where benefit already assessed but not transferred to CT, entitlement explained.	The year 1998/99 has now been closed and details posted to CT. Still some outstanding

	Where no CTB paid because of IT problems explanation given.	IT problems being pursued with IT and BSL
Determination letter – problems with the wording and the amounts to pay.	Explanation given to claimants who are unsure.	The determination letter still needs to be re-vamped. This will be a priority after Year-end has been completed.
Attitude of staff.	Complaint checked out and where necessary staff reprimanded for not dealing with claimants in correct manner.	Staff training taking place that has helped staff to deal better with queries. Also all staff to receive customer care training.
Wrong information being given out on some occasions.	Apology given and the correct information supplied.	Staff training has alleviated this problem.
Failing to deal with an enquiry and call back claimants.	Apology given and normally a supervisor would take over.	Staff, at team briefings, reminded of the importance of dealing effectively with claims and team leaders monitor this.

AGENDA