

Benefits

Service

Inspection

Epping Forest District Council

May 2010



Contents

Service Inspections	3
Summary	4
Scoring the service	6
Recommendations	8
Report	12
How good is the service?	15
What are the prospects for improvement to the service?	28

Service Inspections

This inspection has been carried out by the Audit Commission under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. These principles embody the objectives of our Strategic Plan and Strategic Regulation. They also reflect the principles from *The Government's Policy on Inspection of Public Services (July 2003)*. Audit Commission service inspections should:

- focus on public service outcomes from a user perspective;
- act as a catalyst to help inspected bodies improve their performance;
- concentrate inspection work where it will have most impact, so that it is proportionate and based on an assessment of risk;
- be based on a rigorous assessment of costs and benefits, with a concern for achieving value for money both by the inspected organisation and within the inspection regime itself;
- be, and be seen to be, independent of the inspected organisation;
- report in public, using impartial evidence to inform the public about the performance of public services so as to enhance accountability;
- involve collaborative working with other inspectorates and external review agencies to achieve greater coordination and a more holistic approach to the assessment of performance by audited and inspected bodies;
- share learning to create a common understanding of performance that encourages rigorous self assessment and better understanding of their performance by inspected organisations;
- be carried out objectively by skilled and experienced people to high standards and using relevant evidence, transparent criteria, and open review processes; and
- enable continuous learning so that inspections can become increasingly effective and efficient.

We assess services using published key lines of enquiry (KLOE) to inform our judgements. The KLOEs can be found on the Audit Commission's website at www.audit-commission.gov.uk.

This report is issued in accordance with the Audit Commission's duty under section 13 of the 1999 Act.

Summary

- 1 The Benefits Service (the Service) at Epping Forest is poor and has uncertain prospects for improvement. Vulnerable people that need benefits are not getting a good service. Frontline staff deliver good customer care, but customers visiting the Civic office at Epping Forest are provided with limited and uninviting facilities. There are some signs of improvement but progress has been slow. Those making a new claim or lodging an appeal face long delays. During 2008/09 customers reporting changes in circumstances experienced an improvement in performance, but those making a new claim waited on average 47 days for their benefit.
- 2 There are no service standards in place. This means that users cannot judge how well the Service performs. Arrangements for regular engagement with service users to help understand whether the Service is meeting their needs are not in place. Engagement with stakeholders and partners¹ is not well developed and in some cases does not exist, for example with local landlords. The absence of effective dialogue with users means that the Service does not know whether it is meeting user expectations.
- 3 Some customers find it difficult to access the Service because of the location and opening times of the Civic office in Epping. Benefit take-up activity is low-level and the Service could do more to encourage residents to claim benefits. At a time of recession the Service is not active in providing support for people who have no experience of the benefit system. This means that some people will not be claiming benefits they are entitled to.
- 4 The Service is not doing enough to make sure the right people get the right benefit. Key parts of the Service have suffered because of difficulties in recruiting staff. For example, counter-fraud work does not present an effective deterrent to fraudsters. The investigation team has been under staffed for over 12 months and as a result failed to achieve targets for investigating alleged fraud. However, it has been effective in securing some sanctions against fraudsters but these have been in low numbers. Claims that pose a higher risk of changes going unreported are not being systematically reviewed.
- 5 The Service is not achieving good value for money. Service costs are high compared with other councils, and benchmarking with other councils has not identified ways to work more efficiently. This is an opportunity missed by the Service. The corporate requirement is to reinvest any savings back in to the Service, which means any savings that the Service could identify could be re-invested to improve the service customers get.
- 6 The prospects for improving the service are uncertain. The Service recognises some of its weaknesses and progress has been made in some areas. For example:
 - backlogs have been cleared successfully;
 - the time taken to process changes in circumstance has achieved a sustained level of improvement;

¹ Service partners include The Pension Service, Citizen Advice (CAB) Bureau, Jobcentre Plus and the Housing Options Team

Summary

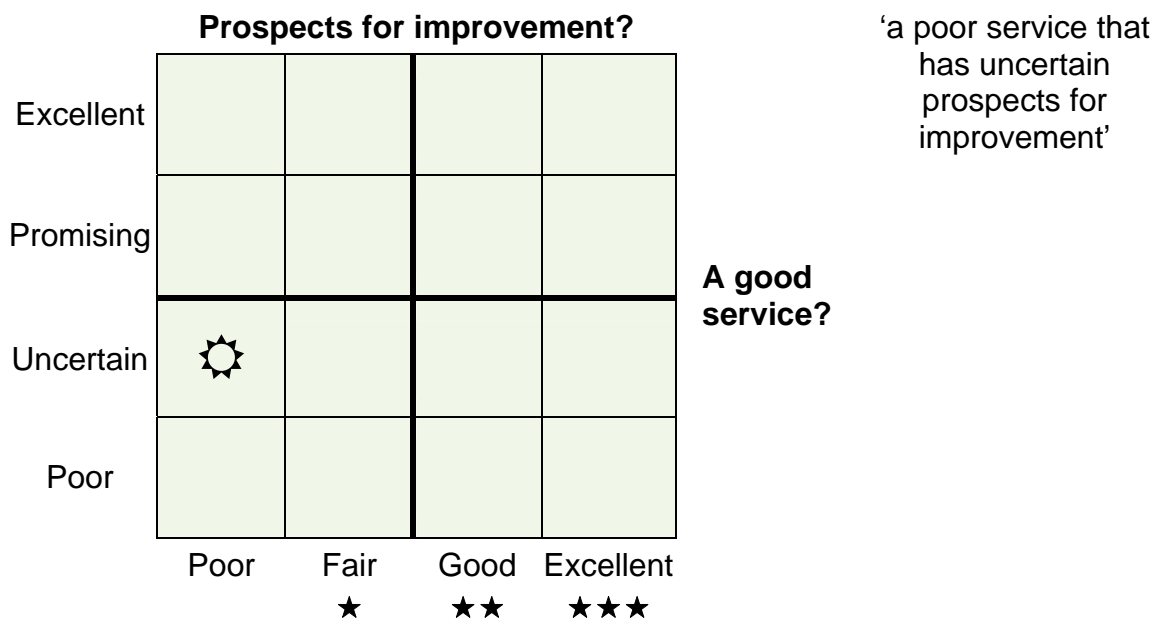
- the time taken to process new claims is making slow but positive improvement;
 - staff capacity has been increased through more rigorous and effective sickness management;
 - there is a clearer focus on staff training with good corporate support for skills development; and
 - progress in recruiting staff has been made, and it is expected that all vacancies will have been filled by early 2010.
- 7 Corporate performance management is improving. The performance development review scheme has improved with better rates of participation and smarter action plans which link to corporate priorities. Service planning for 2010/11 started earlier than for 2009/10, and the Council is moving to two year plans to improve continuity. As a result, there is a better focus on managing performance.
- 8 But the Service does not have a clear and consistent track record of improvement, and leadership is not effectively driving improvements. There has been limited progress against the 2008/09 service plan objectives. Plans are short-term and narrowly focused without clearly defined priorities, or SMART¹ targets to ensure that continuing progress is easily checked and can be properly managed.
- 9 Consideration will be given to re-inspect the Service within a period of 24 months to provide assurance to customers, council tax payers and government that sustained improvements have been achieved.

¹ Specific, measurable, attainable, resourced and time-based.

Scoring the service

10 We have assessed Epping Forest District Council as providing a ‘poor’ no star service that has uncertain prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

11 The Service is a poor, zero star service because:

- customers making a new claim wait too long for payments of benefit;
- customers who appeal a decision experience unreasonably lengthy delays;
- users of the Service do not know what standard of service they can expect;
- customers using the Civic office at Epping are provided with limited and uninviting facilities;
- opening times of the Service are not flexible for customers, such as those not able to access the Service during traditional office hours;
- communication and consultation with customers and partners is weak;
- benefit take-up is not effectively targeted to help those who are most vulnerable;

¹ The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

Scoring the service

- not enough is done to make sure that people continue to get the right benefit;
- fraud is not effectively tackled; and
- costs are high compared with similar councils.

However, it has some strengths which include:

- staff deliver a good level of customer care;
- customers reporting a change of circumstance receive a prompt service;
- joint working with the Pension Service is effective in supporting elderly people access benefits and other services;
- Discretionary Housing Payments (DHP)¹ are well used to support vulnerable people; and
- overpayment recovery is good and in line with performance targets.

12 The Service has uncertain prospects for improvement because:

- limited progress has been made against the 2009/10 service plan objectives and performance has not improved consistently toward achieving targets;
- corporate delays in introducing a Customer Transformation Programme have prevented improvements for benefits customers;
- plans for improving key areas of weakness are not comprehensive and lack targets and milestones against which to measure progress;
- performance management within the Service is weak, plans are not effectively managed to ensure actions are completed;
- corporate support for resolving recruitment and retention difficulties is weak;
- opportunities to learn from other councils or from its own experiences are not always taken; and
- plans for improving value for money are not clear.

However, there are some strengths which include:

- corporate performance management is improving and councillors are clear about their role in performance management;
- a clear commitment to investing in the Service;
- a commitment to developing and training staff with good corporate support for skills development;
- increased capacity through effective absence management; and
- reduced backlogs of work and improved performance in some areas.

¹ Discretionary Housing Payments are payments made at the discretion of the Council, subject to an annual cash limit set by central government, in cases where the Council considers that additional help with housing costs is needed by vulnerable customers.

Recommendations

- 13** To rise to the challenge of continuous improvement, councils need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the Council. In addition, we identify the approximate costs¹ and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the Council should do the following.

Recommendation

R1 Deliver quicker and more accurate payments to customers by:

- being more supportive towards customers who need to provide extra information so that it is received quickly;
- improving the time taken to process new claims to that of the best Council's that the Service benchmarks with;
- identifying changes of circumstance through:
 - an awareness programme that encourages customers to report changes; and
 - regular review of those cases that pose the greatest risk of having changes that go unreported; and
- carrying out effective risk based accuracy checks of claims processed and using the results to inform staff training plans and reduce errors.

The expected benefits of this recommendation are:

- customers will receive their benefit quickly and reduce the risk of financial hardship;
- benefit will be paid correctly and errors will be minimised; and
- staff training will be focused where it matters to ensure customers get the right benefit.

The implementation of this recommendation will have high impact with low costs. This should be implemented by September 2010.

¹ Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high cost is over 5 per cent.

Recommendations

Recommendation

R2 Improve the customer focus and delivery of the Service by:

- surveying the views and needs of users to find out what they think about the service and use this information to plan customer facing developments for the service;
- identifying all potential stakeholders and enhancing the existing arrangements for engaging with stakeholders, partners, and service users in order to fully understand their needs to shape service improvements;
- developing challenging service standards through consultation with key partners, service users and councillors;
- promoting service standards to customers;
- monitoring the performance against the standards and reporting the results to users, senior managers and councillors;
- ensuring the Service has the capacity to deliver service standards; and
- making the Service more accessible for customers.

The expected benefits of this recommendation are:

- to ensure improvements are what customers want and need;
- to provide more effective service delivery for the customer and Council;
- to clarify customer expectations of what service levels are provided; and
- give assurance to service users, partners and the Council of the standard of service being delivered.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by September 2010.

Recommendation

R3 Improve value for money by:

- managers and councillors using cost information alongside performance information to challenge and drive up performance;
- using the comparative data to identify areas in which performance is low compared to that achieved in other councils; and
- using benchmarking with other high performing councils that have significantly improved their performance to identify and learn from best practice.

The expected benefits of this recommendation are:

- that improved value for money will be secured by the Service; and
- improved performance.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by September 2010.

Recommendation

- R4** Increase income levels of the poorest parts of the community by:
- adopting a strategic approach to maximising the take-up of benefits which:
 - uses local demographic information to help identify potential areas of under-claiming;
 - involves partners in planned activities and events; and
 - has clear measures of effectiveness.

The expected benefits of this recommendation are:

- maximising the entitlement of benefit to vulnerable people;
- better targeting of resources; and
- increasing money being brought into the local economy through effective take-up.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by September 2010.

Recommendation

- R5** Improve the effectiveness of performance management and service planning by:
- producing an improvement plan that is SMART and delivers demonstrable improvements for customers;
 - developing an effective approach to benchmarking that allows the Service to compare and learn from the best performers;
 - sharing performance information among all staff so they know how the Service is doing; and
 - making the most of available management information to improve service performance and delivery.

The expected benefits of this recommendation are:

- to ensure a focus on improving those things that matter for customers; and
- to help ensure those most vulnerable receive their payments faster.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by June 2010.

Recommendations

Recommendation

- R6** Protect tax payers money and improve the effectiveness of counter-fraud work by:
- setting in place a counter-fraud strategy that:
 - provides a framework and focus for counter-fraud activity;
 - raises and maintains awareness of benefit fraud amongst staff, partners and service users; and
 - balances the need between preventing and detecting fraud.
 - ensuring sanctions are applied consistently and in-line with Council policy; and
 - ensuring sufficient resources are allocated to deliver performance against targets.

The expected benefits of this recommendation are:

- the right people will received the right benefit that they are entitled to; and
- tax payers will have confidence that the Council is protecting their money from fraudsters.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by December 2010.

Report

Context

The locality

- 14 Epping Forest is a largely rural district that covers an area of around 339km² in the county of Essex, sharing geographical borders with four London boroughs and includes the towns of Epping, Loughton, Chigwell, Ongar and Waltham Abbey. The district is of relatively low deprivation, ranked 229 out of 334 authority areas in England in the 2007 Indices of Deprivation where one is the most deprived. No areas within Epping Forest fall within the 10 per cent most deprived in England although there are pockets of deprivation within the district. The areas of deprivation are the Limes Farm estate in Chigwell, where there is currently a programme of regeneration being carried out on the estate, and the Shelley estate in Ongar.
- 15 The 2008/09 Place Survey reported that 86.7 per cent of residents are very or fairly satisfied with their local area. Also that 78.3 per cent of residents believe people from different backgrounds get on well together in their local area.
- 16 Overall crime levels in Epping Forest tend to be higher than average when compared to its Crime & Disorder Reduction Partnerships (CDRP) family group, although the British Crime Survey comparator crime figure has shown a decreasing trend in recent years. Levels of burglary were particularly high in 2008/09 when compared with other CDRP family group members. 17.8 per cent of residents had a high level of perceived anti-social behaviour according to the 2008/09 Place Survey, which places the district below the median compared with all other districts in England.
- 17 The average house price in Epping Forest in 2008 was £352,222. This is notably higher than the regional and national average and the highest among its geographical neighbours.
- 18 The 2001 census recorded 50,590 households in the district. The number of homeless households per 1,000 households has declined since 2005/06 to 1.6 in 2007/08.
- 19 According to mid-2008 population estimates, there are around 123,900 people living in Epping Forest. There are above average numbers of older people and the number of people from black and minority ethnic communities is below average. The district has one of the largest traveller populations in Essex. The East of England Plan proposes an extra 3,500 new houses to be built by 2021 plus an estimated 3,000 more where the boundaries of Harlow might expand into what is Epping Forest District.
- 20 81.8 per cent of the district's population are economically active, with 76.6 per cent in employment, which is higher than the national average (April 2008 – March 2009).

Report

- 21** Educational qualification levels are lower than average – 16.1 per cent of the population are reported to have no qualifications, compared to an England average of 12.3 per cent. People living in Epping Forest tend to earn more than those working in the district. Gross weekly pay for full-time workers living in the district is £551.20 compared to an England average of £496.
- 22** The proportion of the working age population claiming Jobseekers Allowance in November 2009 was 3.4 per cent. While this is lower than the national average, the rate has remained static in recent months.

The Council

- 23** Epping Forest District Council has a Leader and Cabinet structure. The district is under Conservative control, holding 33 seats. Other seats are held by Labour (1), Liberal Democrats (9), Residents Associations (6), British National party (4) and Independents (5). Epping Forest District Council has a Chairman rather than a Mayor.
- 24** Council tax levels are the second lowest in Essex.
- 25** The Council manages its own housing stock of 6,500 properties.

The Council's benefits service

- 26** Both housing benefit and council tax benefit are national welfare benefits administered by the Council on behalf of the Department for Work and Pensions (DWP). A complex legal framework is in place to define who is entitled to benefit and to reduce fraud and error in the system. The Benefits Service within a council has a responsibility to pay the right benefit to the right person at the right time.
- 27** The Service is managed within the Council's Finance and ICT Directorate and is the responsibility of the Director of Finance & ICT. It employs 34 full time equivalent staff, but has carried a number of vacancies for a lengthy period of time.
- 28** Our responsibility to provide assurance (to government, councils, tax payers and benefit customers) means that we will consider inspection where there is a current or future risk to the service and its customers. In the case of Epping Forest District Council, the reasons for commissioning the inspection were:
- poor performance in key areas of service. For example claims processing, counter-fraud work and appeals handling; and
 - lack of evidence to support improving accessibility to the Service for customers.
- 29** The key objectives of this inspection were:
- to assess the effectiveness of Epping Benefits Service in meeting the needs of the vulnerable people it serves;
 - to assess the effectiveness of its improvement plans; and
 - to provide assurance to the DWP and other stakeholders regarding the quality of service provision.

- 30** The cost of the Service is met partially by the DWP through an administration grant. In 2008/09 the cost of the Service was £1.9 million of which 50 per cent was met by local tax payers. The Service is responsible for administering a revenue budget in excess of £34.9 million. The most significant elements of this budget are the income generated from the DWP and the expenditure incurred in paying out housing benefit and council tax benefit. Currently the Service awards payments of £26.3m in housing benefit and over £8.5 million in council tax benefit to customers in the district, who are on low incomes, to help meet their rental and council tax liabilities. Figures for August 2009 report that the council tax benefit caseload represents 16.8 per cent of households in the district, and housing benefit caseload 12.7 per cent of households.
- 31** Housing benefit claimant levels rose by 9.75 per cent from 6,050 in November 2008 to 6,640 in September 2009. In addition to those claiming housing benefit 8,770 people claimed council tax benefit, but within these figures about 6,200 people claimed both benefits. About 3,744 council tenants claim benefits, along with 982 Registered Social Landlords (RSLs) tenants and 1,397 private tenants. The remaining people are mostly owner-occupiers.
- 32** The Council had a major ICT development in January 2009, when it replaced its benefit processing system. The move to a new ICT system involved the transfer of data between systems and resulted in processing systems not being available for six weeks. Because of this the Service built up a backlog of work at the beginning of the year.

How good is the service?

What has the service aimed to achieve?

33 The Service has a stated general objective to:

‘provide a service of high quality that helps to provide decent secure accommodation for those genuinely on a low income whilst ensuring that benefit fraud and error is prevented and detected’.

34 To deliver this the Service has eight key objectives.

- The accurate and timely assessment and payment of housing benefit and council tax benefit entitlement.
- The efficient investigation and prevention of benefit fraud against the authority.
- To ensure that overpayments are correctly classified and recovered whenever possible.
- The maintenance of a safe working environment and the training and development of staff to ensure they can adequately perform their duties.
- The involvement of partners in the public and private sectors in the provision of the service where appropriate to reduce cost, minimise risk and/or improve quality and performance.
- To consult with our stakeholders and respond to their needs where possible.
- The use of Information Technology where appropriate to increase the level and quality of service provided, and where possible reduce cost.
- The benchmarking of our services to ensure that they provide good value for money.

35 The Council has an agreed set of strategic aims that are underpinned by maintaining low council tax. The Epping Forest Corporate Plan 2006-10 sets out those aims and visions as follows.

- Green and Unique – Ensuring the protection of the unique, green and sustainable environment of the district.
- Homes and Neighbourhoods - Ensuring that the district has decent housing and clean and attractive neighbourhoods.
- A Safe Community - Ensuring that residents of the district can enjoy local amenities with little fear of being a victim of crime.

- Fit for Life - Ensuring that residents of the district lead a healthy lifestyle by having access to effective, high quality leisure and cultural services.
- Economic Prosperity - Ensuring that the district has a thriving and sustainable economy.

It includes an action plan for the delivery against 30 underpinning objectives and key performance indicators.

- 36 The Service has made direct links to three of those objectives within the action plan as follows.
- To continue to remain a low tax authority.
 - To achieve and maintain top quartile district council performance for the speed of processing of new housing benefit claims and changes of circumstance and to maintain top quartile performance for the accuracy of benefit assessments.
 - To achieve top quartile district council performance for each key performance indicator identified by the Council on an annual basis.
- 37 One Epping Forest is the Local Strategic Partnership for Epping Forest District. It comprises of public, private, and voluntary sector organisations. It has adopted a vision for the area:

‘Making our District a great place to live, work, study and do business’.

Is the service meeting the needs of the local community and users?

- 38 The Service has not been designed around an informed understanding of user need. The last customer survey was a Best Value survey in 2007. However, the Service has not analysed or considered the feedback from customers who responded to that survey. There are examples of how the Service has worked with partners to shape aspects of the service delivery, for example with the Housing Options team, but this is limited. Without a full understanding of users' views, the Service cannot have confidence that it is delivering a service that meets user needs.
- 39 Arrangements for consulting, engaging and communicating with partners are not well established. Formal liaison meeting with partners, such as Jobcentre Plus and CAB, have not always taken place at agreed intervals. Even so, there are some examples of effective engagement. The Service:
- provided training to partners on matters such as DHP, Local Housing Allowance (LHA), and the effect of a review by the Valuation Office Agency that impacted on rent levels used in the calculation of entitlement;
 - has an effective joint working partnership with the Pension Service which is improving access to benefits and services for vulnerable elderly people;
 - has introduced a password procedure that enables Jobcentre Plus staff to securely access personal information so it can advise customers about which benefits will make them better-off;

How good is the service?

- has improved day to day liaison arrangements with NACRO which helps it to help its tenants;
- fast-tracks claims for people threatened by homelessness who are supported by the Housing Options homeless team. Housing Options staff have been trained to help customers complete benefit application forms and to advise customers what extra information is needed to support a claim; and
- includes a Housing Options manager as a member of the panel that decides on DHP applications.

There is limited engagement with other potential partners such as RSLs, local landlords and services like social services. This means that those who are most at risk in the community, for example people with mental health or drug and alcohol abuse problems, are not getting the help and support they need from the Service.

- 40 Communications with customers and users is irregular and lacks a strategic approach. Some promotional activities take place. The Service has used the Council's magazine, the Forester, to deliver information about benefits to all households in the district. It has also placed adverts in a local hospital magazine telling people how a stay in hospital affects benefit entitlements. However, there is no ongoing promotional campaign for topics such as benefit take-up, reporting of changes and raising fraud awareness. Customers and users are not systematically surveyed to get their views about the service that they receive. Poor communication means that the Service does not effectively raise awareness of how the Service can help vulnerable people or receive meaningful feedback of user views of the service.
- 41 There are adequate levels of access to the Service. Customers can call at the Civic office in Epping or can use the housing offices as a postal drop-off point. Those who cannot call at the office because they are unwell or unable to leave their home, can request a home visit. Customers can also telephone the Service or get information from its webpage. However, applications for benefit cannot be made online. Partners and users views are that they would like more access points across the district so customers can get face-to-face advice and support more easily.
- 42 Access to the Service is not well publicised. Details of office opening times and direct telephone lines are available on the Service web pages. Through the web page customers are provided with the Civic office address in Epping, but there is no signposting to housing offices that offer a post-box service. Publications, such as the application form, leaflets and benefit award letters, include a PO Box address, email address and telephone numbers. However, the postal address is not included and not all publications provide the office and telephone service opening hours. Leaflets are not extensively available across the community in places like doctors surgeries.

- 43 Opening times of the Service are not convenient for many customers. The main Civic office in Epping opens between 9:00 am and 5:15 pm Monday to Thursday and 9:00 am and 5:00 pm on Friday. In the last customer survey in 2007 40 per cent of customers said that opening hours were not convenient. There are no extended opening hours for those who are unable to visit the office during normal office hours, such as people that work. The Council's web site does not give advice about how to make contact outside of office hours. If customers cannot access the service with relative ease benefits will go unclaimed, changes will not be reported promptly and customers will not seek advice about benefit entitlements.
- 44 Customers using the Civic office at Epping are provided with limited and uninviting facilities. There is ample free parking and convenient parking bays for disabled drivers. The Revenues and Benefits Service reception area is small with limited and uncomfortable seating. Customers being interviewed do not have privacy as those waiting can easily overhear any discussions. Private interviews are available on request and signs are displayed telling customers of this facility. Seating and desk arrangements are not designed to meet disabled customers needs and in particular wheelchair users. Anyone needing to complete forms has the choice of using a standing height shelf or a vacant cubicle with fixed seating, which are not suitable for some disabled people. There are no facilities for people with young children. Because there is no full-time receptionist, customers must use a telephone provided to be seen by a member of staff if no one is present in the reception area. The lack of adequate facilities for customers, and in particular for those who are disabled, may deter some people from visiting the office.
- 45 Access to the Service through the internet is fair. Users can access information about benefits on the Council's website. The site is easy to navigate and breaks information down in to manageable size so it is easy to understand. Users can download several forms, including a benefit application form. The site includes a benefit calculator that assesses entitlement accurately. Users can input their personal information to see if they qualify for benefit.
- 46 Customers receive a good level of customer care. Staff that deal with the public in person, and by telephone, are knowledgeable, courteous and professional. Customers were complimentary about the way they were dealt with. Our mystery shopping and observations of interviews and telephone callers confirmed this. The quality of advice provided to telephone customers has improved since the Service restructured in July 2009. Telephone calls are directed to assessment officers that deal with claims based on an alphabetical split. Users of the telephone service have commented positively about the improvement in the quality and reliability of advice they receive. Where lines are busy callers are invited to leave a message and a call back is made. Our mystery shopping showed that there was minimal delay in answering telephone calls and that busy lines are redirected to a voicemail box. Call backs were being made within two hours. Testing also showed that email enquiries are being answered within 24 hours.

How good is the service?

- 47 Processes are not always customer focused. Guidance for staff on the verification of claims requires a letter to be sent to customers where more information, or clarification, is needed so that a claim can be dealt with. If a customer doesn't reply some staff telephone customers to offer encouragement and help but this approach is inconsistent. This leaves some customers feeling unsupported and means they wait longer before getting their benefit payments.
- 48 Customers, partners and staff do not know what standard of service users can expect. The corporate Customer Charter is vague and lacks clear statements of what service standards people can expect from the Council. There are no specific standards in place for the Service. The absence of meaningful and measurable standards means:
- the Service cannot demonstrate how well it is performing;
 - partners cannot give comprehensive advice to customers;
 - customers do not know what level of service they can expect; and
 - additional work is created for customers who have to check the progress of their claim and staff who have to deal with enquiries.
- 49 It is not known how well parts of the Service meet customer needs. The Service does not routinely collect or analyse data about:
- the time it takes to answer telephone calls or the number of calls that are abandoned where customers cannot get through;
 - how many people request a home visit, how long they have to wait or what the outcomes are; or
 - how many people call at the office and how long they wait to be seen.
- 50 The role the Service can play in increasing support for those affected by the recession has not been fully recognised. The focus of the Council's activities are around support for business and support for housing, which includes a Mortgage Rescue Scheme, Rent in Advance Scheme and Rental Loan Scheme. There is no explicit reference to how people can be supported through the housing benefit scheme and DHPs. An example is the special Credit Crunch edition of the Forester which did not provide any focus on how housing and council tax benefit could help people. Many people facing redundancy will have a lower awareness of these benefits which means they may suffer financial hardship because of the lack of support.
- 51 The Service is not doing enough to encourage benefit take-up. Although the Service Plan recognises the need to do more around benefit take-up, there are no specific actions in the improvement plan to achieve this. Activities that have taken place include:
- providing advice about claiming council tax benefit in the Council's guide to council tax that goes out with all annual council tax bills; and
 - effective joint working with the Pension Service to increase benefit take-up for pensioners. During 2008/09, 152 pensioners were visited by the Service resulting in 89 successful claims to benefits including disability benefits.

However, there are examples of missed opportunities.

- The Service did not capitalise on the Credit Crunch issue of the Forester to promote take-up of housing and council tax benefit.
- The Service did not take part in an Essex wide benefit take-up campaign.

Increasing benefit take-up helps individuals and supports the local economy^I. But the lack of a focused and strategic approach to benefit take-up means that some hard to reach communities are losing out on benefit entitlements.

52 DHP is being managed effectively to help vulnerable people. Because it had not spent its full allocation in the past the Council has seen the amount allocated by the DWP reduce from £24,857 in 2006/07 to £19,132 in 2008/09^{II}. Awareness of the DHP scheme has now been raised amongst partners. A panel of officers including the Assistant Housing Options Manager, consider applications. All applications are considered in accordance with its DHP policy, which says that requests for DHP will be looked at on a case by case basis. Successful cases are recorded to include the amount and length of award and spending is monitored monthly. Although the Council has not made a formal decision to increase the DHP budget from its own resources it makes additional funds available as required. In 2008/09 it spent an extra 16 per cent from its own resources which has resulted in the DWP increasing the allocation modestly to £19,729 for 2009/10 and then to £19,941 for 2010/11. By publicising the scheme effectively and fully spending the allocated funding across the year, the Service is maximising the extra help it is able to give to customers most in need.

53 Benefit award letters are difficult to understand. Although they include information the law requires, some extra information included by the Service makes them confusing and inaccurate. For example letters tell customers that:

- a decision on an award is for a fixed period, but this is wrong. Awards are not made for a fixed period although they can stop when a change occurs that removes entitlement; and
- claims will be reviewed periodically, but there is no regular review of all claims.

Poor quality letters create unnecessary work for the Service and for customers. By including inaccurate information customers will not be clear about their benefit entitlement, and there is a risk that changes will not be notified promptly in a mistaken belief that the Service will review a claim.

^I 'The Money Trail' published by the New Economics Foundation, estimates that for every £1 increase in benefits paid through take-up work 77 pence is spent in the local economy.

^{II} DHP payments are made at the discretion of the Council, up to an annual cash limit set by central government, in cases where the Council considers that additional help with housing costs is needed by vulnerable customers. The amount that a Council receives is based on what it spent in previous years but is subject to an overall cash limit of £50m nationally. If a Council does not spend its full allocation it will receive less the following year. Details of how money is allocated is included in a DWP subsidy circular – S1/2009

How good is the service?

- 54** The Service is not supported by an effective counter-fraud policy or strategy. The corporate Fraud Response Plan states that the response plan does not apply to the investigation of benefit fraud, and the Finance Division fraud strategy does not include a strategy for benefit fraud. However, a clear prosecution policy is in place for the prosecution of benefit fraudsters, which allows some flexibility in deciding whether a sanction should be imposed or not. But the lack of a counter-fraud strategy means there is no framework to provide direction and focus for the investigation team. Without an effective counter-fraud strategy the Council has no assurance that it is making best use of its resources or that benefit fraud is being tackled in the best way to protect local tax payers' money.
- 55** Counter-fraud staff are well trained. Investigation staff hold the Professionalism in Security (PINS) qualification. They are supported with ICT tools, such as a fraud management system, access to online land registry checks, tablet PCs and digital cameras. Sound guidance is in place for investigators, covering day-to-day administration of investigations and technical guides. There is also a code of conduct for investigators. Having well trained investigation staff gives greater assurance that customers are dealt with in a professional manner.
- 56** Counter-fraud activities do not match the potential threat from fraudsters. Resources within the team are reduced because of difficulties in recruiting investigators. Investigations and fraud awareness training has been scaled down to match the availability of staff resources. The quality of the work has been maintained and joint working with partners, such as Jobcentre Plus, has successfully continued. But the number of investigations being completed has fallen significantly and targets for investigations and sanctions are not being achieved. For example during the first ten months of 2009/10 the Service administered five cautions, three administrative penalties and achieved six successful convictions. Low levels of counter-fraud activity send the wrong message to fraudsters about the seriousness in which the Council considers benefit fraud. With rising caseloads and a weakened counter-fraud team the Council is exposed to an increased threat from fraud and abuse.

Diversity

- 57** The Council is only meeting basic requirements for equality and diversity. It has achieved level two of the old Equality Standard for Local Government, and has plans in place to move on to the new Equality Framework. This includes undertaking reviews of service Equality Impact Assessments (EIA).
- 58** The Service has not undertaken recent and effective EIAs. The last EIA was undertaken in 2005 but the action plan that resulted was unclear about what actions would be taken. A review was required in October 2008 but did not take place and was rescheduled in the Service improvement plan for June 2009. However, this has still not taken place. Without completing effective EIAs the Service cannot know whether it is meeting the needs of the whole community.

- 59** The standard of facilities to support customers with special needs so they have fair and equal access are mixed. For example:
- home visits are available for those who cannot call at the office;
 - information leaflets are available in other languages on request but they are not available to be downloaded from the Council's website or on display at offices;
 - an interpretation service is available for those who do not speak English but demand is very low. This service is not advertised in the main reception area;
 - the Civic office reception area has advertised hearing loops facilities but there is poor access for wheelchair users; and
 - general advice is included on the Council's website on how users can improve accessibility to online services and information.
- 60** Staff have a good general awareness of what support is available from the Council to meet the needs of diverse communities. All staff receive compulsory corporate diversity and equality awareness training. They are aware what extra help is available to support people seeking or trying to keep a home through the Rent Deposit Scheme, Loan Scheme and DHPs. Visiting staff understand the needs of elderly people and signpost or refer people to other services such as meals on wheels.
- 61** DHPs are being used effectively to support vulnerable people. The Service has been active in raising awareness of DHPs and availability is widely understood by staff and partners. People faced with the threat of homelessness are getting extra help because of the involvement of partners like the Housing Options team. DHP is being used to support customers who have lost housing benefit because LHA rates reduced after a review by the Valuation Office Agency. Partners' views are that demand is being met for support through DHP.

Service outcomes

- 62** Work is not being dealt with promptly. The Service restructured its claims processing team in July 2009; however, there are no clear signs of an improvement in service. The Service uses an electronic document management system which provides the flexibility to assign target times for clearing different types of work. A management information report in January 2010 showed that only 62 per cent of work was cleared within target. The volume of work outstanding between August 2009 and January 2010 has had modest variations but overall remained at similar levels. However, delays in dealing with work add to the overall time it takes for customers to receive their benefit or a reply to enquiries.

How good is the service?

- 63** Customers are waiting too long for payments of benefit. During 2008/09 new claims were processed in an average of 47 days against a service target of 30 days. The Service benchmarks performance with 149 other councils and compares poorly against the benchmarking group average of 24.7 days. Processing times for the first nine months of 2009/10 average around 35 days, but this falls short of the Service target of 25 days. It is not clear what impact rising caseloads have had on progress but records show performance has remained stable during 2009/10. Claims for customers using the Housing Options team are fast-tracked. But information about how many, and in what way customers have benefited from this service is not available. Delays in processing new claims creates avoidable hardship for vulnerable people.
- 64** Customers reporting a change of circumstance receive a timely service. During 2008/09 changes were processed in an average of 6.1 days. This compares well against the benchmarking group average of 9.8 days. Although processing times for the first nine months of 2009/10 average around 8.5 days, the overall trend is similar to that of 2008/09 suggesting performance in this area is being maintained. By processing changes quickly customers continue to get the right benefit and under and overpayments are avoided.
- 65** Performance against the 'Right Time' National Indicator NI181¹ was 11.5 days during 2008/09, well ahead of the Service target of 15 days. This compares favourably with the benchmarking group average of 13.1 days. DWP are unable to publish any comparative data for 2008/09 because of difficulties with extracting data from councils ICT systems - this is a national issue. Councils are responsible for setting targets to measure performance. For claims processing the Service has decided to measure its performance against the average number of days to process new claims and average days to process change in circumstances. By doing this the Service is able to see that new claims processing times are poor, which is hidden when only looking at NI 181.
- 66** The Service is not doing enough to make sure that people continue to get the right benefit. Benchmarking data shows the Service identified an average of 15.6 changes for each 1,000 claims compared with the benchmark group average of 28.5 during 2008/09. There are some initiatives in place to identify changes but the approach is inconsistent. For example:
- data matching is done with partners, such as DWP;
 - a change of circumstance leaflet is included with all benefit award letters;
 - assessors use a notepad and diary facility in the ICT system to control cases where identifiable changes will occur in the future; and
 - the ICT system reports those cases where an age change triggers a change in benefit entitlement.

¹ This measures the average processing times for new claims and change events.

But there is a limited amount of work being done to target those cases that present a higher risk of changes in customers' circumstances going unreported. Misleading information in the benefit award letters increases the risk of changes going unreported. By not identifying changes customers are getting the wrong amount of money. This results in vulnerable people facing financial hardship due to under and overpayments of benefit. It also creates extra work for the Service in putting claims right and recovering overpayments.

- 67** Claims are adequately verified but checking the accuracy of awards is weak. The Service has sound procedures in place for staff to follow for verifying information provided by customers, but this is being undermined because accuracy checks are not being done regularly. The DWP no longer gathers information from councils on the accuracy of benefit payments and councils are free to have checking procedures that best meet local circumstances. This means there is no comparative data on accuracy nationally. The Service has decided that officers responsible for undertaking checks should check a minimum of five per cent of claims rising to up to 100 per cent for less experienced staff, but this is not being done systematically. Failure to have in place an effective and consistent checking regime means the Council does not have any assurance around the quality of work done. This leads to customers getting wrong payments of benefits and an increased financial burden on tax payers.
- 68** People who appeal a decision are facing unreasonable delays. Decisions on claims subject to appeal are sound and in accordance with legislation. During the first nine months of 2009/10 eight appeals were considered by the Tribunal Service and all were upheld in the Council's favour. However, during the same period the Service did not meet its target of two months to prepare and refer an appeal to the Tribunal Service. On average it took just over four months. Delays of this nature cause customers uncertainty about the future of their claim and place them at risk of losing their home through non-payment of rent.
- 69** The Service is recovering overpayments in line with its targets. The move to a new ICT system in January 2009 meant a change in ICT systems for managing and controlling overpayment recovery, but existing debts remained on the old system. The Service is on target to exceed its aim of reducing the debt on the old system from £893,643 at April 2009 to £500,000 by the end of the financial year. The target for recovering debts on the new system is an amount equivalent to 50 per cent of new debts added during the year. At the end of December 2010 it stated the Service had achieved 59 per cent. It is also making it easier for customers to repay money. Payments can be made over the telephone using credit and debit cards. Effective recovery of overpaid benefit reduces the burden on local tax payers.

How good is the service?

70 The Service is not meeting performance levels for investigations. Targets for 2008/09 of 240 investigations, 120 effective visits and eight sanctions per Investigation Officer were not achieved. This was due to the investigation team having one vacancy for most of the year and long-term sickness of another investigator. The third post in the investigation team is a trainee and was not expected to achieve these targets. As a result benchmarking data used by the Council showed the performance for 2008/09 was well below that of other councils. The number of cautions offered and accepted was about ten per cent of other services, while the number of administrative penalties was only seven per cent. This poor service provides limited assurance to the Council and tax payers that their money is being protected.

User experience and satisfaction

71 The Service does not know how satisfied users are with the service they receive. It has no up to date information. For example:

- the last customer satisfaction survey took place in 2006/07;
- customer satisfaction forms were introduced in December 2009 but have not yet produced any meaningful information;
- analysis of the outcome of the 2006/07 survey during 2008/09 was not completed because of a lack of resources;
- a planned customer survey to be completed by October 2009 was not done; and
- there is no system for capturing and analysing informal feedback from users.

Without the views of customers the Council does not know how people view the service they receive and customer opinion will not help drive improvements.

72 Customer compliments and complaints provide a limited insight to the experience of users. The complaint procedure is adequate and deals with complaints satisfactorily. Leaflets telling customers how to complain are on display in the customer waiting areas and can be downloaded from the Council's website. There is a four stage complaints process. Staff aim to resolve enquiries and dissatisfaction at the first point of contact which results in a low numbers of formal complaints being received. Records show that during 2008/09, and the first nine months of 2009/10, no complaints progressed passed the first two stages.

73 Staff have a good focus on the quality of service provided to customers. Records show that three compliment letters were received in 2008/09, and a further ten during the first nine months of 2009/10. Most of the letters were thanking staff for the personal service they provided when dealing with a claim or enquiry. Partners also commented positively on the professionalism of staff and in particular how responsive and willing they are to help.

Is the service delivering value for money?

- 74** The Service cannot show it provides value for money. Although the 2009/10 service plan recognises the need to provide value for money, it does not show how the Service provides value for money or how it intends to improve. The Council's value for money strategy places an emphasis on improving performance rather than reducing costs. As there has been little improvement in performance in recent years, it is likely the Service has not improved value for money when measured against the Council's criteria.
- 75** The Service does not use benchmarking information on costs to best advantage. It collates some service costs and compares these with other Essex councils and through the CIPFA benchmarking club. However, there is no evidence the Service understands this information or uses it to review cost-effectiveness. The value for money section in the 2009/10 service plan states it did not identify any positive outcomes for Epping Forest from the exercise. Given the absence of comparisons, the Service does not have a full understanding of its costs.
- 76** The Service is not cost-effective. Service costs are high compared with other councils. Benchmarking data for 2007/08 shows the overall cost of the Service at £83.30 for each case processed compared with a group average of £68.20. Included in the total are staff costs of £48.20 for each case compared with the group average of £40.03. The 2008/09 Audit Commission value for money profiles shows the Service had the second highest spend on benefits administration for each head of population, almost twice that of the lowest.
- 77** The Service's claim for government subsidy¹ is not accurate. There are no arrangements in place for on-going in-year checking to ensure the claim is accurate. The external auditors qualified the 2008/09 benefit subsidy claim. They found the Council wrongly recorded about 1 in 6 overpayments. Arrangements for claiming subsidy take account of the reasons for overpayments, with different levels of subsidy applying. This means that the Council is not claiming the right amount it is due and as a result is losing money, and increasing the burden on tax payers.
- 78** Service is not being improved through reinvesting savings. There are some examples of where under spends on one budget heading were transferred to provide equipment or services in another part of the Service. For example, an under spend in one budget provided the funding for a new post. However, this is part of normal day-to-day budget management rather than any concerted effort to identify savings by working more efficiently and reinvest them.

¹ Councils receive subsidy from DWP for most of the benefit expenditure they incur providing they comply with regulations. However, in areas of expenditure where authorities have most scope to monitor and control costs, lower rates apply. The system for claiming this money is the subsidy claim form. This claim form has to be certified by external auditors to ensure it has been completed correctly and that only eligible expenditure is included.

How good is the service?

- 79** Overpayments are managed effectively. The Service uses a range of methods of recovery, which includes obtaining County Court judgements and in extreme cases charging orders to register an interest against a future sale of a property. Debts are being written-off in accordance with Council policy where it is no longer possible, or appropriate, to recover a debt. During the first nine months of 2009/10 £34,167 was considered for write-off. Debts are monitored on a monthly basis, and monthly performance reports are used to measure progress against targets for recovery. By managing the recovery of money owed to the Council, the Service helping to reduce the burden on local tax payers.
- 80** The Council makes good use of electronic payments. Customers are encouraged to receive payments by BACS. The number of customers receiving BACs payment increased by 31 per cent between January 2009 and December 2009 from 1,241 to 1,631. Overall 89 per cent of customers are taking advantage of this arrangement to receive their benefits payment. As a result, this means reduced costs for the Council and easier access to payments for users.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

81 Performance is starting to improve. The table below sets out the Service's performance over the past three years. The average time taken to process changes in circumstances has improved, and performance during 2009/10 is being sustained in line with the trend during 2008/09. The average time taken to process new claims rose steadily to 47.1 days in 2008/09. Although performance has improved during the first nine months of 2009/10, quarterly reports show this has not been sustained and performance has levelled out around 35 days. This means vulnerable people are still waiting far too long for their first entitlement to benefit to be decided.

Table 1 Benefits Performance Indicators

Track record of improvement

Performance Indicator	2006/07	2007/08	2008/09 ^I	2009/10 to date ^{II}
Average time taken to process new claims (days)	28.5	37.3 ^{III}	47.1	34.81
Average time taken to process changes in circumstances (days)	12.4	14.4 ^{IV}	6.1	8.49

Audit Commission and Epping Forest DC

- 82 The Service is not achieving its performance targets. Performance in 2008/09 for assessing new claims was significantly worse than the target of 30 days. In 2009/10 the target for processing new claims is 25 days, but the Council's own data for the first nine months of the year shows an average of nearly 35 days. It is unlikely the service will meet its target this year.
- 83 The Service made limited progress against the 2008/09 service plan objectives. Better use was made of the visiting officers in providing a home visiting service for customers who could not visit the main office. Joint working with the Pensions Service improved the number of customers taking up of a range of benefits. However, the Service did not achieve some key objectives. For example, it did not meet the minimum number of investigations and failed to undertake an analysis of the customer satisfaction survey. As a result, the Service is not in a position to identify potential improvements for customers.

^I A new computer system for processing claims was introduced in January 2009.

^{II} Council supplied (un-audited) data up to 31st December 2009.

^{III} This indicator was reserved due to errors identified in the data quality audit.

^{IV} This indicator was reserved due to errors identified in the data quality audit.

What are the prospects for improvement to the service?

- 84 The Service has not achieved its key objectives. The Council Plan 2006/10 sets out actions to improve benefits performance and to achieve top quartile district council performance. Although progress reports for the last three years show that targets were achieved for delivering improvements, including a corporate document management system and mobile working arrangements, this has not resulted in performance being in the top quartile.
- 85 Backlogs of work have been cleared. During 2009 the Service successfully cleared the backlog of claims processing work that arose because of the implementation of the new ICT system. Most of the incoming post is looked at in the week that it is received. As a result, processing times are showing early signs of recovery.
- 86 Good use of new technology is helping to improve customer access. For example, customers can now make repayments over the phone directly rather than have to make two calls. As a result, the number of overpayments recovered is improving. Visiting officers use digital cameras to photograph documents when visiting a customer. This helps to prevent fraud as well as preventing valuable documents from being sent through the post.
- 87 The Service does not have a track record in improving value for money over the last three years. The Service has not fully considered alternative ways of improving service delivery or providing better value for money, such as shared services or partnerships. But initial exploratory discussions have taken place, for example to look at partnership working for delivery of staff training.
- 88 Progress to improve equality and diversity has been slow. The current EIAs and Diversity Action plans for the service date back to 2005. The Council plans to introduce a new corporate equality framework, but this is not yet in place. It is unclear when this work will be complete. Meanwhile, the Service has started some preliminary work, but its equality and diversity plans remain outdated. Therefore, the Service may not be meeting its duties under the legislation.
- 89 The Council's corporate track record of improvement is weak. For the three years to 2007/08, its rate of improvement was slower than other councils. The Council only met 44 per cent of its performance targets in 2008/09. The Council Plan 2006/10 sets out improvements to give customers a better service through the Customer Transformation Programme. Since then there has been little progress in this area. As a result, after four years the Council is no further forward and customers, including those of the Service, can see little improvement in this area.

How well does the service manage performance?

- 90 The Council recognises the need for the Service to improve its performance. The Council's key priorities for 2009/10 recognise that current performance is not acceptable and contains a specific objective to improve the Service. The draft priorities for 2010/11 contain a similar priority. While this provides a focus for improvement there are limited links between the Service and how it contributes to delivering the Council's broader corporate priorities.

What are the prospects for improvement to the service?

- 91 Leadership of the Service remains inconsistent. For example, delays in corporate decision making are preventing improvements. The Council has not delivered against its 2002 ambition to improve reception facilities even though capital funding has been in place since 2006 to fund a Customer Transformation Programme. At the time of the inspection there was no approved plan to deliver the necessary improvements. In addition, the corporate process for obtaining approval to fill vacancies has contributed to lengthy delays in making appointments. This prevents a continued focus on delivering improvements for the benefit of customers.
- 92 The approach to managing performance is inconsistent. Benefit Management Team meetings take place, but not regularly. These meetings focus on day-to-day problems and distribution of information rather than on how the Service is performing. Progress against service and improvement plans has been mixed with some actions not taking place, delayed or not completed. However, it is not clear what actions are taken to address under performance. The absence of a consistent forum for discussing performance at all levels means that opportunities to identify and respond effectively to under performance are not timely. This means that actions drift and progress to deliver improvements is not as quick as planned.
- 93 Service plans are narrow and internally focused. The Council Plan 2006/10 sets out ambitions to reach top quartile performance by introducing new technology. The 2009/10 Benefits Service plan sets out actions for improvement. However, most are about introducing internal procedures rather than customer focused improvements. As a result, it is unclear how these improvements will benefit customers.
- 94 Improvement plans are not robust. The Benefits Action Plan sets out actions linked to corporate priorities. However, it is not SMART. The plan does not fully identify the resources needed; lacks measurable outputs and some actions are repeated from previous years. Without robust plans, the Service will find it difficult to improve.
- 95 The Service does not effectively manage plans to ensure actions are completed. For example, the 2008 internal audit report on the Service showed mixed progress since the previous year. The Service had not put in place all the recommendations and targets were not fully met. The 2009/10 service plan shows the customer survey was rescheduled from 2008 and due to be complete by October 2009. However, the Service missed this date and there are no new plans set in place for delivery of this task. Failure to manage tasks effectively means there is no clear view of when improvements for customers will be delivered.
- 96 The Service does not have management information available to support the business effectively. The new ICT system offers a suite of management information reports. But the lack of experience of the reporting system means managers do not know which reports they need to support daily operations. For example, the Service has not had a clear view of its performance on the recovery of debt. Management reports on the levels of overpayments are now being produced, but this is a recent change. Information about service performance, such as how quickly staff answer telephone enquiries or how many people give up because they cannot get through, are not routinely used. Managers are relying on observational checks so they have an understanding of how work is progressing. The absence of quality management information means that the Service does not focus on areas that matter to customers and that need to be improved.

What are the prospects for improvement to the service?

- 97** Staff are not fully involved in developing the Service. For example, not all members of the benefits service team contributed to the 2009/10 business plan. All staff have personal targets recorded in their Personal Development Reviews. These targets stem from the Service Business Plan, but were not set or agreed with staff involvement. Staff at all levels reported they do not receive regular or systematic information about how the Service is doing.
- 98** Corporate performance management is improving. The performance development review scheme has improved with better rates of participation and smarter action plans which link to corporate priorities. Service planning for 2010/11 started earlier than for 2009/10, and the Council is moving to two year plans to improve continuity. As a result, there is a better focus on managing performance.
- 99** Members are clear about their role in performance management. The Cabinet receives quarterly updates on how key services, including the Benefits Service, are doing. The Finance and Performance Overview & Scrutiny Committee receives quarterly reports containing details on all Key Performance Indicators. These updates also show actions planned by managers to address areas of poor performance. The Finance and Performance Overview & Scrutiny Committee has been watching performance in this area for the last 18 months. The committee has asked for more information on certain areas and reports on specific areas of improvement for example reorganised staffing. Although there has been a focus on the poor performance of the Service, this is not yet delivering consistent improvement.
- 100** The Service is not learning from other councils or from its own experiences. Although the service plan stresses the emphasis of the importance of benchmarking, it says nothing about what was learned, and how the Service is using this knowledge to improve. The Service only began to network with other councils on overpayment matters in January 2010. In 2009 a team of officers on the Council's Management Development Programme undertook a study to look at improving benefit processing times. Their findings confirmed the areas the Service knew to be failing. The Service adopted some of the findings, but not others. Therefore it did not appreciate the true value of the report or use it as a driver for improvement. The arrangements for capturing and learning from complaints are weak. The review undertaken on introducing the new revenues and benefits system in January 2009 only provided assurance there was an accurate transfer of data to the new system. It did not review the project as a whole. This means once again the Service has missed valuable opportunities to improve.
- 101** Plans for improving value for money are not clear. Although the 2009/10 service plan recognises the need to provide better value for money, it says nothing about how this can be achieved. Therefore, it is difficult to see how the Service will improve value for money for the benefit of service users and tax payers.

Does the service have the capacity to improve?

- 102** The Council has shown its commitment to the Service by investing in new technology to deliver improvements. A new ICT system is now in place and performance is showing some signs of improving. Hardware and software for an electronic records document management system are already in place. However, the Council is not making the most from this system as only a few departments have taken it up so far. These investments are not yet delivering significant improvements that users would notice.
- 103** The Service makes a demonstrable commitment to training. A training needs analysis and programme were recently introduced. This highlights the gaps in knowledge and skills that are directly relevant to carrying out the job and identifies what training is needed. The strategic plan for training benefits staff dates from November 2009 but is only just starting to make an impact. Team Leaders measure the effectiveness of training when checking claims with staff. This helps the Service to tailor and adapt tests to meet the needs of staff. As a result, the latest test results show improved levels of skills and knowledge among processing staff.
- 104** The Service does not routinely evaluate the outcomes from training. The Service relies on informal evaluation by managers as part of the day-to-day overseeing of work. Without a more formal approach to evaluation the Service cannot have assurance that training is effective in delivering the improvements necessary in service delivery.
- 105** Corporate support for skills development is good. The Council is making e-learning available to all staff through the intranet from April 2010. This will place an emphasis on skills development and behaviours. The current corporate training programme covers topics such as equality and diversity, customer skills and telephone manner. Annual appraisals identify who should attend these courses and links to the role performed by a member of staff. This helps to ensure that staff have the necessary skills needed to carry out their work.
- 106** Absence levels are reducing. The Service addressed high levels of sickness absence during 2007/08 in line with the Council's managing absence policy. As a result absence levels in 2008/09 were lower than in previous years. These have fallen from an average ten to 11 days for each member of staff to an end of year projection for the Service of 4.8 days by April 2010. This improvement is significant as sickness levels across the Council increased in 2008/09.
- 107** The Council lacks a co-ordinated approach to improving recruitment and retention. The Human Resources department has adopted a reactive approach and has not directly supported the Service in addressing some of the recruitment issues that it faces. There has been no strategic analysis of the recruitment and retention difficulties facing the Council and no corporate guidelines covering this area. As a result the Service has had to find solutions to recruitment difficulties itself. The lack of a corporate approach places the Service at risk of continuing recruitment problems.

What are the prospects for improvement to the service?

- 108** The Service is taking action to address recruitment and retention problems. This has been a barrier to the Service improving its performance. The Service is addressing this in several ways including recruiting agency staff to clear backlogs. It restructured the claims processing service during July 2009 to deliver work in a way that better meets the needs of customers. For example, the existing customer service teams were restructured to provide a single point of contact for all enquiries. This also provided the Service with the opportunity to better match workload and staffing resources. Councillors have also shown their commitment by providing funding in 2008/09 and 2009/10 to employ a 'Hit Squad' to reduce the backlog of claims. They have also approved filling eight posts to improve the capacity of the Service. However, recruitment to all these posts is not yet complete, with two posts still vacant at the time of the inspection. Although progress is being made, performance is not yet showing signs of continuous and sustainable improvement.
- 109** The Service has not considered other means of working as alternatives to recruiting staff. It has made some use of trainee posts as a solution to recruitment and retention problems, for example, in Fraud Investigation. However, other parts of the Service are not using this solution. The Service has not considered partnership working or shared services as a possible solution to recruitment and retention difficulties.
- 110** Investments in capacity have not resulted in continued improvements in benefits performance. An increased workload, vacancies, absences and transition to a new ICT system, in part, contributed to the fall in performance in the past. The Council has invested in the Service with some signs of improvement but this is not consistent month on month. This leaves people most in need receiving a poor benefits service.
- 111** The impact of recent investment in the Service is still unknown. Following the July 2009 restructuring, anecdotal evidence suggests there has been an improvement in customer handling but there has been no formal evaluation of the outcomes. Members have a review scheduled for autumn 2010 to measure the effectiveness of the new arrangements. Although levels of outstanding work and the processing times are reducing, setting up the new ICT system has taken longer and affected performance far more than expected. For example, the work to support the system is far greater than expected even with two officers working full-time on this. Without a clear evaluation of the investments, the Service cannot show that these are providing the desired results.

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