



HOUSING BENEFIT REVIEW

REPORT OF THE HOUSING BENEFIT REVIEW SCRUTINY TASK GROUP

MAY 2004

1.0 BACKGROUND

1.1 At the Community Care and Housing Select Committee meeting in November 2003, Members were concerned that no performance information had been reported to the Committee about Revenues and Benefits, especially since there was some concern about the current performance of the service. This was because the information went instead to the Strategy and Commissioning Select Committee, as Amey West Berkshire now provided the service. Four members – Councillors Farrant, Rowles, Vickers and Webster – were therefore detailed to make further investigation, and report back to the Committee. An interim report was made to the Select Committee on 10th February 2004. This is the final report of the Task Group.

2.0 TERMS OF REFERENCE

2.1 The following terms of reference were agreed for the review:

- i) discover the extent of the current delays within the Housing Benefit system;
- ii) establish the reason for those delays - was the problem acute or chronic?
- iii) examine the proposed methods of dealing with the delays - are they long-term solutions or a quick fix?

3.0 FIRST MEETING

3.1 At its first meeting on 10th December 2003, the Task Group interviewed Sean Anderson, the Head of Service responsible for Housing Benefit, Jane Livesey the Amey West Berkshire Partnership Director, and Jo Benoy, Amey West Berkshire Director – Finance and Business Systems. As a result of these interviews, the Task Group was satisfied that the relevant managers were aware of the problems and their causes, and that measures were being taken both to solve the immediate problem and to ensure that it would be much less likely to re-occur.

3.2 A brief account of the situation up to this point is as follows:

3.3 Before 1998, performance had been in the upper quartile. After the transition to Unitary status, the benefits system was restructured and there was a 25% cut in staffing. Performance dropped and, at the start of the Amey contract, there was a backlog.

3.4 Amey's initial task was to clear this backlog by Dec 2002. They hit this target by using agency staff, but in early 2003 one quarter of the team went long-term sick. Although they have now returned, three staff have also left the service. The staffing at Jan 2003 levels did not leave enough spare capacity to be able to cope with these reductions in staff.

3.5 Amey had put in place a planned approach to try to deal with this situation as best as it could, and by December 2003 nearly £100k had been spent on agency staff.

3.6 A service review had already been planned. This began in March 2003 and its findings are now being implemented.

- 3.7 There have been structural changes within the service, and new posts have been created. Three managers would be starting work on 5/1/04 - a Principal Benefits Officer, a Quality Assurance Officer and a Training Officer. Six Benefits Assessors (three replacements, three new posts) had also been appointed, and would start work early in the New Year. New scanning equipment will be introduced, and a Revenues and Benefits system replacement programme had started, at an estimated cost of £900k.
- 3.8 The current contractors would stay on until 16th January, and two of the new Managers would act as assessors until the new staff arrive.
- 3.9 Staff will now have access to regular training, and a career track has been established. This will address some of the problems raised by the review.
- 3.10 The Task Group was assured that the new resources were the result of careful study and should meet foreseeable need. It was also informed that morale in the service was currently good, and that staff were behind the new measures.
- 3.11 However, in the course of the meeting some further concerns arose:
- a) the impact of the delays in processing claims on the Housing Service, and in particular on their relations with private landlords;
 - b) the possibility of using threshold loans to assist in bridging the gap between application for and payment of Housing Benefit;
 - c) The inappropriate design of the Government indicator BVPI 178a, the indicator used to measure the Housing Benefit Service's performance.
- 3.12 The last of these concerns needs some further explanation. BVPI 178a is defined as the time taken to process applications, and the current target is 40 days. However, the time taken is measured from first receipt of a request, and therefore the 40 day target includes a statutory 28 day period for the client to complete all necessary paperwork. Thus, there is potentially only a 12 day period within which a claim must be processed.
- 3.13 The Members were also informed of the forthcoming Audit Commission inspection of the service, which would take place in January.

4.0 SECOND MEETING

- 4.1 At its second meeting on 12th January 2004, the Task Group talked to Stephanie Wardle, the Housing Operations Manager. The main aim was to shed a little more light on 3.11 A0 and b) above. It was clear from the interview that there had been some effect upon the Housing service, and also that relations with private sector landlords had suffered. These were obviously issues of concern to the Task Group.
- 4.2 The Housing service was working to improve relations with the private sector. A budget pressure was put in for 2003/4 for a public sector liaison officer, but it was not funded. The difficulty currently faced by private sector landlords is lack of certainty. Anyone on a buy-to-let arrangement needs to pay the mortgage, or know that it will be paid. However, the Housing service had been unable even to say when a cheque would

arrive, let alone how much it would be for. Two large letting agents have recently stopped taking Council clients.

- 4.3 It was also clear that there was a feeling within Housing that communication with Revenues and Benefits was not good, and that this was having an effect upon the service.
- 4.4 The Task Group was able to find out less about threshold loans. While, in an ideal world, Housing Benefit would be available without delay for all, and consequently, threshold loans would only be needed to help provide deposits and payments of rent in advance, the Task Group was still unclear as to whether threshold loans could be used more flexibly.
- 4.5 Although slightly outside the scope of its terms of reference, it was also brought to the Task Group's attention that the Housing service was under some considerable pressure. The Audit Commission's recommended workload for a Tenancy Support Officer was 20 cases. The WBC Tenancy Support Officer's caseload was running at an average of 36.5. It was the view of the Housing Operations Manager that two more staff were needed to enable her service to run at full efficiency.
- 4.6 The Task Group felt that the following were necessary before it could complete its report:
- a) clarification concerning BVPI 178a. Was it possible to change this indicator in any way, or to make a decision to assess performance internally in some other fashion?
 - b) clarification concerning threshold loans as detailed in 4.2 above;
 - c) more information about the day-to-day work of the Housing Benefit Service;
 - d) a further check on the performance of the Housing Benefit Service once the recent improvements have begun to take effect.
- 4.7 Accordingly, a meeting was arranged for Thursday 11th March at 4.00pm. By this meeting it was hoped that the Task Group would have received reports on points a), b) and d) above.
- 4.8 In order to achieve c) above, the Task Group also hoped to be able to spend some time with the Housing Benefit Team. This meeting was arranged for 27th February.

5.0 VISIT TO THE HOUSING BENEFIT SERVICE

- 5.1 The visit to the Housing Benefit service took place on 27th February. After an initial presentation, the Task Group was able to meet the new members of staff who had started work in the New Year, and to see the operation of the service at first hand.
- 5.2 This proved to be a very useful exercise for the Task Group members. The visit demonstrated that the solutions proposed for the service had been implemented and were already having positive results. The Members were particularly encouraged by the fact that a regular dialogue had begun between Revenues and Benefits and Housing, and that one of the new members of staff would be working to develop links with local private landlords.

- 5.3 The Members were also able to appreciate some of the practical difficulties facing both the Housing Benefit service and its potential clients. In particular, their attention was drawn to the difficulties regarding forms. Those used by Job Centres - which are distributed with Income Support application packs - are different to the ones used by the Council, and do not contain some of the required information. It seemed sensible to the Task Group that dialogue between relevant parties should continue.
- 5.4 When applicants fill out forms, information is sometimes missed out, and this can delay an application substantially. Such information is often held by other agencies; applicants can give permission for other agencies to share information on their behalf. This should help to speed up claims.

6.0 FINAL MEETING

- 6.1 The Task Group met for the last time on Thursday 11th March. The main purpose of the meeting was to decide upon any conclusions or recommendations from the review.
- 6.2 It was also hoped that the Audit Commission report would be available. Unfortunately, the final text was not ready to be released. However, the basic conclusions were known. The Council scored one star (Fair) for its current service, but three stars (Excellent) for potential for improvement. While not unique, this pattern is very unusual, and indicates the Audit Commission's confidence in the measures being taken.
- 6.3 Members were also made aware of the content of an e-mail from Stephanie Wardle, reproduced below:

From: Stephanie Wardle [SWardle@westberks.gov.uk]
Sent: 27 February 2004 13:25
To: Sean Anderson
Cc: Beverley Searle; Margaret Goldie

Subject: Payment of HB

Hi Sean

I am writing to advise you of the improvement in the provision of Housing Benefit to homeless households. Applications are dealt with more quickly and the Threshold Loan Scheme runs much more smoothly than it used to. We have found Neil and Andrew to be very professional and we are now told exactly which documents are still outstanding which enables us to speak to our clients to obtain whatever is necessary more quickly. My e mails are mostly answered the same day or the next day, and generally we have a better working relationship. I am meeting with Andrew and Kirsten to discuss the new methods of rent payments when we start Sovereign's Academy system.

7.0 CONCLUSIONS

- 7.1 The Terms of Reference for this investigation were very simple, and the findings of the Task Group can be expressed just as easily. At the time of the Task Group's

establishment, the delays experienced by members of the public in receiving Housing Benefit were considerable. It was also quite plain that, although this was a direct result of an acute staffing problem, there was an underlying problem of lack of investment in the service. However, the Task Group was also aware from the beginning that measures were being taken to deal not only with the acute situation, but also the underlying problem. It is the view of the Task Group that these represent a well thought out long term solution. They are also pleased to note that this opinion is in line with that of the Audit Commission.

- 7.2 During the course of its investigation, however, the Task Group became interested in some other topics raised along the way. Conclusions concerning these are listed below.
- 7.3 *Private Sector Landlords.* The Task Group was most encouraged to learn that the duties of one of the new staff in the Housing Benefit service will be liaison with Private Sector Landlords. The Members hope that this will enable relations between the Council and this valuable source of rental property to improve.
- 7.4 *Threshold loans.* Threshold loans are an initiative on the part of the Council, and are not funded centrally. In theory, they ought not to cost the Council any money, as the loan should always be repaid. In practice, however, people do default, and any money currently tied up in a loan cannot be used for any other purpose. Therefore, it is necessary to set a budget for them. This budget could be increased by the Executive, which would allow the scheme to be extended to cover gaps in Housing Benefit. However, the improvement in service delivery has been such that this is no longer necessary.
- 7.5 *Government indicator BVPI 178a.* While the Task Group is of the opinion that this is not a meaningful reporting tool, it remains the case that it has to be reported to the Government. However, the Task Group would like to see a different and more meaningful method of reporting the work of the service to the rest of the Council.
- 7.6 *Application Forms.* A variety of issues concerning the application process, the forms used and the need to share information arose during the Task Group's investigations. It seems sensible to the Task Group that every effort is made to ensure that forms are standardised, and that information is made as freely available as possible between agencies, so that claims can be dealt with as quickly as possible.

8.0 FINAL REMARKS

- 8.1 There is an expectation that scrutiny reports will make recommendations. However, in the case of this particular review, recommendations do not seem appropriate. The brief given to the Task Group was such that there are no recommendations to be made. There was certainly a problem within the Housing Benefit service, but the Task Group is satisfied that all necessary measures have been taken to solve this problem. Indeed, it congratulates the staff involved on their excellent work so far.
- 8.2 Nevertheless, in the course of its work the Task Group believes that some valuable lessons have been learned about the scrutiny process, and offers the following thoughts in the hope that they might inform future scrutiny reviews or discussions:

- This sort of review should not be an adversarial process. Ultimately, Members and officers have the same goals in view, and they are far more likely to be reached in an atmosphere of openness and co-operation.
- Scrutiny should be a Member-led process. This means that Members must have access to information. It also means that officers need to make allowances for any lack of specific knowledge on the part of Members, and empower them to take a lead in the process.
- Management structures need to be transparent to Members, and front-line staff need to be accessible. It has been difficult on occasion to establish exactly who owns particular pieces of information, and this has not been helped by situations where senior managers have been put in situations where they were expected to answer detailed questions about day-to-day organisation. While it is necessary to take into account the fact that the scrutiny process can be intimidating for junior officers, nevertheless a review such as this has to engage from the beginning with those responsible for day-to-day service delivery.

8.3 The Task Group wishes to thank all those officers who assisted it in its work.