

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Finance and Staffing Portfolio Holder

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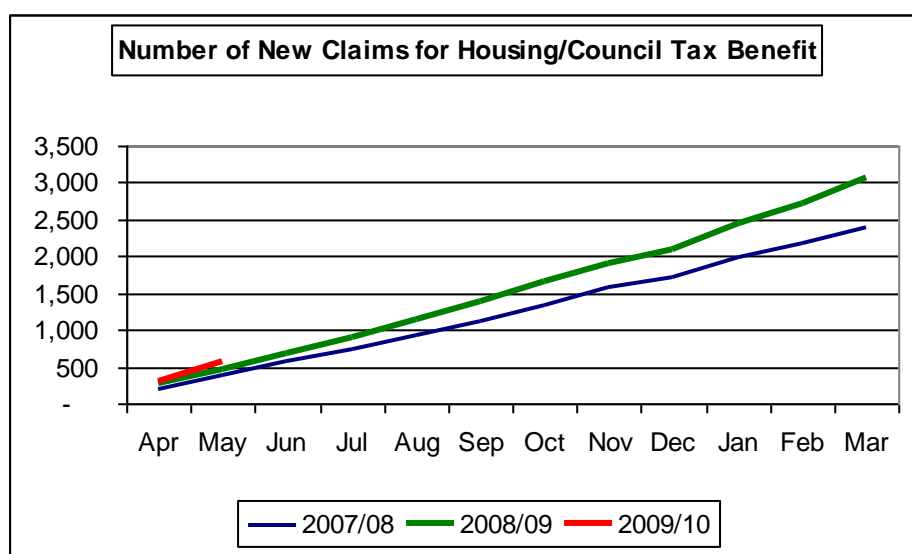
BENEFITS SERVICE WORKLOAD AND STAFFING

Purpose

1. To inform the Portfolio Holder of the impact of increasing numbers of claims for Housing and Council Tax Benefit, and of arrangements put into place to minimise the effect on delivery of benefits services.
2. This not a key decision and is reported following a request from the Portfolio Holder for an update on the current position.

Background

3. The current economic recession is resulting in increasing numbers of claims for all types of benefit as the number of people unemployed or on reduced income has increased. The Council administers claims for Housing and Council Tax Benefit and has seen a significant increase in the number of new claims since April 2008.
4. During 2008/09 there were 672 more new claims received than in the previous year, an increase of 28%. In the first two months of the current financial year 581 forms were received compared to 463 in the same period in 2008/09, and 391 in 2006/07. This is an increase of 26% and 48% respectively.
5. The chart below shows the increasing number of claims received over the last two financial years.



6. The Council has set a target of 13 days for National Indicator 181, which measures the average number of days taken to process new claims and changes to Housing Benefit or Council Tax Benefit entitlement. In order to meet this target the Benefits

Service aims to process new claims within 20 days and changes of circumstance within 8 days.

7. Residents in receipt of Housing and Council Tax benefit were consulted on these targets through a customer satisfaction survey during March 2009. A total of 400 completed survey forms were returned, which equates to around 6% of benefit recipients. Of those responding 91% agreed that 20 days was a reasonable time in which to process a new claim, with just 5% disagreeing and 4% not answering the question. A similar number, 90%, agreed that 8 days was a reasonable time in which to process a change of circumstances, with 5% disagreeing and 5% not answering the question. The survey results indicate that the Council has set targets at the right level to ensure customer satisfaction.

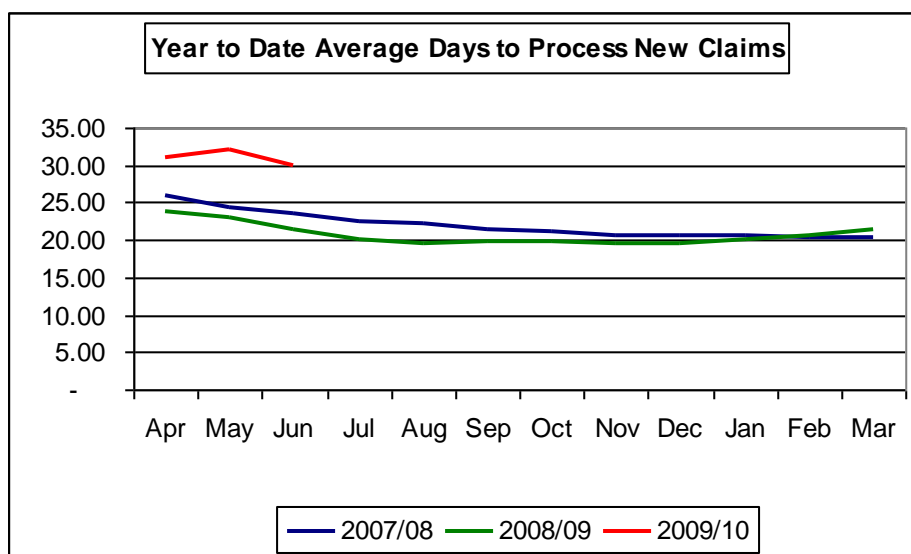
Considerations

8. The actual level of performance over the last three years is shown in the table below:

	2006/07	2007/08	2008/09	2009/10*	Target
New claims	29.1 days	20.1 days	21.4 days	30 days	20 days
Change of circumstance	10.3 days	8.5 days	9.9 days	16 days	8 days
NI181	n/a	n/a	12.2 days	20 days	13 days

* as at 29/6/09

9. Performance began to deteriorate towards the end of 2008/09 due to the increasing number of applications and worsened during April and May 2009. The chart below shows the average time taken to process new claims over the last two years. Deterioration in processing time for new claims appears to have peaked at the end of May, when it averaged 32 days, and is now improving with the year to date average now 30 days. However, this is still well above the target of 20 days.



10. During the latter part of the previous financial year and first quarter of this year a variety of strategies have been utilised to cope with the increased demand:
- Workload has been prioritised with less critical work temporarily deferred.
 - An additional assessor has recently been employed on a temporary basis through an employment agency.

- (c) Procedures have been reviewed to ensure workload is being dealt with in the most effective and productive manner depending on the level of demand.
 - (d) Benefits assessors have worked overtime to prevent backlogs of work developing.
 - (e) A part-time worker is working additional hours.
11. The average time to process new claims is monitored on a weekly basis and has reduced steadily from 33 days for claims completed during the week ended 24th May 2009, to 24 days during the week ended 26th June 2009. This is primarily due to the recent employment of an additional benefit assessor through an employment agency utilising additional finance provided by DWP, which effectively increased assessment capacity by around 10%. Further improvements are anticipated.
 12. Assessing benefit claims is a complex technical task and a minimum of six months training is required for inexperienced recruits. This makes it impractical to recruit to fixed short-term contracts on the Council's normal terms and conditions, consequently there is a reliance on experience agency workers to provide short-term resources. There is a ready market of experienced assessment officers available through employment agencies, but rates tend to be approximately 60% higher than the cost of employing equivalently experienced Council officers. The current high level of demand for these workers has also acted to increase hourly rates.
 13. There are 10 people (9.25 full time equivalents) employed as Benefit Assessors on the Council's staffing establishment. One member of the team is currently on maternity leave with another due to take maternity leave in the next few weeks. Experience has shown that it is necessary to provide cover for such absences by employing temporary experienced assessors if performance levels are to be maintained. The current heightened level of demand makes this cover essential.
 14. The Benefits Service also employs a small team to process incoming and outgoing post, scan documents and interview customer calling at the office with benefit enquiries. In addition to the increase in new claims there has also been a significant increase in the number of people making enquiries in person at the Council's reception desk. The work of this team cannot be deferred because it is entirely demand led and consequently during busy periods benefit assessors were required to interview customers at reception or assist with post duties.
 15. This small team took on responsibility for administration of concessionary passes from April 2009. An additional post was agreed for this team as part of the budget setting process in recognition of the additional duties and to improve resilience. This increased the team from two to three people. The post is now filled and in recent weeks a noticeable improvement has been seen with benefits assessor only required to provide assistance on infrequent occasions.
 16. Additional funding of £85,025 will be provided by DWP in 2009/10 to assist in meeting the demand arising from increased numbers of benefit claims. The Chief Executive has exercised his delegated authority to approve the use this funding to employ additional temporary assessment officers through an employment agency to meet the demand and provide cover for maternity absences.
 17. Processing times are currently improving following the employment of an agency worker, and other remedial actions. It is still relatively early in the financial year and there remains sufficient time for these remedial actions to take effect and enable annual targets to be met. However, the situation should continue to be closely

monitored, and in the event that the remedial actions do not prove effective other options may need to be reconsidered.

Implications

18.	Financial	<p>The Council will receive additional funding of £85,025 in 2009/10 from DWP. This is considered sufficient to provide cover for maternity leaves, and to employ one additional benefits assessor through an employment agency for up to 12 months.</p> <p>The cost to the Council of employing a benefits assessor is between £28,000 and £36,500 including the additional employer's costs. This rate is considered to be competitive with neighbouring authorities.</p> <p>An agency employee at an hourly rate of £30.00, taking four weeks holiday, will cost approximately £51,500 per annum.</p>
	Legal	<p>The Benefits Service is a statutory service that the Council is obliged to provide.</p>
	Staffing	<p>Increased workload and reduced performance can lead to low morale and stress amongst staff. This can lead to sickness absence, which creates further pressure.</p> <p>One member of the team is currently on maternity leave with another due to take leave in the next few weeks. It is essential that cover be provided for these absences.</p>
	Risk Management	<p>Performance of the benefits service is closely monitored and actively managed, with quarterly performance reports provided to the Portfolio Holder.</p> <p>There are two national indicators for the Benefits Service, NI180 and NI181.</p> <p>The Audit Commission has announced its intention to conduct around 30 inspections of local authority benefit services per year as part of the Comprehensive Area Assessment (CAA) framework. Inspections are likely to target authorities with poor performance figures. Therefore, maintaining good levels of performance will assist in achieving a good Comprehensive Area Assessment and reduce the likelihood of an inspection.</p>
	Equal Opportunities	<p>Residents claiming benefits are amongst the most vulnerable residents in the District. Prompt payment of housing and council tax benefit can help to prevent debt problems developing and in extreme cases can prevent homelessness.</p>

Consultations

19. Residents in receipt of Housing and Council Tax benefit were consulted through a customer satisfaction survey during March 2009 and have agreed that the targets set by the Council for processing claims are reasonable.

Effect on Strategic Aims

20.	Commitment to being a listening council, providing first class services accessible to all. The Council has consulted with residents receiving benefits, who have supported the Council's targets for dealing with benefit claims. It is important that the Council achieve the stated targets in order to maintain confidence amongst residents that their views are valued and help to shape service delivery.
	Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all. Housing benefit assists vulnerable residents in meeting their housing costs. Delays in paying claims can cause stress and anxiety, and may even lead to homelessness.
	Commitment to making South Cambridgeshire a place in which residents can feel proud to live. Delivering benefits swiftly to those entitled to them will help to develop a positive view of the Council amongst those relying on this service.
	Commitment to assisting provision for local jobs for all. None
	Commitment to providing a voice for rural life. None

Conclusions/Summary

21. The increase in benefit claims has placed pressure on the Benefits Service, and this is exacerbated by periods of maternity leave. Performance had deteriorated in the first two months of the financial year, but is now improving. However, performance levels are still well outside target.
22. Additional funding of £85,025 will be provided by the DWP and this is being utilised to employ additional temporary benefits assessors to provide cover for the maternity leave and meet the additional demand. Other management actions are also being taken to mitigate the impact of the increased demand.
23. It is difficult to predict whether the demand will continue to grow, or whether it has peaked, since this is dependent on the performance of the local economy as a whole.
24. Performance monitoring processes are in place to ensure that the situation is kept under close scrutiny and so that remedial actions can be taken where required.

Recommendations

25. The Portfolio Holder is recommended to note;
- (a) The increased pressure on service delivery created by the increase in claims.
 - (b) That processing times did deteriorate, but have improved in recent weeks.

(c) That Chief Executive has authorised use of additional financial resources of £85,025 provided by the DWP to employ additional temporary assessment officers to help meet demand for the service and to cover for maternity leave.

26. It is further recommended that the performance of the Benefits Service should continue to be closely monitored with an updated report to be submitted to the Portfolio Holder in the event that performance remains below target at the end of the second quarter.

Background Papers: the following background papers were used in the preparation of this report:

Service performance statistics
DWP Housing and Council Tax Benefit Circulars

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