

DUNDEE CITY COUNCIL

REPORT TO: Finance Committee - 17 June 2002
Personnel and Management Services Committee - 17 June 2002

REPORT ON: Department of Works and Pensions Help Team - Review of Revenues Division Benefit Service

REPORT BY: Director of Finance and Director of Personnel and Management Services

REPORT NO: 537-2002

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to apprise the Committee on the outcome of the Department of Works and Pensions (DWP) Help Team's recent review of the benefit service provided by the City Council's Revenue Division. The report considers the proposals developed jointly by the Help Team and the Finance Department Revenues Division against a backdrop of reduced productivity over the next 9 months due to the phased implementation of new Council Tax & Benefits software (I-World).

2 RECOMMENDATIONS

The Finance Committee is asked to agree the following recommendations:-

- 2.1 note the current and projected workload of the Revenues Division and in particular, the projected diminution of productivity due to the phased implementation of I-World;
- 2.2 note the conclusions of the DWP Help Team, after they had completed the joint review of the Revenue Division benefit service with the Council's own benefit staff;
- 2.3 that the opening hours of the Enquiry office, 6/7 City Square and the Revenues Division Telephone Team, be revised, such that the Enquiry Office will be closed on Wednesday and Thursday with effect from 1 July 2002;
- 2.4 that a comprehensive publicity campaign be developed and implemented prior to 1 July 2002, advising the public of the change in opening times.

The Personnel and Management Services Committee is asked to agree the following recommendations:-

- 2.5 the establishment, on a temporary basis to 31 December 2002, of 4 part time Telephonist posts, grade GS1/2, £9,680 - £12,899 pro rata;
- 2.6 the establishment of 6 Benefit Pre-assessor posts, grade GS2/3, £12,296 - £13,664;
- 2.7 the establishment of 2 Benefit Work Checker posts, grade AP5, £21,536 - £23,459, and the filling of these 2 posts from existing Revenues Division staff.

3 FINANCIAL IMPLICATIONS

- 3.1 The financial implications of implementing the major conclusions of the DWP Help Team are estimated to be £138,000 in total for the current financial year.
- 3.2 The total of £138,000 for the current financial year is made up of £135,000 for the additional staff costs and £3,000 for advertising. No provision for this expenditure was included in the 2002/03 Revenue Budget, however it could be funded from a projected underspend on the 2002/03 budgeted provision for Housing/Council Tax benefits.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 None.

5 EQUAL OPPORTUNITIES

- 5.1 None.

6 BACKGROUND

- 6.1 In January 2002, the City Council, like all Scottish Councils, received correspondence from the Department of Works & Pensions Help Team, offering to help the Revenues Division review the current outstanding work situation and identify ways of improving the Housing Benefit and Council Tax service to local residents.
- 6.2 The DWP Help Team set up joint focus team workshops with Revenues Division staff, and the conclusions of these workshops are the joint findings of DWP experts and the City Council's Revenues staff. The workshops reviewed the current and future workload with specific recourse to make recommendations on:-
- a) an approach to eliminate the current backlog in processing or work,
 - a) identifying ways of consolidating the services so that a reasonable level of workload of one week could be sustained within the Accounts Team of the Revenues Division.
- 6.3 The Revenues Division's current workload in a financial year was assessed by the DWP Help Team as 286,000 documents, equivalent to 5,500 per week.
- 6.4 In the last financial year, the Revenues Division started the year in April 2001, with an inherited backlog of approximately 25,000 documents. This backlog was a direct consequence of the implementation of new Council Tax and Benefits software in November 2000, and the Unison strikes in January/February 2001.

- 6.5 During the financial year, the outstanding workload increased in July 2001 to a peak of 28,000 documents and the Council took a decision to appoint a team of agency staff for a limited period to assist the Council in reducing the outstanding workload. This initiative had the effect of reducing the outstanding work to under 17,000 documents in the month of September, October and November 2001. In the remainder of the financial year, the outstanding workload has gradually grown to slightly over 20,000.
- 6.6 While the Revenues Division's outstanding workload at the start of the current financial year is in a better position than the equivalent position in 2001/02, the workload for 2002/03 is projected to increase during that year.
- 6.7 The Council's Council Tax/Benefit software suppliers, SX3 are having to update the Oracle language on which the software is written, and as a consequence a new version of the software (I-World) must be introduced. It is proposed to implement this new software, I-World, in December 2002, however this will require the increased redeployment of Revenues Division staff from June to December 2002, to deal with matters such as data cleansing, testing and training on the new system. The redeployment of staff will reduce the number of staff who are actually dealing with the day to day processing of documents/enquiries and it is predicted that this will have a detrimental effect on the level of outstanding documents.

7 DWP HELP TEAM CONCLUSIONS

- 7.1 The DWP Help Team concluded their visit with a report which set out the following conclusions:-
- 1) At February 2002, the number of documents outstanding within the Revenues Division was 19,200, which is equivalent to 3½ weeks of documents received. This level of backlog is significantly lower than that perceived by the Revenues Division staff.
 - 2) The Accounts Team of the Revenues Division, who deal with all Council Tax billing and collection, and the administration of both Council Tax and Housing Benefits, has an establishment of 80 full time equivalent posts. However, after allowing for leave, sickness and maternity leave, the staffing of the enquiry office, telephone team, testing, fraud, etc then the number of staff actually involved in processing Housing and Council Tax benefits is approximately 38 full time equivalent.
 - 3) The DWP Help Team supported the view that generic working as operated by the Revenues Division is the most appropriate model for providing the best customer service, although it has to be accepted that such a model carries some overheads, e.g. higher levels of training.

- 4) In addition to the current backlog, the staff will soon have to start data cleansing, testing and training for the introduction of the new I-World software. The current software provided by First Software for Council Tax (CT) billing and collection, and both CT and Housing Benefits will be replaced with an e-government version called I-World. The implementation of this new software will mean that the current backlog will worsen, unless pre-emptive corrective action is taken.
- 5) In order to address the current backlog and the implementation of the new I-World software, it will be necessary to review and refocus the existing staffing resources. In order to achieve this refocusing, the Help Team, in conjunction with the Revenues Division staff, propose to close the Enquiry Office at 6/7 City Square and the Telephone Team for 3 days a week. This type of proposal has been successfully implemented by other Councils throughout the UK. The above proposal would release 11 staff from these facilities and allow them to work on the current backlog and the projected increasing backlog caused by the implementation of I-World.
- 6) In addition, the Help Team and Revenues staff identified a number of procedural improvements which should give some "quick wins" in terms of reducing the current and future backlog. These improvements include letting AP2 staff sign letters, provide more pre-signed letters, and amend the Benefits Notification letter. All of these improvements will help and will be implemented in part or in full, however, by far the most significant is the proposal to partially close to the public the Enquiry Office at 6/7 City Square and the Telephone Team. It should be noted that this proposal does not affect the Cash Collection/Box Office at 6/7 City Square, which shall continue with its current opening hours.
- 7) A further initiative identified by the Help Team was the implementation of the performance management information which is being developed by the Information Technology Division in conjunction with the Revenues Division. This project will require a continuing commitment from Information Technology, and the Revenues Division should now use this information to more effectively target training and improve productivity.

The management information provided will give details of the inputs and outputs of the Revenues Division, together with the ability to measure the productivity levels of members of staff.

- 8) The Help Team also reviewed the current and imminent workload facing the Revenues Division and the required staffing resources. They concluded that an additional 8 staff are required (6 Benefit Pre-assessors and 2 Benefit Work Checkers).

8 CONCLUSIONS

- 8.1 The DWP Help Team exists solely to help local authorities improve the way in which benefits are administered. While the DWP Help Team and the Revenues Division identified a variety of minor administrative/procedural changes, the two major conclusions were the partial closure of the Enquiry Office/Telephone Team and the employment of additional staff.
- 8.2 The DWP Help team proposed closing the Enquiry Office and Telephone Team for 3 days, however it is felt that the Council should only close the offices for 2 days a week. The partial closure of the Enquiry Office at 6/7 City Square and the transfer of the Telephone Team is seen as essential to bring the processing of applications/correspondence up to date. During the closure period, special arrangements would be made for members of the public to drop-off correspondence and telephone calls would continue to be taken by the new temporary staff in the Telephone Team. There would need to be comprehensive advertising of this proposal to ensure that the general public are fully aware of the temporary change in service provision and it is estimated this will cost £3,000. It must be appreciated that the period of partial closure will be operated for the minimum period required. It is proposed to implement this proposal from 1 July 2002.

9 CONSULTATION

- 9.1 The Chief Executive has been consulted in the preparation of this report.

10 BACKGROUND PAPERS

- 10.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

11 SIGNATURE

D.K. Dorward
 Director of Finance

Date

J.C. Petrie
 Director of Personnel and Management Services

Date