

REPORT TO: POLICY AND RESOURCES COMMITTEE - 8 DECEMBER 2008

REPORT ON: AUDIT SCOTLAND RISK ASSESSMENT REPORT ON THE REVENUES DIVISION'S HOUSING & COUNCIL TAX BENEFIT SERVICE

REPORT BY: DEPUTE CHIEF EXECUTIVE (FINANCE)

REPORT NO: 621-2008

1.0 PURPOSE OF REPORT

This report is to inform the Elected Members of the recent risk assessment audit undertaken by Audit Scotland on the Revenues Division's Housing and Council Tax Benefit service.

2.0 RECOMMENDATIONS

It is recommended that the Committee approve the Action Plan prepared by officers to address the recommendations contained with the Audit Scotland report.

3.0 FINANCIAL IMPLICATIONS

None

4.0 MAIN TEXT

In previous years, the Council's Housing Benefit and Council Tax Benefit service was subject to inspection by the Benefit Fraud Inspectorate. This role has now been taken on by Audit Scotland. In their report, Audit Scotland focused on the following four key areas:-

- aims of the benefit service.
- meeting the needs of the user and community
- delivering outcomes
- providing value for money

4.1 A copy of the Audit Report has been passed to Group Leaders and Depute Lord Provost Borthwick.

4.2 In the Executive summary of the report, it states the following:-

Dundee City Council clearly demonstrates an awareness of what contributes an effective, efficient and secure benefits service and has much in place to support local and national objectives. The Council:-

- exceeded national targets in 2007/08 for processing new claims
- has a comprehensive management checking regime and quality assurance programme
- has a dedicated in-house training team
- had an overpayment recovery rate in 2007/08 of 59%, which was well above the Scottish average and the second highest in Scotland
- has trained its counter-fraud staff to Professionalism in Security (PINS) standard, a recognised counter-fraud qualification.
- has delivered continuous improvement in the number of sanctions applied from 40 in 2006/07 to 69 in 2007/08, which is a 73% increase.
- has a Revenues Customer Charter setting out service standards.
- has joint visiting with Social Work, Welfare Rights team to maximise benefit take-up.
- has a Corporate Visiting System to carry out visits to customers submitting a new claim, or customers who are unable to attend the Enquiry Office.
- working in partnership with the voluntary sector agencies to secure funding for a formal inclusion project.

- introducing a 24 hour payment telephone line to allow customers to make payment by credit and debit card outside of normal office hours.
- provided training to staff in conversational Polish.
- subscribed to "language line", a telephone translation service.
- Quality Assurance Officers are in place to carry out quality checks.
- the division has a strong anti-fraud culture and good working relationships with the DWP Fraud Investigation Service and Procurator Fiscal
- introduced payment of Housing Benefit using BACS, which is contributed to saving the Council £10,000 per year compared with payment by cheque.

4.3 The concerns raised in the report are highlighted in the action plan together with the actions officers are to take, or have taken, to address these issues.

5.0 POLICY IMPLICATIONS

This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management and no issues have been identified.

6.0 CONSULTATIONS

The Chief Executive, Depute Chief Executive (Support Services), and Head of Finance.

7.0 BACKGROUND PAPERS

None

D K Dorward Depute Chief Executive (Finance)	Date:	8 DECEMBER 2008
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Version 18.11.2008

AS Report Paragraph Ref No	Recommendation	Lead Officer(s)	Scheduled Action by DCC	Target Date for Completion
Page 4	AIMS OF THE SERVICE			
BP 1	There are no clear links between the Revenues Division Service Plan 2007-2011, the Council Plan 2007-2011, and the Community Plan 2005-2010 to demonstrate how the benefits service will contribute towards corporate, national and wider community strategic objectives	Ian Gillanders	The next opportunity to amend the Council Plan 2007-2011 to identify clear links with the Revenues Division service Plan will be in 2011. This will be the same scenario for the Community Plan, except for the date, which will be in 2010. At the appropriate times the above plans will be amended to reflect how the benefits service will contribute towards corporate, national and wider community strategic objectives.	2010/2011
BP 2	There is no separate benefits service business plan and it is not clear in the Revenues Division Service Plan 2007 – 2011 what the benefits service's aims and objectives are or how it will meet its statutory requirement to deliver continuous improvement	Ian Gillanders Donald Olejnik	The Service Plan will be reviewed and amended to distinguish between the different aims of the service, ie benefits and non-benefits. However as the Revenues Division operates generically, there will be some objectives that it will not be possible to separate.	31 03 2009
BP 3	To deliver continuous improvements in the benefits service, the Revenues Division Service Plan 2007-2011 needs to have measurable objectives which are stretching and which are reviewed annually	Ian Gillanders Donald Olejnik Brenda Miller	The Service Plan is reviewed annually, although the targets set are for the period 2007-2011 and not annually. The plan will now be reviewed to input measurable annual targets, which will be reviewed annually.	31 03 2009

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BP 4	The Anti-Fraud and Anti-Corruption policy does not reflect current working practises and should be reviewed to ensure that the content is consistent and up to date.	Brenda Miller	Policy updated and due to go to committee for approval 08.12.08	08.12.2008

Page 5	MEETING THE NEEDS OF THE CUSTOMER AND THE COMMUNITY			
BP 1	The council does not carry out targeted consultation with its HB/CTB customers or the wider community to determine the type and level of service they require	Ian Gillanders Donald Olejnik	The Revenues Division will review it's processes for contacting it's customers to identify their needs in relation to the benefits service.	31 03 2009
BP 2	There has been no detailed analysis of the outcomes of past benefit take-up campaigns and an action point in the Social Work service level agreement to carry out a benefits take-up campaign has been outstanding since January 2008	Ian Gillanders Donald Olejnik Jacqui Kopel Brenda Miller	Service Level Agreement to be reviewed and discussions held with the Social Work Department. Detailed documentation and reporting on outcomes will be maintained on any future take-up campaigns	31.01.2009
BP 3	The council's website could be improved to provide more detailed benefits information and a facility whereby customers could complete an online benefit application form	Ian Gillanders Donald Olejnik Pam Darcy	A recent internal audit report identified the need for an on-line benefit application form. This has been targeted for completion by January 2009 which will allow customers and revenues	31.01.2009

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			customer services staff to complete the form on-line before being printed off for signature. The website will also be reviewed to identify improvements to the quality of information provided.	31 03 2009
BP 4	The Revenues Division Customer Charter has a number of standards which are not quantified. In particular, customers contacting the Revenues Division by phone, e-mail or post are not provided with a quantifiable timescale for receiving a response	Ian Gillanders Donald Olejnik Brenda Miller	The Customer Charter will be reviewed and targets set for the standards not quantified. The Charter is reviewed each year in time for the revised document to be available to customers in the new financial year.	31 03 2009
Page 6	DELIVERING OUTCOMES			
BP 1	The council does not have a reporting framework that can provide benefits-specific performance information at individual, team and section level	Jacqui Kopel	In dealing with customers in respect of benefit entitlement and Council Tax Liability, the Revenues Division operates generically. In other words, a member of staff will be able to deal with the customer's benefit and liability issues at the same time. This avoids the customer being passed from one member of staff to another. The	Unable To Action

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			Council supports this approach. As a result, the reporting framework is unable to distinguish between benefit and non-benefit performance at any level.	
BP 2	The 'Quality Assurance' spreadsheet could be improved to provide detailed information on the outcome of benefits related quality checks	Jacqui Kopel	The spreadsheet will be amended to provide information on the outcome of benefits related quality checks.	31 03 2009
BP 3	There are no pre-payment management checks.	Donald Olejnik Jacqui Kopel	Processes will be reviewed to identify the most appropriate method of undertaking the pre-payment checks.	28 03 2009
BP 4	Comprehensive performance reports from the Corporate Visiting System should have been available in May 2008, but have been delayed as a result of resource issues within the IT section	Brenda Miller	Reports now on CVS and are going through the testing process	31.02.2009
BP 5	Although the quarterly report to Members on the performance of the Counter-fraud section is comprehensive, performance is not reported against targets	Brenda Miller	The Head of Accounts and Benefits has held discussions with the Fraud Manager and from 2009-2010 the targets will be increased from the current three sanction targets to include the following: Referred prosecutions for the year Accepted prosecution reports	31.03.2009

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			<p>Successful prosecutions for the year</p> <p>Administrative Penalties -</p> <p>Administrative Cautions -</p> <p>Receipt of referral to assessing for investigation</p> <p>Outcome of assessment to start of investigation</p> <p>These targets will be incorporated into the Service Plan and the Counter Fraud Performance Report will include performance against target statistical information</p>	
Page 7	SPEED OF PROCESSING			
BP 1	The council has not set local targets for speed of processing performance in 2008/09	Ian Gillanders Donald Olejnik Jacqui Kopel	The Head of Accounts & Benefits will discuss and agree with the Senior Council Tax & Benefits Manager local targets for each financial year, starting with financial year 2009/2010.	31 03 2009
BP 2	There is no target to support the DWP's 'Right Time' national indicator	Ian Gillanders Donald Olejnik Jacqui Kopel	This will be discussed and the appropriate target set.	31 12 2008

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BP 3	The Liaison Section is not used to visit customers who have failed to provide the required information following a reported change of circumstances	Donald Olejnik Brenda Miller	Currently action is taken in these cases in that the customer is written to requesting that the information be provided and advising the outcomes should they fail to do so. It is proposed to hold discussions on this matter with a view to implementing change of circumstances visiting.	31.03.2009
Page 8	INTERVENTIONS			
BP 1	The council has not set a target to support the DWP's 'Right Benefit' indicator	Ian Gillanders Donald Olejnik Jacqui Kopel	This will be discussed and the appropriate target set.	31 12 2008
BP 2	The council's interventions programme is restricted to postal interventions and there is no analysis of the outcomes to determine reasons for changes not being notified and to identify opportunities for improvement	Ian Gillanders Donald Olejnik Jacqui Kopel Pam Darcy	The interventions programme will be reviewed and discussed to determine how best to take this recommendation forward.	31 05 2009
BP 3	The council should consider extending its interventions programme to include visit and telephone interventions	Ian Gillanders Donald Olejnik	This will be dealt with as part of the above discussions	31 05 2009

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		Jacqui Kopel Brenda Miller		
Page 8	APPEALS AND RECONSIDERATIONS			
BP 1	The council has not set any targets for appeals and reconsiderations for 2008/09 and therefore performance is not being reported	Ian Gillanders Donald Olejnik	The appeals and reconsiderations processes are to be reviewed by the Senior Council Tax & Benefits Manager to achieve a solution whereby targets and performance can be reported on.	30 06 2009
BP 2	There has been no analysis of appeals and requests for reconsideration data to identify trends, patterns and opportunities for learning	Ian Gillanders Donald Olejnik	An outcome of the above process will be to ensure that information provided by the above solution is used to improve the service.	30 06 2009
BP 3	There is insufficient information on the council website to help customers understand the appeals and reconsiderations process	Donald Olejnik Pam Darcy	The information contained on the website will be reviewed and enhanced to make it more understandable.	31 03 2009
Page 9	OVERPAYMENTS			
BP 1	The Service Level Agreement with DWP's Debt Management Unit for 2008/09 has still to be signed	Audrey Fraser	Discussions are ongoing about the content of the new SLA as the councils being serviced have different requirements and the resolution and the timescale for the resolution is outside the Council's control.	Ongoing

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Page 10	COUNTER-FRAUD			
BP 1	There are no routine management checks on sanctions cases, approved by the Fraud Supervisor, to provide assurance to the Fraud Manager that the council's Sanctions Policy is being applied in a fair and consistent manner	Brenda Miller	Now that the new Revenues Sanctions Officer is in place she will be carrying out our normal 100% sanction checks, the Fraud Supervisor will be actioning a further 100% check until a suitable training period has elapsed. Once the Fraud Supervisor is satisfied of a high standard of decision making this secondary level of checking may be reduced accordingly. However, though a reduction may be applied, this secondary level of checking will remain in place.	COMPLETED
BP 2	Setting a target for the number of cases accepted by the PF for prosecution would provide a more accurate and fair reflection of the quality of the work of the Counter-fraud section	Brenda Miller	A target for accepted cases will be set for 2009-2010.	31.03.2009
BP 3	The current programme of fraud awareness should be extended to include fraud awareness sessions for new employees within other council departments,	Ian Gillanders Brenda Miller	Providing Fraud Awareness Training for every new start within the council will be challenging to implement corporately. An all staff email will be issued annually to raise fraud awareness with staff.	31.03.2009

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 and participation in the quarterly Housing Association liaison meetings	Brenda Miller Mike Rosser	The Fraud Supervisor starts attending the Housing Association liaison meetings from 18th December 2008.	COMPLETED