

# Benefits Service Inspection

Borough of Poole

June 2010



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# 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 web site at [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk).

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

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# Summary

- 1 The Benefits Service at the Borough of Poole is fair with promising prospects for improvement.
- 2 The Service is dealing with new claims more quickly than before and people are paid faster. Advice and help with completing claims has been given to local people during the recession. Additional financial support has been made available through the discretionary housing payments<sup>i</sup> scheme to help the most vulnerable. The Service is reducing fraud and error through better counter fraud activity including applying more sanctions<sup>ii</sup> than before.
- 3 But it is taking too long to deal with a change of circumstance. People are also waiting too long for an appeal or reconsideration<sup>iii</sup> to be dealt with. The Service is not doing enough to make sure that the level of benefit that is paid is correct. Not enough is also being done to minimise overpayments. There is limited activity to encourage customers to report changes and the Service has not been undertaking risk based reviews. The Service has recognised that it needs to improve further in these areas. Measures are now in place to monitor the accuracy of benefit that is paid and to encourage customers to report changes that may affect the amount of benefit they get.
- 4 Access to the Service is mixed. There are no delays for visitors to the offices and the telephone service has significantly improved with more people able to get through. There is a good range of leaflets and information available to customers and the Council's website is clear and easy to use. Access to the Service for people with specific needs is good. The quality of customer care for visitors to the offices is satisfactory. However, for telephone callers the Service is inconsistent. It is also not always clear which forms customers have to complete when reporting a change. There has been no recent benefits promotion activity or take up campaigns so local people could be missing out on income they are entitled to.
- 5 Learning from complaints and feedback is being used to change and improve service delivery. Relationships with internal and external partners and stakeholders are good. Customer satisfaction with the Service was adequate at the time of the inspection.
- 6 The Service is expensive. Costs are high and the Service does know why this is. The Service has been acting on plans to tackle this. It has started benchmarking the Service with others and examining why its net cost per claim is high. Some areas of high cost have already been identified and savings of £166,000 made so far.
- 7 There is good information about the profile of the community which is being used to target future take-up campaigns. Consultation and engagement arrangements are good and will help the Service tailor its services to those people most in need of support.

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<sup>i</sup> Discretionary Housing Payments (DHPs) – All councils in the UK receive a share of a Government grant of £20 million each year to help people in financial hardship with their housing costs. Councils have discretion to use their own funds to add up to two and a half times the Government grant allocation for their own council to increase the amount available to provide assistance to vulnerable people.

<sup>ii</sup> Sanctions can be in the form of a formal caution, administrative penalty or prosecution.

<sup>iii</sup> A request from a customer to have a decision on their claim looked at again.

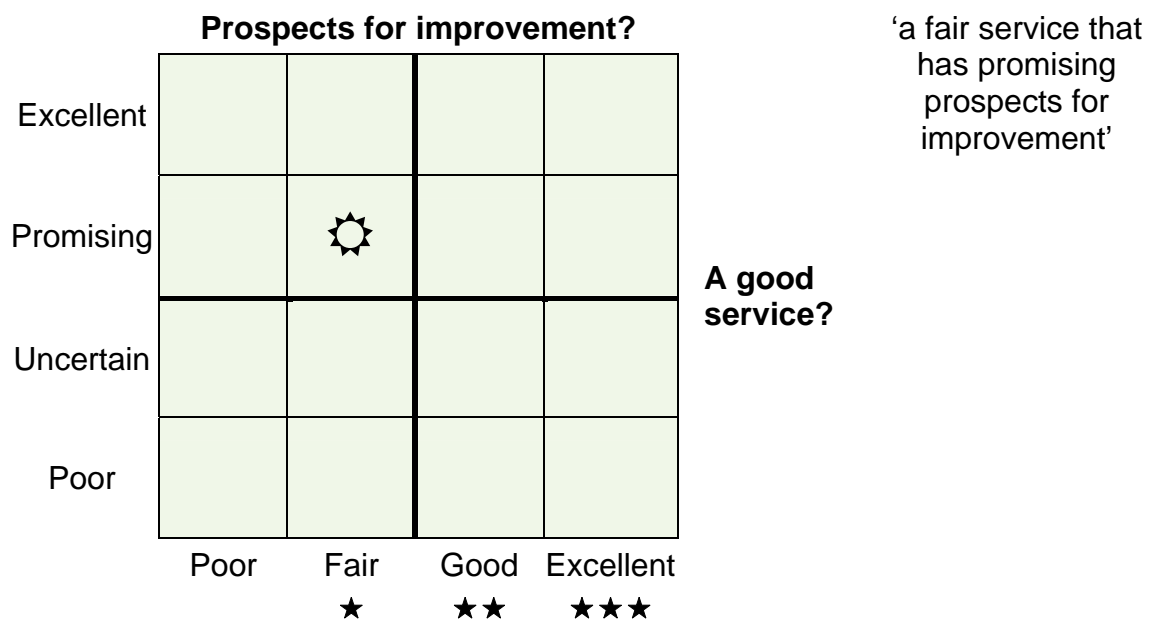
## Summary

- 8 Performance is managed adequately. Service objectives are clear and link in well with other corporate and partnership plans. Business plans are adequate, but not all have SMART targets and are not detailed enough meaning it is hard to see how individual projects will be implemented.
- 9 Political and managerial leadership is good. Senior managers have had a positive impact on the service, both in terms of service performance and in starting to change the organisational culture of benefits. This is recognised by councillors, staff and partners. Councillor and staff training is good.
- 10 Partnership working with landlords and organisations such as Citizen's Advice Bureau is good. There is much joint working involving the sharing of resources from designing benefit leaflets to counter fraud activity.
- 11 Workforce planning is linked to financial planning. The conclusion of the efficiency review and the equal pay issues will result in two of the seven vacancies being deleted from the benefit structure and appointments being made through a competitive process for the remaining five posts.

# Scoring the service

**12** We have assessed Borough of Poole as providing a 'fair', one-star service that has 'promising' prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

**Figure 1** Scoring chart<sup>1</sup>



Source: Audit Commission

**13** The Service is a fair, one star service because:

- people are getting their new claims for benefit paid faster;
- discretionary housing payments are used effectively to support the vulnerable;
- there is a good range of leaflets available to customers;
- the website is clear and easy to use;
- there are good relationships with internal and external partners and stakeholders;
- access to the service is improving for people with specific needs; and
- current arrangements for detecting and preventing fraud are leading to more successful sanctions.

<sup>1</sup> 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

**14** However it has some weaknesses. These include:

- taking too long to deal with changes reported by customers that could affect the level of benefit they receive;
- customers that appeal or ask for their claim to be looked at again face delays;
- limited assurance about the level of accuracy of payments to customers ;
- no recent take-up activity or campaigns have been undertaken;
- customers are not encouraged or prompted to report changes that may affect their benefit;
- some leaflets and forms don't give people enough information to help them contact the Service; and
- information about costs of the Service is not yet being used to achieve value for money.

**15** The service has promising prospects for improvement because:

- councillors have confidence in the service and its staff to deliver;
- clear leadership is shown by officers;
- staff are enthusiastic and capable;
- resources are in place to meet customer need;
- processing times have improved against a 20 per cent increase in new claims;
- there are comprehensive business plans which set out what the Service wants to achieve; and
- complaints and feedback from customers and service users is used to make changes and improvements.

**16** However there are some barriers to improvement. These are:

- some targets are not measurable; and
- business plans are not detailed enough to show how the Service will achieve its objectives.

# Recommendations

**17** 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 costs<sup>1</sup> 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** Provide a better and more comprehensive service to customers by;
- ensuring that sufficient resources and capacity is available to deal with changes of circumstances quickly
  - appropriate resources are allocated to dealing with appeals and reconsiderations
  - addressing potential weaknesses in benefit payments through regular monitoring and reporting of accuracy levels
  - encouraging customers to report changes to minimise overpayments
  - using results of the 2009 Customer Survey to make changes and improvements that customers have asked for or need
  - ensure that training needs of Poole Housing Partnership (PHP) staff are delivered to support them in the collection and verification of new claims

The expected benefits of this recommendation are:

- customers being notified more quickly of potential underpayments or overpayments of benefit;
- reducing the time people have to wait for a decision about an appeal or reconsideration;
- assurance that the benefit being paid to people is correct and mistakes by the Service are being minimised;
- reduced level of overpayment debt owed to the Council; and
- feedback from customers is used to shape the Service to their specific needs.

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

<sup>1</sup> 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 value for money by;
- using comparative information about costs to develop plans to reduce costs but not to the detriment of service users;
  - analysing cost savings through joint working with others; and
  - ensuring that the new benefit structure delivers the intended efficiencies.

The expected benefits of this recommendation are:

- reducing costs in high spending areas;
- better understanding of efficiencies gained from joint working; and
- improvements in processing times and performance.

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

### Recommendation

- R3** Improve the focus on improvement by:
- setting SMART targets for objectives;
  - developing plans to support the delivery of the business plan;
  - engaging staff in the development of business plans; and
  - assessing and managing risk.

The expected benefits of this recommendation are:

- improved performance management;
- assurance that objectives will be delivered;
- better staff ownership of targets and improvement; and
- protecting financial and reputational risk.

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

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# Report

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## Context

### The locality

- 18** The Borough of Poole is a Unitary Authority located in the County of Dorset. It has a population of 138,800. With Bournemouth and Christchurch, Poole comprises the second largest urban area in the West of England.
- 19** The population is predominantly white British, accounting for nearly 96 per cent of the population. Four per cent of the population classify themselves as being from a Black and Minority Ethnic Group.
- 20** Poole is ranked 216 out of 354 in the Index of Multiple Deprivation, where one is the most deprived. Since 2004, the area has become relatively less deprived. Poole has no Super Output Areas (SOAs) ranked in the 10 per cent most deprived nationally. There are 16 SOAs ranked in the least deprived 10 per cent nationally.
- 21** Fifty-eight per cent of Poole's population is of working age - below the national average of 62 per cent. People of retirement age make up 24.3 per cent of the population, above the regional (22.5 per cent) but below the national (19.1 per cent) averages. It is projected that in 2011, Poole will have 61,000 households in the area, a figure predicted to rise to 63,000 by 2016.
- 22** In comparison with the South West region, Poole has the same proportion of working aged residents claiming benefits. Overall, 13.2 per cent of working aged residents claim benefits; this is the same as the regional (13.2 per cent) and below the national (15.7 per cent) averages. In January 2010, 2,522 people claimed Job Seekers Allowance (JSA), which is 3.1 per cent of the working aged population. This is the same as the regional (3.1 per cent) but below the national (4.3 per cent) average. Of the working age population, 6.0 per cent claim Employment Support Allowance (ESA), which is below the regional and the national average. The working aged population claiming lone parent benefits stands at 1.7 per cent which is above the regional and but below the national average.
- 23** According to the 2008/09 Place Survey, 87 per cent of residents in Poole are generally satisfied with the area in which they live. This is above the national average of 80 per cent.

### The Council

- 24** The Borough of Poole has 42 councillors representing 16 wards. The Council is controlled by the Conservatives. The political composition is as follows; Conservatives have 23 seats, Liberal Democrats have 17 seats and the Independents have two seats.
- 25** The Council currently operates a Leader and Cabinet structure. There is also a Deputy Leader and seven appointed Councillors as portfolio holders.

## Report

- 26** The 2009 Organisational Assessment found that overall, the Council performs well. The Council scored 3 out of 4 for managing performance and 2 out of 4 for use of resources.
- 27** The priorities for the Borough are set out in 'Striving for Excellence', the Council's corporate strategy. The priorities are as follows.
- Revitalising our Town Centre.
  - Transforming our Schools for the Future.
  - Improving Housing for Local People.
  - Reducing Poole's Carbon Footprint.
  - Meeting the Needs of our Ageing Population.
  - Improving Efficiency and Effectiveness.

### The Council's Benefits service

- 28** Housing Benefit (HB) and Council Tax Benefit (CTB) are national welfare benefits administered by the Council on behalf of the 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.
- 29** Our responsibility to provide assurance (to government, councils, taxpayers 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 the Borough of Poole, the reasons for commissioning the inspection were as follows.
- The average speed of processing was in worst 25 per cent performance, when compared to other English councils.
  - The average speed of processing changes in circumstances deteriorated 2006/07 to 2007/08.
  - Previous data quality audit has resulted in the reported performance information being reserved.
  - Weaknesses in accuracy checking.
- 30** The key objectives of this inspection were as follows.
- To assess the effectiveness of Poole's Benefits Service in meeting the needs of the vulnerable people it serves, and contributing to the Council's wider corporate objectives.
  - To provide assurance to the DWP and other stakeholders regarding the quality of service provision.

- 31** The Service in the Borough of Poole pays out around £52.5 million per year to:
- 11,770 people claiming CTB<sup>1</sup>; and
  - 9,400 people claiming Rent Allowance of which 5060 are tenants of a registered housing provider and 4,140 are tenants of private landlords.
- 32** The Service is run in-house as part of the Financial Services Directorate. The cost of running the Service in 2009/2010 is £2.1million of which £1.5 million is funded by DWP and the balance is met by the Council.

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<sup>1</sup> DWP 'Housing Benefit and Council Tax Benefit caseload, February 2010'.

# How good is the Benefits service?

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## What has the service aimed to achieve?

- 33** The Service supports the wider local area agreement priorities through its benefits work in helping vulnerable people achieving independent living. This links to the Council's corporate priorities in creating sustainable communities where people enjoy living, where people can live in homes that meet their needs and improving efficiency and effectiveness.
- 34** To support the Council's corporate objectives and priorities, the Benefits Service aims to:
- make people aware of which benefits they are entitled to and how they can claim;
  - optimise Government grant and subsidy to support the delivery of the benefit service;
  - ensure the benefit service is resourced appropriately to maintain service delivery standards through periods of economic uncertainty;
  - operate a counter-fraud service across the organisation to promote awareness and deter and address any wrong doing; and
  - provide a financial assessment service on behalf of Adult Social Services.
- 35** The benefits business plan sets out clearly the actions required to meet these objectives in 2010/11.

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## Is the Service meeting the needs of the local community and users?

- 36** The assessment was based on the following key issues.
- Access, customer care, user and community focus.
  - Diversity.
  - Service outcomes for users and the community.

### Access, customer care, user and community focus

- 37** The Service is starting to take account of what local people need to change and improve service delivery. In response to the impact of the recession on the local community, councillors worked with officers to identify how the Service could provide support and help to local people. The Service set up a dedicated new claims processing team in September 2008. Being responsive helps the Service to tailor services to meet the needs of citizens.

- 38** Good working arrangements are in place with local Jobcentre Plus and other Dorset councils to support local people who have been made redundant. Benefits staff have visited people in their workplace to provide advice and help on benefits. Across Dorset there is an agreement in place for each council to signpost people to the right council to claim benefit. Responding quickly means that support and advice can be given to people affected by the recession to ease anxiety and uncertainty about their finances.
- 39** But the Service has been slow to promote availability of benefits and improve their take up across the wider community.<sup>1</sup> The last take-up campaign undertaken was in January 2009. Opportunities for targeted take-up have been missed, for example, following changes to the benefits scheme in October 2009. These changes were not publicised which means that families on low incomes in the local area that would have benefited, have missed an opportunity to increase their income through benefit take-up. Limited take-up activity means that local people most in need of help are not getting the support or information they need to get the money they are entitled to, to alleviate financial hardship.
- 40** Customer care varies across the Service. Staff dealing with benefits visitors are polite, considerate, helpful and answer queries effectively. In contrast staff that provide telephone support are not providing this level of care. Landlords we spoke with told us that when they telephone the service, staff can be unhelpful and reluctant to speak with them even when proper consent forms had been completed by customers. Our own reality checks found that telephone staff did not use proper or helpful greetings when answering a call. Poor quality customer care means that telephone callers are not being treated helpfully and possibly deterred from telephoning the Service again.
- 41** Access to the Service is mixed. The following weaknesses were identified.
- Office hours are not printed on some forms. Customers completing these forms do not know when they are able to visit the Offices for help, advice and information.
  - Some leaflets do not include any information about whether they are available in different languages or in different formats for example in Braille or in large print. Some don't have contact details for hearing impaired people for example, minicom. Some customers needing extra help may have difficulty completing forms correctly or seeking help.
  - There are two separate forms for reporting changes of circumstances on the Council's website which is potentially confusing for customers as there is no explanation about which form should be completed. Customers could end up filling in long forms unnecessarily.

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<sup>1</sup> 'The Money Trail' published December 2002 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.

## How good is the Benefits service?

**42** There are also some strengths.

- Service users contacting the Service by phone are getting a better service than before. The Service took responsibility for answering benefit calls from September 2009. At that time delays in answering calls meant that 1 in every 3 customers that telephoned the Service hung up before their call was answered. By the end of March 2010 this had significantly improved and only 1 in every 20 callers hung up before their call was answered. Our own reality checks found that calls were answered quickly.
- Visitors to the Council Offices do not experience significant delays. During 2009/10 the Service saw 90 per cent of visitors within 15 minutes.
- The Council website is clear and informative. It provides good guidance for customers and information is clearly signposted and easy to find. Customers can access a benefit calculator which estimates their potential benefit entitlement. There is also a good range of alternative formats and languages for both text and audio information. All the necessary forms can be found online including the claim form and forms to report a change of circumstance. There are clear instructions to customers about how to complete and send these to the Service.
- The benefit claim form is clear and easy to use. Guidance notes are available to help customers complete the form, and the form is available in other formats such as large print, easy read, audiotape, and other languages. Customers needing help are also advised to contact the Council. A checklist helps customers provide the information and evidence they need in support of their claim.

**43** The Service is helping customers to provide information quickly. Staff telephone customers to get the information and evidence that is needed to deal with the claim. Any cases not processed within 35 days are reviewed again to identify why they have not yet been dealt with. Staff will then contact these customers to encourage them to supply the information needed to process their claim. Contacting customers by telephone helps the Service to get the right information needed, to get the benefit claim paid quickly.

**44** Arrangements to work with the largest registered housing provider, Poole Housing Partnership (PHP) are not helping people to claim benefit effectively. The Service has trained PHP staff to enable them to verify claims for benefit. This would mean that tenants could go to their local Housing Officer and make a claim. But plans to introduce this have not progressed as PHP staff need further support to fully verify evidence and claims. Once arrangements are fully effective, this will reduce the overall burden on the Service for collecting information and help to reduce processing times.

**45** Benefit service standards have recently been developed and published in April 2010. They are clearly publicised in the Council offices and on the Council's website. The standards set out clear targets for how customers will be dealt with depending on how they access the Service as well as how long they can expect to wait. Clear and comprehensive standards ensure that customers know what level of service they should expect and how long they can expect to wait, to be dealt with.

- 46** The Service uses customer feedback to improve how it engages with the public. In June 2009 a sample of customers were asked, through a small survey, to list the things that mattered most to them. The results of this sample were used to shape and develop a full customer survey based on those areas that customers said were most important when dealing with the Service. This will help the Service to focus improvements and changes in areas that are more important to service users.
- 47** The views of private sector landlords were sought to improve the local housing allowance safeguards policy for tenants and landlords. The Service worked with other Dorset councils to revise this policy. Landlords were actively encouraged to provide feedback and suggestions through the Dorset Private Sector Landlords forum. The main changes have been more emphasis on safeguarding tenancies for both tenants and landlords. Working with other councils and getting the views of key stakeholders means that the Service can be improved for vulnerable people more likely at risk if arrears of rent accrue.
- 48** There are good relationships with internal and external stakeholders and liaison is regular and planned. The Service meets with a wide range of external partners such as registered providers, private sector landlords, DWP, Citizens Advice Bureau (CAB) and the Pension Service. Managers are named contacts within the Service for dealing with issues and they react quickly to prioritise cases if needed. The Service provides training, updates and information about the benefits scheme at events such as Poole Providers Forum and Dorset Private Sector Landlords Forum. Benefits staff also attend benefit surgeries once a week at PHP offices. Working with key stakeholders provides the Service with opportunities to improve through feedback and suggestions, as well as improving the quality of help and advice given to current and potential claimants.

### Diversity

- 49** Equality impact assessments are used effectively to identify improvements for specific groups in the community. The Service identified that access was difficult for deaf and hard of hearing service users. The Council undertook consultation in the summer of 2009 with deaf and hard of hearing residents, interpreters and representatives from local organisations to understand their specific needs. It used this feedback to develop an action plan to meet the specific needs identified and improve access to the Service for this section of the community.
- 50** The new Benefit Service standards have been designed to ensure fair and equal access for all service users. The new standards set out how this will be achieved. 'Big Word' written and telephone translation services and the Royal National Institute for Deaf People's text relay for deaf and speech impaired customers by telephone have been introduced. There are induction loops in the offices and customers can access language translation services if needed. Information should be in plain English and available in other formats such as large print, easy read and audiotapes. Having arrangements in place that meet the specific needs of local people helps the Service to offer fair and equal access to all.

## How good is the Benefits service?

**51** The Service makes effective use of Discretionary Housing Payments (DHP) to support vulnerable people. In 2009/10 the Service spent £36,573 compared to their grant for the year of £32,633. In 2008/09 the Service spent £47,552 compared to their grant of £44,881. The DHP policy supports wider corporate priorities to alleviate poverty, support vulnerable people, encourage employment and prevent homelessness. The Service has support and approval from councillors to provide additional funds on top of the annual grant to ensure that more people can access these funds to relieve financial hardship.

### Service outcomes for users and the community

**52** The speed of dealing with new claims and changes of circumstances is mixed. DWP have recently published national statistics about performance against National Indicator 181 (NI181). This measures the average processing time for new claims and change events. It shows that from April 2009 to February 2010 the Service took on average 12.9 days. The published data for the first two quarters of 2009/10 shows that this is below average performance of 12 days when compared to other English councils.

**53** Although good progress is being made on processing new claims, people are waiting longer than necessary for their changes in circumstances to be dealt with. From April 2009 to February 2010 it took on average 18.2 days to process a new claim for benefit. Compared with the published data from the DWP, this performance would place the Council in the best 25 per cent of English councils. During the same period it took on average 11.6 days to deal with a change of circumstance. When compared with other English councils this is below average performance of nine days. Customers who make a new claim are getting a relatively quick payment. But customers who report a change are waiting too long which could create unnecessary anxiety and hardship as well as act a deterrent to people reporting a change in the future.

**54** Performance in appeals and reconsiderations is poor. During 2009/10 only 41.6 per cent of appeals were submitted to the Tribunal Service within four weeks against a target of 65 per cent. Only 38.6 per cent of reconsiderations were dealt with in 28 days against a target of 65 per cent. All of the appeals received by the Service were submitted to the Tribunal Service within three months. However, customers are waiting too long for a response to a request for reconsideration or appeal which may cause undue worry or anxiety as they are waiting too long for a decision.

**55** The accuracy of claims processing is weak. During 2009/10 the Service took the decision to stop measuring and reporting the accuracy of work. This was because the Service wanted to use resources to reduce the time it was taking to deal with claims. However, this meant that it did not check that claims were being dealt with correctly by staff. Incorrect benefit payments can lead to financial hardship for customers who may be paid too little or too much benefit, resulting in avoidable debts being accrued.

- 56** The limited amount of work checking that took place in 2009/10 shows that customers are not always getting an accurate payment of benefit. The Service undertook a small amount of work checking during this time that showed the accuracy rate was 92 per cent. This was only a small sample of 626 cases despite the fact the benefits caseload increased by 20 per cent over the same period. There is no current comparative data on accuracy at a national level. But when this performance is compared to the last set of published performance statistics in 2007/08, the Service would be amongst the worst performers compared to other councils nationally.
- 57** There are good arrangements in place to pay local housing allowance directly in cases where tenants are vulnerable. The Service has arrangements with the Council's Housing Service through which information is provided directly to the Benefits Service where a tenant has been assisted into a tenancy and the reasons for direct payments are established at sign up. This means the Service can pay directly to the landlord which will safeguard the tenant from risk of non-payment of rent, which in turn protects their tenancy.
- 58** There are delays in dealing with DHP requests from customers. At the time of the Inspection, the Service was dealing with requests that were more than 21 days old. This means that customers experiencing financial difficulties and looking for help and support through the DHP scheme, are waiting a long time to hear whether they will receive additional financial help to alleviate hardship.
- 59** The need for customers to inform the Service of changes in circumstances is not actively promoted and communicated. A change of circumstances form is sent out to customers with all decision letters but there is no follow up activity to remind customers to report changes. In addition during 2009/10 the Service did not use the information it had about risks in its caseload to minimise overpayments through interventions based activity. Changes of circumstances that do get reported are prioritised and cases where there maybe potential overpayments are dealt with first. But not encouraging people to report changes of circumstances means the Service may not be aware of potential changes which may mean people are getting too little or too much benefit.
- 60** The Fraud Team has satisfactory measures in place to tackle fraud and error. These include:
- a clear policy on prosecutions and sanctions that sets out the criteria and guidance for giving penalties and cautions;
  - arrangements to manage and monitor workloads supported by regular reviews of risks;
  - mechanisms in place to give feedback about the quality of referrals;
  - fraud awareness training delivered to staff in the assessment team and in Customer Services in the last 12 months. Fraud awareness training has also been delivered to Council Tax staff and to staff working for Poole Housing Partnership;
  - proactively identifying potential investigations through sifting of Housing Benefits Matching Service (HBMS) data;

## How good is the Benefits service?

- achieving good outcomes from National Fraud Initiative (NFI) data. At April 2010 the Service has achieved two cautions and has two cases awaiting prosecutions and total overpayments raised so far are £61,000;
- good publicity of successful prosecutions with a recent case receiving radio and television coverage. There is regular reporting in the local press, the local community newspaper and on the Council's website;
- arrangements to do joint working and investigations with the DWP;
- a partnership agreement with East Dorset DC and Christchurch DC to share good practice and learning and joint training activities.

- 61** Outcomes from counter fraud work have improved. In 2009/10 the Service achieved 81 sanctions against a target of 55. This equates to 6.09 sanctions per 1000 caseload which is above average when compared to the last set of published performance data in 2007/08; then the average nationally was 5.6 cases per 1000 caseload. This is an improvement from 2008/09 when the Service achieved 55 sanctions which equated to 4.6 sanctions per 1000 caseload. Ensuring that fraud and error is minimised through effective management arrangements, good quality referrals, and high standards of investigation work means the Service is taking good steps to detect and prevent fraud which reduces the burden on the public purse.
- 62** Customer satisfaction with the Service is adequate. A recent customer survey carried out during 2009/10 showed that 75.6 per cent of people surveyed were satisfied with the service provided. Partners and stakeholders also told us that overall they were happy with the current service. Seeking out the views of service users gives the Service a good overview of what customers think about the quality of service they receive.
- 63** Customers experience good facilities at the Council Offices. The Office is easily accessible and has recently been refurbished taking on board feedback from the Disability User Forum who gave advice about access, use of colour and height adjustable tables. The main waiting area is comfortable. Although customers are seen in booths, these do offer some privacy and conversations cannot be overheard. There are three private rooms available for interviews. A comfortable environment helps to reduce anxiety and makes customers feel valued.

### Is the Service delivering value for money?

- 64** The Service is not delivering value for money and costs are high. The Service knows this and has looked at its data and compared that to the Audit Commission's value for money profiles in order to understand how its costs compare to others. Early conclusions show that the costs of internal recharges have increased overall costs of the Service. Local people make a higher than average contribution (through the council tax) to running the Service. The value for money profile shows that Poole's taxpayers contributed almost 50 per cent to the costs of running the Service during 2008/09 compared with the national average of 45 per cent. As action has only just started to reduce costs there are few outcomes where costs have reduced.

- 65** Satisfactory arrangements are in place to recover overpayments. Various methods are used to recover overpayments including deductions from earnings, use of debt-collection agencies, tracing using DWP systems and general management of invoices. The Service is making use of different options available to recover overpayment debt, which in turn should increase income for the Council.
- 66** The amount of housing benefit overpayment debt is rising. By the end of March 2010 the total amount outstanding was £1.6 million, an increase of 60 per cent from 2008/09. The Service understands the reasons for this increase. For example the improved performance in successful sanctions has resulted in over £300,000 of fraudulent overpayments being identified during this time. Efforts to recover these overpayments have been hampered by proceeds of crime legislation. There are arrangements in place to recover the total debt including recovery through ongoing benefit and through the issue of invoices. Although the overall debt is increasing the Service is taking the necessary steps to make sure that it is recovering it.
- 67** Partnerships are used to undertake joint activities aimed at reducing costs. Leaflets and forms about the Benefits Scheme are jointly produced with other Dorset Authorities which enables the Service to reduce the cost of producing these in-house. The Service also jointly procures training with other Dorset councils. The Service chairs the Dorset Benefits Officers group which work together to identify training need across councils. This information is used to buy in the most suitable training. Using partnerships to reduce costs enables the Service to offer better value for money for local people.
- 68** The Service has made savings through the purchase of new software. The Service bought software that captures electronic transfer of data (ETD) from the DWP which then feeds straight into the benefits operating system. Savings of £50,000 have been identified from this change as ETD's were previously being printed and scanned manually into the system which will lead to improved value for money overall.
- 69** Management arrangements for the completion of the subsidy claim form are not effective. Historically, the audit of the claim has identified errors and required extended testing. For example the 2007/08 claim needed extra testing, which led to the claim being qualified. Monthly reconciliations do take place and information is shared with senior finance staff to ensure that forecasts match estimates and any variances are checked. If there are issues, these are raised with the Service but this is usually by exception. Service managers receive monthly information about estimates to help them identify any variances but errors are still being identified which has led to a further qualification in 2009/10.

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# What are the prospects for improvement to the service?

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## What is the service track record in delivering improvement?

**70** There is a good track record in delivering improvement within the Service. A new senior management team has been appointed in the past 13 months. The Service has been reorganised and a new claims team has been introduced which has resulted in improvements in processing times. Other improvements have been made also in reducing the time taken to process changes in circumstances and increasing the number of fraud sanctions. All this has been achieved despite the fact that the benefits service caseload has increased by almost 20 per cent because of the recession.

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### Table 1 Local Performance Indicators

Track record of performance

Local performance indicator	2007/08	2008/09	2009/10
Average time taken to process new claims (days)	30	24	18
Average time taken to process a change in circumstance (days)	15	14	12
NI 181 (average days)	n/a	16	13
Fraud sanctions (per year)	41	55	80

Source: Poole Borough Council

**71** There is good information about the profile of the community. The Service has developed an Income Maximisation and Benefit Take-Up Strategy based on what it knows about the local area including areas of deprivation, and potential under claiming within the community. This information has been used to shape future targeted take-up campaigns. Good information and understanding of the needs of the community can help the Service to target its resources towards the most vulnerable people.

**72** The Service has developed a good strategy for consulting and engaging with others. The customer and stakeholder strategy sets out how the Service will consult and engage with local residents, partners, stakeholders and voluntary and community groups and what it will do with the feedback it gets to change and improve. Effective communication and engagement with customers, partners, stakeholders and the voluntary and community sector will ensure the Service understands what the specific needs of service users are and can tailor and improve services more effectively to meet these needs.

## What are the prospects for improvement to the service?

- 73** Providing value for money (VFM) is a priority for the Council and the Service. Work is well underway in identifying efficiencies. The Council's leadership is committed to making efficiencies and is starting an in-depth investigation of where improvements and savings can be made. This is called the efficiency review programme (ERP). The value for money review of the Service will identify what can be saved, and then will look at how this can be done.
- 74** Areas of high cost have already been identified and some savings have been made, even though the review is not finished. The Council recognised during its preparation of the 2010/11 budget and its medium term financial plan that the Service was relatively high cost and had relatively low performance which required further investigation. It set about benchmarking the Service with others and examining why its net cost per claim was high at £116 per claim compared to an average of £98.43 per claim. It also undertook a benefit customer survey in 2009 which found that 76 per cent of customers are satisfied with the service. The findings of stage 1 of its 3 stage Benefits review were reported to the corporate change board on 11 May 2010. Action taken to improve value for money within the Service includes:
- merging the administration service with the benefits service which has achieved a £100,000 reduction;
  - deleting two vacant posts, saving £66,000; and
  - introducing tighter performance management control.
- 75** Efficiencies are being monitored on an ongoing basis through financial services within which the benefits service sit and with the change board.
- 76** The Service also has plans to save more money in future years. It is restructuring the Service in 2010. It is terminating the seven temporary contractor posts and recruiting five full time staff. Planned savings are £250,000. This represents a 10 per cent budget saving for the Service.
- 77** Stage two of the benefits ERP is just starting its work and its focus is on improving processing performance and increasing caseloads.

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## How well does the service manage performance?

- 78** Service objectives are clear. In 2010/11 they are to:
- make people aware of which benefits they are entitled to and how they can claim;
  - optimise government grant and subsidy to support the delivery of the benefit service;
  - ensure the benefit service is resourced appropriately to maintain service delivery standards through periods of economic uncertainty;
  - operate a counter fraud service across the organisation to promote awareness and deter and address any wrong doing; and
  - provide financial assessment service on behalf of Adult Social Services.

## What are the prospects for improvement to the service?

- 79** Business plans for the Service are clear and conform to a council wide standard. The 20010/11 plan has six objectives each delivered through taking action which is detailed in the plan. However, not all actions have measurable targets. The 2009/10 business plan has been mostly delivered. Some actions have been carried forward into this year. The business plan is at a high level and is not detailed enough in terms of breaking down actions into projects. More detailed plans would support implementation.
- 80** The Service's business plans link well with the LAA objectives and corporate objectives. Joined up plans support good performance management. Staff were consulted on the business plan once drafted by managers but were not engaged in its creation. Staff and users have not been involved in business plan development in the past but the Service's management are doing so this year.
- 81** Leadership of the service is good. Senior staff have many years of experience in benefits between them and together with other colleagues recruited recently specialising in revenues and benefit fraud, the leadership team is now a strong one. The team is already undertaking much of what needs to be done to improve the service.
- 82** The leadership team is changing the culture of the Service and its plans extend beyond the VFM review. Much of the existing culture is based on historic working practices that have formed barriers to improvement which are starting to break down. Staff recognise that the service is changing for the better as a result. Currently, there are separate customer services and assessment teams. The customer service team deals with face to face contact whilst the assessment team handles telephone calls only. Plans to integrate them have started. These include training all staff to the same level of competence.
- 83** The Service understands its own performance and manages this adequately. Day to day performance management is based on a mix of paper based and electronic systems for recording individual contact with customers. Daily performance reports are presented to the benefits manager. Weekly, monthly and three monthly reports are presented to senior management and three monthly reports are presented to councillors. Budget monitoring is also in place. The service has been subjected to scrutiny on a regular basis. Managing the performance of staff is mostly good. Staff are appraised and staff objectives support the Service's plans and Council as a whole. However, benefit staff appraisals are not recorded. Good performance management is important in ensuring the Service tackles weaknesses and continues to improve.

## What are the prospects for improvement to the service?

**84** Communication and learning within the service is good. The sharing of knowledge and information is done in various ways. The customer service and assessment teams work well together and are starting to integrate operations, which helps to standardise the customer experience. Team leaders and supervisors hold regular meetings and one to ones with staff. Senior management is accessible and encourages staff to engage with ideas to improve the service. Senior managers communicate well with front line staff through one to ones and group work with and staff appreciate this. Learning from complaints is used to change and improve the Service. In response to feedback from complaints, an email address has been introduced for private landlords, to deal with queries around rent arrears quickly. Procedures for post, requests for benefit payments, data protection and suspension of claims have also been reviewed. Using learning and feedback from customers helps the Service to improve, to meet the specific needs of service users.

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## Does the service have the capacity to improve?

- 85** The Service has good capacity to improve further. The Benefits senior management team provides a good lead to drive the Service's improvement. The enthusiasm displayed for the Service by staff is universally recognised by councillors, corporate managers, staff, external partners and organisations. Such recognition is important in giving confidence that the Service will continue to improve.
- 86** Political leadership of the Service is good. The cabinet portfolio holder with responsibility for benefits is knowledgeable and takes a keen interest in the Service. Scrutiny is effective and the leader of the Council is committed in his support of the Service and its objectives.
- 87** Workforce and financial planning are well linked. Previous problems in recruiting and retaining benefit staff have now been resolved. The Service has not been able to attract quality applicants previously and has relied on temporary contractors to fill vacancies. Currently there are seven contractors covering vacancies. This is an expensive solution. The completion of the job evaluation process has resulted in competitive pay levels being set and arrangements are now being made to fill five of those vacancies and release the contractors from their duties. The Service has the potential to be an attractive employer for experienced benefit staff.
- 88** Staff and councillor training in benefits is good. Staff training needs as individuals or as teams are met. Professional benefits training is provided as and when required. Councillors are briefed on the latest changes in benefits and scrutiny receives briefings on benefits too from time to time as part of its forward development and training plan. Some training is shared with Christchurch Borough Council and East Dorset Council. Links with other council staff extend beyond training into collaborative work on, for example, increasing benefit take up campaigns and tackling fraud.

## What are the prospects for improvement to the service?

- 89** Partnership working is good and supports the capacity of the Service. Relations with neighbouring benefits services - Christchurch Borough Council and East Dorset Council - are good and officers in both speak highly of the important role that Poole's benefits service plays in promoting benefits and supporting their services. The Citizen's Advice Bureau and Job Centre plus spoke well about their partnering experiences which has also led to positive outcomes. For example, the Service has supported people through the recession - visiting workplaces and libraries, offering advice and support to those people who are facing up to job insecurity, financial uncertainty and personal anxiety. This gives confidence that the Service will continue to play a leading role with its partners in supporting vulnerable people.

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# The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

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For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 0844 798 1212 Fax: 0844 798 2945 Textphone (minicom): 0844 798 2946

[www.audit-commission.gov.uk](http://www.audit-commission.gov.uk)

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