

Benefits

Service

Inspection

Hyndburn Borough Council

May 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 website at www.audit-commission.gov.uk.

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

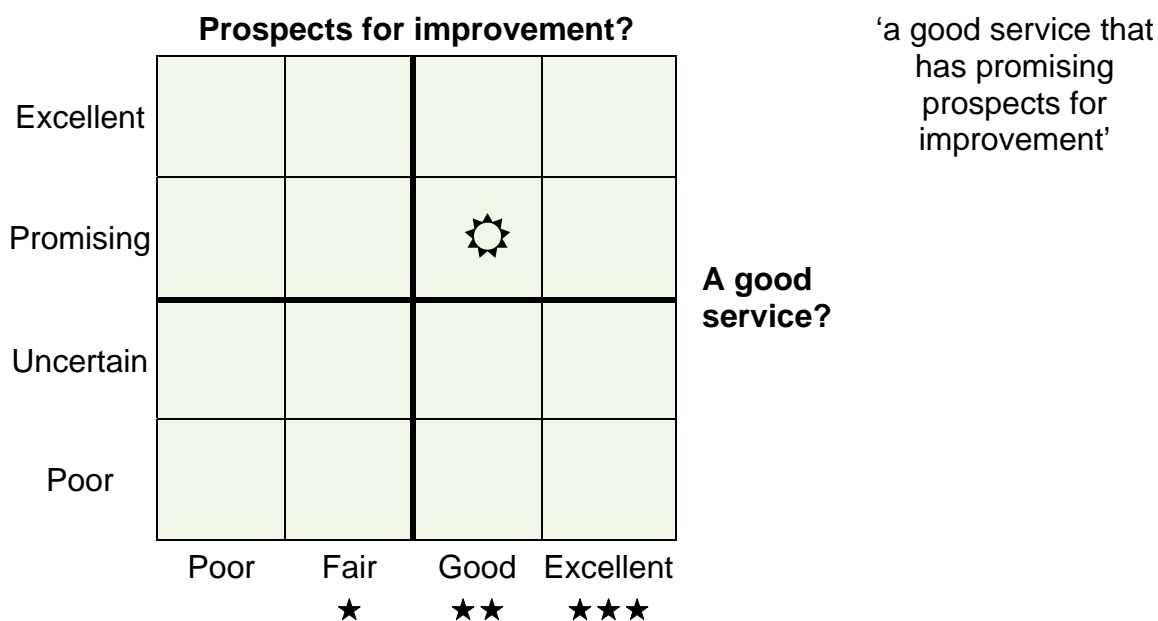
Summary

- 1 Hyndburn Borough Council provides a 'good' Benefits Service that has 'promising' prospects for improvement.
- 2 The Service places the needs of customers at the heart and design of service delivery. It is accessible and responds well to their needs. Telephone and electronic access to benefits advice are good with, more recently, wider personal access. For more vulnerable customers a home visiting service is available. Customers therefore have a choice and satisfaction is high. Comprehensive service standards are in place but the Service does not widely publicise them and its performance in achieving what it promises.
- 3 Arrangements for consulting, engaging and communicating with users and non-users are good. The Service has set up groups representing users, registered social landlords and private landlords. It makes good use of customer surveys and their views to improve services.
- 4 The Service works well with local communities to encourage benefit take-up but the impacts of various projects are not always clear. It supports vulnerable customers well and is sensitive to their needs. It makes suitable use of the discretionary housing payments fund to target help to individuals most in need but is not consistently making full use of funding for such opportunities. Overall the Service works well with partners to give customers money advice but it has scope to improve the impact of joint working.
- 5 Processing times for benefits claims are reasonably responsive. But customers who ask the Service to reconsider a decision or who appeal against a decision have long delays. The Service takes action to ensure that customers receive their correct benefits but has only recently started to use information, concerning cases that are most at risk of change, to carry out checks that a customer's circumstances have not changed.
- 6 The Service performs well in minimising and addressing fraud. It is generally effective in recovering overpayments and debts and the benefits subsidy claim is accurate. Overall the Service provides value for money and has made efficiency savings through, for example, faster payments. But it does not have clear and robust proposals for improving value for money and does not routinely quantify such improvements.
- 7 Improvements in key performance indicators and other service changes have delivered better outcomes for customers. The Service manages performance well. Improvement planning is good and actions are continuing to further improve the Service. However, the extent of intended improvements is not clear as not all outcomes have challenging and measurable long-term targets.
- 8 The Service has arrangements and a culture to support continuous improvement. Performance management is effective in driving and monitoring progress. It has the capacity to improve with good management and committed staff although sickness absences have limited the rate of improvement.

Scoring the Service

9 We have assessed Hyndburn Borough Council as providing a good, two-star Benefits 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 chart¹



Source: Audit Commission

10 The Service is a good, two-star service because it:

- places the needs of customers at the heart and design of service delivery;
- gives customers a choice on how they can access the Service at their convenience;
- engages well with local communities and customers and uses their comments to design services;
- encourages potential customers to claim their entitlements to benefits through outreach services and take-up campaigns;
- processes benefits claims within a reasonable time;
- provides value for money;
- works well with a range of internal and external partners to support the most vulnerable people;

¹ 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.

- has a robust approach to tackling benefit fraud; and
- has high customer satisfaction.

11 However, certain matters require further development, including:

- delays in reconsidering decisions on assessments and sending appeals to the Tribunal Service;
- publicising service standards widely and the Service's performance against them;
- the impact of benefit take-up campaigns is not always clear; and
- making the best use of opportunities to work with all potential partners to provide money advice for vulnerable people.

12 The Service has promising prospects for improvement because it has:

- delivered better outcomes for customers over the last three years, shown by increased customer satisfaction and improvements in most performance indicators;
- effective arrangements for managing and monitoring performance;
- a strong customer care culture; and
- the resources, skills and capabilities which it needs to deliver its priorities.

13 However, certain matters require further development including:

- business plans address short and medium, but not long-term improvements, and objectives do not consistently have measurable outcomes and targets;
- times to process claims relating to changes in circumstances and to submit appeals to the Tribunal Service have worsened in 2009/10; and
- a lack of targets for improving value for money and quantifying the extent of such improvements.

Recommendations

- 14 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 costs¹ and indicate the priority we place on each recommendation and key dates for delivering these where they are appropriate. In this context, the inspection team recommends the Council should do the following.

Recommendation

- R1** Strengthen arrangements to ensure that customers receive benefits that they are entitled to and are paid at the right amount and at the right time by:
- developing stretching targets for processing claims in line with the best performing councils;
 - improving the accuracy of benefit awards;
 - measuring the impact of benefit take-up campaigns; and
 - taking action to reduce the level of unsuccessful or defective claims for benefits.

The expected benefits of this recommendation are:

- greater assurance that customers receive the right benefit at the right time with less likelihood of having to repay overpayments; and
- increasing the income of vulnerable people and attracting additional money into the local economy.

The implementation of this recommendation will have high impact with low costs. This should be implemented by 30 September 2010.

Recommendation

- R2** Improve the times taken to reconsider assessment decisions and to send appeals to the Tribunal Service following requests by customers.

The expected benefits of this recommendation are:

- less uncertainty for customers about their entitlement to benefit;
- for customers whose appeal is successful, a shorter period without benefit to which they are properly entitled;
- less likelihood of debts which customers later have to repay; and
- more confidence in the fairness of the Service received.

¹ 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.

The implementation of this recommendation will have high impact with low costs. This should be implemented by 30 June 2010.

Recommendation

- R3** Strengthen the approach to improving and managing value for money by:
- reducing the level of debt due to outstanding housing benefit overpayments;
 - ensuring service improvements include a detailed analysis of costs to quantify efficiency savings;
 - monitoring robust indicators that measure cost efficiency and productivity;
 - setting targets for efficiency gains; and
 - working with other councils to identify areas where the Service can secure future efficiency savings.

The expected benefits of this recommendation are:

- better understanding of the costs of service delivery to inform decision making;
- scope to identify costs, efficiencies and higher productivity;
- the ability to demonstrate improved value for money and the ratio between costs, outputs and outcomes; and
- greater assurance to councillors and stakeholders that service delivery is in the most appropriate way.

The implementation of this recommendation will have high impact with low costs. This should be implemented by 30 September 2010.

Recommendation

- R4** Strengthen improvement planning by:
- clarifying and consolidating the aims of the Service;
 - linking measurable and challenging targets and outcomes to the aims; and
 - linking the aims to wider strategies such as anti-poverty and child poverty, the Lancashire Local Area Agreement and the Pennine Lancashire Multi-Area Agreement.

The expected benefits of this recommendation are:

- greater impact in supporting vulnerable people and on wider community outcomes; and
- more effective targeting of resources.

The implementation of this recommendation will have high impact with low costs. This should be implemented by 30 September 2010.

Recommendations

Recommendation

R5 Review how all external and internal partners and potential partners contribute to achieving the Service's aims and develop a more strategic approach to delivering services for customers with them.

The expected benefits of this recommendation are:

- best use of joint capacity to target money advice and welfare services to the most vulnerable people;
- further improving access to services;
- further enhancing the role of the customer contact centre to resolve service requests at the first point of contact; and
- increased impact on, and contribution to, corporate strategies and meeting targets in the Lancashire Local Area Agreement and Pennine Lancashire Multi-Area Agreement.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by 31 March 2011.

Report

Context

The locality

- 15 Hyndburn is in east Lancashire. The borough covers 73 square kilometres and is a mix of urban and rural areas. It includes the towns of Accrington, Church, Clayton-le-Moors, Great Harwood, Oswaldtwistle and Rishton and more isolated rural settlements such as Altham and Knuzden. The population is 81,600 living in 34,500 households; 9.3 per cent are from ethnic minority communities.
- 16 The indices of deprivation for local authority areas in England rank the borough 40 out of 354 (with 1 being the most disadvantaged). A third of the borough's areas are among the most disadvantaged 20 per cent nationally. Unemployment at 4.1 per cent (October 2009) is higher than the Lancashire average but below the national and regional averages. During the economic downturn unemployment increased from 2.2 per cent (April 2008) to 4.3 per cent (July 2009). Wage levels are lower than the national and regional averages - 54 per cent of children live in low-income families. Over a quarter of households receive either or both council tax benefit (CTB) and housing benefit (HB). The health of local people is worse than the England average - life expectancy varies by up to six years for men and five years for women among different parts of the borough.
- 17 The Hyndburn Partnership, comprising community, private, public and voluntary agencies, has produced a Sustainable Community Strategy. The strategy sets out a vision for the future and describes what Hyndburn will be like in 2018. One commitment is to create a place with a thriving local economy and sustainable market towns. This means providing high-quality local jobs and reducing the number of people who receive benefit.

The Council

- 18 Hyndburn Borough Council has 35 councillors representing 16 wards. The Conservative party has control of the Council with 18 councillors. The rest of the Council consists of 12 Labour councillors, 4 Independent in Hyndburn councillors and 1 Independent councillor. A Cabinet, comprising the Leader and five portfolio holders, governs the Council. One portfolio holder is responsible for Finance, including the Council's Benefits Service. Two Overview and Scrutiny Committees complement the governance arrangements.
- 19 The Council's vision is 'Hyndburn - the place to be'. The Council's Corporate Strategy states that it will realise this vision if, by 2018, Hyndburn is no longer among the most 100 deprived areas in the country. The Council's priority themes reflect the Sustainable Community Strategy. They include creating a place with a thriving economy and sustainable market towns where everyone has the opportunity for a healthier and longer life.

Report

- 20 The Council's net revenue budget for 2009/10 is £15.5 million. It employs 393 staff. The Council's management team comprises a Managing Director, Deputy Managing Director, Executive Director of Resources and Executive Director of Legal and Democratic Services. The Executive Director of Resources is responsible for the Council's Benefits, Revenues and Customer Contact Service.
- 21 In 2009 the Council scored '3' (performing well) in its Organisational Assessment.

The Council's Benefits Service

- 22 We inspected the Council's Benefits Service. CTB and HB are national welfare benefits which the Council administers for the Department for Work and Pensions (DWP). A complex legal framework is in place to define who can receive 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.
- 23 From 1 April 2008, the Audit Commission became responsible for benefits inspections, following the transfer of powers from the Benefit Fraud Inspectorate. Our responsibility to provide assurance (to benefit customers, councils, government and taxpayers) means that we will consider inspection where there is a current or future risk to the Service and its customers. In the case of Hyndburn Borough Council, the reasons for commissioning the inspection included:
- concerns about the accuracy of processing benefit claims and the quality of data; and
 - delays in reconsidering claims at the request of customers and submitting appeals to the Tribunal Service.
- 24 The objectives of this inspection were to:
- assess the effectiveness of the Council's Benefits Service in meeting the needs of the vulnerable people it serves and contributing to the Council's wider corporate objectives; and
 - provide assurance to the DWP and other stakeholders regarding the quality of service provision.
- 25 The Local Government and Public Involvement in Health Act 2007 sets out the framework for giving local people and local communities more influence and power to improve their lives. Councils must therefore provide a service that meets ever changing customer and legislative requirements including:
- reporting on the Department of Communities and Local Government National Indicators (NIs) from 1 April 2008; and
 - contributing to the delivery of other national, regional and local priorities to reduce poverty and address social and economic inequity, including targets within a Local Area Agreement.

26 The Council's Head of Benefits, Revenues and Customer Contact is responsible for managing the Service. Until May 2009 an external contractor provided the telephone contact centre for benefits enquiries for the Council. Six teams are now responsible for: assessment and appeals; benefits and revenues enquiries; the customer contact centre; local taxation; systems, control and overpayments; and quality assurance and training. The Council's Investigations Team looks into allegations of CTB and HB fraud. The Services employs 54.4 staff (full-time equivalent) across these teams to undertake this work.

27 The Service pays out around £29.5 million per year to:

- 9,320 people claiming council tax benefit; and
- 6,740 people claiming rent allowance of which 3,380 are tenants of registered social housing and 3,360 are tenants of private landlords.

Of the total caseload of 9,938 (November 2009), 4,215 people are of pension age and 5,723 are working age. The caseload has increased by 9.5 per cent since May 2008.

28 The estimated, net cost of running the Service in 2009/10 is £1,169,000 of which the DWP funds £1,016,642 and the Council meets the balance.

How good is the Service?

What has the Service aimed to achieve?

29 The aims of the Service are set out in the Corporate Strategy 2008-2013, Benefits, Revenues and Customer Contact Business Plan 2009-2013 and annual team business plans. They include to:

- sustain and maintain processing times for new claims and change events for CTB and HB;
- ensure vulnerable and disadvantaged customers are not excluded from claiming benefit and that the right people get the right benefit at the right time;
- undertake at least three benefit campaigns each year aimed at 'hard to reach' groups up to 2013;
- access services by electronic means and ensure all telephone, email, and initial enquiries are sourced through the customer contact centre; and
- identify potential cases and investigate allegations of benefit fraud.

30 Delivery plans include targets and outcomes. The Service has targets to process all new applications within 25 days and all reported changes in a customer's details within six days. Other targets are for abandoned calls and waiting times, notional sanctions¹ and overpayments. Stated outcomes are:

- improved and streamlined points of contact and claims processes for customers;
- reduced footfall and telephone enquiries;
- fair and equitable benefit services; and
- significant monetary savings for the Council.

However, the Service has not quantified all the intended outcomes.

31 The 2008/09 business plan also set out objectives to: implement the Local Housing Allowance Scheme; pay benefit directly into customers' bank accounts through the Bankers Automated Clearing System (BACS); move telephony services into the contact centre; and update the website.

32 The aims reflect national priorities, the Sustainable Community Strategy, Corporate Strategy and Lancashire Local Area Agreement (LAA). The LAA includes a target to increase the number of new awards of benefits, including CTB and HB as a result of the help that Lancashire County Council and district councils provide.

¹ This target is the equivalent former cash incentives that were previously receivable by the Council from the Department for Work and Pensions (DWP) for successful benefit fraud investigations.

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

- 33** We assessed how the Service is meeting the needs of the community and users against three key lines of enquiry:
- access, customer care and user and/or community focus;
 - diversity; and
 - service outcomes for users and the community.

Access, customer care and user focus

- 34** The needs of citizens and users are at the heart of the design and delivery of the Service now and in the future. The Service understands and responds well to the needs of local people. It has used complaints and customers' comments to improve access through the contact centre, introduce Saturday morning opening hours and, more recently, to provide personal access around the borough. By listening to what customers say the Service can meet their expectations.
- 35** Staff have a positive approach to customer care and want to give the best possible service. They are knowledgeable and provide good advice for customers with dignity, fairness and respect. They encourage customers to provide evidence and information quickly and follow up suspended claims. These arrangements give customers reassurance that they will receive a prompt and professional service and the Service will deal with their claim efficiently and fairly.
- 36** The Service is accessible, responsive and based on a good understanding of local needs. It understands who are its customers and potential customers. This information comes from user focus groups, liaison with stakeholders and a broad knowledge of the profile of local communities. Using demographic data can help a service to improve benefit take-up, further reduce barriers to access and best focus its work.
- 37** Access and information are available through several channels. Telephone and electronic access to advice and guidance are good. Personal access is at the public office in Accrington town centre, which is close to public transport, and at outreach services across the borough. A home visiting service is available for more vulnerable customers. Customers therefore have a choice to suit their preferences.
- 38** Customers visiting the public office receive a good service. It is open weekdays during office hours and on Saturday mornings. An appointments system, which customers requested and can arrange by telephone or book online, is available. Staff contact the customer the day before the scheduled appointment and try to resolve the enquiry without a personal visit. Visitors to the office without an appointment have the option of waiting to speak confidentially to an advisor or a later, personal or telephone appointment. A Quick-Q desk deals with basic enquiries and allows customers to drop off completed claim forms and documents. And the Service processes all claims within 48 hours if a customer brings in all the necessary evidence. These arrangements allow customers to receive advice at their own convenience and, for personal callers, avoid waiting times.

How good is the Service?

- 39 The Service is improving face to face access. In November 2009 it introduced advice surgeries on CTB and HB in four local libraries across the district and a mobile information trailer. Customers now have wider access to discuss their rights to benefits with specialist staff although facilities for confidential interviews are generally not available in these libraries. Good outreach services can improve access for those people unable to get to a council office.
- 40 Telephone access to the Service is good. Most callers receive a prompt response. Abandoned calls are low (4 per cent) and waiting times are minimal with an average of 40 seconds. Call monitoring enables supervisors to assign staff to meet increased demand at peak times. For customers who cannot attend the office a teleclaim service lets them make and complete applications for benefit over the telephone.
- 41 Electronic access to the Service is also good. More and more customers are using E-citizen which allows them to check their own benefit details through the Council's website. It also allows landlords to get information about benefits payments that relate to their properties. An e-claim form, a benefits calculator, downloadable forms (such as applications for discretionary housing payments) and guidance, including benefit fraud, and 'what's new in benefits' are also available. The website has links to other advice agencies but does not give the address of the Council's benefits office. Customers with access to the internet can therefore contact the Service at all hours and they receive a prompt response to their e-mails.
- 42 The Service targets take-up campaigns well, including at the various equality groups that represent people with disabilities, elderly people, and black, Asian and minority ethnic communities. It promotes and encourages benefit take-up through a good range of initiatives, including the Council's newspaper and area management council meetings. Action so far includes working with partners to identify and contact people receiving Pension Credit who could claim CTB and HB and encouraging elderly people, who receiving these benefits, to claim other welfare benefits. Because of this exercise pensioners in Hyndburn receive over £107,000 of extra benefits a year. Focusing take-up work on groups that are more reluctant to claim is likely to be effective at encouraging claims. Increased benefit take-up improves the local economy¹ and reduces poverty and social exclusion.
- 43 The success of all take-up campaigns is not clear. The Service does not routinely monitor the impact of such work. For example, it ran an exercise about changes to the rules on maintenance payments but the outcomes are unclear. By thoroughly evaluating campaigns councils can benefit from initiatives that have been successful and learn lessons from those that were less effective.
- 44 A wide range of understandable leaflets is available at the public office and outreach services and on the Council's website. They include the national leaflets the Plain English Campaign has approved. Other leaflets, which are specific to the Service, contain contact details and signpost the reader to other sources of welfare advice. However, at the time of our inspection not all the latest versions of the national leaflets were on the website and one of the local leaflets contained out-of-date information. Publishing accurate and clear guidance for customers helps to clarify their own responsibilities.

¹ 'The Money Trail', published 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.

- 45 The benefits claim form is easy to complete. It is in plain language and is up-to-date. It advises customers to report changes and clearly states what evidence they will need to provide in support of their claim. If necessary staff chase up missing information. A well-designed form helps to reduce the barriers to making a claim, encourages customers to give better information and reduces processing times.
- 46 However, the Service does not routinely analyse claims that it decides as incomplete. It does not determine the reasons for a lack of evidence or delays in order to reduce them. Without an understanding of these reasons the Service cannot ensure it is dealing with all claims as efficiently and quickly as possible. Claims made by people with no entitlement to benefits create work for the Service that is avoidable and leads to disappointment for those claiming.
- 47 Letters and decision notices are user-friendly and easy to understand. The most important information - how much benefit the customer is to receive - is easy to see. The notices clearly set out the details in the assessment so the customer can check they are correct. They give a reasonable explanation of how the Service has calculated the benefit. CTB and HB are complex benefits and giving the information the law requires in a way which is understandable to the uninformed reader is not easy. The efforts the Service makes to do so help customers to know whether their benefit is correct. By ensuring that such letters are clear it prevents unnecessary enquiries and customers receive accurate information about their rights.
- 48 The Service works well overall with external and internal partners to enable customers to get money advice but it has scope to further improve the potential impact of joint working. For example, effective working arrangements are in place with the Council's Community Advice Centre which provides advice on the full range of welfare benefits as well as translation and interpretation services. The relationship between the Service and the Council's Housing Advice Service is also good, with fast tracking of claims for people in temporary accommodation. However, the Service takes only limited action to help the Council address homelessness such as by not widely promoting a bond scheme with private landlords. Vulnerable people in the borough can only receive the best support if different council services take all opportunities to work closely together.
- 49 Satisfactory working relationships are also in place with most external partners such as Age Concern. The Service refers customers to other agencies and can give examples of close working that have resulted in good support for vulnerable people. But regular liaison meetings do not always take place and service level agreements are generally lacking. The Service is missing opportunities to work, for example, with one particular advice agency that, at the time of the inspection, promoted the benefits service which a neighbouring council provides. Close working relationships between a council's benefits service and external partners help all partners to maximise support for the area's most vulnerable people - by targeting money advice - and reducing duplication of effort.
- 50 Service standards are comprehensive but the Service does not widely publicise them. The standards are on display at the public office but are not, for example, on the Council's website. Nor does the Service clearly publicise the performance that it achieves against them to service users. Clearly defined and publicised service standards enable customers to know what service they can expect to receive and hold the Service to account.

How good is the Service?

- 51** A wide range of qualitative and quantitative service standards reflect what is important to customers. They cover, for example, the speed of dealing with new claims and change events (15 working days) and submitting appeals to the Tribunal Service (four weeks) and how quickly staff will answer telephones (ten seconds). Customer care standards include treating customers with respect and giving them an efficient and effective front-line service.
- 52** Customers and key stakeholders help to set standards that reflect their priorities. They have contributed to the standards through the user groups. The Service has also taken into account customers' comments and the results of a mystery shopping exercise. Staff also have the chance to give their views on service standards and know how well the Service is meeting them.
- 53** Policies on prosecuting benefit fraud are clear. The Benefit Fraud Policy sets out guidelines, which the Service takes into account when deciding what enforcement action it should take. Maintaining a balanced approach to prosecutions helps the Council to apply sanctions consistently and fairly and ensures cases meet the standards that the courts require.
- 54** Arrangements for consulting, engaging and communicating with users and non-users are good. The Service has set up groups representing users, registered social landlords (RSLs) and private landlords. It makes good use of customer surveys and their views to improve services such as the recent introduction of outreach services and dedicated e-mail addresses. Their comments are a powerful tool to help identify service weaknesses and areas for improvement. Customers and other stakeholders can feel confident the Service acts on their input and they make a valuable contribution.
- 55** The Service communicates well with customers. It tells them about changes that might affect their rights to benefits. The Council's website, claim form, decision notices and letters contain clear details about changes that customers and landlords must report. As a result they receive clear information about the consequences of making false claims and not reporting changes in circumstances.

Diversity

- 56** Service delivery embraces equality, diversity and human rights and ensures all customers, or potential customers, have equal and fair access. The Service works well with local communities to encourage benefit take-up such as the Hyndburn and Ribble Valley Black and Minority Ethnic Forum. It has given presentations, for example, to the Lone Parents Forum, Disability Forum and Hyndburn Epilepsy Action Group to tell them about CTB and HB. By making such groups aware of what financial support is available it is more likely that they will claim their entitlement to benefits.

- 57** Staff put into practice the Council's equalities, diversity and human rights responsibilities and duties. Through, for example, cultural awareness training they have a good understanding of these issues and tailor service delivery to meet diverse needs. The Service has staff who speak locally used languages other than English - the ability to do so is a desirable criterion on all customer-facing job descriptions. Arrangements are also in place to provide other interpretation services and leaflets in alternative formats.
- 58** The Service is fulfilling its responsibilities to deliver equality in service delivery to its communities. Equality impact assessments for benefit take-up campaigns, personal and telephone access and the benefit fraud prosecution policy show how the Service has considered potential barriers to access and the likelihood of any discrimination. An understanding of such barriers helps to shape service design and meet customers' needs.
- 59** Access to the Service takes into account the needs of customers with a disability. The Service consulted associations representing local people with hearing and visual impairments when preparing audio and written information for them. The public office has automatic doors, hearing loops and low counters. Car parking facilities are close by. The website has audio software and large font. And vulnerable customers can receive a home visit.
- 60** However, for customers who do not have a computer, electronic access to the Service is not available through the public office. It does not provide computers or 'touch screens' for public use. When giving advice the Service directs customers, who want electronic access, to other public service points such as local libraries.
- 61** Making effective use of customers' profiles is mixed. The Investigations Team gathers information on disability, ethnic origin and gender so it can confirm that it does not unfairly target any sections of the community. The claim form asks customers to provide information on their ethnic background and if they have a disability. However, the Service has not used this information in any systematic way to provide assurance that such customers have no barriers to accessing benefits.
- 62** The Service supports vulnerable customers well and is sensitive to their needs. Examples include prompt action to approve a claim by a customer fleeing domestic abuse, assessing a claim by a potentially suicidal customer within hours and immediately reinstating benefits for a person in poor mental health. Effective procedures ensure appointees can be put in place where appropriate.
- 63** The Service responds appropriately to requests for discretionary housing payments (DHP). In 2008/09, the Service made 127 awards with a further 56 awards between April and September 2009. A policy, which it has based on the DWP Best Practice Guide and is relevant to local priorities, sets out clearly how it treats each case on its merits and all customers equally. It also includes useful guidance for staff on factors to consider in deciding how much DHP to award. This provides consistency in helping local people relieve poverty and safeguard their housing.

How good is the Service?

64 However, the Service is not consistently maximising the opportunity to support vulnerable people through the use of DHPs. Funding increased from £20,294 in 2005/06 to £22,132 in 2008/09 but the allocation for 2009/10 reduced to £16,004. The DWP allocates funds according to the level of spend in previous years, indicating the Service only spent half of its allocation in 2007/08. By not spending all this funding - and by not topping up the funding out of its own resources - the Council has failed to take advantage of the extra financial support available for the most vulnerable people who get benefits.

Service outcomes

- 65 Overall the Service is delivering the improvements and actions that it promised in its business plan (2008/09). It is achieving most of its aims, objectives and service standards and is making a positive contribution to the Sustainable Community Strategy and the Council's priorities.
- 66 Processing times for benefits claims are reasonably responsive. The average time taken to process new claims and change events (NI 181) in 2008/09 was 13.8 days although between April and December 2009 performance slipped to 15.5 days, compared to a target of 15 days. In 2008/09 the average time taken to process new claims was 22.6 days and latest figures show an average of 21.6 days (target 25 days). The average time for processing changes in circumstances was five days in 2008/09. However, latest figures show the average time has fallen significantly to 9.4 days, compared with a target of six days.
- 67 The Service has taken a positive approach to assess the accuracy of payments, since the former BV79a was removed at the end of 2007/08. Whilst the checks do reveal errors, the Service has put in place comprehensive arrangements to ensure that all levels of risk are checked to minimise problems in the future. Historically accuracy levels were worse than most other councils but they were improving. The new arrangements will help to ensure that customers avoid financial hardship, the threat of eviction and dissatisfaction.
- 68 The Service does not have a significant backlog of work for processing claims. It effectively progresses such work within seven days. Good workflow avoids problems such as an increasing backlog of claims, slower processing times and low morale among staff.
- 69 But customers who ask the Service to reconsider a decision or who make an appeal receive a poor service and face long delays. In 2008/09 about one in five customers had to wait over four weeks for the Service to reconsider a decision. And it took the Service over four weeks to send more than half of the appeals to the Tribunal service - much worse than most other Lancashire councils. Poor performance continues in 2009/10 when the Service has failed to send any of the 35 appeals within four weeks. A poor quality appeals service means that customers remain uncertain about their right to benefits for lengthy periods. Those who are eventually successful at appeal have to wait too long for the benefits to which they are properly entitled.

- 70** Overall, the Service is effective in meeting local, regional and national objectives. It supports the Council's activities to help local people during the economic downturn and address worklessness in the borough. These activities include issuing an employment and benefit guide, holding workshops on the impact of the recession and a one-stop shop for people who have either lost their jobs or who it has affected. The Service encourages unemployed customers to use the benefits calculator to show that they will be better off in work. The Council is successful in creating local jobs and securing a commitment from prospective businesses to employ local workless people.
- 71** The Service takes prompt action to minimise incorrect payments. It suspends claims at the point of potential overpayment by sending out notices within 24 hours of having the information it needs. When vulnerable customers are paid too much benefit they accrue debts, increasing the likelihood of financial hardship. Minimising overpayments also helps to ensure that subsidy claims are accurate and the Council does not incur unnecessary penalties by exceeding DWP thresholds.
- 72** Action has been limited in identifying unreported changes of circumstances. The Service takes advantage of written, telephone and face-to-face contact with customers to remind them of the need to report changes. Staff set diary dates on the Benefits IT system for anticipated changes and follow up prompts that suggest a possible change in entitlement. However, the Service has only recently started to use information concerning cases that are most at risk of change to carry out checks that the circumstances have not altered. Using such information provides assurance that the Service continues to pay the right benefit to the right people.
- 73** The Service performs well in tackling fraud. Counter-fraud activity is effective, robust and well-managed. It publicises the risk of committing benefit fraud, through for example, a 'Stop Benefit Fraud' DVD - which it shows in the public office and on the website - and by press coverage of successful prosecutions to deter potential offenders. Referrals from the public have increased showing that the publicity has been effective in raising awareness.
- 74** Good procedures and systems are in place for detecting and investigating fraud. All staff have received fraud awareness training. The latest report from the Office of Surveillance Commissioners (June 2008) concluded the Council makes appropriate use of its surveillance powers under the Regulation of Investigatory Powers Act. Professionally trained investigating officers work well with DWP fraud investigators. All these arrangements provide a robust framework to ensure good quality referrals and to take enforcement action in line with the Benefits Fraud Policy.
- 75** Latest national performance data (2007/08) showed that the Service's sanctions performance relative to its benefits caseload was higher than average. The number of sanctions has increased - since 2008 the Service has identified over £470,000 through fraud investigations. Benchmarking information shows the Service compares well with most other Lancashire councils. The Service is also on track to achieve its target for notional sanctions¹. Effective action to deal with benefit fraud sends out a clear message that the Council is serious in protecting taxpayers' money and punishing those who abuse the system.

¹ The Service has a notional sanctions target of £122,000 in 2009/10. This target is the equivalent former cash incentives that were previously receivable by the Council from the Department for Work and Pensions (DWP) for successful benefit fraud investigations.

How good is the Service?

- 76** The Service participates effectively in the National Fraud Initiative (NFI) and the Housing Benefit Matching Service (HBMS). It achieves good outcomes from the HBMS, starts investigations promptly and resolves data match referrals within prescribed times. It identified over £1,400 in fraud overpayments during the last NFI exercise. Timely processing of data can reduce the level of fraud and error in the system and contribute to ensuring that customers are receiving the correct benefit.

User experience and satisfaction

- 77** Customer satisfaction is good. Seventy nine per cent of users say they are satisfied with the overall service they receive. And over 73 per cent say they are satisfied with how they can contact and with visiting the council office, the telephone service and the time to tell them whether their claim was successful. They are most satisfied (80 per cent) with the service that staff provide for them but less so with the claim form (66 per cent). Recent comparative data is not available although, based on 2006/07 surveys, the results would have put the Service in the top half nationally on six of the seven satisfaction indicators.
- 78** Our own mystery shopping, discussions with customers and feedback from stakeholders, whose clients have dealings with the Service, all suggested high customer satisfaction. Customers feel the Service takes their views seriously and they have an influence on the way it operates.
- 79** Adequate facilities are available at the public office for customers. A freephone, private interview facilities and a range of information are available. Staff welcome customers and advise them about how the Service can help and what choices they have on their visit. Making access a pleasant experience for all customers encourages them to contact the Service.

Is the Service delivering value for money?

- 80** The Service delivers value for money. Costs compare favourably with other providers, allowing for the local context, performance and policy choices. Improvements are evident over time with a good balance of processing times, low costs and increasing user satisfaction.
- 81** The cost of the Service compares favourably with other councils. In 2008/09, the estimated cost was below the average of the Lancashire districts. Hyndburn is the fourth most disadvantaged area amongst 16 similar authorities but the cost was the fourth lowest. Understanding comparative costs and the impact of external factors, such as deprivation, allows the Service to assess the value for money that it provides compared with other councils. It can also better use that knowledge to identify areas for improved efficiency without a detrimental effect on customers.
- 82** Council taxpayers in Hyndburn make less of a contribution to the cost of the Service than in most other areas. The DWP grant for CTB and HB administration costs in 2009/10 is a total £1,016,643. As the estimated net cost of the Service is £1,169,000 this means that the Council only funds 13 per cent of the costs compared with an average of around 36 per cent.

- 83** The benefits subsidy claim is accurate. Effective arrangements are in place to ensure that the Council receives the full subsidy for local authority error overpayments. Since 2006/07 the auditor's annual certification has not identified any material errors. As a result the Service has maximised its legitimate entitlement in respect of such overpayments.
- 84** The Service is generally effective in recovering overpayments. In 2008/09, it recovered 93 per cent of the overpayments raised in the year and 41 per cent of all outstanding overpayments compared with 78 per cent and 22 per cent respectively in 2006/07.
- 85** The Service makes good efforts to trace debtors - the use of a debt collection agency is proving more effective and efficient with a lower percentage of debt write-offs. In 2008/09 it wrote off only 1.7 per cent of outstanding overpayment debt. These arrangements are also avoiding the extra costs associated with court action. Effective debt collection and overpayment recovery reduces the pressure on the cost of council tax.
- 86** The Service manages value for money well. The Service has information on overall costs but not on unit costs. It uses this information to review cost-effectiveness. It uses benchmarking to challenge performance and costs. Processes are in place for reviewing value for money. Managers and councillors use information to understand the links between costs and the outputs and outcomes. Effective working with partners, particularly with the Hyndburn Strategic Partnership, has delivered improved outcomes and value for money in priority areas.
- 87** The Service's capital programme is well-managed. It delivered the expanded contact centre on time and within budget. Capital spending decisions take into account the long-term revenue implications.
- 88** The Service takes action to improve value for money. It contributes towards council efficiency savings through joint procurement, for example, telephony and payment systems, a customer relationship management partnership and the claim form. It recruits and trains permanent staff to reduce reliance on more expensive agency staff.
- 89** Investment in ICT is improving value for money by encouraging enquiries and service requests through the most cost-effective channels. The Service does not have precise details of transaction savings through electronic access but typical costs¹ are £0.17 via a website compared with £7.41 for a personal enquiry and £4.00 for a telephone enquiry. Further savings have resulted from reduced administration, postage and stationery costs and include £28,000 by paying HB directly into customers' bank accounts.

¹ Society for Information Technology Management (SOCITM)

What are the prospects for improvement to the Service?

What is the service track record in delivering improvement?

- 90 The Service has a good track record in delivering improvements. It has effectively made changes, such as the customer contact centre for benefits telephone enquiries. The changes have improved service delivery and delivered better outcomes for the most disadvantaged users and those in priority need. As a result users now have a more accessible and responsive service.
- 91 Users now experience significant, sustained improvements in outcomes. The Service has introduced the Quick-Q, appointments, self-service access, teleclaims and advice surgeries around the district. The contact centre is now both reactive and proactive to encourage users to claim benefits for which they qualify. Outcomes, which include improved telephone contact, increasing electronic access to services and a better service for personal callers, have had a positive impact on customers.
- 92 The direction of travel of key performance indicators over the last three years is overall positive (table 1). Local and national indicators show that performance is improving, satisfaction is increasing and the customer experience is better. For example, waiting times for telephone callers have reduced significantly with fewer abandoned calls - before May 2009 callers could wait up to 35 minutes to speak to an advisor and up to a third of customers abandoned their calls.
- 93 The Service has a challenge in sustaining improved processing for all types of claim. Performance data for April to December 2009 shows that processing changes in circumstances worsened to an average of 9.4 days, below the target of six days. During this period the average time to process new claims and change events was 15.5 days compared with a target of 15 days. New procedures to target specific areas of workflow are in place to address the drop in performance but - for changes in circumstances - have not had a significant impact.
- 94 Satisfaction has increased. Seventy nine per cent of users are satisfied with the overall service they receive compared with 71 per cent in 2006/07. They are also now more satisfied with the ways in which they can contact, and the experience of visiting, the council office, the service provided by staff, claim forms and the time to inform them whether a claim has been successful. In particular satisfaction with the telephone service has increased from 57 per cent to 75 per cent.
- 95 The speed in sending appeals to the Tribunal Service is not improving. Between April and November 2009 the Service did not send any appeals within four weeks.

What are the prospects for improvement to the Service?

Table 1 Best value performance indicators

Best value performance indicator ^I	2006/07	2007/08	2008/09 (local indicator)	2009/10 (April - December)
BV 78a: Housing Benefit (HB) and Council Tax Benefit (CTB) claims: average time to process new claims.	26.7 days (above median)	25.4 days (unfairly stated) ^{II}	22.6 days	21.6 days
BV 78b: HB and CTB claims: average time to process changes of circumstances.	8.2 days (above median)	5.6 days (unfairly stated)	5 days	9.4 days
BV 79bi: HB recovered: overpayment recovered during the year.	78.7% (above median)	105.7% (best quartile)	93.1%	
BV 79bii: HB recovered: overpayment recovered during the year (outstanding).	22.2% (worst quartile)	36.5% (above median)	41.2%	
BV 79biii: HB overpayment: written off.	2.36%	5.9%	1.7%	

Source: Audit Commission BVPI data

- 96** The capacity and track record show improving value for money by reducing local authority errors and maximising the subsidy. The Service has reduced costs while improving the overall quality of services despite an 8 per cent increase in the number of CTB and HB cases. Efficiency savings resulted from terminating the external contract for the telephone enquiries service with more staff now employed to provide a responsive service. The capital investment in the centre reflects the interests of customers by dealing with most requests for all council services at the first point of contact.
- 97** The Service has made other efficiency savings through, for example, BACS payments and the faster payments system which have reduced administration costs. More efficient processes deal with new and outstanding debts, which the Service now collects in whole or via a repayment plan within shorter timescales. This process avoids sending debts to a court or seeking attachments of earnings orders at extra cost to the Council. However, the Service cannot quantify the extent of these savings resulting from the new procedures.

^I From 2008/09 the Service is not required to report its performance against these indicators. However, it continues to monitor its performance by using the same definitions and calculations as for the former best value performance indicators

^{II} The Audit Commission found that BV78a and BV79b were unfairly stated in 2007/08 due to errors found when testing samples of new benefit claims and changes in circumstances.

What are the prospects for improvement to the Service?

How well does the Service manage performance?

- 98** The Service manages performance well. It is aiming to improve what matters most to customers and communities and address areas for further development. Service business plans translate aims and priorities into actions. Improvement planning is generally good. But the extent of intended improvements is not always clear as not all outcomes have measurable targets. And certain aims, for example, 'to sustain and maintain processing times for new claims and change events' are not challenging in giving users a faster response.
- 99** The aims aspire to make a difference for service users, particularly the most vulnerable. The intended outcomes likely to improve the accessibility and quality of service for customers include:
- a wider choice of access channels, including more online forms and outreach services in, for example, children's centres within the most disadvantaged areas;
 - improved claim processes by dealing with benefit applications in a timely and accurate manner; and
 - a project with registered social landlords to verify claims and improve processing times by helping their tenants to provide the necessary evidence.
- 100** The plans address national and corporate priorities as well as areas for further development. They also reflect the need to prepare for forthcoming legislation and develop staff to give them the skills and knowledge to maintain and improve the quality of the Service. Corporate aims link to community, service and individual plans. Staff appraisals take place in the run up to the preparation of a service plan so that they know what is expected of them and how their work contributes to overall aims. These issues are important in a service that has to change constantly its working practices and policies.
- 101** The Service has developed its aims based on a sound knowledge of the challenges and opportunities it faces, including the views and needs of users now and in the future. It has engaged with customers, partners, councillors and staff so that the aims closely link to their aspirations, concerns, needs and priorities. This engagement has helped to achieve consensus and commitment from stakeholders.
- 102** The delivery plan for key service priorities sets out objectives, actions, lead officer, outcomes, resources, timescales and milestones so that progress can be assessed. However, the aims focus on the short and medium term with a lack of clarity about the sustainable outcomes for the longer term. Most actions have been completed or are due to be completed in early 2010. Not all objectives have measurable, longer-term targets to assess the extent of intended improvements.
- 103** Business plans do not consider more broadly the contribution the Service can make corporately - for example, to anti-poverty and child poverty strategies and addressing worklessness - or to regional priorities such as the Lancashire LAA Pennine Lancashire Multi-Area Agreement (MAA). The LAA and MAA have targets to increase awards of benefits to people aged over 65 and to reduce benefit claimants in the worst performing neighbourhoods. Potentially the Service can make a significant contribution to achieving these targets but how it will do so is not clear.

What are the prospects for improvement to the Service?

- 104** The Service does not have clear and robust proposals for meeting efficiency targets and improving value for money. Budget setting requires service managers to identify potential savings. Proposed actions to balance the Council's revenue budget in 2009/10 include a saving of £101,100 in the Service's budget. Business plans include actions and outcomes that link to a corporate priority to 'be more efficient'. For example, the Service intends the roll out of BACs payments to result in significant monetary savings for the Council. But plans do not have specific targets for improving value for money in terms of inputs, outputs and outcomes.
- 105** Arrangements and a culture are in place to support continuous improvement. The Service has active, effective and visible leadership which staff, partners and other stakeholders recognise. Senior managers and councillors create a climate of openness, transparency and mutual respect. The Head of Service was the Council's Manager of the Year following nominations by staff. Other staff were also on shortlists for internal awards and shows how well they are performing.
- 106** Managers communicate well the aims and priorities of the Service to staff who are clear about the culture and values necessary for delivery. A strong customer focus culture is evident by designing services around customers' needs and preferences. The contact centre, for example, offers customers other services and advice as well as dealing with benefits enquiries.
- 107** Leadership in tackling benefit fraud is also effective. Councillors have a zero tolerance approach to fraud - the portfolio holder plays an active part in encouraging the Investigations Team and publicising its successes. This attitude sends out a clear message that the Service will investigate and take action against people who unlawfully seek to take advantage.
- 108** The Service further demonstrates its leadership by promoting fair access to services and sustainable communities and by actively working to eliminate discrimination. Managers and staff attend area councils and work with a range of partners and groups representing vulnerable users to encourage take-up of benefits. Councillors and managers are willing to tackle difficult decisions, such as ending the external contract for telephone enquires.
- 109** Effective performance management arrangements are in place to drive and monitor progress and review impact. Managers, councillors and staff are clear about their roles in performance management. Communication among service managers is good and enables them to discuss operational and strategic issues, enhance cross-team working and take action on, for example, the results of quality assurance checks.
- 110** A performance management culture exists within the Service. Managers set a strong example which cascades throughout teams. They tell staff about their contribution to outcomes by giving them regular reports on their own and other teams' performance. Equally they have addressed areas of poor performance within the Council's capability policy. Staff have good access to up-to-date guidance, procedures and training notes. This culture supports staff to work to the best of their ability and to take a pride in achievements.

What are the prospects for improvement to the Service?

- 111** Managers have a strategic focus on reviewing progress against plans, standards, targets and deadlines and take corrective action in response to variations in performance. As a result the Service has improved significantly since 2005 when the Council placed it in special measures due to weak performance. The Council has since removed the Service from this regime but monitors performance as a priority due to its importance for local people.
- 112** The Service produces comprehensive performance information that allows managers to routinely monitor progress against national and local indicators and service standards. They present reports regularly to the Corporate Management Team, Performance Review Clinics and to Head of Services Meetings. The Head of Service must explain any under-performance and the proposed, remedial action. The Council's Resources Overview and Scrutiny Committee receive six monthly progress reports against business plans, details of any significant variances and a 'forward look'. Robust performance management contributes to effective and efficient benefit administration.
- 113** A range of complementary mechanisms help the Service to keep its focus on priority areas. These include quality assurance procedures, internal and external audit and user involvement. Internal communications such as Hyndsight - the Council's staff newsletter - and Newsround (briefing notes) provide the means to spread consistent, corporate issues across the Council.
- 114** Quality assurance within the Service is thorough. Internal Audit checks provide assurance that controls are in place to meet target dates and correctly assess all types of claims and applicants. The Service has strengthened its own procedures. Its checks now cover more issues than for the former BV79a (accuracy of processing), which is not now a national indicator. These checks include the accuracy and consistency of letters and e-mails and call monitoring. They link to training programmes, changes in legislation and the needs of individual staff and teams.
- 115** Arrangements are largely in place to drive and deliver improved value for money but are not comprehensive to assess precisely the impact of the Service's activities. Councillors take cost information into account when reviewing performance and challenging how the Service compares to others. However, the Service does not routinely quantify and monitor value for money improvements. Services with a clear understanding of the relationships between cost, outputs and outcomes can better use that knowledge to identify other efficiencies.
- 116** The Service learns from high performing and other providers, user feedback, surveys, complaints and its own experience. It works with other councils' services to benchmark performance and identify effective working practices. For example, it introduced the faster claims procedure after looking at how well this worked in another council. The experiences of other councils are influencing how the Service further develops its own contact centre. Through such work the Service understands its strengths, weaknesses and opportunities and has a good self-awareness which all inform service planning and further improvements.

What are the prospects for improvement to the Service?

- 117** Customers and staff have good opportunities to give feedback and suggestions for improvements. Groups representing RSLs, private landlords and users give the Service access to their views. It tells the groups what it has done - 'you said, we did' - in response to suggestions and any expressed dissatisfaction. Staff also have many opportunities to give their own views, both collectively and individually. Customer champions look at how users can get a better service. The Service again uses such feedback to make improvements, for example, the recent acquisition of larger computer monitors to improve accuracy and processing times. The positive response by the Service gives staff confidence that their views matter.
- 118** The Service responds well to internal and external challenge. It implements Internal Audit recommendations to further strengthen existing controls. Following an Audit Commission review, which found the performance indicators for processing new claims and changes of circumstances to be unfairly stated in 2007/08, the Service strengthened data quality assurance and training procedures. Data quality checks for 2008/09 found no such errors. Stringent management of data quality can ensure that performance indicators are accurate and reliable.

Does the Service have the capacity to improve

- 119** The Service has the capacity to improve. It is well managed and has access to the appropriate skills, tools and finances to deliver improvements. It has the people and capability that it needs to deliver its priorities. Councillors and officers are clear about their operational and strategic roles and responsibilities. Knowledgeable and capable councillors can help to lead policy development, challenge poor performance and drive up service quality. These arrangements make for effective and productive working relationships.
- 120** The Service is making good use of ICT to improve access to services but not as effectively as it could to provide management information about service users and non-users. Improvements include:
- document scanning to improve workflow and processing times for HB claims;
 - telephony systems, including voice recording to evaluate the quality of staff responses and identify any training needs;
 - website developments such as self-service, E-CITIZEN, the use of e-claim forms and on-line booking appointments to make services accessible at all times; and
 - reminding customers by text of appointments to discuss their applications for benefit.
- 121** Financial and human resource planning are effective. The Service operates within a strategic framework which seeks to maximise internal capacity and provide for future service developments. Workforce planning and management of the capital programme are good. For example, robust project planning and management ensured that the Service had fully trained staff, accommodation and ICT systems when terminating the external contract for telephone enquiries.

What are the prospects for improvement to the Service?

- 122** Training and development are comprehensive, well-planned and valued. Training programmes link to service developments, new legislation and to the needs of both individual and groups of staff. These programmes include customer service skills and diversity and equalities. A weekly training hour for staff helps to ensure consistency in service delivery and gives them an opportunity to share ideas for improvements. Most recently this was done in advance of the changes to certain capital and income disregards effective from November 2009. Well-trained staff provide a vital contribution to an effective benefits service.
- 123** Sickness absences have limited capacity and the rate of improvement. The Service has taken effective action to address such absences by robustly imposing attendance and inefficiency procedures. As a result short-term absences have reduced by a third in the last two years. However, long-term absences have limited capacity and delayed the implementation dates for certain plans.
- 124** The Service has adequate financial capacity to deliver its objectives. It has invested in staff capacity and ICT to enhance the skills base and access channels to deliver the intended improvements. Service planning links to the Council's Medium Term Financial Strategy, identifies resources as well as workforce and ICT developments and takes place in parallel with the future year's budget plan. The Service is therefore better placed to plan improvements in line with the available resources.
- 125** The Service considers equalities and human rights issues in its policies and employment practices. Staff with a disability can work flexibly and the Service honours leave for religious festivals. The staff mix reflects the local population from black, Asian and minority ethnic communities but not for the economically active population who have a disability. Councils with staff who are representative of their population can benefit from a greater understanding of local issues.
- 126** Procurement decisions take account of the potential benefits for customers and efficiency savings. The Service assessed the relative costs of other suppliers for telephone enquiries compared with direct service delivery. It takes opportunities for joint procurement such as a customer relationship management system, payment and security services, a joint claim form with neighbouring councils and the mobile information unit with the local Primary Care Trust. These approaches are more likely to stimulate the market to provide value for money.
- 127** The Service has made appropriate use of the extra government funding (£126,385) in 2009/10 to meet the extra workload due to the economic downturn. Managers considered options for using the extra subsidy for the recession that central government provided and employed agency staff. The small size of the team and low staff turnover meant it was uncertain the Service could absorb permanent additions after the one-off funding ended and demand reduced.

The Audit Commission

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