

Benefits

Service

Inspection

Waveney District Council

July 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 The benefits service (the service) at Waveney District Council is fair, with uncertain prospects for improvement. The service is improving the way it consults with customers and the needs of local people are beginning to inform the design and delivery of the service. It is generally easy for customers to access the service and get the help they need to claim benefit. Performance in the speed of processing has been poor, but there have been recent improvements. Customers now receive a prompt decision on their claim. The service is proactive in identifying undeclared changes in circumstances and promoting fraud prevention and detection. It consistently achieves a high level of successful fraud sanctionsⁱ.
- 2 The service has regular communication with landlords and key local advice agencies, although it is not maximising opportunities to work in partnership with its registered social landlords. There are no specific service standards, so customers and stakeholders do not know what level of service to expect. The service has worked with partners to deliver benefit take-up events, but there are limited outcomes from take-up work. The service has adequate arrangements to meet the specific needs of customers whose circumstances make them vulnerable, but physical access to council offices is variable. The Council has made good use of the Discretionary Housing Payment (DHP) fundⁱⁱ to target help to those most in need during the recession.
- 3 The service is delivering better value for money. A staffing restructure in 2009/10 released savings whilst strengthening staffing capacity in key areas. The service has improved value for money in its day-to-day processes by identifying ways to reduce costs while providing a better service to customers. Poor subsidy management in the past is impacting on the Council's finances. But the significant shortcomings which led to the loss of benefit subsidy have now been addressed.
- 4 The prospects for improvement are uncertain. Unresolved issues around the repayment of incorrectly claimed subsidy remain a significant risk. The service track record on improving performance is mixed, with no sustained trend of improvement year-on-year. Service plans are not driving improvements in customer outcomes. Improvement and performance targets are not robust. Service users and key stakeholders do not have the opportunity to influence service standards or performance targets. There is currently no measure of customer satisfaction with the service.
- 5 However, the service now has increased staff capacity. Managers and councillors are actively involved in managing performance. The service uses ICT effectively to deliver service objectives and improvements. There is a strong corporate commitment to maintain or improve the quality of frontline services despite budget shortfalls. The service is beginning to link up with other service areas and organisations to deliver a joined up approach to wider corporate, regional and national priorities.

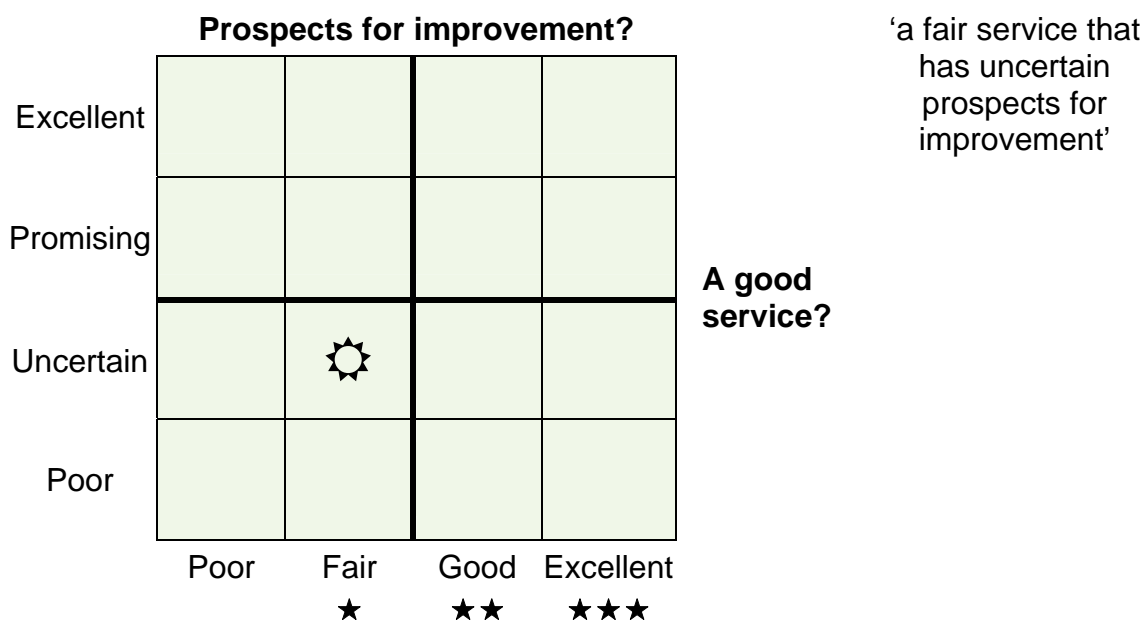
ⁱ Sanctions can be in the form of a formal caution, administrative penalty or prosecution.

ⁱⁱ Discretionary Housing Payments are payments made at the discretion of the Council in cases where it considers that additional help with housing costs is needed. The Council receives a government contribution which it can choose to top-up, subject to an annual cash limit set by central government.

Scoring the service

- 6 We have assessed Waveney District Council as providing a fair, one-star service that has uncertain 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

- 7 The service is a fair, one-star service because:

- the service is beginning to involve users in designing service improvements;
- it is generally easy for customers to access the service;
- customers now receive a prompt decision on their claim;
- the service is proactive in reducing fraud and error;
- the service is targeting extra help to those most in need during the recession; and
- the service is delivering better value for money.

However, weaknesses include:

- poor outcomes from benefit take-up work;
- not maximising opportunities to work with registered social landlords;

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.

- a lack of service standards so customers do not know what level of performance to expect from the service; and
- difficulties in physical access to some local offices.

8 The service has uncertain prospects for improvement because:

- performance has fluctuated, the track record of improvement for key performance indicators is mixed;
- service plans are not driving improvement;
- service users and key stakeholders do not have the opportunity to influence service standards or performance targets;
- there is currently no measure of customer satisfaction with the service, and
- a history of poor project and subsidy management has resulted in significant losses of subsidy.

However, positive enablers to improvement include:

- managers and councillors are actively involved in managing performance;
- the service has increased staff capacity in key areas;
- the service uses ICT effectively to deliver service objectives and improvements;
- the service has addressed key weaknesses and can evidence learning from best practice; and
- there is a strong corporate commitment to maintain or improve the quality of frontline services despite budget shortfalls

Recommendations

- 9 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 considered appropriate. In this context, the inspection team recommends that the Council should do the following.

Recommendation

R1 Ensure the service meets customer needs, by:

- developing benefit service standards, in consultation with service users and key stakeholders, that meet customers needs;
- promoting the standards so that customers know what level of service to expect;
- monitoring performance against the standards;
- making performance information accessible to stakeholders and service users so that they can challenge the level of service they are receiving; and
- carrying out equality impact assessments on all service delivery routes, taking appropriate action to minimise any adverse impact on customer groups and monitoring the results.

The expected benefits of this recommendation are:

- a better understanding of customers' needs;
- greater accountability to local people; and
- increased customer satisfaction.

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

Recommendation

R2 Strengthen service planning to drive improvements in the quality of the benefits service, by:

- involving customers, stakeholders and staff in agreeing improvement plans and service standards;
- setting and publicising consistent and challenging improvement targets;
- managing performance against plans and targets at both service and individual level, to ensure they are achieved; and
- ensuring that opportunities to develop and deliver improvements through shared services and partnership working are fully exploited.

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 expected benefits of this recommendation are:

- plans that aim to improve the right things;
- a better understanding of future service delivery options; and
- improved performance.

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

Recommendation

R3 Help raise income levels in the community, by:

- developing a planned timetable of take-up activity targeted to areas of greatest need;
- maximising opportunities to work in partnership with other organisations and Council services to maximise take-up while making the best use of resources; and
- establishing a robust method of evaluating the success of take-up initiatives to inform future plans.

The expected benefits of this recommendation are:

- contributing to the economic wellbeing of the borough by increasing the income levels of local people; and
- a better understanding of what approaches to take-up work best.

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

- 10** We would like to thank the staff and councillors of Waveney District Council who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 25 to 29 January 2010.

Report

Context

The locality

- 11 Waveney District Council is the local authority administering an area of north-east Suffolk centred on the town, port and holiday destination of Lowestoft. It includes the market towns of Beccles, Bungay and Halesworth, the coastal resort of Southwold and a significant rural area encompassing several village communities and hamlets. It covers an area of 370 square kilometres.
- 12 Over 50 per cent of the district's population of 117,700^I resides in Lowestoft. It is estimated that the population will grow by 14 per cent by 2020. Fifty-six per cent of the population is of working age and 26 per cent is of pensionable age. The older age demographic contributes to the fact that over 20 per cent of the population has either a disability or a limiting long-term illness. There are significant levels of health inequalities particularly in Lowestoft, for example life expectancy for men living in the most deprived areas is almost ten years shorter than those in the least deprived areas.
- 13 The population is predominately white British (97.3 per cent) and other groups are fairly small. Most minority groups are from other European Union nations such as Poland and Portugal who represent 1 per cent of the population largely living in Lowestoft. There are also long-standing communities of people of Lithuanian, Phillipine, Asian, Black and Chinese origin.
- 14 Waveney is ranked 114 out of 354 in the 2007 Indices of Multiple Deprivation (where 1 is the most deprived). Unemployment currently stands at 4 per cent^{II} which is higher than the average for Suffolk of 3.1 per cent and the East of England average of 3.3 per cent. Twenty-three per cent of households is in receipt of council tax benefit and 17 per cent is in receipt of housing benefit.
- 15 People living in Waveney earn on average less than other areas in the region and the rest of the country. Gross weekly earnings for full time workers in 2009 were £469, which is less than the average of £507 for Suffolk and £597 for England. Fifteen per cent of working age people have no formal qualifications.
- 16 As at December 2009, the average house price was £162,383, compared to an average of £193,807 for Suffolk. Recent rises in property prices have contributed to a shortage of available affordable housing. The Council manages its own housing stock of approximately 4,600 properties.

^I Mid-2008 estimate

^{II} December 2009

The Council

- 17** The Council is Conservative controlled and comprises 48 Councillors who represent 23 wards. The current political composition is 30 Conservatives, 12 Labour, three Liberal Democrats, two Independents and one from the Green Party. It has an Executive and Leader model of governance.
- 18** The senior management structure consists of a Chief Executive with a Director of Resources, Strategic Director and an Assistant Chief Executive. The Council shares its Chief Executive with Suffolk Coastal District Council. The structure is supported by six Heads of Service. The Council employs approximately 670 staff.
- 19** The Waveney sustainable community strategy 'Waveney's Future 2010-2028' identifies a vision for Waveney to 'Make Waveney a great place for anyone to grow up, live work and visit'. Four strategic themes and priorities underpin this vision:
- a prosperous and vibrant economy;
 - the Greenest County;
 - learning and skills for the future; and
 - and safe, healthy and inclusive communities.

These priorities complement those in Transforming Suffolk, the sustainable community strategy for Suffolk, and support the delivery of local area agreement targets for Suffolk.

The Council's benefits service

- 20** Housing benefit (HB) and council tax benefit (CTB) are national welfare benefits administered by the Council on behalf of the Department for Work and Pensions (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.
- 21** 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 Waveney District Council, the reasons for commissioning the inspection were:
- a deterioration in performance in a number of priority areas;
 - the significant loss of subsidy due to local authority error and delay; and
 - decreasing customer satisfaction and an increase in complaints and appeals.

22 The key objectives of this inspection were:

- to assess the effectiveness of Waveney benefits service in meeting the needs of the vulnerable people it serves, and contributing to the Council's wider corporate objectives; and
- to provide assurance to the DWP and other stakeholders regarding the quality of service provision.

The inspection was carried out in conjunction with a corporate Access to Services inspection, which covers four broad areas: ease of access to services; using e-government to support access to services; reaching all parts of the community and partnership working. The findings of the Access to Service inspection are reported separately.

23 The service in Waveney pays out around £42 million per year to approximately:

- 12,160 people claiming CTB; and
- 8,910 people claiming Housing Benefit of which 5,090 are tenants of rented social housing and 3,810 are tenants of private landlords.

Of the total caseload of 12,953, 6,660 people are of pension age and 6,293 are working age. The caseload has increased by 7 per cent in the 12 months to November 2009.

24 The service is run in-house with 36 full time equivalent staff. The cost of running the service in 2009/10 is £2,004,220, of which £1,307,000 is funded by DWP and the balance of £697,220 is met by the Council.

25 A corporate call centre was introduced in December 2007 to improve the Council's poor response rate to telephone calls. In August 2008 a range of customer services were moved to the Marina Customer Services Centre in Lowestoft.

26 The introduction of a new document management system resulted in serious failings in record keeping to support the claims for benefit subsidy^I between 2004/05 and 2006/07. Errors and omissions led to the DWP deciding in March 2009 to recover £8.9 million in overpaid subsidy. The service took the decision to carry out substantial remedial work on the historic subsidy claims during the first quarter of 2009/10 to address some of the issues raised and reduce the amount owed.^{II}

^I Councils receive reimbursement from the government for most benefit expenditure they pay out to customers, provided benefit is paid in accordance with regulations.

^{II} This was the position during the inspection. However, since then, the Council has carried out extensive checking and validation on historic subsidy claims to address the issues raised and reduce the amount owed currently anticipated to be in the region of £500,000.

How good is the service?

What has the service aimed to achieve?

- 27 The Council's Corporate Plan 2007-2010 sets out the strategic direction for the Council and identifies seven priority areas. This includes a priority to meet the housing needs of the most vulnerable people living in Waveney and a key objective to improve housing and council tax benefits.
- 28 The Revenues and Benefits Service Plan 2009/10 states the overall purpose of the service is "To provide a high quality and secure Revenues and Benefits Service to the residents of the District at an economical cost and in accordance with the principles of continuous improvement and customer requirements."
- 29 The service has identified the following objectives in relation to the benefits service.
- To assess and pay benefits accurately, promptly and in accordance with the DWP Performance Standards¹.
 - To provide and promote wide access to the service including by internet, e-mail, fax and telephone, in addition to in person or by letter.
 - To widely publicise the availability of all discounts, exemptions, relief's and benefits, and provide informed advice on all revenues and benefits matters.
 - To ensure that the service observes all statutory requirements including those governing the administration of revenues and benefits, Freedom of Information, Data Protection, Human Rights and Health and Safety.
 - To undertake a strategic corporate role in promoting and raising awareness of equality for all. To contribute to the mainstreaming of equality and diversity throughout all services and support the development of and promote the Authority's corporate Equality and Diversity Strategy.
 - To ensure standards meet market leaders in the most economical way through Key Lines of Enquiry, performance indicators and performance management techniques.
 - To provide innovative facilities for all customers.
 - To provide services that are within the top quartile of National Indicators and those that are locally set.
 - To communicate and consult regularly with our customers and stakeholders, developing our services to meet their changing needs.
 - To provide accurate and timely services for external and internal customers.
 - To maximise collection rates but minimise the discomfort felt by customers in making their payments.

¹ The Performance Standards framework for the delivery of Housing and Council Tax Benefit was introduced in April 2002 and replaced in April 2008 by the 'Right Time, Right Benefit' National Indicators. Councils are responsible for setting their own targets based on local circumstances.

How good is the service?

- Develop our services through well trained, empowered and committed staff who are proud to work for Waveney District Council Revenue and Benefits Service.
 - Treat all customers fairly and make our services easier to access.
- 30** The delivery of these objectives is supported by an improvement plan containing 11 tasks. Performance is measured against National Indicator (NI) 180, which measures the number of changes in benefit entitlement within the year, NI 181, which measures the average time taken to process new claims and change events, and five local indicators. Local indicators include measures on fraud and overpayment recovery.

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

- 31** The needs of local people are beginning to inform the design and delivery of the service. The Council has formed a housing benefits and tenant services consultation group and is starting to consult the group on ways to improve the service. For example, following feedback from the group, benefit notification letters now have a summary sheet explaining the key information about the claim decision. The group were consulted on the wording of a customer survey which is being sent to 500 customers over a range of tenures in February 2010. This will commence a rolling bi-monthly survey to systematically obtain customer feedback. The survey is also being used as an opportunity to ask respondents if they would like to be a part of the focus group going forward. But at the moment, the service has not sought general customer feedback since the last mandatory customer satisfaction survey, conducted in 2006/07. The service is setting up the mechanisms to obtain user views and this is now starting to make a difference to the way the service is provided.
- 32** It is generally easy for customers to access the service. Personal callers are dealt with at the Marina Centre, a modern town centre office in Lowestoft which is easily accessible although there is limited disabled parking immediately outside the centre. Outside Lowestoft, there are local offices in the four market towns, which also have free internet and telephone access. The service offers home visits for customers who are unable to visit the offices. Customer services staff are knowledgeable and provide good customer service. Benefit officers are available on a duty rota to deal with complex queries. Opening hours include later opening until 6.00pm on a Thursday at the Marina Centre and on the telephone. This provides more flexible access, for example for those customers who work.
- 33** The service is trialling ways to improve access to benefits for customers across the district. A member of the benefits assessment team now works from the Beccles local office three days a week. This gives customers better access to an experienced benefits advisor if necessary. It also promotes the sharing of knowledge and skills between benefits and customer services staff. The assessment officer deals with benefits work received at the office, rather than it being sent to the main office in Lowestoft. The service plans to evaluate the pilot and, if it proves successful in providing customers with an improved service, will consider rolling it out across the other local offices.

- 34** The introduction of a corporate call centre has led to improvements in telephone answering. The introduction of the call centre has improved the number of telephone calls answered from an average of 50 per cent in November 2007 to 95 per cent in October 2009. Calls are answered in an average of nine seconds. A recent customer survey found that 79 per cent of respondents were satisfied with the telephone service. Our mystery shopping found that calls were generally dealt with promptly and efficiently but the advice given tends to encourage callers to visit the Marina Centre rather than, for example, using the online facilities available on the website. This generates additional and unnecessary work.
- 35** There is appropriate information available on the Council's website, although it has not been kept up to date in all cases. Customers can download and print a range of benefit leaflets and forms, although the forms cannot be submitted online. There is a link to a benefits entitlement calculator which provides an estimate of potential eligibility to a range of benefits. There is good information on the Local Housing Allowance scheme. Existing customers and landlords can register to view their benefit information online and residents can report suspected benefit fraud online. There are appropriate links to other useful websites and the facility to translate some information into other languages. At the moment, access to the website through newer technology, eg mobile phones, is restricted by software limitations, but this is being addressed. The website provides customers with an alternative way to access information about the service.
- 36** The service has introduced new procedures to help ensure that customers who make a new claim for benefit receive all the help they need to complete their claim. It is trialling a new service at the Marina Centre which aims to provide customers with a decision on their new claim within 48 hours, as long as all the information and supporting evidence needed is provided with the claim form. If further information is needed, officers try to telephone the customer or send them a text message to ask them to get in touch. This gives the service an opportunity to speak to customers, explain what evidence they still need to provide and what they need to do next. This helps to ensure that customers who are entitled to benefit are not put off claiming because they have literacy problems or are struggling with the system.
- 37** The service has improved its letters to make them easier for customers to understand. Benefit notification letters now have a summary sheet and the supporting calculation sheet includes explanations of how the claim has been worked out. Other standard letters, such as requests for further information, are reviewed against a test which judges the reading age needed to understand the letter, based on how easy or difficult the text is to read. Using this tool, the service has developed letters using short sentences written in plain English to make them clear and easy to read. This helps to ensure customers understand the information they receive about their claim and prevents unnecessary queries to ask for further explanations.

How good is the service?

- 38 Performance in the speed of processing new claims and change events has fluctuated. Between March and May 2009, the service decided to concentrate its resources on undertaking additional work to try to address the issues with the subsidy claim. As a result, performance in the speed of benefit processing for the first six months of 2009/10 is poor. The average time taken to process new claims and change events was 24 days, compared to the Council's target of 15 days. This is broken down into an average of 40 days to process new claims and 20 days for changes in circumstances. Lengthy delays like these cause customers uncertainty and can result in financial hardship.
- 39 Performance has significantly improved in the four months from October 2009 to January 2010. The average time taken to process new claims and change events has been maintained at 11 days (broken down into an average of 22 days to process new claims and ten days for changes in circumstances). This gives a year to date average of 18 days, as at the end of January 2010. There are no outstanding backlogs and new post is being looked at within seven days or less. Customers are now receiving a quicker decision on their claim, receive faster payments and are less likely to be under- or overpaid benefit.
- 40 The service has adequate arrangements for ensuring benefit payments are correct. This includes a random check of 4 per cent of cases before payments are issued, 100 per cent checks on some officers' work, for example new and temporary staff, and risk based checks, for example on some overpayments and high value payments. Errors are fed back to the individual officers. Any errors occurring regularly are identified and fed back in a weekly e-mail. Trends are analysed and used to inform future training plans. For the period April to December 2009, 97 per cent of cases were financially correct. The service deals with requests from customers for a decision to be looked at again and appeals to independent tribunal within a reasonable period of time.
- 41 The service is proactive in identifying undeclared changes in circumstances and promoting fraud prevention and detection. The service:
- promotes the need to notify changes in circumstances in all its letters to customers and in an article in the Council's 'In Touch' newsletter;
 - carries out risk-based visits to check customers circumstances have not changed;
 - uses data matches and the National Fraud Initiative as sources of referrals;
 - carries out proactive work in high risk areas, for example, seasonal work and those in-work customers who have not reported a change in their income for more than one year;
 - has fraud awareness advertising on information boards in the town centres and on the back of council tax bills;
 - has a local fraud hotline in addition to the national hotline;
 - issues press releases for successful prosecutions and has ran an article in the Council's 'In Touch' newsletter; and
 - consistently achieves a high level of successful fraud sanctions. It achieved 87 sanctions in 2008/09 and 77 sanctions, including 15 prosecutions, between April 2009 and January 2010.

This raises the public profile of fraud prevention work, which helps to encourage members of the public to make referrals and deters potential fraudsters.

- 42 Corporate customer service standards are in place but it is not clear if they are meeting the needs of customers and stakeholders. The Council has sought the views of customers. For example, in the summer of 2008 the council conducted a public survey on the standards through its 'In Touch' magazine and reported on the results. However, it can not demonstrate how users' needs informed the design of the corporate standards. In some cases, the standards are not challenging, for example to reply to a letter in 15 days, and performance against them is not always monitored. As a result, the needs of service users may not be being met.
- 43 The benefits service does not have any specific service standards. Customers and key stakeholders do not know what level of service to expect. Customers, landlords and advice agencies have not been consulted or involved in deciding what a reasonable standard of service would be. This limits their ability to challenge the service when they consider that the service received has not been of an acceptable standard.
- 44 The service is responsive to complaints. Complaints are recorded and where errors are identified, training is delivered or additional quality checks put into place. There are examples where improvements have been made to the service as a result of customer complaints, eg the introduction of the 48-hour new claim processing pilot.
- 45 The service is taking steps to promote benefit take-up although, as yet, are no tangible outcomes from this work. In partnership with other agencies such as Citizens Advice Bureau (CAB), Pension Service and Age Concern, it has staged take-up events targeted at under-claiming groups within the community, but attendance was disappointing. It has distributed flyers and posters to local shops, post offices and community centres and carried out mail-drops to households in deprived areas who are not in receipt of benefit. It has offered advice sessions and awareness training to local advice agencies and volunteer groups and is establishing links with other partner organisations, such as the Patient Advice Liaison Service (PALS). However, it has missed key opportunities to promote benefit take-up. For example, in October 2009 benefit rules changed to disregard child benefit as income. This means that low income families who were previously not entitled to benefit, may now qualify, but the service did not take any action to publicise the changes or encourage people who may now be entitled to make a claim. Research has found that for every £1 of extra benefit paid, 77 pence is spent in the local area¹. Ensuring that residents know what they are entitled to and helping them to claim it not only helps individuals, but also supports the local economy.
- 46 The service has effective safeguards to prevent customers' homes being put at risk due to delays in benefit administration. The service has arrangements in place to fast-track priority cases, eg homeless claims, and customers where eviction action is being taken. There is good communication between the service and the Council's housing and homeless services. This helps to protect more vulnerable customers.

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.

How good is the service?

- 47 Communication with landlords is improving. The service has regular communication with landlords. This includes a landlords' forum, joint meetings with the housing team and attendance at the Waveney Landlords Association meetings. The meetings are used to share information on Council services, new legislation and changes in procedures, and for housing providers to raise any issues or problems. The service also held a landlord information day in October 2009 covering issues such as encouraging the take-up of payment directly into their bank account rather than by cheque, receiving payment schedules via e-mail and advising of their responsibilities in relation to council tax.
- 48 Engagement with registered social landlords (RSL) is underdeveloped. The service contacted the RSLs in the area to invite them to attend a liaison meeting to discuss how they could improve service delivery. However, only one RSL actually attended the meeting. The service has taken the opportunity to agree to pilot certain initiatives with this landlord, for example electronic exchanges of information, and the landlord verifying original documents on behalf of the council. However, further progress from this initial meeting has been slow. The service is not maximising opportunities to work in partnership to improve the service.
- 49 There is regular and effective communication between the service and key local advice agencies. The service has attended meetings with CAB and Disability Information and Advice Line (DIAL) to discuss changes to the service and raise any problems or issues. DIAL have given advice on how both physical access and forms and letters could be improved for customers with disabilities. The Marina Centre is being used as an additional venue for CAB to cope with increased demand due to the recession. Both agencies have provided training sessions to the Council, to explain more about the services they provide. By knowing more about the services available from these agencies, officers are better able to refer customers in need of additional help.
- 50 The service engages well with key stakeholders when there are significant changes to benefits legislation. For example, when Local Housing Allowance¹ was introduced, it provided awareness sessions to housing providers and welfare organisations and invited interested parties to become part of a focus group. The focus group was then consulted on key policies and procedures around the introduction of the new scheme. For example, the service worked with housing providers to agree a structured approach to dealing with requests for direct payment of housing benefit under its safeguarding policy. This helps to ensure that vulnerable customers, such as the homeless and young care leavers, receive the support they need to be able to secure and retain accommodation.

¹ Local Housing Allowance (LHA) applies to most tenants in privately rented accommodation when they make a new claim or change address. The amount of LHA awarded is based on the area the customer lives in and household size. Payment is usually made to customers, not to their landlord. However, councils are required to put safeguards in place for those customers who are unable to manage their financial affairs, or who fall into rent arrears.

- 51** The Council is making some progress in improving its corporate approach to equality and diversity. It has reached level 2 of the Local Government Equality Standard (now replaced by the Equality Framework). All staff and councillors have had equality and diversity awareness training. However, equality impact assessments are not fully embedded in the service. Impact assessments are being developed for all key service areas and monitoring has recently been improved. For example, reports cannot go to committee unless a formal equality impact assessment has been completed. An equality impact assessment is a tool for identifying the potential impact of a council's policies, services and functions on its residents and staff. It helps to ensure that services reflect the needs of the community and fulfil the requirements of anti-discrimination and equalities legislation.
- 52** Physical access to council services is variable. Although the Marina Centre is accessible, it is not easy for all customers to access the Council's local offices in the market towns. For example in Halesworth, whilst a wheelchair user could enter the office, it is difficult to manoeuvre a wheelchair once inside. All buildings have been surveyed recently and the Council has sought advice from DIAL on how to improve access. A range of minor remedial work has now been identified, prioritised and funding agreed. This will make some council buildings more accessible. However, the design and listed status of some older council buildings makes it more expensive to make alterations and so access remains difficult for some customers.
- 53** The service has adequate arrangements in place to make information about the service available to all its customers. It offers an interpreting service and carries out home visits where necessary. It provides written information in different languages, large type or on tape on request. There is appropriate guidance in place to deal with the special needs of some customers on contact with the council. For example, there is guidance on dealing with various disabilities; home visits and people for whom English is not a first language. This helps to ensure customers specific needs are met.
- 54** The Council has used the Discretionary Housing Payment (DHP) fund well to target help to those most in need during the recession. It secured agreement for the transfer of £5,000 into the DHP fund from funding received from Department of Communities and Local Government to prevent homelessness and overcrowding as a result of the recession. The Council match funded a further £5,000 through Housing Option budgets. The service works with the Housing Options team to promote use of the fund to prevent homelessness. It has written to customers who may lose benefit as a result of a regional review of rent levels to advise them of the likely effect of the review and to raise awareness of the DHP scheme. Because the amount of government contribution to the DHP fund is based on the Council's spend in the previous year, by maximising the use of the fund the service is helping to ensure it retains sufficient funds in the future to help those in need.

How good is the service?

Is the service delivering value for money?

- 55** The service delivers adequate value for money. Councils receive an administration grant from the DWP to deliver benefit services, but any additional costs are met by local taxpayers. In 2008/09, approximately 20 per cent of the cost of the service was met by local taxpayers, compared to an average of 45 per cent nationally. The overall cost of the service in 2008/09 was just above average compared to other district councils, and better than average compared to other similar councils¹. However, performance has fluctuated. The service is part of a benchmarking club which compares cost and performance with 149 other councils. The service's own benchmarking information for 2008/09 indicates its net costs per caseload, are higher than average when compared to others and that it takes longer than average to process claims.
- 56** Value for money is improving. A staffing restructure in 2009/10 released £89,000 in savings by reducing management and contract staff costs whilst strengthening staffing capacity in key areas. This has already seen improvements in performance and will better enable the service to meet its priorities to improve subsidy monitoring and management and reduce benefit processing times.
- 57** A past record of poor management decisions are impacting on the Council's finances. Following the introduction of a new document management system, the service was unable to evidence that it had correctly paid benefit in accordance with the legislation over the period 2004/05 to 2006/07. This led to the DWP deciding in March 2009 to recover £8.9 million in overpaid subsidy. The service has carried out substantial remedial work on the historic subsidy claims during the first quarter of 2009/10 to address the issues raised and so reduce the amount owed, and to agree an affordable repayment schedule.² But the repayment will increase the burden of the cost of the service to local taxpayers.
- 58** The service has strengthened its subsidy management arrangements. It has put a range of actions in place to address weaknesses, which include a dedicated subsidy officer, training needs analysis and training for staff, management checks, checks on overpayment classification and regular subsidy reconciliation. As a result, there has been a marked reduction in the number of errors identified during the audit of the 2008/09 subsidy claim. These steps will help avoid further errors in the subsidy claim and prevent loss of income to the Council.

¹ CIPFA nearest neighbour model

² This was the position during the inspection. However, since then, the Council has carried out extensive checking and validation on historic subsidy claims to address the issues raised and reduce the amount owed currently anticipated to be in the region of £500,000.

- 59** The service has satisfactory arrangements for the recovery of overpaid benefit. The service uses the full range of recovery options available to it and has policies in place to assist people who are having difficulty in paying. It has a realistic write-off policy which considers the cost implications of recovery action and circumstances of the debtor compared to the amount of debt owed. The service recovered 36 per cent of the overall amount of housing benefit debt outstanding in 2008/09, leaving a total of £1.9 million outstanding as at 1 April 2009. This compares well to the average recovered of its benchmarking club of 31.6 per cent. The effective recovery of money owed to the Council helps to reduce the cost of the service to local tax payers.
- 60** The service works well with Jobcentre Plus to deliver value for money. The service is part of a pilot to improve the speed of processing for those moving in and out of work. The Fraud Investigations Team work well with Jobcentre Plus to maximise their joint resources. Despite a reduction in staffing levels, the team has maintained a good level of sanctions including eight joint prosecutions between April and December 2009.
- 61** The service is improving value for money by working more efficiently. It has identified ways to reduce costs while providing a better service to customers. For example, annual council tax bills are now sent out with benefit notification letters, which saves on postage and means customers get the information about what they have to pay and their new benefit entitlement at the same time. The service is now proactively contacting landlords to ask for details of customers annual rent increases before it recalculates their new benefit entitlement, to avoid having to reassess the claim twice. It is exploring how it can transfer more information electronically, to reduce costs and provide a speedier service.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

62 The service has a mixed track record in delivering improvement with no sustained trend of improvement year-on-year. Performance against key benefits performance indicators over the last three years is mixed. Performance in the speed of processing new claims and changes in circumstances was in the worst performing 25 per cent of councils in 2006/07. There was some improvement in 2007/08, but performance was still below average. Performance against NI 181, which is new claims and change events combined, for 2008/09 is 14.9 days. There is no national comparative data available for 2008/09 due to the DWP experiencing difficulties with extracting data from councils ICT systems. This is a national issue. There has been no significant improvement in accuracy rates. The amount of overpaid benefit recovered declined in 2008/09. The number of successful fraud sanctions remains high.

Table 1 Performance against key benefit performance indicators
2006/07 to 2008/09

Benefit performance indicators	2006/07	2007/08	2008/09	2009/10 (to December 2009)
Average number of days to process new claims	58	28	31	33
Average number of days to process changes in circumstances	27	17	13	16
Percentage of cases calculated correctly	97%	96%	97%	97%
Percentage of overall overpaid Housing Benefit recovered	40%	55%	36%	36%
Number of successful sanctions and prosecutions per 1,000 caseload	2	8	7	6

Waveney District Council

What are the prospects for improvement to the service?

- 63** Customer access has improved. The move to the Marina Centre enabled the Council to close some very poor accommodation which was not fit for purpose. Nine reception points have now been consolidated into a single customer service point enabling easier access for those requiring advice from more than one service. Customer service points have been established at district offices, tourist information centres and leisure centres. Additional support and investment is being provided to enable those who are vulnerable to access the service. This means that the public are finding it easier to get information and use the service.
- 64** Investment in the telephone handling system has led to improvements for the public. In-house technology systems enable the monitoring of aspects of performance such as calls waiting. This has improved the service experienced by customers, for example fewer callers now get an engaged tone or are transferred to an answer phone. This has resulted in a significant reduction in abandoned calls.
- 65** Progress in making buildings more accessible is mixed. Most council buildings meet the requirements of the Disability Discrimination Act although some customer access points do not, for example in Beccles. Recent improvements have focused primarily on the closure of non compliant buildings rather than additional investment. The Council has recently agreed to release funds to improve access, such as improved disabled parking and hearing loops, particularly in the market town offices. But it is not easy to get access into some customer service points for those with disabilities.
- 66** The Council can demonstrate an improvement in value for money over the past two years. It has achieved its efficiency savings targets for both cashable and non-cashable streams in 2008/09. This includes reductions in staffing costs of £860,000 in a full year. Recent redundancy exercises and restructuring have saved £1 million over two years, while overall performance has continued to improve. The restructured and consolidated customer services have provided staffing efficiencies enabling the organisation to make revenue savings of £30,000 per annum. The move to the Marina Centre delivered savings with building costs reduced by half. Services are being delivered more efficiently and effectively.

How well does the service manage performance?

- 67** Corporate performance management has improved and is leading to some service improvements. Integrated quarterly performance monitoring reports to Cabinet incorporate service and financial performance and link this to risk. Performance is subject to challenge, for example by the corporate management team. The performance challenge board also provides challenge and support to heads of service and service managers. There is a focus on delivery against established plans, targets and deadlines, especially where those are not being met. Corrective action is systematically taken in response to underperformance. Performance reports are published on the Council's website to promote transparency of its performance. The delivery of service plans is monitored by councillors on a quarterly basis. Effective performance management is improving performance in key areas.

What are the prospects for improvement to the service?

- 68** Service plans are not customer focused. The Revenues and Benefits Service Plan 2009/10 sets out the objectives for the service, which include to assess and pay benefits promptly and accurately, provide wide access including through electronic means, publicise the availability of benefits, communicate and consult with customers and stakeholders regularly. However, the outcomes the service has identified are not specific or measurable, and in some cases actions have been slow to progress. It is not always clear from the plan what difference the service is trying to make for its customers or the timescales it is working to. The improvement plans focus on process changes. It is not clear if the service has established if these are the changes that matter most to its service users. This limits the effectiveness of service plans to drive improvements and monitor progress.
- 69** Target setting for improvements in performance is not robust. Service plans still refer to achieving performance in accordance with the DWP's Performance Standards, which ceased to exist from April 2008. Since then, councils have been responsible for setting their own targets based on local circumstances. Key stakeholders have not had the opportunity to influence service standards or performance targets. There is currently little consultation with customers and no current measure of customer satisfaction with the service. Some targets have been set at a lower figure than the performance achieved the previous year. The service has not established that this level of performance meets the needs of its customers and target setting is not driving continuous improvement.
- 70** Service plans show limited consideration of the contribution the service can make to corporate, regional and national priorities. The Revenues and Benefits Service Plan identifies the links between service improvement tasks and the Sustainable Community Strategy priority themes. There is some evidence of the service linking up with other service areas or organisations to deliver a joined up approach to achieving these wider outcomes, for example joint working with housing services and the 'In and Out of Work Project' with Jobcentre Plus, which makes it easier for people to take up temporary and part time job opportunities.
- 71** Managers and councillors are actively involved in managing performance. The service makes good use of information and communication technologies (ICT) to produce robust and reliable performance information on local and national indicators. A comprehensive performance report is discussed by the head of service and service managers on a weekly basis and used to inform priorities over the coming weeks. Performance and priority work going forward is then discussed and agreed on a monthly basis with the cabinet member. The report also covers progress against more strategic objectives, such as actions identified in the service plan. This enables councillors and managers to make informed decisions about managing performance against Service priorities.
- 72** Councillors have taken an active role in ensuring weaknesses in benefit subsidy management arrangements are addressed. Progress on the actions being taken has been reported to the Housing Scrutiny Committee. Members have visited the service to gain a better understanding of the work being carried out. Cabinet has subsequently made a resolution to ensure that risks in introducing any new computer recording systems in the future are better mitigated against. This will ensure that mistakes made in the past are not repeated.

What are the prospects for improvement to the service?

- 73** The service is not systematically using customer feedback to improve the service. The performance management framework reports on complaints and action to resolve them. The service is responsive to complaints and can evidence examples of where it has improved service delivery as a result. But organisational sharing of learning is limited. Customer services have introduced mystery shopping and managers monitor calls so that they can provide mentoring support. There are plans to join up the feedback process and make sure that feedback is requested from customers. This will then be shared across the Council and with partner organisations where appropriate. The needs of marginalised and minority groups is not monitored effectively. Some feedback forms ask for equalities information but this is not followed up or analysed to look at the experiences of different groups. The Council is not making best use of information it has to improve access and customer service arrangements.
- 74** The service effectively learns from good practice. There have been sustained improvements as a result of its work with the Performance Development Team (PDT) of the DWP. The service requested a health check by the PDT on the Fraud Investigation Team following a number of changes in personnel and working procedures. It has sustained improvements in the number of sanctions achieved. The PDT also worked with the service in 2007 to improve processes and workflow, manage and reduce backlogs and develop management information techniques. The service delivered sustained improvements in performance in 2007/08 and maintained this improvement through 2008/09. The Council took a decision to allow performance to deteriorate in the first half of 2009/10 to release officers to work on the subsidy claim. However, the working practices which have now been adopted helped the service to identify and prioritise work and better manage the resulting backlog.
- 75** The service is learning from its own and others' experiences to improve future take-up strategies. When it failed to attract residents to joint take-up events it had staged with partners, it took the opportunity to consult other agencies about what they found had worked. It is now using this learning to adapt its approach to future take-up work. The service is not wasting resources on unsuccessful promotions.

Does the service have the capacity to improve?

- 76** The Council has invested effectively in developing management capability and capacity. An improvement plan, supported by significant external funding, is driving improvements in corporate management capacity and capability. A change champions group is driving a step change in the way services are provided to improve efficiency, effectiveness, customer focus and access to services. Restructuring of roles and responsibilities is supporting a more integrated approach to customer access. Customer services champion roles have been established and are increasingly developing strong links between front office and back office functions, strengthening the quality of advice provided for the public when they first contact the Council. The Council is investing so that it can manage change more effectively.

What are the prospects for improvement to the service?

- 77** The decision to carry out additional work on previous years' subsidy claims has affected service capacity to sustain improvements in performance. Although the service took steps to try and reduce the impact on customers through the use of agency staff and overtime, performance was affected by a lack of staff capacity during this period. Until this issue is resolved, the potential repayment of subsidy remains a significant risk to the financial capacity of the Council and, if further work is required, to the service's ability to maintain current performance.
- 78** Staff capacity in key areas has been increased. The service has benchmarked its staffing requirements against other well performing services to establish where its staff will be best placed to deliver its priorities, and where it can make savings. Following a voluntary redundancy exercise, the service management team was reduced. The service was then restructured to better meet its priorities to improve subsidy monitoring and reduce benefit processing times. Four new assessment staff were recruited in June 2009. This has contributed to much improved processing times over the last four months. The service now has resources in the right areas to deliver improvements in performance.
- 79** The service is increasing staff capacity by effectively managing sickness absence. It has reduced levels of sickness absence from an average number of 14 days lost in 2007/08, to 13 in 2008/09 to an anticipated 8 in 2009/10. This reduces any potential impact to customers due to staff shortages.
- 80** Staff training is contributing to improvements in service delivery. Training needs analysis have been undertaken and used to inform corporate and service training plans. Several benefits staff have been supported to successfully obtain externally recognised professional qualifications. Housing and customer services staff have received training in procedures for verifying the documents needed to support benefit claims. Training for customer services staff includes weekly learning sessions to enable the sharing of information between the front and back office. Eighty per cent of customer services staff are undertaking a NVQ qualification in customer care. Most staff have had recent training on diversity. Staff have regular one to ones and appraisals of their performance. Personal development plans are reviewed every six months. This helps to ensure customers receive professional service and accurate advice.
- 81** The Council is investing effectively in developing councillor capacity. It has been awarded member development charter plus status for councillor training. This has led to a range of improvements, such as in the role of Scrutiny Committee including the identification of target issues, which are then presented to Cabinet. There is greater member involvement across the parties now as a result. Councillors now have personal development plans and take part in 360 degree appraisals to support further development.

What are the prospects for improvement to the service?

- 82** The Council has demonstrated strong strategic leadership in its approach to the repayment of DWP subsidy but uncertainties after 2010/11 remain. Councillors were informed of the issue and associated risks to delivering a balanced budget in a timely manner. Senior managers and leaders have taken a strong political and strategic lead to involve all relevant partners in reaching a resolution. The Council has made prudent provision in its medium term financial strategy for what it considers reasonable instalments. However, until an affordable repayment model is agreed with the DWP this remains a significant risk for the Council.
- 83** The Council has used its partnering agreement with CAB to improve local residents' access to welfare benefit, debt and money management advice during the recession. It has increased its funding to the CAB by £10,000 which, along with additional funding from the County Council, has helped the CAB cope with increased demand for its services.
- 84** The Service uses ICT effectively to deliver service objectives and improvements. The Service has procured software modules to manage performance and accuracy of processing and improve its notification letters. Staff have access to an online guide to legislation and local procedures. The procurement of the Council's new website is delivering better value for money. The new website is easier to update, has lower maintenance costs and requires less support. The use of ICT is improving both performance and value for money.
- 85** Budget shortfalls require that the Council implement a further round of staff reductions but there is a strong commitment to maintaining frontline services. The Council will base further reductions on service re-engineering and risk with a strong corporate commitment to maintain or improve the quality of frontline services despite the cuts. In January 2010, following a Scrutiny review, Cabinet resolved that the number of benefits assessment officers processing claims be maintained at sufficient numbers to sustain a reasonable level of performance. Despite this, the service may be affected by further restructuring with a view to enhancing efficiency and effectiveness. The Council is seeking to protect aspects of its services which directly impact on the public.
- 86** The service is not proactively exploring opportunities to improve performance and value for money by joint working or shared services. Although the development of shared services is integral to the Council's approach to providing value for money, opportunities to develop this further in benefits have not been fully exploited. By not fully exploring options for collaborative working with partners, the service is missing opportunities to improve service delivery further.

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