



# Revenues & Benefits Service Business Plan 2011-2012

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## **1 Statement of Purpose**

The Revenues and Benefits service will:

1. Bill and collect Council Tax and Non-Domestic rates
2. Administer Housing Benefit and Council Tax Benefit
3. Assist our customers to access financial advice and support.

## **2 Vision**

Our Service vision is:

To provide an accessible, customer focussed and cost effective Revenues & Benefits service

## **3 Review**

In preparing the objectives and targets for this plan, the Revenues and Benefits service management team has reviewed all of the known influences on the service. These include customer needs, staff needs/issues, the overall environment, performance issues and the various changes associated with improving the service provided.

### **3.1 Environmental Audit**

A summary of the major influences on our service planning is highlighted below, including key items from our SWOT and STEEP analyses.

The state of the economy and the duration of the current recession are major influences on the performance of the Revenues & Benefits Service. Furthermore, in order to meet the coming budget reductions from April 2012 onwards, it will be necessary to carry out a re-structure of the Service. This will be planned over the coming year, and implemented at the appropriate time, so that the Service is ready to face the challenges of the future. This will be a difficult time for the staff and it is important that regular communication is maintained to explain the “what, when & why” on these inevitable changes. An item will be added into the Forward Plan when it becomes clear what the timing of the changes will be.

Housing Benefit claimant numbers are at an all time peak in 2010/11 of around 26,400 (a net growth of over 3,500 claimants since April 2008). Expenditure has increased considerably standing at an estimated £117million for 2010/11, (rising from £97million in 2008/09). These increases have brought an approximate 15% increase in workload. In previous years, the Service has used additional contractor staff in order to keep up with the workload. In the face of these increases in workload, the Service has managed with significantly less staff (10% reduction since April 2009). In

2010/11 we have re-organised the work so as to improve the throughput of work, although this has had an unwelcome if small effect on quality. The additional workload can probably be absorbed in 2011/12 however the longer term will require a radical restructure of the work. There is currently no plan to employ any contractor staff after April 2011.

As always, accurate financial forecasts are extremely difficult to produce due to the unpredictability of claimant volumes, levels of Housing Benefit expenditure & overpayments that require collection.

Welfare reform will figure very largely during the coming years, starting from 2011/12. For the next two years, there will be significant changes to Housing Benefit/Local Housing Allowance that will impact on an estimated 6,500 recipient households at an average of between £7 and £8.50 per week. These changes will mainly affect Local Housing Allowance claimants, however, some private claimants & Local Authority tenants receiving Housing Benefit will also be affected.

This will cause additional pressure on Discretionary Housing Payments, which will probably result in an additional funding requirement on the Council to top up DWP funding. It is unclear if we can absorb this additional cost within our cash limit.

From 2013 onwards, there will be further large scale changes, both to Housing Benefit & Council Tax Benefit as well as to the Benefits system, with the introduction of Universal Credit and starting to move Housing Benefit work to the Department for Work and Pensions.

The most obvious effect of the recession & the state of the economy on Local Taxation is likely to be on future revenue collection rates. In 2010/11, although in year collection rates were slightly below target, ultimate collection rates achieved target. It is unclear if this performance can be maintained through 2011/12. There could be a requirement for higher volumes of recovery related work to reduce the effects.

The deferral of business rate increases, the extension of small business rate relief and discretionary rate relief has helped in part to compensate for the effects of the recession. We will continue to absorb any additional work as far as possible. There is currently no plan to employ any temporary staff in 2011/12.

With the major benefit subsidy triggers now being achieved and with the associated subsidy recovery rates now factored into our current and future budgets, there is a significant risk of overspending. This would be exacerbated if there were an increase in expenditure, which increases the difference in absolute terms between expenditure and subsidy received. Of course, variations in subsidy performance or increased administrative expenditure would be contributory factors.

In future years, changes are planned that will localise Council Tax & Non Domestic Rates, and change the way Council Tax Benefits are administered. It is not clear at the moment how these changes will affect the Council and the City's residents.

Given this environment and the increasingly limited potential for further budget savings, the broad strategy will be to maintain existing service levels with the resources available over the coming years and our targets will reflect this.

We'll continue with our existing approach to performance, expenditure and budget monitoring whilst enhancing it wherever appropriate to take account of these factors.

### **3.2 Customer Needs Analysis**

The distribution of Benefits customers is annually mapped across the City. This has helped to highlight probable inequalities in access arrangements. The distribution of access arrangements is particularly an issue for the more vulnerable residents in the City. This information has been made available so as to inform the Anti-Poverty Strategy & the Corporate Access Strategy.

We'll continue our investment in improving tenancy support for the private sector and homeless clients managed by our own Housing Service.

There's some evidence that we can do more to reduce the need to pass customers from one Revenues and Benefits service to another and we'll explore opportunities to tackle this.

During 2010 a rolling customer survey was initiated, with quarterly surveys of a random sample of Benefits customers. It is too early to draw any conclusions from the results to date.

There is now a continuous improvement process in place to review and improve the tone and clarity of our written correspondence across the service.

### **3.3 Equality Impact Assessments**

No areas for further work were identified in our 2010/11 assessment reviews. We will complete a brief review in each area on an annual basis.

### **3.4 Performance Assessment**

Overall

The Revenues & Benefits Service has achieved a good level of performance in most operational areas during 2010/11.

Although there was an overspend against the Housing Benefits windfall budget, related to Rent Officer referrals & Council Tax Benefit/Single Persons

Discount, we underspent against one time administration funds, which has meant that the budget was broadly balanced.

The table in Appendix A illustrates the performance trends for a range of indicators during 2010/11 and the previous two years.

Appendix C shows 2010/11 performance compared to the business plan targets.

In recognition of the economic situation, the service has set realistic targets for 2011/12 based on recent trends and our staffing capacity.

### Benefits Service

The Benefit Service gave a steady performance in 2010/11, improving on some key indicators, whilst holding performance on most others. Processing cycle times remain at a very acceptable level of under 23 days for New Claims and a little over 9 days for Changes of Circumstance.

Benefits subsidy performance remains unpredictable as a windfall income, and performed below forecast, owing to a higher level of overpayment activity than predicted, and operational issues with Council Tax Benefit and Rent Officer decisions.

Reduced administration costs have reduced the budget and produced an additional saving of over £450,000 for this & future years. This saving is included in the cumulative savings chart in Appendix B to this plan.

The work of all Benefits staff is quality assured to a given standard. The quality standard was not met in 2010/11, falling back to a little above the 2008/09 standard. Actions have been put in place to address quality, and it is believed that the service review/restructure will lead to quality improvements through reducing double handling of work.

Benefit debt recovery and Fraud teams both delivered good results that exceeded our business plan objectives in a very difficult environment.

### Local Taxation Service

The Local Taxation Service achieved 95.1% in-year collection of Council Tax. The NDR collection rate for 2010/11 reached 98.1%. Whilst these in year rates were slightly below target, it still represents a very creditable outcome in the face of the recession and the poor business environment.

The service maintained its customer service standard for correspondence processing by achieving a year average correspondence processing time of around 6 days.

The service is progressing its training and quality assurance regime, which has led to further small improvements in processing quality.

In response to the economic situation it continues to prompt the city's small businesses to take advantage of the NDR relief that might be available to them.

The focus for the service will be to continue to optimise performance in what is likely to continue to be a difficult environment and to effectively manage government initiatives in response to the economic situation such as the extension of the small business rate holiday.

The pensioner household cash back scheme introduced a massive additional workload at a time when the Local Taxation service was potentially at its busiest. The impact of this was managed highly effectively, using temporary resource and overtime working to ensure the impact was minimised. This scheme is now closed.

### **3.5 Key Projects**

The Revenues and Benefits Service has an established Change Management process to identify, prioritise, resource and manage a range of projects including ICT elements. These arrangements include a Programme Board, which meets periodically/as required to monitor the overall status of the schedule.

#### 2011/12 projects include:

Northgate Revenues & Benefits – to ensure our main processing system remains current & fully functional.

Government Connect EAS/CIS – to ensure that Benefits staff are able to continue to access the DWP's Customer Information System using the new access control mechanism

ATLAS – this initiative from the DWP/HMRC will, once fully implemented, provide direct feeds of information from DWP (for other Benefits) & from HMRC (for Tax Credits).

HB bad debt reporting – to consolidate the newly introduced revised approach to HB bad debt reporting. This will simplify the method of quantifying the risk of non-collection and should allow the value of the bad debt reserve to be reduced.

Print & Post – further work to reduce costs in this area

Revenues reporting – to improve forecasting and our ability to deal effectively with debt management.

Disaster Recovery 2011 – to ensure key systems can be recovered in the event of a serious failure.

### 3.6 The future

A number of far reaching changes to Housing Benefits, Council Tax & Non-Domestic Rates have been proposed by the coalition Government. These changes will radically alter the face of the Revenues & Benefits service from 2013 onwards. The Localism Bill published 13<sup>th</sup> December 2010 & the Welfare Reform Bill published 17<sup>th</sup> February 2011 provide some indication of what is to come. Whilst there is insufficient detail in these proposals so far, to identify details of the potential impact on Portsmouth, the following is a brief summary of the proposals.

- Localism for Council Tax Benefit (CTB) & reduction in CTB expenditure by 10% [April 2013]

It is currently not clear how the new approach to Council Tax Benefit will work. Department for Communities and Local Government (DCLG) and the Department for Work and Pensions (DWP) will work closely together with local government to develop detailed proposals. In doing this, the Government will aim to protect the most vulnerable, particularly pensioners, and should not have any impact on the Universal Credit proposals. Local Authorities will be given scope to take account of the priorities of their own local communities when determining the amount of support for vulnerable and low income households to meet their Council Tax bills. It is intended that this will dovetail with the various rebate and discount schemes, which are already part of the Council Tax regime, while at the same time enabling vulnerable people to maintain appropriate levels of independence. Local Authorities should be able to make use of household data collected by the Department for Work and Pensions through the Universal Credit system, rather than asking people to provide details of their income and savings more than once.

- Universal Credit [October 2013 - October 2017]

This proposal is for an integrated working-age credit that will provide a basic allowance with additional elements for children, disability, housing and caring. It will support people both in and out of work, replacing Working Tax Credit, Child Tax Credit, Housing Benefit, Income Support, income-based Jobseeker's Allowance and income-related Employment and Support Allowance.

Universal Credit will not replace any of the following non-means-tested benefits:

- Contributory Jobseeker's Allowance & contributory Employment and Support Allowance
- Disability Living Allowance
- Child Benefit
- Bereavement benefits, Statutory Sick Pay, Statutory Maternity Pay, Maternity Allowance & Industrial Injuries Disablement Benefit

It is intended that Local Authorities will take over responsibility for Social Fund discretionary elements such as Community Care grants & Crisis loans.

- Move of HB work to DWP [October 2013 - October 2017]

Overall administration of Universal Credit will be managed by one department – the Department for Work and Pensions – as opposed to today's complex



delivery of current benefits through the Department for Work and Pensions, HM Revenue & Customs and Local Authorities. Initially, from October 2013, it is expected that Universal Credit will apply to new claims. It will be phased in for existing benefit and Tax Credit recipients.

- Single Fraud Investigation Service [2013]

The Government's new fraud & error strategy includes plans for a new single fraud investigation service, a new integrated risk and intelligence unit and a new regional mobile task force. The single fraud investigation service will investigate welfare fraud across all benefits and Tax Credits administered by DWP, HMRC and Local Authorities. This would include Local Authority Housing Benefit fraud functions. The government's strategy intends that the new single fraud investigation service will be in place from 2013, ready for the introduction of Universal Credit. It is planned that the Department for Work & Pensions and HM Revenue & Customs will work with Local Authority Associations and Local Authority representatives to take this forward. The intention is that Local Authority benefit fraud investigators will become part of the single fraud investigation service when it is formed in 2013.

- Localism for Non Domestic Rates [2013]

This would give Local Authorities power to grant discretionary rate relief in any circumstances, generally subject to the condition that the Local Authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area. It would also provide for a new small business rate relief scheme that does not require ratepayers to apply for small business rate relief in some or all cases. The date for introduction of this is not clear.

## **4 Service Objectives**

### **4.1 Objective 1 – Customer Access**

Improve customer access to Local Taxation & Benefits services in response to the needs of our residents, particularly the most vulnerable.

**Description:**

The Revenues & Benefits Service is committed to providing services that are available to everyone in line with PCC's Equality and Diversity Strategy.

We know from mapping the distribution of our customers across the city and from analysis carried out in support of the corporate customer access strategy that some of our residents have more difficulty accessing our services than others, purely based on where they live. We also know that in addition, many of our most vulnerable residents need help to understand what is available to them and additional support when accessing our services.

The services provided by the Revenues & Benefits Service are such that we are often in a position to identify residents in need of other financial support and advice.

One of the Council's priorities is to "Enable vulnerable people to maintain appropriate levels of independence" and the Revenues & Benefits Service plays a major role in the work that is carried out in support of this and the associated Anti-poverty strategy.

We have a major part to play in the general objective to "Make access to Council Services easier" by contributing to the development of the Council's Customer Access strategy.

#### **Objective 1a**

Carry out an annual review of Equalities Impact Assessments for all service teams.

**Lead Officer:** All managers

**Assessment of Target:**

A full schedule of assessments was carried out during 2009/10 and we only plan to review the EIAs briefly this year.

**Strategies for achieving objective:**

Follow up review meetings will be scheduled during the year and results will be regularly monitored.

Support of the corporate Equalities team will be called upon where necessary.

**Measures of success:**

To meet completion dates as scheduled, with no equalities issues.

**Objective 1b**

Encourage take up of HB & CTB & contribute to the Council's anti poverty strategy & the prevention of homelessness.

**Lead Officer:** Ed Woodhouse & Alan Knight

**Assessment of Target:**

The service's contribution to anti-poverty work is not linked to a specific numerical target but we aim to prioritise the resources available to support activities that provide tangible outcomes. This links directly to Benefits take up and this is documented in the service's Benefits take up plan.

**Strategies for achieving objective:**

We'll continue to resource tenancy support work to help reduce homelessness, including work with EC Roberts, and we'll maintain our partnership links with the Pensions, Disability and Carers Services to ensure we're working together to identify and support the most vulnerable.

As described in the Council's anti poverty strategy, we will remain involved in take up campaigns, working with partners to target those most in need.

We will work with the Financial Inclusion team to encourage Benefit customers to open bank accounts/to receive payment into a bank account.

We'll monitor and develop our Benefit take-up, and advice initiatives and our range of methods for encouraging the use of Council Tax discounts and exemptions. We'll contribute to the corporate anti-poverty strategy and will increase the range of clinics and outreach work subject to resource availability and core business priorities.

**Measures of success:**

Revenues & Benefits Service will document the various activities that contribute to this objective. Measures and targets will be established where and if they are appropriate to the activity.

## **4.2 Objective 2 – Customer contact**

Improve Customer contact and communications for everyone that accesses our services.

### **Description:**

We want to ensure that our customer contact is always welcoming, that we communicate clearly, we tell them what to expect and then we meet the commitments that we've made to them.

We don't want the fact that our services are based on legislation & regulations to unduly influence the quality of service that we provide. We need to be sensitive to our customer's circumstances, in carrying out our duties to protect public money and in explaining what we do and why we do it.

### **Objective 2a**

To perform Customer Surveys to test the satisfaction of users for a range of services and provide an analysis of priorities for change and improvement.

**Lead Officer:** Shirley Hudson

### **Assessment of Target:**

We commenced a rolling survey programme of our Benefits customers in July 2010. This runs in parallel with the customer survey work performed by City Help Desk for our Local Taxation customers. This was not achievable previously, due to the demands on our resources and the priority to deliver a schedule of major projects during 2009/10.

### **Strategies for achieving objective:**

This work forms part of the process to develop a better understanding of our customers to inform our improvement planning.

### **Measures of success:**

Insufficient data is available to establish criteria.  
Checkpoint August 2011

### **Objective 2b**

To maintain a continuous improvement programme of our written communications with customers, and to implement a range of improvements to clarity, content and tone.

**Lead Officer:** Shirley Hudson

### **Assessment of Target:**

The initial project completed in December 2010. Following on from this, we have instituted a continuous improvement approach to these communications.

### **Strategies for achieving objective:**

We know that some of our documentation appears too “official” and that some Local Taxation and Benefits documents cause confusion, meaning our customers have to contact us more than once on a single topic.

We’ll use customer feedback in conjunction with our own analysis to identify and implement changes and improvements.

**Measures of success:**

Improvement updates during 2011, detailing the changes. Customer survey data, when available, will provide an indication of the impact of changes.

### **4.3 Objective 3 – Processing efficiency**

Maintain timeliness and improve the quality of our processing so that service standards compare favourably with the best Local Taxation and Benefit Services.

#### **Description:**

The quality of the work we do is important to our customers and to us as an organisation seeking to improve efficiency and value for money. Sending incorrect Council Tax bills or paying the wrong benefit has a serious and direct effect on our customers. Inaccurate or incomplete processing causes additional work sometime later and it has a negative effect on data quality and the integrity of our management information. In the case of Benefit processing, errors in processing can result in a loss of subsidy income.

We believe that our processing times are acceptable to our customers and we are not planning for significant further improvement at this time. Our targets therefore reflect the priority to at least maintain our service standards with our existing resources.

#### **Objective 3a**

Improve Benefit processing quality to 96% by the 4<sup>th</sup> quarter 2011/12.

**Lead Officer:** Alan Knight

#### **Assessment of Target:**

Data integrity has improved to the extent that risks to subsidy are now broadly contained. Processing quality is at 92% - this target is one of the more challenging in this plan.

#### **Strategies for achieving objective:**

We'll enhance our approach to detailed error analysis and co-ordinated feedback across all HB processing teams wherever possible. We'll continue the work we've just started on resolving errors at the front end of the process. Key elements of quality checking will continue to be carried out before Benefit notification letters are sent out. In addition, the service restructure will produce improvements by reducing double handling in the process.

#### **Measures of success:**

Monthly quality monitoring will continue throughout 2011/12.

#### **Objective 3b**

Improve Local Taxation processing quality to 97% during 2011/12.

**Lead Officer:** Pete Middleton

**Assessment of Target:**

Monitoring during 2010/11 suggests that it is possible to achieve 97% or higher but there is the potential for significant variations month to month.

**Strategies for achieving objective:**

This target forms part of a “right first time” strategy that includes the introduction of more formal documented processes and procedures and structured staff training provided by the Council’s Learning and Development organisation.

**Measures of success:**

Monitored monthly through performance management arrangements.

**Objective 3c**

To achieve an average New Claim processing cycle time of 22 days during 2011/12. (Part of NI 181)

**Lead Officer:** Alan Knight

**Assessment of Target:**

Cycle time reduced to less than 23 days during 2010/11 and it is likely that the target of 22 days would have been achieved but for the continuing effects of the recession. With improved working methods, it should be possible to meet this target in 2011/12.

**Strategies for achieving objective:**

Team Leaders will have flexibility to use team resources in the ways that they deem most effective.

We’ll continue to measure the number of claims in excess of 30 days old and “average age” as work in progress indicators.

**Measures of success:**

Performance will be measured monthly at service level and more frequently at team level.

**Objective 3d**

Maintain a Change of Circumstance average cycle time of 10 days during 2011/12. (Part of NI 181)

**Lead Officer:** Alan Knight

**Assessment of Target:**

It is expected that we will be able to hold our performance to under 10 days during 2011/12. This will meet customer expectations in turnaround time for changes.

**Strategies for achieving objective:**

Team Leaders will continue to have flexibility to use team resources in the most effective way to increase productivity and reduce process delays. Team based monitoring will target an average of 12 days through the year to allow for year-end effects.

We'll continue to measure the number of claims in excess of 30 days old and "average age" as work in progress indicators.

**Measures of success:**

Performance will be measured monthly at service level.

**Objective 3e**

Maintain consistent service standards in processing Revisions, Appeals and other specialist applications during 2011/12:

Revisions	-	21 days	Appeals / revisions	-	21 days
Two homes benefit	-	28 days	Discretionary payments	-	21 days
Backdating requests	-	21 days			

**Lead Officer:** Alan Knight

**Assessment of Target:**

These service standards have been set based on the continuous improvement that has been achieved over the past year, and reflect what we believe is acceptable to customers, given the resources that we are able to dedicate to this type of processing. They may be difficult to achieve in the coming year, subject to the levels of work received and on our ability to maintain adequate resources in the team.

**Strategies for achieving objective:**

Work can be prioritised if necessary in response to a customer's circumstances without impacting the over service level provided. We'll continue to measure the percentage of work in excess of 30 days old and "average age" as work in progress indicators.

**Measures of success:**

Performance will continue to be monitored at least monthly.

**Objective 3f**

Local Taxation correspondence average processing times to be maintained around 6 days during 2011/12.

**Lead Officer:** Pete Middleton

**Assessment of Target:**

Over the past year, it has been possible to maintain processing cycle time at around 6 days. This would appear to be an acceptable standard for our customers.



**Strategies for achieving objective:**

In providing consistent service standards we give our customers a clear expectation and enables our Helpdesk to assess what priority should be allocated to a customer request.

Different work types have different turnaround cycle times, based on the urgency of the circumstances.

**Measures of success:**

Performance will continue to be monitored at least monthly.

#### **4.4 Objective 4 – Change management**

Maintain and improve systems & processes to ensure that all changes are managed so that the right benefit, tax discount and tax exemption is given to the right person for the right period of time.

##### **Description:**

A resident's entitlement to benefit or a reduction in local tax is assessed based on their circumstances and a change in these circumstances can result in a change in entitlement. Although a high proportion of our customers tell us when their circumstances change, many do not and this results in benefit being over or underpaid and in discounts or exemptions being applied incorrectly.

We can help some of our most vulnerable residents by preventing overpayments that would otherwise add to their financial difficulties with an overpayment debt to repay.

Overpayments increase the value of the Council's benefit expenditure and reduce the value of subsidy income received.

The service is responsible for reminding claimants of the need to keep us informed so as to reduce errors and as part of this we manage programmes of periodic reviews to ensure that our information accurately represents a resident's circumstances.

Where appropriate, some errors are referred to our Counter Fraud team for investigation. (See Objective 6.)

##### **Objective 4a**

Reported changes will be made complete and assessed in a timely manner, with a target average processing time of 10 days.

Entitlement reviews will be carried out by either visit or by post for cases where there are potential non-reported changes. These will establish the correct benefit level to be paid and remind the customers of the need to report changes. We will identify appropriate cases by existing risk intelligence, based on our experience from previous review campaigns.

**Lead Officer:** Alan Knight

##### **Assessment of Target:**

Reported changes will be closely monitored by the management team to achieve the 10 day end-to-end processing target.

Reviews will be planned to match available resource against highest risk cases, outcomes will be monitored to ensure that the targeting process is accurately identifying relevant non-reported changes. Cases will be managed in age profiles with the understanding that there will be variances due to the availability of the required information and the type of change identified.

**Strategies for achieving objective:**

We will ensure that there is a robust system for identifying known future changes, which is closely managed to prevent overpayments.

We will continue to remind claimants in as many ways as possible of the need to inform the service of any change. Our claim review programme has drawn on previous experience and will be constantly monitored by outcome to ensure that we are achieving the highest value of work from our available resource.

**Measures of success:**

Change volumes per processing team and increase / decrease success rates will be monitored monthly.

**Objective 4b**

Carry out annual reviews of all Local Taxation Exemption and Discount policies and review programmes.

**Lead Officer:** Pete Middleton

**Assessment of Target:**

This target is achievable.

**Strategies for achieving objective:**

To ensure that the integrity of the council tax database is maintained and consequently that revenue is maximised by carrying out an annual rolling review of all discounts and exemptions.

The work will include an analysis of how discounts and exemptions are reviewed and confirm whether more effective ways of working can be developed.

The policies need to be reviewed by members periodically and particularly when there is a change or when planning the tax base.

This activity will include a review of existing policies, their effects on the wider aims of the council and the associated costs / savings. Options for alternative policies will be evaluated for member decision.

**Measures of success:**

Subject to a schedule to be agreed.

#### **4.5 Objective 5 – Maximum income / minimum debt**

Maximise the collection of all income, minimise the age and value of outstanding debts and optimise the cost of bad debt.

##### **Description:**

The Local Taxation Service exists to bill and collect Council Tax and Non Domestic rates and the targets associated with this objective are therefore key to its success. The revenue collected as a result of the team's activities has a direct affect on the Council's cash flow and the costs of collection.

The Local Taxation Service makes a significant contribution to the Central Debt Recovery team's Key Delivery Target (KDT) for Council Tax and Non Domestic rates debt by increasing in-year collection rates so that less debt is passed onto them.

The Benefit Service can reduce Housing Benefit debt by reducing the size and number of overpayments and the Benefit Debt Recovery team can reduce the impact of the overpayments identified by collecting them more quickly. Both can make a direct contribution to the Benefit element of the Council's debt reduction.

These areas influence the Council's use of resources and value for money.

##### **Objective 5a**

Maintain & improve on the Council Tax in year collection rate at 95.2% for 2011/12

**Lead Officer:** Pete Middleton

##### **Assessment of Target:**

This target represents a hard challenge in the current economic climate.

##### **Strategies for achieving objective:**

We'll identify specific target areas for improvement and take actions where possible. We need to improve our existing forecasting techniques, as they are unreliable, particularly approaching year-end.

We'll maintain our quick correspondence processing cycle times and we'll continue to monitor processing quality (see Objective 3)

We'll look for ways to understand the effects of the payment arrangements we agree to and whether it is possible develop recovery processes that take more account of previous payment histories.

##### **Measures of success:**

Monitored monthly through performance arrangements and regularly as required through Team Leader meetings.

### **Objective 5b**

Maintain & improve on the Non Domestic Rates in year collection rate at 98.5% for 2011/12.

**Lead Officer:** Pete Middleton

#### **Assessment of Target:**

The performance over the last 2 years has been above 98%, however, our steady improvement of the previous years has been stunted by the effects of the recession on the business community. It is difficult to predict when this collection rate will reach 99% and how much potential there is for further improvement. The number of businesses in financial difficulty will continue to make this target difficult to achieve.

#### **Strategies for achieving objective:**

Maintain existing processes whilst broadening the staff trained to undertake NDR work.

Continue to analyse opportunities to help businesses obtain the relief that could be available to them.

Income does not follow a straight line due to payment schedules and confidence in monthly forecasts can vary.

#### **Measures of success:**

Collection rates are monitored monthly as is the analysis of payers / non-payers. Revenue does not follow a month on month straight line due to payment schedules and the confidence in monthly forecasts can vary.

### **Objective 5c**

Hold Housing Benefit overpayment debt to £7.25 million at the end of 2011/12.

**Lead Officer:** Damon Shulman

#### **Assessment of Target:**

It may not be realistic to expect a reduction in overpayment debt in future years given the current economic situation and the increasing numbers of benefit claimants.

#### **Strategies for achieving objective:**

Recovery rates are largely dictated by policy and there is some but limited potential to increase the income via this route.

We have already taken actions to minimise the value of new overpayments through more frequent reviews and we are tackling quality improvement to reduce the cost of poor quality processing.

#### **Measures of success:**

Performance will continue to be monitored at least monthly.

### **Objective 5d**

Maximise the recovery of Benefit overpayment debts from debtors in and out of benefit with at least £800,000 collected from 'debtors' during 2011/12.

**Lead Officer:** Damon Shulman

#### **Assessment of Target:**

We will continue to monitor and forecast all aspects of debt collection in an attempt to establish a realistic picture of our performance. Improvements in debt management reporting through Northgate Systems over the past year have contributed towards a good level of understanding of the data. It is hoped that further improvements in Debt Recovery procedures will increase our success rate in debt collection.

#### **Strategies for achieving objective:**

The Debt Recovery team have introduced new approaches to managing debtors in order to maximise recovery & act on non-payment of arrangements. In addition, consistent methods of negotiation and recovery will be applied.

Control measures for debt write off have been improved & a new debt review process will also be implemented in order to assess ability to pay. This should increase payments on existing payment plans relevant to the circumstances of the each individual debtor.

#### **Measures of success:**

Debtor recovery will be monitored monthly.

### **Objective 5e**

To establish the accounting processes necessary to determine an appropriate value for the existing and future HB bad debt provision and identify the potential for savings for future years.

**Lead Officer:** Matt Willis/Damon Shulman

#### **Assessment of Target:**

We have developed a revised approach to the risk assessment of HB debt such that with the appropriate analysis and reporting in place, this target and consequential savings appear possible.

#### **Strategies for achieving objective:**

We're working with Financial Services and Internal Audit to ensure that our simplified approach to establishing the bad debt reserve is well tested, reliable before seeking the appropriate approvals.

This has the potential to provide a one time saving & possible MTRS savings.

#### **Measures of success:**

Regular reviews through to report preparation and final approval.

**Objective 5f**

Control Subsidy costs to cash limits and manage our financial forecasts.

**Lead Officer:** Alan Knight/Matt Willis

**Assessment of Target:**

There is a risk of benefit windfall costs exceeding estimates due to unpredictable growth in claimant numbers and even at maximum subsidy recovery rates this will put pressure on this “windfall” cash limited budget.

**Strategies for achieving objective:**

We’ll continue to integrate financial performance monitoring in our operational Performance Management arrangements.

We’ll continue to manage our claim suspension process closely to avoid “escapes” and minimise any risk to our Benefit subsidy.

**Measures of success:**

Monthly monitoring of financial and operational performance.

#### **4.6 Objective 6 – Fraud prevention**

Maintain and improve systems for the prevention and detection of Fraud

**Description:**

During 2010/11, the Benefits Service administered Housing Benefits worth in excess of £100 million and Council Tax benefits at approximately £15 million. The prevention and detection of fraud in these areas is therefore a fundamental responsibility of the Revenues & Benefits Service. Indications are that levels of benefit fraud are reducing due to the success of existing preventative measures but the risk of fraud remains and the Benefit Service Counter Fraud Unit continues to have a vital role to play in our prevention system. Key activities are the investigation of potential fraud cases; taking legal action against offenders and publicising results to serve as a warning to others and help maintain levels of awareness.

This objective contributes indirectly to the Council's "Reduce crime and fear of crime" theme but not to the Key Delivery Targets and it forms part of the Council's response to meeting the requirements of Section 17 of the Crime and Disorder Act.

##### **Objective 6a**

Sanction and publicise 110 cases of benefit fraud during 2011/12.

**Lead Officer:** Damon Shulman

**Assessment of Target:**

Evidence suggests this is a reasonable target, based on last year's performance.

**Strategies for achieving objective:**

The key strategy is to continue with the activities that have proven to be effective. However we will continue to review and update processes and procedure appropriately. We will particularly aim to improve methods of intelligence gathering by attempting to diminish the use of external agencies, by using the unit's staff to improve efficiency and reduce costs in this area.

The Unit will maintain its existing performance management arrangements in order to monitor referral volumes and quality and investigation quality. The Unit will maintain its links with the DWP whilst continuing to review the value for money offered by a range of referral sources, including NFI.

**Measures of success:**

Monthly monitoring to achieve 110 successful sanctions processed by year-end 2011/12.

##### **Objective 6b**



Maintain a programme of publicity throughout 2011/12 to maintain levels of fraud awareness across the Revenues & Benefits Service related PCC services and the general public.

**Lead Officer:** Damon Shulman

**Assessment of Target:**

In general, the publicity programme will be similar to that used in previous years but as past success in preventing fraud and a reduction in fraud awareness can both lead to less fraud referrals it'll be important to assess it's effectiveness.

**Strategies for achieving objective:**

The publicity and communications plan will be documented, as part of the Counter Fraud Unit's business plan and implementation will be monitored through performance management meetings.

**Measures of success:**

Publicity & Communication plan will be subject to a yearly review.  
Implementation monitored monthly.

#### **4.7 Objective 7 – Budget control and Value for money**

Establish management systems to ensure that budgets continue to be controlled well and savings opportunities are identified and implemented.

**Description:**

This objective is concerned with driving down the cost of service, while maintaining existing standards - many of the objectives in this business plan contribute to this objective.

The current economic environment & planned budget reductions will make it difficult to keep within budget levels, without some impact on service levels.

We have established detailed data on financial, performance and workload trends from recent years that will continue to demonstrate the reductions in our service costs. This also provides the basis on which to assess the effects of future changes and budget pressures.

We have introduced a new method of accounting for bad debt that will provide more stability and accuracy over the long term for both bad debt reserve and bad debt provision.

##### **Objective 7a**

Optimise service levels to the customer at a cost that does not exceed agreed cash limit budgets.

**Lead Officer:** Ed Woodhouse

**Assessment of Target:**

Success in achieving this target will be subject to our ability to contain workload growth due to the economic environment and the Council's need for further budget savings.

Administration budgets are under pressure as we try to maintain service standards with increasing workload and budget reductions.

**Strategies for achieving objective:**

Regular monitoring of financial and operational performance to ensure that Benefit Subsidy remains at maximum and administrative spend is in line with forecasts.

Risks of overspend or reductions in service standards will be highlighted to Members as and when necessary to ensure an agreed course of action.

**Measures of success:**

We'll monitor monthly through our performance management arrangements.

#### **4.8 Objective 8 – Transformation Programme**

Contribute to the Council's transformation programme

**Description:**

Contribute to the Council's transformation programme, supporting all work-streams under the programme and working with other services to ensure that the council is able to continue to provide high quality services within a tighter financial remit.

This objective also contributes to the Council's aims in improving efficiency and encouraging involvement.

**Lead Officer:** All Revenues & Benefits Managers

**Assessment of Target:**

It is currently unclear what direct involvement Revenues & Benefits will have in this programme. This will depend on the content and timing of the changes that will occur from Localism & Welfare Reform, currently going through Parliament.

**Strategies for achieving objective:**

For the year 2011/12, the Transformation Programme is planned to follow 2 distinct phases:

- (i) To approx July 2011 - development of business cases from outline to full
- (ii) From Aug 2011 onwards - implementation of business cases

**Measures of success:**

Required savings targets are met across the programme.

#### **4.9 Objective 9 – Staff wellbeing**

Maintain and improve the morale and wellbeing of our staff

**Description:**

The quality and efficiency of our services relies heavily on the wellbeing and effectiveness of our staff and this objective recognises that the Revenues & Benefits management team has a major role to play in helping to maintain a positive working environment.

This objective also contributes to the Council's aims in improving efficiency and encouraging involvement.

**Objective 9a**

To maintain and improve levels of staff awareness and involvement

**Lead Officer:** All Revenues & Benefits Managers

**Assessment of Target:**

This target is achievable providing we adopt a systematic and common sense approach.

**Strategies for achieving objective:**

Although we have some indications that the service is well informed, we want to be confident that everyone in the service continues to be aware of what the Council is doing, how the Revenues & Benefits service is performing and how it contributes to PCC's priorities.

We also want to continue to ensure that every member of staff understands their contribution to the service through one to one feedback and appropriate appraisals.

We would like as many staff as possible to be directly involved in our improvement programmes and for everyone to get regular feedback on how we're doing against our targets.

We'll consider a range of methods of maintaining open communications at all levels in our service.

**Measures of success:**

We'll continue to adapt our approach and assess our own progress through Management team meetings and based on staff feedback.

**Objective 9b**

Maintain morale and wellbeing.

**Lead Officer:** All Revenues & Benefits Managers

**Assessment of Target:**

Staff wellbeing is a significant issue as a result of the service reviews that are being undertaken across the organisation. The impact of budget reductions, and the welfare reforms that will affect Local Tax & Benefits will make this a challenging year with staff morale a key area for attention. We will need to maintain the current service standards while introducing changes, and we will continue to support staff as far as is possible through these processes.

**Strategies for achieving objective:**

We'll maintain our commitment to open and honest communications and to tackling the issues that concern or frustrate our staff.

We will make best use of the Learning & Development training programme to ensure we have well trained staff

We will continue to manage health and safety assessments and monitor work related stress absence.

We'll consider increasing home and flexible working to the benefit of staff and the efficiency of service delivery.

We will use discretion in applying the Council's policies to ensure that they are fair and effective.

**Measures of success:**

Progress will be monitored through Management team meetings.

**Objective 9c**

Reduce sickness absence to an average of 9 days per person

**Lead Officer:** All Revenues & Benefits Managers

**Assessment of Target:**

Corporate reporting is currently not available but our monitoring indicates that sickness absence for the service has steadied at an average of between 10 and 10.5 days per person. Each case of absence is treated on its own merits and it is not possible to assess whether further improvement is possible.

**Strategies for achieving objective:**

We'll continue to apply the Council absence policies fairly and effectively.

We'll ensure as far as possible that when new staff are recruited they have a beneficial effect on the service's absence statistics.

**Measures of success:**

Performance will be monitored through DMTs at least quarterly.



## 5 Governance

The Local Code holds the organisation to six core principles of governance:

### **1. We focus on the purpose of the authority and on outcomes for the community**

The Revenue & Benefits Service makes a direct contribution to the Council's corporate priorities:

Increase availability, affordability and quality of housing

- by administering housing benefit to enable tenants to afford their rent
- by providing tenancy support and safeguarding processes to prevent tenancy breakdown and prevent homelessness

Enable vulnerable people to maintain appropriate levels of independence

- by improving our customer access arrangements and supporting benefit take-up, money advice and Access point projects
- by joint working with other agencies to target benefit take-up, encourage the use of discounts and exemptions

Improve efficiency and encourage involvement

- by making year on year value for money and efficiency savings
- by involving staff in key change projects

The Revenues & Benefits Service contributes to Priority 6 and Priority 10 of the Local Area Agreement by ensuring that our more vulnerable residents have access to financial support in the form of Council Tax discounts and exemptions and through ensuring access to Housing and Council Tax Benefits. We also play a key role in encouraging the take up of these services and for promoting other PCC, government and voluntary services that provide related advice and support.

The service objectives are clearly matched with budgets (MTRS). The service manages performance through the indicators shown in the Appendices below, and through DMTs and specific performance meetings.

### **2. Members and officers work together to achieve a common purpose with clearly defined functions and roles**

The Head of Service provides regular updates to the responsible Director and meets with the Portfolio holder as required/necessary. Revenues & Benefits' purpose is clearly stated in this business plan.

### **3. Values for the authority on good governance are promoted and upheld through high standards of conduct and behaviour**

All staff are aware of policies such as the Codes of Conduct, Health and Safety, whistle-blowing and anti-fraud policies, and all staff have undertaken the necessary training. All staff have undertaken the required e-learning on financial rules.

**4. We take informed and transparent decisions, which are subject to effective scrutiny and managing risk**

Any key decisions are taken with the full involvement of Members. A risk register is included as part of this business plan, with risk owners assigned to the relevant risks. Risks are regularly reviewed through DMTs, project and other specific meetings.

**5. We develop the capability and capacity of members to be effective**

Our reports to cabinet/executive, council & scrutiny panels informs members and enables them to participate in setting the future direction of the Service. This is done whilst ensuring the members are aware of the constraints of government statute & regulation.

**6. We engage with local people and other stakeholders to ensure robust accountability**

This section incorporates our Duty To Involve.

We commenced a rolling survey programme of our Benefits customers in July 2010. This runs in parallel with the customer survey work performed by City Help Desk for our Local Taxation customers. These Customer surveys are performed so as to consult with customers and understand their perceptions of the service we offer. In time, this will provide an analysis of priorities for change and improvement.

The Service works closely with Registered Social Landlords, private Landlords, LA Housing, Housing Options, Fairer Charging team, the Local Pension service, EC Roberts, the Debt & Benefit Forum and other voluntary agencies. Where appropriate, this information is used to inform our service planning. We carry out EIAs where necessary, to ensure we take into account all members of the community.



## **6 Resources and Capacity**

### **6.1 Finance**

The Revenues & Benefits Service is directly responsible for the staffing and administration budgets that are required to operate Local Taxation and Benefits services, for the “windfall” budget that accounts for the income and expenditure associated with Housing Benefit, and for the income and expenditure related to Council Tax benefit.

Overall administrative budgets for 2011/12 have reduced from 2010/11 levels, owing to savings achieved. The Administration Grant is no longer ring-fenced but is included as additional funding within the overall cash limit.

The total administrative budget cash limit for 2011/12 is £4,338,960. More detail is provided in Appendix D.

No “windfall” saving has been committed for 2011/12, as the scope for savings in this budget have reached a perceived maximum. The forecast for benefit expenditure is over £118 million in 2011/12. Despite improvements in subsidy recovery and debt management, the net “windfall” cash limit for 2011/12 of £809,300 is under severe pressure in this financial year.

Close monthly monitoring will be essential throughout the year, as this budget is very sensitive to trends in claimant numbers, subsidy performance and the recoverability of debt. See Appendix E.

### **6.2 Value for Money and Efficiency**

See Objective 7 of this plan and Appendices A, B, C and D.

### **6.3 Human Resources (workforce planning)**

The Revenues & Benefits Service team structure is described in Appendix F. The “control” number for Revenues & Benefits during at 1<sup>st</sup> April 2010 is 178 staff comprising 167 Full Time Equivalents (FTE).

Our approach to workforce planning is to get “the right people with the right skills in the right place at the right time”. Through our business planning & regular review programmes, we have developed a clear understanding of the service needs, which we are able to meet by working with the staff & HR to be prepared for the future. In practice, this means that we have to be constantly ready to take a flexible approach, as there is no clear horizon of change in Local Tax & Benefits.

Revenues & Benefits is undergoing continual change, since its inception in 2005. The organisation shape and skills have been continuously analysed and reviewed to identify and deal with any training & staffing requirements. There are currently no apparent skill gaps, however, the future shape of the organisation is not yet clear. When this has been clarified, analysis will be

performed to establish if there are any potential skill gaps, and what the future shape and size of the organisation will need to be.

As it stands staffing numbers and skills are just about sufficient, provided there are no large unanticipated influxes of work. We currently have a hiring freeze, and we are not generally able to flex our staff numbers through temporary/contract staff, although extreme circumstances might require us to do so. Currently, we plan budget savings in advance, and therefore, have to date avoided the need for redundancies. As far as we are able, and given the unique nature of some of the roles in the service, we work to avoid single points of failure, and to ensure that knowledge is shared. For instance, there are 3 people in Revs & Bens who are project management trained and have been coached through the management of small to medium sized projects.

We work closely with HR Recruitment, Learning & Development to improve on our recruitment & training programme. All staff have received the necessary induction training, to ensure staff update their knowledge on a regular basis. We meet every 6 months to produce a forward plan for recruitment & training. In order to meet the requirements of legislative and system changes, we undertake a continuous cycle of review, leading us to redefine & agree our workforce plans into the future. This ensures that our workforce is able to perform the job role effectively. In the past we have identified the need for development of our management team. A number of Team Leaders in the Service has obtained a relevant management qualification from the Institute of Leadership Management.

The service workload has risen significantly over the past 5 years (23% increase in Benefits, 5% increase in Local Tax), however, we have managed this increase with significant reductions in staffing (10% reduction since April 2009).

Objective 9 (in section 4.9) covers our approaches to staff wellbeing and sickness absence.

The service will introduce flexible working where practical, and to this end, we plan to explore options to increase home working during 2011/12 subject to funding and the necessary systems infrastructure. It is recognised that Code of Connection 4.1 (Government Connect) may introduce some restrictions on home working – we are working with the Information Service to resolve any potential issues.

### **6.4 Information and Communication Technology**

All Revenues & Benefits services are heavily dependent on two IT systems, COMINO W1 for document management and Northgate for transaction processing. The Service has developed a close working relationship with Information Services and has a co-ordinated approach to change management led by the Policy Officer.

This plan assumes that the Revenues & Benefits services continue to operate using COMINO W1 during 2011/12 and that this version of the system continues to be supported for as long as necessary. It is anticipated that we will need to migrate to COMINO W2 or an alternative system within the next 3 years.

All changes to procedures and IT systems are managed through the Policy & Process team.

### **6.5 Asset Management**

The Revenues & Benefits Service has no property assets.

The Service currently occupies space on several floors of the Civic Offices and it rents space for some staff at several Local Area Housing Offices.

### **6.6 Sustainability & carbon management**

The service does not own energy consuming assets such as property and vehicles. Therefore, we are limited in what we can contribute, outside of responding effectively to corporate initiatives.

We introduced flat screen monitors in 2009 in response to staff demand and as a productivity and energy efficiency measure.

We have reduced desktop and network printers (from 48 in 2008) to 7, in favour of MFD printers. We have reduced our mobile phone usage to essential users only, going from 28 in 2008 to 10 handsets in 2011.

Average space usage in the Civic Offices is within the required standard of approximately 8 square metres per person.

We continue to increase the use of direct debit and electronic payment methods that reduce the need for paper and mail distribution. We have reviewed documents that are sent to customers to reduce the need for paper and mail distribution. We also, where possible, avoid travel to meet 3<sup>rd</sup> party suppliers through the use of Internet based webinars, and teleconferencing.

We met recently with the carbon management & sustainability co-ordinator – confirmed that we are acting where we are able to influence/reduce energy usage. Revenues & Benefits has 2 Green Champions who work within the broader programme on sustainability & climate change.

### **6.7 Equality and Diversity**

The Revenues & Benefits Service contributes to the Council's Equality and Diversity Strategy by providing Services that are accessible to all, Objective 1 and 2 of this Business Plan and directly linked to this strategy. We demonstrate our commitment through our continuous review of the Equalities Impact Assessments for all of our service groups.

## **6.8 Section 17 requirements**

The Revenues & Benefits Service contributes to the requirements of Section 17 of the Crime and Disorder Act through its anti-fraud systems as set here.

### Fraudulent benefit claims

Benefits claims are verified so as to secure the gateway to Housing Benefit & Council Tax Benefit. Claimants must prove their identity & circumstances before benefit is paid. We proactively review changes in circumstances, using our review team and visiting officers, who perform risk based checking of claims that are in payment.

The Counter Fraud Unit works to prevent and detect fraudulent claims to Housing Benefit and Council Tax Benefit. The Unit assesses allegations from many sources progressing investigations and, when fraudulent activity is identified and detected, we apply the Anti-Fraud Strategy and Fraud Prosecution Policies, using the sanctions available in these policies. This ranges from collecting the overpaid benefit through to prosecution in court. We also publicise the results of our work to act as a deterrent to potential offenders.

### Fraudulently claimed Local Taxation reductions

All reductions, i.e. discounts exemptions & all forms of relief are subject to an annual rolling review programme. For example, there is a check of student certification once the academic year has started. Site inspections are performed against empty property exemptions.

The Experian CitizenView system is used to check information on household membership, e.g. to verify single person claims, identity fraud, absconders.

## **6.9 Safeguarding**

As part of Portsmouth City Council, Revenues & Benefits has a responsibility to ensure that children, young people and vulnerable adults are kept safe from harm, including identifying and responding appropriately to safeguarding issues. Staff who are likely to come into contact with vulnerable residents have completed the relevant training to deal appropriately with such situations.

In addition, the Benefits service has specific policies & procedures to deal with the most vulnerable residents in the private rented sector. The PCC policy, specifically for Local Housing Allowance (private rented Housing Benefit), is designed to provide a safeguard for the most vulnerable tenants and minimise their risk of falling into rent arrears & so 'keep a roof over their head'. It is underpinned by the Benefit service's processes. In full, the policy aims are:

- Provide a safeguard for the most vulnerable tenants and reassure them that their benefit and rent will be paid
- Prevent rent arrears and tenants being put at risk of eviction

- Help to sustain tenancies for vulnerable tenants
- Reassure landlords that their rent will be paid if they have vulnerable tenants or are approached by vulnerable tenants
- To sign post tenants to other agencies where necessary to give people the opportunity and support to manage their own financial affairs
- To make reasonable, fair and consistent decisions
- Promote a transparent and simple process that is understood widely
- To treat each case individually and not make assumptions about people's situations

For our users of the Department for Work & Pensions (DWP) Customer Information System (CIS) we will adopt, as per their requirement, the Government's 'Minimum Requirements for the Verification of the Identity of Individuals'.

## **7 Risk Management**

The risks identified in the following section of this plan have been assessed to be the major risks to the objectives and targets set in this plan.

Specifically in view of the current economic climate, and the Council's planned budget reductions, the service has set performance targets that reflect the risks associated with our likely ability to manage significant increases in workload and to implement change projects during the year with the resources currently available.

Operational risks are continually assessed by way of our weekly and monthly performance management arrangements. Risk scoring is only updated for the purposes of this plan.

### **7.1 Counter Fraud**

The Service reviews its general Counter Fraud risks annually in line with Internal Audit self-assessment questionnaire.

The specific risks of Fraud associated with the administration of Council Tax and Business rate discounts and exemptions and Housing and Council Tax benefits are covered in detail by the objectives contained in this plan.

### **7.2 Business Continuity Planning**

The Service's Business Continuity Plan is reviewed in January of every year but it is also updated as and when necessary as the result of changes within the service.

The plan complies with corporate guidance and it complements corporate Business Continuity and Disaster Recovery arrangements.

## 7.3 Risk Management scores

<b>Risk Number</b>	<b>Risk Description</b>	<b>Outcome(s) of the Risk</b>	<b>Link to Objective No.</b>	<b>Risk Owner</b>	<b>Probability</b>	<b>Impact</b>	<b>Net Risk Score</b>	<b>Control Measures</b> Red-Uncontrolled Amber-Partial Green-Controlled	<b>Control Owner</b>	<b>Probability</b>	<b>Impact</b>	<b>Controlled Score</b>	<b>Effectiveness of Controls</b>	<b>Action</b>
1	Negative effects of the budget reductions	Reduction in capacity and productivity impacts performance	All	PCC	3	4	12	Amber	EW	3	3	9	2	Continue with work to support staff through the changes
2	Requirement for further significant savings	Reduction in capacity to improve and or maintain performance	All	PCC	3	4	12	Amber	EW	3	3	9	2	Prioritise targets to limit effects
3	Welfare reform	Serious impact on large numbers of Benefit claimants	1-4	PCC	3	3	9	Amber	EW	3	3	9	1	Provide support to residents wherever possible
4	Welfare reform	Potential impact on staff, resulting from plans to move Benefits activity from LA to DWP from 2013 onwards	All	EW	3	3	9	Amber	EW	3	2	6	2	Provide support to staff as reform proposals develop
5	Loss of key staff	Loss of skills and	All	EW and	3	3	9	Amber	EW	2	3	6	2	Work to minimise

# Revenues & Benefits Service Business Plan 2011-2012

		capacity impacts performance		service Managers										single points of failure; Maintain 1:1s
6	Major unplanned change in Member priorities	Deployment of resources to non business plan activities	All	EW	2	2	4	Green	EW	1	2	<b>2</b>	2	Member contact to prevent and or anticipate
7	Cumulative effect of targets exceeds capacity	Inability to deliver all objectives and targets	All	EW and service managers	3	2	6	Green	EW	3	2	<b>6</b>	1	Performance monitoring to anticipate and reprioritise.
8	Benefit expenditure exceeds plan	Impacts on budget forecast	5	EW	3	2	6	Amber	EW	3	2	<b>6</b>	1	Performance monitoring to anticipate, report and protect priorities
9	Benefit claimants numbers growth/ change activity exceeds processing capacity	Processing service standards would decline	3	EW & AK	3	3	9	Amber	EW	3	2	<b>6</b>	2	Performance monitoring to anticipate then protect priorities
10	IT Systems loss / failure disrupts processing capability	Processing and payment processes impacted	3	EW and service managers	1	4	4	Green	EW	1	1	<b>1</b>	3	Continue to maintain and test IT Disaster Recovery procedures
11	Processing quality fails to improve	Error rate does not improve, leading to negative impact on Subsidy	3	EW & AK	2	3	6	Green	EW	2	2	<b>4</b>	2	Monitor to anticipate and respond to risks.



## **8 Performance Monitoring and Review**

The Revenues & Benefits Service has well-established performance management arrangements with the Performance team playing a key role in analysis and reporting.

Audit Commission reviews of the Benefits and Local Taxation Services have commented positively on the availability and use of management information.

Despite the Government's reduction in the number of national targets, we continue to take a broader view of customers needs and what we want our services to achieve. As a result, this business plan has a balanced set of objectives and a mix of process and key activity targets.

Our Performance Management arrangements will continue to ensure that the senior management team reviews all of the objectives and targets in this plan at least monthly, with meetings held as necessary to monitor key projects, changes and areas of under performance.

We'll continue to operate using the following principles:

- We do what we say we will unless we're forced to reprioritise.
- We make more use of customer perceptions and "softer" satisfaction and performance indicators to tell us what customers think of the service.
- We monitor the progress and outcomes of our improvement activities and project work.
- We understand the capacity for further improvement of our existing processes, systems and staffing structure.

The Performance team will continue to act as a conscience on behalf of our customers for all Revenues & Benefits Services, ensuring that we maintain a view of how we compare to the very best performers.

## 8.1 Appendix A: Performance trends

<b>Benefits Service Indicators</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>
<b>Quality</b>			
Processing quality	91.74%	94.50%	92.00%
<b>New Claims</b>			
Year end work in progress	782	594	604
Received year total	11932	11235	9988
Average cycle time (days)	23.02	23.4	22.78
<b>Changes</b>			
Year end work in progress	2059	1606	2664
Received year total	52990	52646	63838
Average cycle time (days)	11.14	7.87	9.29
<b>Overpayment Debt</b>			
Total debt collected from Benefits	N/A	£1,262,661	£1,254,534
Total debt collected from Debtors	N/A	£694,569	£778,558
Total outstanding	£6,552,005	£6,877,249	£7,344,933
<b>Reviews</b>			
Review change success rate	N/A	N/A	45.09%
Data Matches resolved within 2 months	100%	100%	100%
<b>Fraud</b>			
Fraud referrals received	817	889	936
Fraud Investigators	5.25	4.2	4
Number of closed investigations	643	655	597
Successful sanctions	105	106	113
<b>Appeals</b>			
Appeals processing speed (days)	16.72	16.02	17.10
Revisions processing speed (days)	13.15	17.05	16.93
Two Homes processing speed (days)	47.64	37.25	27.50
DHP processing speed (days)	29.15	18.75	13.79
Backdating processing speed. (days)	40.66	24.95	21.79
<b>Windfall Budget</b>			
HB/CTB expenditure	£97,679,213	£110,167,944	£117,297,950
HB/CTB subsidy	£94,315,223	£106,510,570	£113,493,082
Subsidy recovery (Inc HRA transfer)	96.56%	96.68%	96.76%
Subsidy loss due to eligible Overpayments	£1,300,038	£1,543,299	£1,647,407
	1.33%	1.40%	1.40%
Subsidy loss due to LA error Overpayments	£0	£0	£0
	0.00%	0.00%	0.00%
Eligible error Overpayments	£2,166,730	£2,572,165	£2,745,679
Eligible error as % of correct Expenditure	2.33%	2.45%	2.46%
LA error Overpayments	£256,540	£277,210	£225,092
LA error as % of correct Expenditure	0.28%	0.26%	0.20%
<b>National Indicator NI 181</b>			
Benefits processing cycle time average (days)	12.87	9.70	10.84
<b>Local Taxation service Indicators</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>
<b>Combined CT &amp; NDR</b>			
Quality indicator	N/A	96%	96.2%
<b>Council Tax</b>			
Council Tax charge	£65,321,682	£67,678,411	£67,880,445
Percentage of Council Tax collected	94.56%	94.98%	95.06%
Council Tax correspondence turnaround time (days)	6.81	6.15	6.11
Council Tax % of correspondence older than 30 days	4.03%	4.07%	10.13%
Collection - year end work in progress	756	896	913
Properties - year end work in progress	877	892	973
Recovery - year end work in progress	1203	885	689
<b>Non Domestic Rates</b>			
NDR Charge	£68,630,753	£72,835,803	£73,006,898
Percentage of NDR Collected	98.10%	98.29%	98.11%
NDR correspondence turnaround time (days)	10.11	6.78	5.71
NDR % of correspondence older than 30 days	11.68%	6.39%	5.60%

## 8.2 Appendix B: MTRS savings

Revenues & Benefits MTRS contributions						
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>Administration savings</b>						
Business Improvement post	£53,000					
HB Support Manager	£38,700					
Admin grant		£150,000				£146,400
CFU Investigator posts (2)		£54,500				
Reduced charge from LAH		£71,000	£68,000		£55,000	
Introduction of BACS			£14,000			
CFU Team Leader			£37,000			
CFU Admin post			£21,000			
Visiting Officer post			£21,000			
HB Clerical post			£14,000			
Scanning/Indexing post			£14,000		£18,500	
Reduced Agency budget					£30,000	£24,400
2 x CFU posts combined					£21,500	
Performance Services Mgr						£61,300
Combine CFU & DR Mgr						£40,000
Vacant posts in 10/11						£152,000
Reduced hours/end acting up						£11,400
Print & Post savings						£24,000
Value of savings by year	£91,700	£275,500	£189,000	£0	£125,000	£459,500
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
<b>"Windfall" budget savings</b>						
Reduction in overpayments	£175,000					
LA error below 0.54% trigger			£165,000			
LA error below 0.48% trigger				£132,700		
Value of savings by year	£175,000	£0	£165,000	£132,700	£0	£0
<b>Total savings by year</b>	<b>£266,700</b>	<b>£275,500</b>	<b>£354,000</b>	<b>£132,700</b>	<b>£125,000</b>	<b>£459,500</b>

### 8.3 Appendix C: Performance metrics

<b>2010/11 Performance metrics</b>			
<b>Local Taxation</b>			
<b>Description</b>	<b>Measurement</b>	<b>Target</b>	<b>Actual</b>
Council Tax Collection	Local	95.2%	95.10%
NDR Collection	Local	98.5%	98.10%
Correspondence processing	Local	6 days	6 days
Processing Quality	Local	97%	96.2%
<b>Benefits</b>			
<b>Description</b>	<b>Measurement</b>	<b>Target</b>	<b>Actual</b>
NI181 Processing speed	NI 181	12 days	10.84 days
New Claim Processing Speed (Average)	Part NI 181	22 days	22.78 days
Changes Processing Speed (Average)	Part NI 181	10 days	9.29 days
Accuracy of Assessments	Local	96%	92.00%
HB Sundry debt recovery	Local	£700,000	£778,558
LA error overpayments	Subsidy %	<0.48%	0.20%
Fraud Sanctions (Year total)	Local	105	113
<b>General</b>			
<b>Description</b>	<b>Measurement</b>	<b>Target</b>	<b>Actual</b>
Sickness absence (per head)	Corporate	<10 days	10.8 days

**8.4 Appendix D: Revenues & Benefits Administration Budgets**

<b>Administration Budgets</b>			2009/10	2010/11	2011/12
<b>Expenditure</b>					
	Employees				
		Local Tax	£632,700	£685,387	£699,478
		CTB	£1,204,586	£1,070,893	£1,088,027
		HB	£2,837,195	£2,882,139	£2,629,980
	Supplies & Services				
		Local Tax	£154,700	£140,628	£119,000
		CTB	£0	£0	£0
		HB	£142,100	£222,402	£210,500
	Premises costs				
		Local Tax	£0	£1,456	£0
		HB	£0	£0	£0
	3rd Party payments				
		Local Tax	£39,800	£7,141	£19,500
		HB	£5,000	£2,014	£5,000
	Transport				
		Local Tax	£5,000	£1,946	£3,300
		HB	£11,000	£11,969	£12,800
	Internal recharges				
		Local Tax	£101,000	£93,853	£96,400
		HB	£189,800	£143,788	£165,372
	Income reserve for bad debt				
		Local Tax	£140,600	-£110,594	£0
<b>Income</b>					
	HB/CTB Admin Grant				
		CTB	-£908,532	-£934,032	£0
		HB	-£1,232,695	-£1,191,058	£0
	Local Tax costs				
	Receipts	Local Tax	-£293,900	-£288,134	-£300,000
	Misc.	Local Tax	-£491,200	-£205,567	-£232,989
	Government Grant - NNDR		£0	-£5,383	£0
<b>CTB "windfall" budget</b>					
	Council Tax Benefit				
		Expenditure	£13,554,232	£14,772,725	£15,069,859
		Subsidy income	-£13,496,711	-£14,542,554	-£14,848,680
		Overpayments due	-£404,675	-£390,829	-£398,587
<b>Total Admin Cash limit</b>			<b>£2,213,200</b>	<b>£2,245,141</b>	<b>£4,338,960</b>

## 8.5 Appendix E: Revenues &amp; Benefits “Windfall” Budgets

HB "Windfall" Budgets				2009/10	2010/11	2011/12
<b>Local Authority Tenants</b>						
	Rent rebate expenditure			£35,755,396	£36,928,864	£38,432,858
	Subsidy income & HRA contribution			-£35,233,070	-£36,423,067	-£37,871,443
	Overpayments due			-£917,576	-£890,256	-£981,953
	Provision for Overpayments not collected			£197,876	£108,518	£211,138
	Prior year subsidy adjustment			-£3,173	-£47,438	£0
	<b>Net</b>			<b>-£200,547</b>	<b>-£323,379</b>	<b>-£209,400</b>
<b>Private Sector Tenants</b>						
	Rent allowance expenditure			£56,974,277	£62,135,814	£63,639,759
	Subsidy income			-£56,215,480	-£61,148,205	-£62,775,887
	Overpayments due			-£1,533,639	-£1,695,737	-£1,691,945
	Provision for Overpayments not collected			£387,648	£301,710	£374,725
	Discretionary Payment Subsidy income			£10,705	£0	£0
	Prior year subsidy adjustment			£23,899	£6,910	£0
	<b>Net</b>			<b>-£352,590</b>	<b>-£399,508</b>	<b>-£453,348</b>
<b>Total HB Windfall</b>				<b>-£553,137</b>	<b>-£722,887</b>	<b>-£662,748</b>
<b>Total HB Windfall Cashlimit</b>				<b>-£796,100</b>	<b>-£803,500</b>	<b>-£809,300</b>

**8.6 Appendix F: Revenues & Benefits Service structure**  
(managers & team leaders shown below)

