



Haringey Council

Report for	Overview and Scrutiny Committee 10 October 2011	Item number	
Title	Briefing on the current challenges and performance of the Benefits Service		
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Ward(s) affected: All	Report for Key/Non Key Decision: Non-key		

1. Describe the issue under consideration

The Overview and Scrutiny Committee is considering undertaking a review of the Benefits Service, located within Benefits, Local Taxation and Customer Services.

This briefing identifies the short term and longer term changes that the service is facing so that Committee Members can decide whether a review at this current time is the best use of resources.

2. Supporting Information

2.1 Short Term Changes

The Benefits service is incorporated within the Benefits, Local Taxation and Customer Services Division within Corporate Services. The services have recently integrated and this was only agreed at the Corporate Committee on the 27th September 2011. 60% of the enquiries currently received by Customer Services are Benefits and Local Taxation related. The integration provides the opportunity to achieve efficiencies and performance improvements by providing



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a joint approach to customer demand and a merged front and back office. This will reduce hand-offs, rework and duplication of effort.

Benefits Officers previously located in the back office have now moved to the Customer Services Centre so that they see customers face to face and can not only provide expert advice but will be able to process claims or changes while the customer is present.

However, recruitment following the integration and a changing operating model is only just being introduced and will take time to implement and to drive up performance.

2.2 Longer Term Changes

The Coalition Government Welfare Reform Bill was introduced to Parliament on 16th Feb 2011, which announced a number of changes to the welfare system which will come into effect between October 2010 and 2013/14. The major changes are”

- The introduction of Universal Credit - a new ‘working age’ benefit to replace the existing provision in tax credits, Employment Support Allowance, Job Seekers Allowance and Income Support and Housing and Council Tax Benefits.
- Local Council Tax Benefit Scheme - As part of the Welfare Reform programme, the government announced that Local Authorities will be given a greater say in decisions on helping people on low incomes pay their Council Tax, but this was set alongside a 10% reduction in Council Tax expenditure in this area, from 2013/14. Currently the system for providing help with Council Tax bills is through Council Tax Benefit, which is administered by Local Authorities, but on the basis of rules that are set by central government. It is proposed that from 2013/14, the current Council Tax Benefit scheme will be abolished and its replacement would be localised schemes which would not form part of the new Universal Credit payment to benefit claimants.

Both of these changes will have a significant impact on the Benefits service in terms of staffing levels and administration subsidy received. Although these measures do not commence until 2013, both the Universal Credit and Local Council Tax Support scheme are at the consultation phase.

2.3 Current Performance



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Maintaining and improving performance is challenging for the service as benefit demand is increasing monthly during a period of resource reduction. The service currently receives 50-60 new claims per day. These claims are either from claimants moving into the borough or from existing claimants who switch 'in and out' of benefit due to employment. A total of 18,105 new claims have been received since May 2010 and the current caseload has increased by 5,000 since 2009.

However, I am pleased to report that new claims are processed immediately when all information is provided to us. The service also receives 202 changes to existing benefit claims per day. The key measure that is reported to Members is the average time taken to process Housing Benefit/Council Tax Benefit new claims and changes, in days. Although demand has increased I am pleased to report that there has been a 2 day improvement from July 2011 to August 2011 and the year to date performance is 19 days against a target for 2011/12 of 19 days.

3. Recommendations

- 3.1 The report for the integration of Benefits, Local Taxation and Customer Services was only approved at the Corporate Committee on the 27th September 2011. There are now significant challenges to implement a revised working operational model to ensure that efficiencies are achieved against a backdrop of increased demand.
- 3.2 The longer term changes require the service to analyse the impact and contribute to the consultation currently being undertaken.
- 3.3 Therefore, the recommendation is that a review of the Benefits Service is considered at a later date when the developments of the Welfare Reform consultation is known and/or the performance of the service does not improve.