



Leicester
City Council

**PVFM SELECT COMMITTEE
CABINET**

**16th March 2011
21st March 2011**

**BENEFITS SERVICE IMPROVEMENT PLAN
– PROGRESS THE END OF DECEMBER 2010**

Report of the Chief Finance Officer

1. Purpose of Report

- 1.1 The purpose of this report is to advise members of the progress made in implementation of the benefit improvement plan.

2. Summary

- 2.1 The improvement plan was approved in August 2009 following an inspection of the benefits service by the Audit Commission early in 2009.

- 2.2 Members approved a three-year plan focusing on the five key areas for improvement.

- a) telephone access
- b) face to face access
- c) web access
- d) speed of claims
- e) accuracy of processing

- 2.3 This report is the fifth review since the programme was approved in August 2009. In summary the service reports a slower continuation of the promising start to the programme because of an increasing caseload and work volumes. Despite the financial climate, the service intends to achieve and maintain the stretching performance targets. Face-to-face access has improved and telephony access has considerably improved. New claims processing has exceeded its target of 25 days processing by September. We have yet to achieve our change in circumstance target of 10 days processing but hope to do so by the fourth quarter of 2010/11. Processing of claims within 5 days of receipt of all information has yet to be achieved. Accuracy of assessments has improved. The improvement strategy for web access was live from January 2011.

- 2.4 The original plan with the update on the programme is provided at Appendix A.

- 2.5 Performance against benchmarked authorities is provided in Appendix B.
- 2.6 Since the plan was approved, the Council has had to make substantial budget reductions for 2011/12. We have also suffered a 14% cut in the housing benefit administration grant. Savings in the service have been designed so as to protect the improvement plan and enable the service to continue meeting its targets.
- 2.7 The benefit service faces substantial upheaval with the introduction of universal credit from 2013/14, the details of which remain to be determined. This change will require substantial planning.

3. Recommendations

- 3.1 The Select Committee is recommended to:
- (a) note the continued improvement in performance seen since the plan's fourth review in November 2010 and
 - (b) note progress on individual elements of the action plan (Appendix A).
- 3.2 Cabinet is asked to approve the proposed reduction in telephone hours (see para 4.5).

4. Current performance

- 4.1 This section of the report discusses performance in respect of the improvement plan in more detail.
- 4.2 **Telephone waiting times:**
- 4.2.1 Performance has been steadily improving over the past three months. Since the previous report, waiting times had already reduced from an average of six minutes in 2009/10 to one and half minutes by the end of the third quarter of 2010/11. Our best performance for the year was recorded in August when the average waiting time reduced to 1.2 minutes. We have yet to achieve the 1-minute waiting time targeted by the end of December 2009; but we will continue to aim to reduce the waiting times.
- 4.3 **Face to face access:**
- 4.3.1 The improvement plan set a target that no customer should wait longer than 10 minutes beyond the time of his or her appointment. Our systems can only measure average waiting times from the point of their arrival. The waiting times at Wellington House reception for those seen by appointment have reduced from an average 7 minutes in 09/10 to 4 minutes during the ten months to December 2010.
- 4.3.2 We also measure a sample to see how long we are delaying customers beyond their appointment time. This shows a small number of

customers are still seen more than ten minutes after their appointment time but these numbers are reducing month on month. Improved management of the reception functionality through the new-dedicated team leader means customers are seen quicker.

- 4.4 Our recent customer satisfaction survey showed 88% of our customer's rate the service they receive to be good or excellent.

4.5 Other

- 4.5.1 In September, the telephone service extended its operating hours from 8am to 8pm weekdays plus Saturday mornings. Take up of this service has been low – in the period September 2010 to November 2010 44,000 calls were taken in normal hours and 3,000 in the extended hours. The majority of these 3,000 were taken between 5pm and 6pm. As part of the 2011/12 budget strategies, Customer Services Call Centre is reducing operating hours to 8am to 6pm Monday to Friday. It is proposed that the benefit service reduce to the same operating hours for the following reasons: -

- a) Front line call handling is shortly scheduled to form part of a corporate telephone service (the One Council One Contact project). It will create complexity if the Revenues & Benefits service is answering calls at times the corporate call centre is not open;
- b) it will release staff capacity for other tasks.

- 4.5.2 If members accept this proposal, it is noted that telephone lines will still be operating an hour and half longer than they used to, which is when the majority of the out of hours calls are answered.

- 4.5.3 Other changes to housing benefit legislation from April 2011 will mean an increase in customer contact. The service is planning to limit the anticipated increase in traffic through citywide publicity and direct mailing to claimants telling them of the changes. Despite this proactive work there will be an impact on the service and this is likely to impede the service's ability to achieve a reduction in telephone waiting times during the fourth quarter.

4.6 Web access:

- 4.6.1 A medium term improvement is to allow customer access to web information and on-line access.

- 4.6.2 We have now implemented an in house software package to replace our current appointment system, which will allow Customer Service officers to book appointments for customers. This new appointment system went live on the 1st October 2010.

- 4.6.3 The provision of a facility to enable customers to view their council tax/business rate accounts and benefit claim records on line is now live and this facility will be promoted with the on-line claims functionality (see below).

4.6.4 A facility for the public and stakeholders to apply for benefit on line went live in September 2010. This has seen a slow start as we have not advertised it widely, but applications through this route are increasing. So far 180 claims have been made through this route with Registered Social Landlords, Customer Services staff and Welfare Rights Service beginning to apply on line in recent weeks. We are working closely with the Council tenancy sign up team to streamline the process for sign up, submission of a benefit claim (if appropriate) and payment arrangements for both rent and council tax.

4.6.5 Publicity to promote the on line access and claim submission facilities will be included with annual billing leaflets to all households in March 2011. An article will appear in Link magazine at the beginning of the year with additional marketing on the council website targeting new and existing customers to encourage them to view their accounts and benefit details on line rather than contacting the service direct. It is hoped that the new systems will reduce the amount of telephone and written contact.

4.7 Time to process claims and changes to claims

4.7.1 The improvement plan requires us to achieve an average processing time for a new claim of 25 days and an average processing time for a change in circumstance of 10 days by September 2010. Current performance on new claims is 22 days and has beaten the target by 3 days. Processing of changes in circumstance is being maintained at last year's performance of 12 days and we have yet to meet the September target of 10-days.

4.7.2 The Benefit caseload continues to rise, but not at the same rate as previously reported and now stands at 42,198. The volume of changes the service is required to process is projected to increase by 25% (33,000) on last years figures by the end of 2010/11. This is primarily the reason why the change in circumstance target of 10 days has yet to be achieved.

4.7.3 The improvement plan requires us to deliver a guarantee to our customers that within five working days of the customer providing all the relevant information a decision will be reached on their claim. Delivery against this improvement was to be realised by September 2010. Current performance had improved from an average of 8 days to 7 days and currently operates at 8 days; this remains a challenging target. Publicity to promote the guarantee was included with annual billing leaflets in 2010 to existing customers and advertising has been targeting potential new customers to encourage them to return their supporting evidence promptly.

4.8 Accuracy of processing

4.8.1 The improvement plan requires the introduction of quality checks before benefit is awarded, instead of retrospectively. The system needs to ensure errors are fed back to officers immediately and corrective work takes place within 24 hours to minimise disruption to

customers. The service is improving in the field. Last year claim payment accuracy was at 80% for our poorest performer. This year current performance against payment accuracy is 94% and this improvement is being maintained.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

a. Financial Implications

There are no financial implications.
Alison Greenhill Principal Accountant (Revenue)

b. Legal Implications

There are no legal implications.
Peter Nicholls Service Director - Legal Services

c. Climate Change Implications

This report does not contain any significant climate change implications and therefore should not have a detrimental effect on the Council's climate change targets.
Helen Lansdown, Senior Environmental Consultant - Sustainable Procurement

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph/References Within Supporting information
Equal Opportunities	NO	
Policy	NO	
Sustainable and Environmental	NO	
Crime and Disorder	NO	
Human Rights Act	NO	
Elderly/People on Low Income	NO	
Corporate Parenting	NO	
Health Inequalities Impact	NO	

7. REPORT AUTHOR/OFFICER TO CONTACT

Mark Noble
Chief Finance Officer
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and
Caroline Jackson
Head of Revenues and Benefits
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21 February 2011

Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)

Benefits Service Improvement Plan

Theme 1 - Improving Telephone Access

Aim to reduce average telephone waiting times to one minute by December 2009.

Action Required	Original Implementation Date	Current position
Recruit six staff, to be trained and effective within 12 months.	December 2009	Completed January 2010 (Staff)
The above action will be supplemented by use of an off-site telephony contract dealing with peak overload telephone calls. In the short-term, use of the off-site contract will be expensive; by Autumn 2010, the service will be reliant upon the extra staff, using the off-site contract purely at peak periods.		Completed July 2010
Use more sophisticated routing through the telephone system so that customers are directed to the right people first time (eg by asking a customer to select '1' for new claims, '2' for change of circumstances etc).		Completed July 2009
Introduce pilot call-back facility, whereby customers can leave message and staff return call within 24 hours (usually same day).	Completed July 2009. Call volumes currently 70 to 90 per day.	Current operating as standard.
Extend telephone operating hours with reduced lines until 8.00 pm Monday to Friday, and Saturday morning 9.00 am to 1.00 pm.	September 2010	Completed from September 2010, but review proposed.

Benefits Service Improvement Plan

Theme 2 - Face-to-Face Access

Action Required	Original Implementation Date	Current position
Extend the current appointment handling system deployed at Wellington House (Jayex) to offer a web-based appointment system, adapting the current system used in the health sector. This will need software to be written for the purpose, which the supplier will develop. Alternative suppliers are also being considered.	December 2009	As previously reported, cost effective solution was not available. Instead we have introduced an in-house software package to replace our current appointment system. Completed September 2010
Expand the "24 hours new claim service", which guarantees a 24-hour turnaround of claims assessments if all documentation is provided, to the, Charnwood Customer Service Centre, (Merlyn Vaz), Brite centre & New Parks Customer Service Centre.	December 2009	Charnwood Customer Service Centre, (Merlyn Vaz), complete 22.2.10 Brite centre completed 27/4/10 New Parks Customer Service Centre. Completed 27/4/10
Improve scanning facility in Wellington House to allow direct copying to data image processing system.	October 2009	Completed October 2009.
Expand opening hours on basis of reduced service to 6.00 pm Monday to Friday (ie a further 1.5 hours); and Saturday morning 9.00 am to 1.00 pm. (Requires staff terms and conditions review as pre-requisite).	September 2010	As previously reported not implemented in the face of imminent financial cuts.
Provide option for customers to drop off documents in free standing "post box", to avoid queuing. This facility will require customers to complete their own details on the face of a deposit envelope, and tear-off a receipt slip.	November 2009	Completed November 2009.
Integrate customer access with new front of house provision at former Post Office.	April 2011	Opening of new customer services facility currently being reviewed and will slip beyond April 2011

Benefits Service Improvement Plan

Theme 3 - Web Access

Action Required	Original Implementation Date	Current position
Purchase additional IBS system module enabling customers to apply for benefit and manage claims online.	December 2009	Live 6th September 2010
Install bank of 2 PCs at Wellington House for use by customers to access their online details.	December 2009	Completed August 2010.
Review ability to provide self-service access to enable customers to view their council tax/business rate accounts and benefit claim records. This would reduce telephone and face-to-face queries. A self-service module is available with the existing system, but security concerns need to be resolved. This is potentially a significant project.	June 2010	Completed January 2011

Benefits Service Improvement Plan

Theme 4 - Improved Speed of Claim Processing

Action Required	Original Implementation Date	Current position
<p>Improve average processing time for new claims and changes. Customer guarantee: Once a customer provides all information to support their claim for benefit or a change in circumstances the decision about an award of benefit or a change to their entitlement will be processed within 5 working days. This places the emphasis of evidence gathering on the customer.</p>	September 2010	5 days target still (narrowly) not being achieved.
<p>Further Improve average processing time: Customer guarantee: Once a customer provides all information to support their claim for benefit or a change in circumstances the decision about an award of benefit or a change to their entitlement will be processed within 3 working days.</p>	March 2011	See above
<p>Encourage a pro-active response from the customer to provide supporting information promptly through publicity campaigns across the city.</p>	March 2010	Completed in consultation with Stakeholders and Benefit Community Group. Ongoing process.
<p>Communication Review. Review all customer correspondence to highlight the pro-active approach to evidence gathering and customer guarantees on New claims processing and reporting changes and ensures it communicates effectively with its audience.</p>	March 2010	Completed June 2010

Benefits Service Improvement Plan

Theme 5 - Improve Accuracy of Processing

Action Required	Implementation Date	Current position
Introduction of quality checks before benefit is awarded, instead of retrospectively. System needs to ensure errors are fed back to officers immediately and corrective work takes place within 24 hours to minimise disruption to customers.	Completed in June 2009	Quality continues to improve and maintained. The Service closely monitors this action to ensure improvement is sustained.

Key to shading:	Comment
	On target for completion within timescales
	Cause for concern. May not be completed on target
	Delayed or unachievable.
	Completed
	Deadline not yet reached

Key Performance Information

Benefits Service performance	2007/08 (When decision to inspect was taken)	2008/09	2009/10	2010/11 Year to date	Action Plan Target by Sept 2010	Benchmarking information for 2009/10
New claims processing	37.5 days	30.2 days	27 days	22 days	25 days	26.3 days
Change of circumstance processing	17.7 days	14 days	12 days	12 days	10 days	11 days
Number of days to assess a decision once all information received.	Not recorded	Not recorded	8 days	8 days	5 Days	Not recorded
Waiting times at Wellington House Reception (with appointment)	Minimal number recorded	Average 10 minutes	Average waiting time to date 6 minutes	Average waiting time to date 4 minutes	Never longer than 10 minutes for appointments	N/A
Telephony waiting times	13 minutes on average	9.4 minutes	Average waiting time 6 minutes	Average waiting time to date 1.41 minutes	One minute by December 2009	N/A

Benchmarking with key authorities with CIFPA. Leicester is compared against unitary or metropolitan authorities including: Milton Keynes, Southwark, Tower Hamlets, Coventry, Hull, Lambeth, Manchester, Newcastle, Sandwell, Nottingham City, Doncaster, Bradford.