

EXECUTIVE COMMITTEE – 14 FEBRUARY 2018

ITEM FROM AUDIT AND SCRUTINY COMMITTEE MEETING OF 15 JANUARY 2018

8. AUDIT OF HOUSING BENEFIT - RISK ASSESSMENT REPORT

- 8.1 There had been circulated a report by Service Director – Customer and Communities detailing the outcome of the Housing Benefit Risk Assessment carried out by Audit Scotland during July 2017. Although Scottish Borders Council had demonstrated awareness of what constituted effective and secure benefit delivery, there were six risks arising from this risk assessment and an action plan has been created to address these. The Service Director – Customer and Communities was in attendance and advised that overall the report was welcomed and the risks identified were accepted. However, in a response to Audit Scotland's report, the Council had expressed disappointment that the report had not reflected the reduction in funding from the Department for Work and Pensions, whilst maintaining one of the lowest administration costs within Scotland.
- 8.2 Referring to Audit Scotland's report, Ms Craig advised that with the imminent introduction of Universal Credit, the Council had been reducing the Service whilst managing in a way that would protect staff. However, because of uncertainty this had contributed to a high staff turnover, which was likely to continue. The reduction in administration funding from the Department of Work and Pensions (DWP) and a reduction in the level of overtime worked had also contributed to performance. Restructuring to provide a more streamlined service had also affected the Service's ability to address performance issues and forward plan. In response to the risks identified in the report, Ms Craig explained the Council were maximising the use of existing resources and managerial arrangements, as well as extending their use of an agency. Performance monitoring would also be included as part of the Framework reporting to Executive Committee. Ms Craig highlighted that performance had already improved recently, for example, the average processing time for new claims and change of circumstances had changed from 29 days to 8 days and 25 days to 8 days respectively. Similarly, accuracy had also improved with an increase in the number of post notification and management checks. With regard to Overpayments, Ms Craig explained that this was a complex area and the cumulative figure went back to 1996. Overpayments remained on the system, as payments could be recovered over a period of time from ongoing entitlement or other sources. Former claimants might also come back on to benefits and the service was then able to reclaim overpayments. If there was no possibility of reclaiming payment, then it would be brought forward to Committee for write off. Ms Craig also explained that the delay in bringing the report to Committee was in order to await feedback from Audit Scotland. To conclude Ms Craig emphasised that the Service was already improving; Audit Scotland were satisfied with the action plan to address risk and would follow up progress in May 2018.
- 8.3 In response to questions Mr Grant, Customer Advice and Support Manager, advised that only a small proportion of cases were contracted out to an external agency on a monthly basis. The external agency employed experienced staff and there were accuracy checks. Mr Murdie, Locality Lead Officer Benefits, added that presently there were 10 full time assessors, plus supervisors and managers. Two vacancies were been filled by an agency. The service had also employed Council staff to fill vacancies on a secondment basis. There was discussion on a shared service and Ms Craig advised that there had been discussion with other authorities. However, they were experiencing the same issues with the reduction in DWP funding and were also restructuring their benefit services in anticipation of the changes. The Chairman thanked Ms Craig for her attendance, emphasising the Committee's support for the improving service and welcoming the interim review by Audit Scotland.

DECISION

(a) NOTED:

- (i) The contents of the Audit of Housing Benefit – Risk Assessment Report (Appendix 1 to the report);**
- (ii) The actions planned by Customer Services to address the risks identified in the Audit Report (Appendix 2 to the report); and**
- (iii) The improvements achieved to date regarding the points identified at 4.2.3 and 4.2.4**

- # (b) AGREED TO RECOMMEND to the Executive Committee that they consider reviewing Key Performance Indicators for the Housing Benefit service as part of their regular review of performance.”**