

Norwich City Council
SCRUTINY COMMITTEE

Item No 7

REPORT for meeting to be held on 6 December 2012

Benefits claims process

Summary:

Quarter 1 and quarter 2 performance data on processing times for new benefit claims raised concerns over performance leading to scrutiny requesting more detail on this area. This report shows the progress that has been made to get performance back on target.

Conclusions:

An improvement plan is in place and there is clear evidence that performance is improving significantly.

Recommendations:

To note the improvement that has already been made.
To make any suggestions for further improvement.

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1 Introduction

- 1.1 Norwich City Council is responsible for administering council tax benefit and housing benefit for residents within the city council boundary.
- 1.2 The city council has delegated the function for providing the benefits service to the Local Government Shared Service (Cambridgeshire and Northamptonshire County Councils – LGSS) since 12 April 2012. Prior to this the city council provided this service.
- 1.3 When the service transferred to LGSS on 12 April 2012 there was an existing backlog of outstanding claims. The city council funded additional resource to clear this backlog and the pre-April 12 backlog was cleared by September 2012. LGSS have continued to work on improving performance to be able to meet performance targets.
- 1.4 Prior to the transfer of the service to LGSS Norwich had embarked on a training programme for all revenues and benefits staff to enable all assessors to process claims from first contact with a claimant through to completion. Implementation of this end to end processing model, which the training programme supports, arose from the city council's LEAN review. The training plan took into account the impact on processing capacity while the assessors were undergoing training with an expectation that the improved performance post-training would allow any backlog created to be resolved by the end of December 2012. A backlog arising during the training period and being resolved in the following quarter was therefore anticipated.
- 1.5 During negotiation of the transfer of service to LGSS it was also agreed that with the introduction of the end to end processing model for revenues and benefits it was appropriate to include those contact centre staff that mainly focused on revenues and benefits calls in the transfer to LGSS and train them fully as assessors. This added to the length of the training plan and the capacity issues being experienced by the service. When it became clear that the backlog was rising to a point where resolution might not meet the end of December deadline the training programme was suspended and LGSS and the city council worked together to bring additional resources to bear to recover the situation.
- 1.6 An effective claims process will ensure that benefit claims (including new claims and changes to circumstances that require a new calculation of benefit entitlement) are processed within a reasonable timescale and that the correct benefit is paid.
- 1.7 The city council measures various performance statistics. However, the only measure that is reported corporately is the average number of days for processing a new claim. Whilst this is an important indicator this paper seeks to provide a full picture of the activity and monitoring

that occurs to provide an overarching view of the benefits service and performance.

- 1.8 In reviewing the performance information it is important to bear in mind that turnaround times will be high in the period when the backlog is actually being tackled, ie as the oldest claims are resolved; backlogs are invisible in turnaround time statistics while the oldest claims are receiving no attention.

2. Key statistics

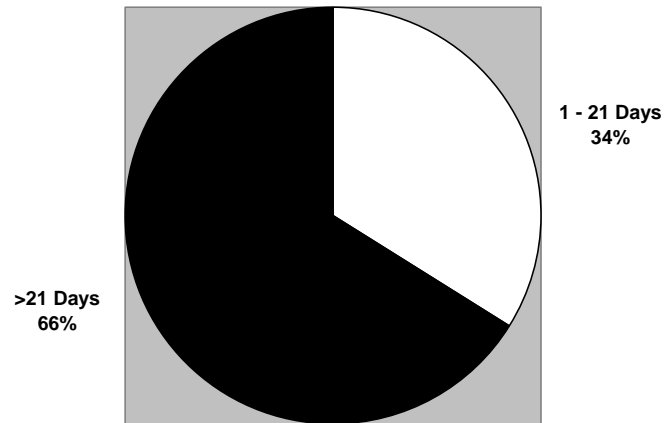
Number of housing and council tax benefit claims as at November 2012	20154
Average days to process a claim (target 21 days)	
2011-12	28 days
2012-13 Quarter 1	41 days
Quarter 2	52 days
September	47 days
October	41 days
W/E 18/11	29 days
Oldest outstanding new claim (w/e 18/11/12)*	
8 October 2012	
Average days to process a change of circumstances (target 13 days)	
2011-12	18 days
2012-13 Quarter 1	17.6 days
Quarter 2	16.18 days
September	12.12 days
October	20.46 days
W/E 18/11	18.18days
Error rates on claims processing (target less than 0.48%, measured annually)	
2011-12	0.696%
Successful telephone calls (target 2012-13 75%)	
2011-12	68%
2012-13 Quarter 1	60%
2012-13 Quarter 2	41.3%

Telephone calls answered in 20 seconds (target 2012/13 30%)	
2011-12	25%
2012-13 Quarter 1	17.7%
2012-13 Quarter 2	18%
Face to face queries dealt with in 10 minutes (target 2012/13 65%)	
2011-12	63%
2012-13 Quarter 1	36.8%
2012-13 Quarter 2	33.8%
Average wait time for visiting customers (target 2012/13 <10 minutes)	
2011-12	8.41 minutes
2012-13 Quarter 1	14.43 minutes
2012-13 Quarter 2	15.15 minutes

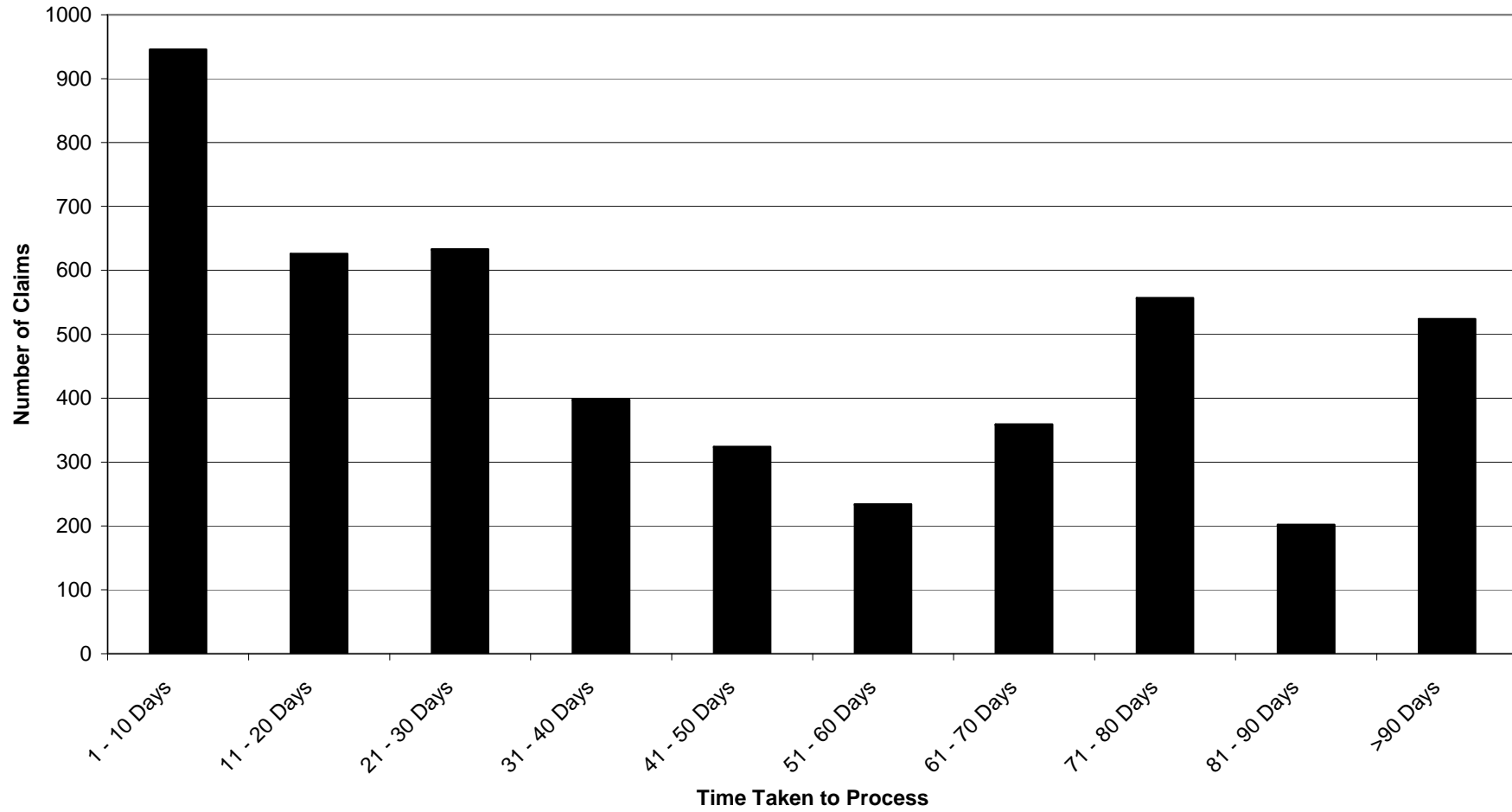
- Note – This is the oldest claim that the city council has not actioned. There are older processes however these are where the city council is awaiting a response from the claimant.

The following two graphs show performance for processing of new claims from the period 2 July 2012 to 25 November 2012 (21 weeks).

Percentage of Benefit Claims Processed within Target (21 Days)

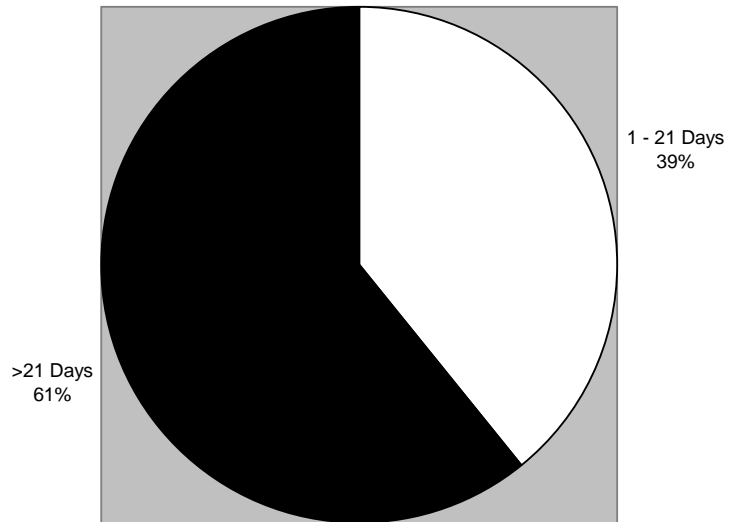


Analysis of Benefit New Claim Processing Times

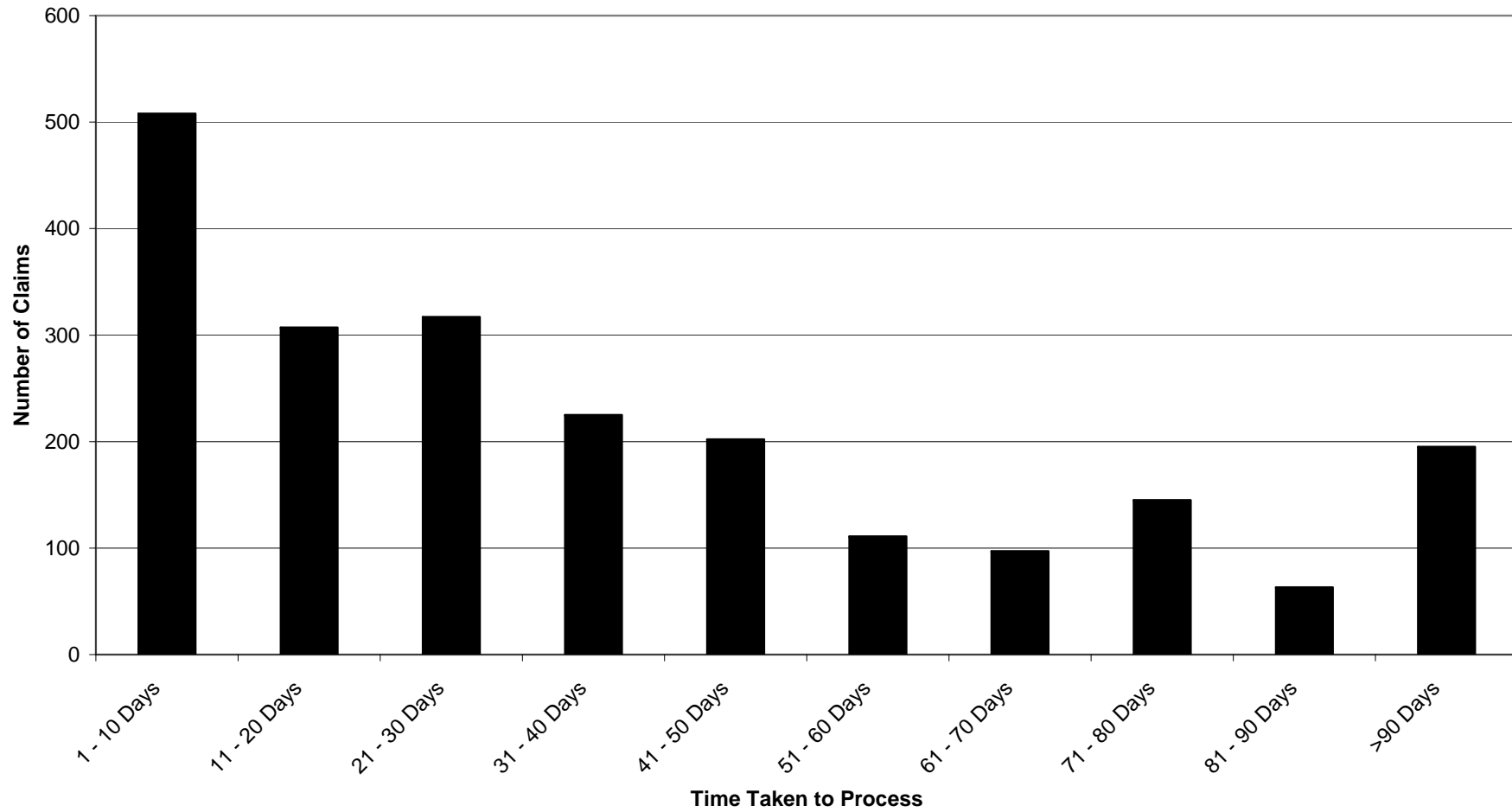


The following two graphs show performance for processing of new claims from the period 1 October 2012 to 25 November 2012 (7 weeks).

Percentage of Benefit Claims Processed within Target (21 Days)

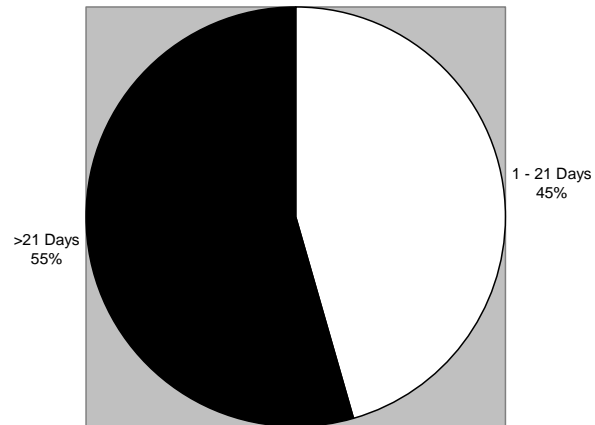


Analysis of Benefit New Claim Processing Times

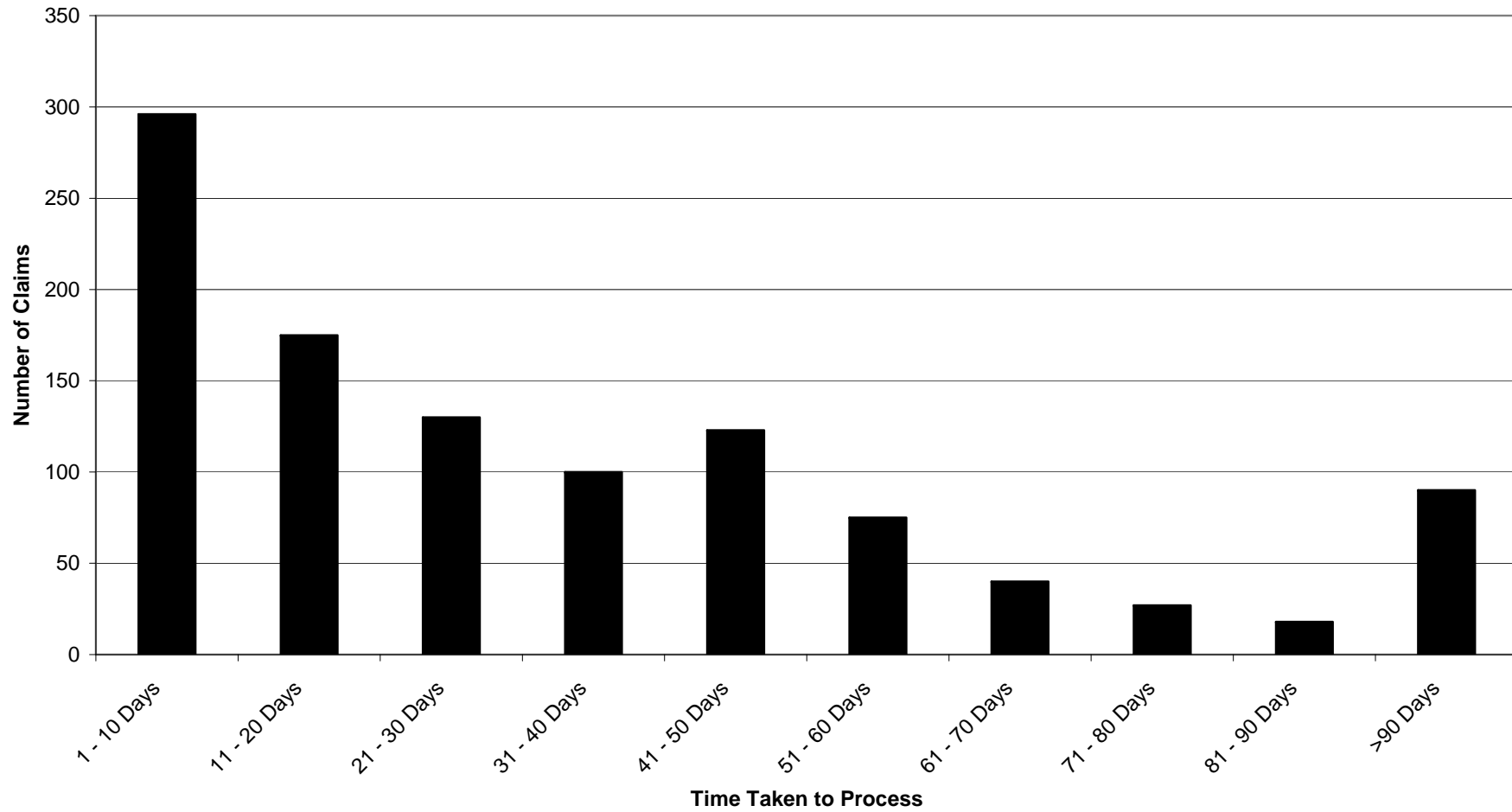


The following two graphs show performance for processing of new claims from the period 1 November 2012 to 25 November 2012 (3 weeks).

Percentage of Benefit Claims Processed within Target (21 Days)



Analysis of Benefit New Claim Processing Times



3. Process

- 3.1 New claims and change of circumstances are received via different routes.
- 3.2 The first route is through direct contact from a claimant. In these circumstances for a new claim the claimant will be asked to make an appointment to complete a claim form and provide any required documentation such as proof of identity, income etc. The aim of the appointment systems is to ensure that all necessary information is gathered so that the claim can be processed. The appointment usually takes around 30 minutes to complete and if the claimant provides all of the necessary details to process the claim this will be completed on the same day. This process will be demonstrated by a role play at the Scrutiny meeting.
- 3.3 Changes of circumstances are also received direct from claimants and are received through a number of routes including face to face, telephone, email etc. Depending on the nature of the change, the claimant may need to produce documents to be verified by benefits staff.
- 3.4 The second route is through data transfer from the Department for Work and Pensions (DWP). When somebody makes a claim to the DWP for jobseekers allowance or is a pensioner in receipt of pension credit awards, their data is transferred electronically to the city council from DWP. These are also dealt with as claims or changes of circumstance and will be assessed for an award of benefit.
- 3.5 Around half of the claims the city council deals with are received electronically from the DWP. Some of the notifications received do not result in any changes to benefits paid but still have to be reviewed and assessed.
- 3.6 Currently, there are two electronic transfers from the DWP as they are introducing a new system and running this in parallel with the existing system hence there is some duplication. However, it is anticipated that the new system will help us to reduce overpayments and hence the need to then recover overpayments. It is anticipated that the new system will be fully operational by April 2013 and the city council will then only receive one electronic transfer.
- 3.7 A small number of claims are received via other routes such as hostels that have support staff who work with their residents to complete claim forms which are then passed to us for processing and other support organisations submitting claim forms on behalf of their clients.

4 Improvements to performance

- 4.0 As part of the transfer to LGSS the city council has set challenging targets for benefits processing. This includes targets for processing times and also matching the city council's customer service standards.
- 4.1 LGSS have worked with the city council to develop an improvement plan aiming to meet and exceed the performance targets.
- 4.2 The cornerstone of this improvement plan is "lean processing". Essentially this is described in the process section above and aims to resolve claims at the appointment stage. This is efficient both for the council and the claimant as everything is dealt with during the appointment to allow the claim to be processed.
- 4.3 Appendix 1 shows the monitoring of the improvement project and current status.
- 4.4 LGSS have engaged an external contractor to assist with getting the service back to steady state. The contractor is currently processing the outstanding electronic notifications received from DWP. There are a significant number of processes generated through this route and once this is brought up to date the existing staff will be able to manage these processes. Also this allows the existing staff to concentrate on the new claims processing and making sure that this becomes efficient and performs within the targets set.

5 Summary and conclusion

- 5.5 The economic climate is such that the number of claims is unlikely to fall and may increase. The council and its partner LGSS are working together to deal with the new claims and changes of circumstances within the performance targets that have been set.
- 5.6 Good progress has been made but there is further work to do. The average processing time for new claims is reducing. For the most recent week at the time of writing this report the average time for processing new claims was 29 days against a target of 21 days. The average time for processing changes of circumstances was 18 days against a target of 13 days.
- 5.7 The current performance shows a marked improvement on the quarter 1 and quarter 2 performance reports which led to this report being requested.
- 5.8 As can be seen from the statistics in the report there is a wide range of monitoring activity that takes place. While average processing times are important, other performance measures such as face to face and telephone waiting times are important measures of customer services.

5.9 In conclusion, the improvement plan is on track to deliver the anticipated improvements and get performance back on track.