

EAST RENFREWSHIRE COUNCIL
AUDIT AND SCRUTINY COMMITTEE

11 May 2023

Report by Clerk

NATIONAL EXTERNAL AUDIT – RESOURCING THE BENEFIT SERVICE

PURPOSE OF REPORT

1. To provide information on the Accounts Commission report on *Resourcing the Benefit Service – A Thematic Study*.

RECOMMENDATION

2. It is recommended that the committee considers the report.

BACKGROUND

3. A copy of the Accounts Commission report on [Resourcing the Benefit Service](#), published in February 2023, has already been circulated to all Audit and Scrutiny Committee Members. Under the committee's specialisation arrangements, the Member leading the review of this particular report is Councillor Macdonald.

4. The Director of Business Operations and Partnerships has provided comments on the report. A copy of that feedback is attached (see Appendix A).

RECOMMENDATION

5. It is recommended that the committee considers the report.

Local Government Access to Information Act 1985

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Background Papers:-

1. Accounts Commission report on [Resourcing the Benefit Service](#)

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External Audit Report – Housing Benefits, the impact of Covid-19

Comments for Audit & Scrutiny Committee on 11 May 2023

Prepared by Director of Business Operations & Partnerships and Senior Revenues Manager

April 2023

INTRODUCTION

1. This paper aims to provide high level comments on the Council's position regarding the External Audit report on the thematic study of Resourcing the Benefit Service (https://www.audit-scotland.gov.uk/uploads/docs/report/2023/hb_230215_resourcing.pdf)

BACKGROUND

2. As one of the smallest Housing Benefit services in Scotland, with an annual caseload of around 2,500, we have been planning for the gradual phasing out of Housing Benefit (HB) as a result of the implementation of Universal Credit. There is an eventual national goal to retain only those of pension age and a few complex or specific cases on HB post Universal Credit (UC). National delays in UC implementation have made the planning of resources in recent years a particular challenge.

3. Audit Scotland have reported on the resourcing of the Benefit Service within Scotland through responses to a questionnaire which was completed by 28 out of 32 councils, including a response from East Renfrewshire Council.

4. The purpose of this paper is to provide the Audit and Scrutiny Committee with comments on the Resourcing of the Benefit Service paper and to update the Committee on progress within East Renfrewshire Council's Housing Benefit Service.

COMMENTS

Summary of Audit Scotland's report

5. The report recognises that since the introduction of Universal Credit in 2013, there have been many changes to council's benefits services, with the remit of this service expanded to carry out further financial assessments. It also recognises the significant increases in workload since 2020/21 as a result of the Covid-19 pandemic, placing extra pressure on the benefit service.

6. Various factors impacting the performance of Housing Benefit processing performance were reviewed with a number of recommendations, which can be summarised as relating to operating below complement, absence levels, flexible location working and call handling and personal callers.

7. Data relating to East Renfrewshire was shared and compared with other Scottish Local Authorities, with many of the trends common across the local authorities. East Renfrewshire were shown as having the best speed of processing for quarter 1 2022/23 at 30 June 2022, while complexity of cases was one of the highest, i.e. most complex (27th out of 28).

East Renfrewshire Council – Update on Progress

8. Following the implementation of the new Council Tax and Benefits ICT system in December 2020, as anticipated there were some challenges post implementation, with a dip in performance which has been previously reported. The system change coincided with increased workloads due to administration of Covid-19 Self Isolation Support Grants and increased demand for support through Scottish Welfare Fund (SWF) Crisis Grants.

9. Speed of processing times were impacted in 2021/22 with ERC ranking 32nd in Scotland for new Housing Benefit/Council Tax Reduction claims (25th last year, 13th previous year) and 32nd for change of circumstance for Housing Benefit/Council Tax Reduction (16th last year and 11th previous year).

10. Focus over the past year has included, recovery from a backlog situation; system stability; staff training, wellbeing and confidence; and performance, with a stabilisation and improvement in performance during 2022/23. A review by the DWP during autumn 2021 highlighted many areas of good practice, and areas for improvement within the service, with those recommendations implemented during 2022. Speed of processing is now tracking in the upper quartiles, which is an improvement and better than performance using the previous system.

11. Housing Benefit Overpayment recovery continues to be impacted by the recovery from the Covid-19 pandemic and more recently the cost of living crisis. In-year recovery to 31st December 2022 is 73.8% (previous year 96.4%) and total recovery 7.4% (previous year 6.6%). Given the current economic climate the forecast position into 2023/24 remains uncertain, other councils will be similarly affected. Various actions are underway to recover the historic HB Overpayment debt, with East Renfrewshire making use of the DWP's Housing Benefit Debt Service.

12. Historic HB Overpayment data and processes have been reviewed as part of the implementation of the new Council Tax and Benefits system, with data migrated and further work to ensure all HB Overpayment debt is recovered using the new system. The Debt Recovery Policy has been updated and approved at Cabinet in March 2023 to ensure it is fit for purpose and aligns debt recovery procedures with supporting actions that can be taken in extenuating circumstances to support people experiencing severe financial hardship.

13. The remaining phase of the system implementation is a customer portal, which will allow Housing Benefits customers to self serve through Benefits online. This will be implemented during the 2023/24 year and will improve digitisation and automation of this service.

14. Budget constraints within the Council have been widely recognised and gaps to balance the budget for 2023/24 will involve reduction in resource in many teams, including Benefits and SWF. To support cost reductions, many vacant posts are not being filled and a restructure is planned during the 2023/24 year to manage further cost savings targets. Within this climate, the ability to flex within wider Revenues & Benefits service has been recognised as critical to ensure continuity of service, particularly as finding appropriately skilled resource for these teams can be problematic. From 2022 onwards increased resiliency has been managed through an external contract, where processing resource can be called off and paid for as required. Welfare Contingency funding is used to supplement revenue funding.

CONCLUSIONS

15. Benefits is a complex and frequently-changing area, with a nationally driven landscape and a range of different agencies involved. National delays in UC implementation have meant maintenance of HB caseloads for far longer than predicted. Against a background of reducing DWP funding, wider pressures on council budgets and with the challenges brought by Covid-19 and the cost of living crisis this has been a challenging time for service delivery. Audit Scotland's report on the resourcing of the benefit service highlights that there are various factors impacting on speed of processing within benefits and there are resourcing challenges across the country.

16. The Covid-19 pandemic and the implementation of the new Council Tax & Benefit System had substantial impact on the performance results for East Renfrewshire Council during 2020/21 and 2021/22, with these issues now resolved and processing times improved. The cost of living crisis continues to impact residents, with mitigation and support being provided wherever possible. The new ICT system is providing a platform to drive modernisation, automation, process improvement and change, allowing East Renfrewshire Benefits teams to continue to deliver improved performance and customer/residents expectations.

Further information is available from Alison Ballingall, Senior Revenues Manager,
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BACKGROUND REPORTS

- [Resourcing the Benefit Service – a thematic study](#)
- Debt Recovery Policy March 2023
- Audit and Scrutiny Committee Report – Housing Benefits, the impact of Covid 19 January 2022

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