

REPORT TO: Policy and Performance Review Committee

MEETING DATE: 10 May 2016

BY: Depute Chief Executive, (Resources and People Services)

SUBJECT: Audit Scotland Housing Benefit Risk Assessment Report

1 PURPOSE

- 1.1 To advise PPRC Members about the Audit Scotland Housing Benefits Risk Assessment Report and the action plan produced by the East Lothian Benefits and Financial Assessments Service as a response.

2 RECOMMENDATIONS

- 2.1 That the PPRC note and consider the content of the Audit Scotland Risk Assessment Report and the Benefit Unit's Action Plan.

3 BACKGROUND

- 3.1 Under statutory duties relating to Best Value and Community Planning Audit Scotland have responsibility for conducting a Housing Benefit, (HB) risk assessment programme. During a rolling programme of engagement the assessment takes account of the performance of HB/CTB administrations across all 32 Scottish Local Authorities and identifies 'risks to achieving continuous improvement within the service'.
- 3.2 Whilst the HB risk assessment does not represent a full audit of the Benefits Service it serves to determine the extent that the Council's Benefits Service is meeting its obligations to achieve continuous improvement in all its activities and provides some assurance for the Secretary of State for Social Security in respect of HB administration
- 3.3 This risk assessment follows on from previous assessment work carried out by Audit Scotland in 2009 and in 2013. The later of these reports identified 12 risks to continuous improvement, of which 9 were subsequently addressed, (as noted during in the Assistant Auditor General's letter dated 12 November 2015).

- 3.4 In preparation for the most recent Risk Assessment the Council submitted a self assessment in August 2015 along with updated action plans relating to the previous report and supporting evidence.
- 3.5 Whilst previously the scope Audit Scotland's HB/CTB work was wider, the main themes for the HB Risk Assessment carried out in November 2015 were; National and Local Priorities, Business Planning and Reporting and Delivering Outcomes.
- 3.6 Delivering Outcomes was broken down in to the following categories:
- Speed of Processing
 - Accuracy
 - Interventions
 - Overpayments
 - Counter-Fraud,
- (NB Counter-Fraud activity was not assessed due to the fact that the fraud investigation function passed from the Council to the DWP's Fraud and Error Service in November 2014).
- 3.7 During the on-site phase of the Risk Assessment, (carried out in September 2015) Audit Scotland identified 6 new risks to continuous improvement and 3 which they considered to be outstanding from the 2013 report.
- 3.8 In response to the latest report, (produced in November) the Council produced an action plan to address the 9 risks. These proposed actions were accepted by Audit Scotland and the Benefits and Financial Assessments Service is continuing its work to reduce, (or where possible eliminate) these risks to continuous improvement. (See the attached 'Updated ELC Risk Audit Action Plan' for progress made to-date).
- 3.9 In its Executive Summary section the Audit Scotland report acknowledges the significant changes that have been made to the method of delivering benefits within the Council. Audit Scotland recognises that the UK Government's welfare reforms have been a key driver for such change and in his letter accompanying the report the Assistant Auditor General has commended the service for the improvement made in its claims processing performance against a backdrop of increased workloads.

4 POLICY IMPLICATIONS

- 4.1 None

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The Subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

- 6.1 Financial - None
6.2 Personnel - None
6.3 Other - None

7 BACKGROUND PAPERS

- 7.1 Appendix 1: Letter dated 12 November 2015 from Assistant Auditor General enclosing the Report
7.2 Appendix 2: East Lothian Council Audit of Housing Benefit Risk Assessment Report
7.3 Appendix 3: Letter dated 11 December 2015 responding to Assistant Auditor General
7.4 Appendix 4: ELC HB Risk Audit Action Plan, (as @ 11 December 2015)
7.5 Appendix 5: Letter dated 14 December 2015 from Assistant Auditor General accepting the Council's proposed actions
7.6 Appendix 6: Updated ELC HB Risk Audit Action Plan, (as @ 31 March 2016)

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DATE	29 April 2016

Ms Angela Leitch
Chief Executive
East Lothian Council
John Muir House
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12 November 2015

Dear Ms Leitch

Housing Benefit (HB) Performance Audit– outcome of risk assessment

I wrote to John Cunningham, Service Manager - Benefits & Financial Assessments in June 2015 advising that East Lothian Council had been selected for a follow up HB risk assessment.

During the risk assessment phase, carried out in September 2015, we looked at your benefit service's self-assessment and supporting evidence, and analysed information from a number of other sources. We also spent one day on-site and discussed performance with your senior managers. Our work was focused on the following three key areas:

- national and local priorities
-
- business planning and reporting
-
- delivering outcomes.

We have now completed the risk assessment and I write to advise you of our findings.

Since our previous visit in 2013 there have been a number of significant changes to the method of delivering benefits within the council. At that time the benefits unit was primarily responsible for administering HB and Council Tax Benefit claims and countering fraud. However, since the implementation of the UK Government's welfare reforms in April 2013, the benefit service has also been responsible for the administration of the Council Tax Reduction Scheme and the Scottish Welfare Fund and, since September 2013, the service has also been responsible for carrying out financial assessments for Adult Wellbeing care customers living at home or in residential care.

As a consequence of the increased workloads, and the need to train staff and develop new processes and procedures, claims processing performance declined from an average of 23 days for new claims and five days for changes of circumstances in 2012/13, to an average of 27 days and six days respectively in 2013/14. The benefit service responded very positively to this decline and considerably improved new claims speed of processing performance in 2014/15 to an average of 24 days while maintaining its speed of processing changes of circumstances at an average of six days. In view of the significant changes to the service, this level of improvement is commendable.

Since our previous risk assessment, the service has made a very positive contribution to the delivery of the benefit service by addressing nine out of the 12 risks identified from our 2013 report. This includes the production of a comprehensive annual business plan that contains the benefit service's key performance indicators, regularly reporting performance to staff, senior management and members and having performance challenged by members when it is not meeting expectations, having a comprehensive management checking process, and working in partnership with the council's external debt recovery agents to pursue difficult to recover benefit debt.

However, in order to deliver continuous improvement the council needs to ensure that the level of resources within the benefit service is sufficient to enable the service to improve or sustain current performance levels across all of its activities while delivering new initiatives such as the *Right Benefit* programme, and preparing for the rollout of Universal Credit. The service should also address the decline in speed of processing performance in 2015/16, which at an average of 26 days and seven days respectively for new claims and changes of circumstances, at September 2015, placed the council 22nd and 13th in Scotland respectively, based on the Department For Work and Pensions' (DWP) 2014/15 published performance data.

We also consider that more work is required in respect of the recovery of overpayments and the automating of updates received through the DWP's Automated Transfer to Local Authority Systems to help reduce manual processing.

I attach our report and would welcome your response to it. I would be grateful for a response by Friday 11 December 2015 including your proposals to reduce the risks identified, so that we can determine whether any further engagement is appropriate.

I would like to take this opportunity to thank you and your benefits staff, in particular John Cunningham for the well presented self-assessment and for their co-operation and assistance throughout the risk assessment process.

If you have any questions or concerns, please contact Anne Cairns in the first instance on 0131 625 1926 or by email at acairns@audit-scotland.gov.uk.

Yours sincerely



Russell Frith
Assistant Auditor General

Enclosed: HB Audit Risk Assessment report

Copied to: John Cunningham, Service Manager - Benefits & Financial Assessments

East Lothian Council

Audit of housing and council tax benefit

Risk assessment report



 AUDIT SCOTLAND

November 2015



Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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Introduction

1. This risk assessment was completed as part of Audit Scotland's housing benefit (HB) risk assessment programme. It does not represent a full audit of East Lothian Council's benefit service.
2. The Local Government in Scotland Act 2003 introduced new statutory duties relating to Best Value and Community Planning. The key objective of the risk assessment is to determine the extent to which the benefit service is meeting its obligations to achieve continuous improvement in all its activities.
3. Specifically, the risk assessment considers the effectiveness of the benefit service in meeting national and local priorities, business planning and reporting, and delivering outcomes.
4. Information for this risk assessment was gathered from a range of sources including:
 - the self-assessment, supporting evidence, and updated action plan provided by the council
 - Department for Work and Pensions (DWP) indicators and other performance measures
 - scrutiny of internal and external audit reports
 - discussions with the appointed external auditor
 - discussions with senior officers in the council during our site visit in September 2015.

Executive summary

5. A risk assessment was previously carried out on East Lothian Council's benefit service in January 2013 when Audit Scotland identified 12 risks to continuous improvement. These were reported to the Chief Executive in March 2013 and, in response, the council submitted an action plan in May 2013 to address these risks which Audit Scotland accepted as satisfactory, if fully implemented.
6. Since our previous visit there have been a number of significant changes to the method of delivering benefits within the council. At that time the benefits unit was primarily responsible for administering HB/Council Tax Benefit claims and countering fraud. However, since the implementation of the UK Government's welfare reforms in April 2013, the benefit service has been responsible for the administration of the Council Tax Reduction Scheme (CTRS) and the Scottish Welfare Fund (SWF). In addition, since September 2013, following a service review of the council's Community Care Finance Unit, the benefit service has also been responsible for carrying out financial assessments for Adult Wellbeing care customers living at home or in residential care.
7. By April 2014, the council recognised a need to carry out a service review to establish a structure that would incorporate these changes. This review was concluded in December 2014

and resulted in a revised structure, changes to job outlines and person specifications, and a net reduction of 1.4 full-time equivalent staff in order to meet the service's staffing budget. The review also established a new name, *Benefits and Financial Assessments Service*, which reflected the expanded remit of the service.

8. Finally, in November 2014, as part of the DWP's strategy to address fraud across all benefits and Tax Credits whether administered by the DWP, Her Majesty's Revenues and Customs or local authorities, the responsibility for carrying out fraud investigations was transferred to the DWP's Single Fraud Investigation Service (SFIS).
9. As a consequence of the increased workloads, and the need to train existing staff and develop new processes and procedures, claims processing performance declined from an average of 23 days for new claims and five days for changes of circumstances in 2012/13, to an average of 27 days and six days respectively in 2013/14.
10. However, the benefit service responded very positively to this decline and with staff support and a revised structure, the service considerably improved new claims speed of processing performance in 2014/15 to an average of 24 days while maintaining its speed of processing changes of circumstances at an average of six days. In view of the significant changes to the service, this level of improvement is commendable.
11. In August 2015, the council submitted a current self-assessment along with supporting evidence, and an updated action plan. Of the 12 risks identified, the council has made good progress as follows:
 - nine actions fully completed
 - three actions outstanding.

Appendix A covers this in detail.

12. In completing nine of the risks the council has made a very positive contribution to the delivery of the benefit service. In particular, by:
 - having a detailed business planning process which involves operational staff and producing a comprehensive annual business plan that contains the service's key performance indicators and has clear links to the council's strategic objectives
 - regularly reporting benefit performance to staff, senior management and members, and having performance challenged by members when not meeting expectations
 - continuing to deliver a good level of performance during a period of considerable change in 2013/14 following the implementation of the UK government's welfare reforms, and delivering an improved performance in 2014/15, despite further additional workloads
 - having a comprehensive management checking process and carrying out pre-payment checks on all payments over £1,000
 - working in partnership with the council's external debt recovery agents to pursue difficult to recover benefit debt.

13. Although the council demonstrates awareness of what constitutes an effective, efficient and secure benefit service, there are six new risks and three risks outstanding from our previous risk assessment and in order to ensure continuous improvement the council needs to address these risks. These include:
- ensuring that the level of resources within the benefit service is sufficient to enable the service to continually improve or sustain current performance levels across all of its activities while delivering new initiatives such as the *Right Benefit* programme which is discussed in more detail under *Interventions*, and preparing for the rollout of Universal Credit (UC)
 - utilising the automated function within the DWP's Automated Transfer to Local Authority Systems (ATLAS) to reduce the manual processing of these changes and help free up resources to carry out other benefit-related tasks
 - addressing the decline in speed of processing performance in 2015/16, which at an average of 26 days and seven days respectively, at September 2015, placed the council 22nd and 13th in Scotland, based on the DWP's 2014/15 published performance data
 - setting overpayment recovery targets that are challenging, and improving overpayment recovery performance which has been in decline when compared to 2012/13 performance.

Business planning and reporting

14. An effective business plan provides an opportunity for the council to set out the aims and objectives for each service and should contain key deliverables against which performance can be measured, monitored and reported.
15. The council has a clear, structured and inclusive approach to business planning and managing performance. The annual service planning cycle commences in March/April with a staff engagement survey followed by a staff and management self-assessment process called 'How Good is our Council' which is based on the results from the staff survey.
16. A report is subsequently produced for the Service Manager by a sub-group of staff led by the Training and Development Officer, and this report is summarised by the Service Manager as part of a self-evaluation process. The results from these exercises form the basis of the draft service plan which is discussed with staff before it is signed off by the Head of Council Resources.
17. The resultant *Benefits and Financial Assessments Service Plan 2015/16* is a dynamic plan that is reviewed annually and has clear links to the council's strategic objectives in its Single Outcome Agreement (SOA). The three main outcomes from the SOA that relate to the work of the Benefits and Financial Assessments Service are ensuring that:

- people live healthier, more active lives, independently, in their own homes and communities for as long as possible
 - fewer people experience poverty in East Lothian
 - people in housing need have access to an appropriate type, tenure and standard of housing and are prevented from becoming homeless.
18. The plan also contains the service's key benefit performance indicators which are the:
- average time to process new claims and changes of circumstances
 - percentage of the DWP's Fraud and Error Reduction Incentive Scheme (FERIS) HB baseline target met
 - percentage of HB sample cases for which the calculation of benefit is correct
 - percentage of HB overpayments recovered in the same quarter as raised.
19. The council makes good use of an online reporting system to report performance monthly to senior management and members of the Policy and Performance Review Committee (PPRC). Although this is currently limited to performance in respect of new claims and changes of circumstances, it was evident that performance was being monitored as a decline in the service's time taken to process changes of circumstances had recently been challenged by members.
20. At an operational level the Benefit Team Leader (Performance) provides the Service Manager with monthly performance reports, and there are regular team and service meetings where performance is discussed. The Service Manager also receives a weekly update of work outstanding from team leaders, which provides assurance that work volumes are being regularly monitored and actively managed.
21. Each month the Service Manager provides the Head of Council Resources with a 'Highlight Report' which summarises the service's key activities, achievements, and progress against the service plan, while detailing any risks and challenges faced by the service. In the August 2015 report, the Service Manager identified an overall risk that there was limited capacity to manage and resource the number of initiatives currently being tackled by the Benefits and Financial Assessments Service.
22. We consider that this risk is significant in the current environment. At the time of our site visit in September 2015, the service had been operating without a Benefit Recovery Officer since January 2015, a benefit processor that had been on maternity leave since May 2015, and another benefit processor that had been on sick leave for a period of four weeks.
23. As a consequence, staff had taken on extra work and it is commendable that the service had been delivering a good level of performance in respect of new claims and changes of circumstances processing whilst taking on these additional duties.
24. However, the impact of the loss of staff has resulted in a decline in claims processing performance in 2015/16, and due to other business pressures, the process to refer unpaid

sundry debtors to the Sherriff's Officers for recovery action that would normally be undertaken by the Benefit Recovery Officer had not been carried out since February 2015.

25. In addition, the service has recently signed up to the DWP's FERIS and has developed a comprehensive *Right Benefit* programme to identify and process un-reported changes of circumstances. When fully operational, the results from this work will further increase the service's workload and could also have a detrimental effect on its ability to deliver performance improvements.

Risks to continuous improvement	
1	The level of resources within the benefit service may not be sufficient to enable the service to continually improve or sustain current performance levels across all of its activities while delivering new initiatives such as the <i>Right Benefit</i> programme, and preparing for the rollout of UC.
2	Performance is not being reported against all aspects of the service and therefore senior management and members can only have limited assurance that the service as a whole is delivering optimum performance.

26. Audit Scotland identified three risks to continuous improvement during the previous risk assessment in that:
- although it was acknowledged that the council had a business plan for the benefits unit, there were only two targets that related to the work of the unit. In addition, there was no counter-fraud business plan setting out the aims, objectives, targets, and monitoring and reporting arrangements for the work of the fraud team. We therefore considered that there was limited assurance that the benefits unit was being actively monitored against all aspects of its work and that, when appropriate, performance was being challenged by senior management and members
 - there was limited reporting of the benefits unit's performance, and therefore senior management and members were not provided with regular opportunities to challenge performance that did not meet local targets.
27. We consider that both of these risks have been addressed as the *Benefits and Financial Assessments Service Plan 2015/16* contains the key performance indicators for the service and there is recent evidence of challenge from members when performance has not met expectations. The risk in respect of the need for a counter-fraud business plan is no longer relevant following the transfer of responsibility for carrying out fraud investigations to the DWP's SFIS in November 2014.

Delivering outcomes

28. Effective operational processes and IT systems, along with skilled staff, help benefit services deliver sound performance and continuous improvement. The council has a number of management arrangements in place to support this.

Speed of processing

29. When customers claim benefit, it is a time of financial uncertainty for them and, as such, it is essential that the service has sufficient fully trained and effective benefit processors in place that can make informed decisions on complex benefit claims and pay benefit promptly.
30. As detailed under *Business planning and reporting*, there have been significant changes to the structure of the service and the administration of benefits since our previous visit. As a consequence of these changes, the benefits service became responsible for delivering the council's CTRS and SWF from April 2013. In order, to ensure the transition was as seamless as possible, the council committed significant time and resources to train staff and develop new processes and procedures.
31. In addition, the service also became responsible for carrying out the council's Adult Wellbeing financial assessments from September 2013, and these additional workloads initially resulted in an increase in the time taken to process new claims and changes of circumstances from an average of 23 days and five days in 2012/13 to an average of 27 days and six days respectively in 2013/14.
32. However, the service responded positively to these changes and by using overtime and utilising temporary staff, it recovered and improved its new claims processing performance in 2014/15 to an average of 24 days while maintaining its change of circumstances performance at an average of six days. This level of performance placed the council 14th and 5th in Scotland for speed of processing new claims and changes of circumstances respectively, which is commendable.
33. Exhibit 1 illustrates the council's current and previous performance.

Exhibit 1: Speed of processing performance (average number of days)				
	2012/13	2013/14	2014/15	2015/16 (Sep 15)
New claims	23 days	27 days	24 days	26 days
Changes of circumstances	5 days	6 days	6 days	7 days

Source: East Lothian Council & DWP

34. Although the council's performance recovered in 2014/15, recent performance has seen a decline in speed of processing to an average of 26 days for new claims and an average of seven days for changes of circumstances, at 17 September 2015. This level of performance placed the council 22nd and 13th in Scotland based on the DWP's 2014/15 published performance figures.
35. Although performance has declined, it is recognised that the in-month performance trend is improving from an average of 33 days and nine days for new claims and changes of circumstances at August 2015 to an average of 26 days and eight days respectively, at September 2015. The council told us that it aims to continue this improving monthly trend going forward.
36. It is evident that the loss of the Benefit Recovery Officer since January 2015, and the absence of two benefit processors since May 2015 and August 2015 respectively, has significantly affected the service's ability to continue to improve claims processing performance. While it is recognised that staff have taken on extra responsibilities, with the implementation of the *Right Benefit* programme and the impending rollout of UC, the council needs to ensure that the benefit service is sufficiently resourced to manage these initiatives while seeking to deliver continuous improvement in all of its activities.

Risks to continuous improvement	
3	The loss of benefit resources has impacted on the service's ability to improve claims processing times which were in decline, at 17 September 2015.
4	The council has not been utilising the automated function within the DWP's ATLAS service and is therefore missing an opportunity to reduce the manual workload for the service, and free up resources to carry out other benefit-related tasks.

Accuracy

37. The accurate and secure administration of HB should be a key priority for every council, and to support this it should have a robust quality assurance framework in place.
38. The *Benefits and Financial Assessments Service Plan 2015/16* has a stated commitment to the accuracy of claims and the recently developed *Right Benefit* programme, which has been designed to ensure that customers are receiving the right amount of benefit, reinforces this commitment.
39. The service has a comprehensive management checking regime and the process is contained within the *Audit Process* document. On a weekly basis, in the absence of the Benefit Recovery Officer who would normally carry out these checks, the Training and Development Officer selects 10 cases from an audit report of work carried out the previous week. A full management check is carried out on each case and the outcome is documented on a management check sheet.

40. Where errors are found the processor and respective team leader are notified by e-mail and the processor is required to advise the Training and Development Officer once corrective action had been taken. If this notification is not received, we were told that the Training and Development Officer carried out an independent check to ensure that the claim had been corrected.
41. A summary of checks carried out is recorded electronically and reminders are issued to staff if recurring errors are identified. For example, the Training and Development Officer issued a reminder to staff in September 2015 of the criteria for severe disability premium.
42. In addition to the weekly management checks, there is a 100% check of the work of new staff which is reduced incrementally as the officer gains experience, and newer staff continue to have 10% of their work checked until a level of competence is achieved. There is also a 100% pre-payment check of all payments in excess of £1,000 which is carried out by team leaders and senior benefit officers.
43. Where errors are found, the information is referred to the Training and Development Officer to record on the management check spreadsheet. Since April 2012, there have been 1,745 of these payment checks and it is commendable that the council has achieved a 99.7% accuracy rate in respect of these cases.
44. Although the *Audit Process* document states that there should be an additional 10% check of the work of the officer performing management checks, this has not been carried out since January 2015, when the Benefit Recovery Officer went on sick leave. The council should consider re-introducing this check as soon as practicable within current resource constraints, as this helps safeguard the checker, and provides senior management with assurance that the process is being effectively managed.
45. Since 2013/14 the council has delivered an excellent level of performance by exceeding its internal target each year, and is on profile to achieve this again in 2015/16.
46. Exhibit 2 illustrates the council's current and previous accuracy performance.

Exhibit 2: Financial accuracy performance

	Target	Achieved
2012/13	None	93%
2013/14	95%	98%
2014/15	95%	96%
2015/16 (Oct 15)	95%	96%

Source: East Lothian Council

47. Audit Scotland identified three risks to continuous improvement during the previous risk assessment in that

- due to the limitations of the benefits IT system, the council was unable to carry out any pre-payment accuracy checks. In addition, there had been no Capita post-payment checks carried out since June 2012, and therefore there was an increased risk of fraud and error entering the system unchecked
 - at the time of the on-site visit, Audit Scotland was unable to reconcile the accuracy performance reported on the Audit Scotland performance matrix with the accuracy information provided by the council in support of its self-assessment
 - although outcomes from management checks were recorded on a spreadsheet, it was not to the level of detail that could help the council identify trends, patterns and areas for learning and development of the service.
48. We consider that two of these risks have been addressed as the council is now carrying out post-payment and pre-payment management checks and the information in respect of the accuracy of payments provided to Audit Scotland as part of the self-assessment process matches that recorded by the council locally.
49. Although the management check process is comprehensive, we still consider that the remaining risk is outstanding as the information recorded on the outcomes spreadsheet is not to the level of detail that could help the council identify trends, patterns and areas for learning and development of the service.

Interventions

50. To minimise error in the caseload, councils must encourage customers to report changes of circumstances on time and have a robust intervention programme to identify changes and take appropriate corrective action.
51. To support this, the benefit service notification letters remind customers of the requirement to report any change in circumstances and the council website contains examples of the types of changes that should be reported. Customers are also provided with details of office opening hours and how to contact the benefit service by telephone, letter, or e-mail.
52. The council actively participates in the DWP's Housing Benefit Matching Service (HBMS), Audit Scotland's National Fraud Initiative (NFI), and more recently the DWP's Real Time Information (RTI) data matching services, which all help to identify possible unreported changes of circumstances that require further investigation. However, since our previous visit in February 2013, we were told that as a consequence of the loss of staff, and the increased workloads arising from the implementation of the UK government's welfare reform agenda, the council had been unable to carry out a programme of proactive intervention activity.
53. The council told us that its primary focus was to ensure that customers were receiving benefit awards, crisis grants, community care grants and financial assessments timeously, and that it had used other means to manage its changes of circumstances. These included:
- making good use of the benefit IT system diary facility to produce reports that highlight claims where future changes are expected, or known, that would affect the customer's benefit entitlement, for example, a significant birthday or an increase in earnings

- manually checking all changes of circumstances notified through the DWP's ATLAS service.
54. With the introduction of the DWP's FERIS, which has been designed to reward councils that proactively identify un-reported changes of circumstances, the council applied for and received bid funding and start-up funding from the DWP. It has made good use of this funding to develop a *Right Benefit* programme of proactive interventions activity.
55. The programme is being project managed by the Training and Development Officer and incorporates team leaders who are responsible for managing the outcomes, and the Benefit Team Leader (Performance) who is the lead officer for identifying and creating the FERIS campaigns. There are three key strands to the *Right Benefit* programme:
- Marketing, publicity and access
 - System data mining/cross cutting data matching
 - Intervention planning and delivery/intervention evaluation and learning.
56. In addition to this programme, the service is also in the process of testing and implementing *FERIS Manager* which is a software enhancement to the benefits IT system. When fully implemented it should provide the service with a more automated process, improved caseload analysis and management reporting.
57. At the time of our site visit, the council was in the final stages of creating its correspondence and publicising its approach and told us that it plans to commence its first campaign targeting customers with childcare costs in quarter three of 2015/16.

Overpayments

58. To protect public funds, councils should take appropriate steps to ensure that overpayments are minimised and that when they do occur they are correctly classified and rigorously recovered.
59. The council's *Overpayment Recovery Policy*, which is reviewed annually, sets out its approach to recovering benefit debt and details its methods of recovery. Where a customer remains in receipt of benefit, the council recovers the debt from ongoing payments at the prescribed rate unless the customer is in hardship. In these circumstances, a means test would be carried out and a reduced rate applied when appropriate.
60. However if the customer is no longer receiving benefit, the overpayment is transferred to the council's sundry debtor system for further action by the dedicated Benefit Recovery Officer. The council makes good use of all available recovery options including:
- issuing an invoice when the customer is no longer in receipt of benefit
 - working with the DWP's Debt Management Unit to recover overpayments from ongoing DWP benefits where appropriate
 - using the DWP's Customer Information System and other commercial products to trace customers that are no longer resident within the local authority area

- working in partnership with Sherriff's Officers to pursue difficult to recover debt.

61. Exhibit 3 illustrates the council's current and previous recovery performance.

Exhibit 3: Overpayment levels and recovery performance				
	2012/13	2013/14	2014/15	2015/16 (30 Jun)
Total overpayments c/f	£1,772,398	£1,853,458	£2,205,733	£2,411,443
Total overpayments raised in-year	£670,767	£868,584	£853,802	£209,525
HB debt recovered	£478,207	£465,076	£468,056	£103,039
% of in-year debt recovered	71%	54%	55%	49%
% of total HB debt recovered	19%	17%	15%	4%

Source: East Lothian Council

62. Since our previous visit the council's overpayment recovery performance has declined from 71% in 2012/13 to 55% in 2014/15 in respect of the percentage of in-year debt that was recovered, and from 19% in 2012/13 to 15% in 2014/15 in respect of the percentage of all debt recovered. As a consequence, the value of benefit debt outstanding has risen by approximately £640K (36%) since 2012/13, at 30 June 2015.
63. It is acknowledged that there are mitigating factors affecting recent performance. The Benefit Recovery Officer has been absent since January 2015 which has had an impact on the service's ability to actively pursue sundry debtor overpayments in respect of customers that have not responded to an invoice, or subsequent payment reminders. However, at the time of our site visit there were no overpayment recovery targets in the *Benefits and Financial Assessments Service Plan 2015/16*, and the service was not routinely reporting its overpayment recovery performance to senior management or members.
64. We were told that the service had been operating against the overpayment recovery targets set in the *2013/14 Benefits Service Plan* to recover 40% of in-year debt and 20% of all debt outstanding and, while the in-year target has been exceeded each year, the service has not met the target in respect of all debt outstanding since 2012/13.
65. We consider that this is a key area for improvement by the council and that it needs to set more challenging targets with a view to delivering an improved recovery performance.

Risks to continuous improvement

5	The council's overpayment recovery targets are not sufficiently challenging, and overpayment recovery performance is in decline when compared to 2012/13 performance levels.
6	Since February 2015, cases have not been referred to the Sherriff's Officer for recovery action where the customer has not responded to the council's sundry debtor invoice, or subsequent payment reminder correspondence.

66. Audit Scotland identified three risks to continuous improvement during the previous risk assessment in that:
- at the time of our site visit, the overpayments data provided to Audit Scotland as part of the council's self-assessment submission was inaccurate. Based on our analysis, there was approximately £394,000 of additional debt that was unaccounted for
 - the council had not met its in-year overpayments recovery targets since 2008/09. In addition, fraud overpayments and administrative penalties were not prioritised for recovery
 - due to the limitation of the council's debt recovery system there was only limited analysis of overpayments data.
67. We consider that one of the three risks has been addressed in that the overpayments data provided to Audit Scotland as part of the current self-assessment corresponds to the council's internal overpayments data.
68. However, we consider that the remaining two risks are outstanding as there is only limited analysis of overpayments data to help identify areas for learning, development and improvement of the service, and, although the council has met its *2013/14 Benefits Service Plan* target to recover 40% of in-year debt, it has not met its target to recover 20% of all debt since 2012/13. Also, due to system limitations the council cannot easily identify and prioritise fraud overpayments or administrative penalties for recovery that have been invoiced.

Counter-fraud

69. The prevention, detection and investigation of fraudulent claims are important aspects of a secure and effective benefit service. Counter-fraud activities help to protect public funds by ensuring that fraudulent claims are identified and sanctions are applied where appropriate.
70. In 2010, the joint DWP/HMRC fraud and error strategy proposed a SFIS to address fraud across all benefits and Tax Credits, whether currently administered by DWP, HMRC or local authorities. The main objective of the policy was to ensure that all types of social security and Tax Credit fraud would be investigated according to a single set of guidance and priorities.
71. In November 2014, the council's benefit fraud investigation function was transferred to SFIS and, as part of the new SFIS regime, a local agreement has been developed between the

council and the DWP which sets out the requirements for the exchange of information between the two organisations. This includes recommended timescales, a single point of contact, and an escalation route should any issues arise that cannot be resolved at the single point of contact level.

Appendix A

Progress against action plan update at August 2015	
The use of benefits unit staff to work on the implementation of the welfare reform agenda, or any slippage in the council's Welfare Reform action plan targets, could have a detrimental effect on claims processing performance.	Completed
Although it is acknowledged that the council has a business plan for the benefits unit, there are only two targets that relate to the work of the unit. In addition, there is no counter-fraud business plan setting out the aims, objectives, targets, monitoring and reporting arrangements for the work of the fraud team. We therefore consider that there is limited assurance that the benefits unit is being actively monitored against all aspects of its work and that, when appropriate, performance is being challenged by senior management and members.	Completed
As there is limited reporting of the benefits unit's performance, senior management and members are not provided with regular opportunities to challenge performance that does not meet local targets.	Completed
The council has not met the target to respond to 100% of complaints within 20 days since 2010/11, and was unable to provide data for 2012/13 due to a problem with the customer relationship management system.	Completed
Although the council has good relations with key external stakeholders, it has not been in regular contact with its local benefits delivery centre at Bathgate. This has led to a breakdown in communication and delays when requesting information in respect of DWP clerical claims which could have a detrimental effect on claims processing times.	Completed
Due to the limitations of the benefits IT system, the council is unable to carry out any pre-payment accuracy checks. In addition, there has been no Capita post-payment checks carried out since June 2012, and therefore there is an increased risk of fraud and error entering the system unchecked.	Completed
At the time of the on-site visit Audit Scotland was unable to reconcile the accuracy performance reported on the Audit Scotland performance matrix with the accuracy information provided by the council in support of its self-assessment.	Completed
Although outcomes from management checks are recorded on a spreadsheet, it is not to the level of detail that could help the council identify trends, patterns and areas for learning and development of the	Outstanding

Progress against action plan update at August 2015	
service.	
At the time of our site visit, the overpayments data provided to Audit Scotland as part of the council's self-assessment submission was inaccurate. Based on our analysis, there is approximately £394,000 of additional debt that is unaccounted for.	Completed
The council has not met its in-year overpayments recovery targets since 2008/09. In addition, fraud overpayments and administrative penalties are not prioritised for recovery.	Outstanding
Due to the limitation of the council's debt recovery system there is only limited analysis of overpayments data.	Outstanding
A significantly high percentage of requests for reconsideration received by the council in 2011/12 and 2012/13, to 31 December 2012, were revised in favour of the customer.	Completed

Our Ref : CHX/AS/HB/(RAR1)
Your Ref :
Direct Line : 01620 827413

Angela Leitch
CHIEF EXECUTIVE

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11 December 2015

Mr Russell Frith
Assistant Auditor General
Audit Scotland
4th Floor
West Port
Edinburgh
EH3 9DN

Dear Mr Frith

**EAST LOTHIAN COUNCIL, HOUSING BENEFIT (HB) PERFORMANCE AUDIT –
OUTCOME OF RISK ASSESSMENT**

Thank you for your letter of 12 November 2015 and also for the copy of the East Lothian Council audit of housing benefit risk assessment report.

I am pleased to note that the report recognised the efforts of the Benefits & Financial Assessments Service to sustain its Housing Benefit processing performance in what has become an increasingly complex environment. However, I also acknowledge the risks to delivering continuous improvement identified in the report and trust that the enclosed Action Plan provides you with a detailed response which will provide assurance that the Council remains committed to delivering a high quality Housing Benefit Service to East Lothian residents at a time of ongoing change.

In closing, if you have any questions relating to this response, may I ask that these be directed to John Cunningham, Service Manager, Benefits, in the first instance (Tel: 01620 827706 / Email: jcunningham@eastlothian.gov.uk).

Yours sincerely



Angela Leitch
Chief Executive

cc: Alex McCrorie, Depute Chief Executive, Resources & People Services
Jim Lamond, Head of Council Resources
John Cunningham, Service Manager, Benefits

Risk Number	Description of risk	Action to be taken	Responsibility		List of task to be carried out to remove risks	By when	Review date	Progress Made (as @11 December 2015)
			Lead officer	Partners				
New Risks Identified								
1	The level of resources within the benefit service may not be sufficient to enable the service to continually improve or sustain current performance levels across all of its activities while delivering new initiatives such as the <i>Right Benefit</i> programme, and preparing for the rollout of UC.	Carry out recruitment for temporary maternity cover post and the Modern Apprentice Vacancy, (18 months) to ensure that current establishment is maintained.	Service Manager	Team Leaders	Carry out interviews for posts & make appointments	02 February 2016	28 February 2016	Recruitment for maternity cover, (1x part time Benefit Officer post for 6 months) and Benefit Service Modern Apprentice, (1 full time post for 18 months) approved and underway. Shortlisting for Modern Apprentice post carried out and interviews scheduled.
	As Above	Continue ELC 'Right Benefit Programme' to maximise the opportunity to qualify for FERIS incentive payments, (in order to supplement losses from reducing HB Admin 'Subsidy).	Service Manager	Team Leaders & Corporate Communications	Maintain 'Right Benefit' publicity and marketing campaign and proactive interventions campaigns. Maintain FERIS activities throughout 2016/17	31 March 2016	31 March 2016	ELC Right Benefit publicity & marketing campaign underway. This has made use of a range of media channels including office based 'pop up' banners, vehicle posters, radio adds and social media. All carrying the same key message 'Change Happens, Tell us When it Does'. Media and letter heads promote the use of online change of circs form www.eastlothian.gov.uk/changehappens. Capita System 'FERIS Manager' module being used to identify and manage proactive intervention campaigns.
2	Performance is not being reported against all aspects of the service and therefore senior management and members can only have limited assurance that the service as a whole is delivering optimum performance.	Introduce a broader range of key Benefits administration performance indicators that will provide the Council Management Team a greater level of assurance of how the Service is performing.	Service Manager	Benefits Performance Officer	In addition to reporting on existing measures the Service Manager's monthly Highlight Reports will also include performance against; overpayments, accuracy and FERIS targets.	31 December 2015	31 January 2016	Inclusion of additional HB performance measures agreed with Head of Service.
3	The loss of benefit resources has impacted on the service's ability to improve claims processing times which were in decline, at 17 September 2015.	Carry out recruitment for temporary maternity cover post and the Modern Apprentice Vacancy, (18 months) to ensure that current establishment is maintained.	Service Manager	Team Leaders	Carry out interviews for posts & make appointments. Ensure consistent application of RBV process to support New Claims processing productivity.	02 February 2016	31 March 2016	Recruitment for maternity cover, (1x part time Benefit Officer post for 6 months) and Benefit Service Modern Apprentice, (1 full time post for 18 months) approved and advertised. Shortlisting for Modern Apprentice post carried out and interviews scheduled. RBV process refreshed and re-iterated to Decision Makers to ensure its consistent use.
4	The council has not been utilising the automated function within the DWP's ATLAS service and is therefore missing an opportunity to reduce the manual workload for the service, and free up resources to carry out other benefit-related tasks.	Investigate potential for The Capita Benefits Sytem to achieve 25% automation of ATLAS changes and implement new process to achieve target.	Service Manager	Team Leaders	Set initial target of 25% automation by 31 March 2015 Review performance against this target for Q4, (as well as considering any impact on claim accuracy) and incorporate a revised target in the 2016/17 Service Plan.	31 March 2016	31 May 2016	Initial investigations into what level of automation could be achieved with the Capita Benefits System has established that other sites using Capita Benefits System have achieved between 25% and 60% automation of ATLAS changes. This would suggest that an initial target of 25% automation could be achievable by 31 March 2015, however concerns over any potential impact on claim accuracy will need to be considered.
5	The council's overpayment recovery targets are not sufficiently challenging, and overpayment recovery performance is in decline when compared to 2012/13 performance levels.	Revise 2015/16 Service Plan to include Targets of 50% of HB Overpayments recovered in quarter and 20% of overall HB overpayments recovered. Following Review date consider revised targets of 60% and 25% respectively for these measures in 2016/17 Service Plan.	Service Manager	Benefits Performance Officer and Revenues Manager	Set revised Service Plan targets for both measures and review performance against revised targets for 2015/16. Revie targets for 2016/17 Service Plan. Implement consistent recovery rates for all tenures which are more consistent with DWP recovery rates. Implement phased return to work for Benefits Overpayment Officer.	31 March 2017	31 March 2016	Amended 2015/16 Service Plan Targets and proposed increase in HB Overpayment recovery rates discussed with Head of Service and Members of Rent Arrears Scrutiny Group. Benefits Overpayment Officer's long term absence is being managed under the Council's Managing attendance Policy.
	As Above	Revise ELC Corporate Write Off Policy to reflect current HB Overpayment process requirements. Make use of available bad debt provision under the terms of the revised Policy to reduce the extent of historic HB Overpayments which can no longer be collected.	Revenues Manager	Benefits Performance Officer and Benefits Service Manager	Complete revision of current Corporate write Off Policy. Secure Cabinet approval. Review historic HB debt to ascertain which overpayments may no longer be recovered and submit for write off approval.	31 March 2016	31 March 2016	Draft copy of revised Corporate Write Off Policy under development.

6	Since February 2015, cases have not been referred to the Sherriff's Officer for recovery action where the customer has not responded to the council's sundry debtor invoice, or subsequent payment reminder correspondence.	Refer cases for further recovery action	Benefits Performance Officer	Benefits Overpayments Officer and Sundry Debtors	Continue to refer these cases on a regular basis	01 October 2015	31 March 2016	Referral of these cases recommenced on 14th October 2015
Outstanding Risks Identified								
7	Although outcomes from management checks are recorded on a spreadsheet, it is not to the level of detail that could help the council identify trends, patterns and areas for learning and development of the service.	Amend the management checking process to include a greater degree of detail which can help identify trends, patterns and areas for further learning and development. Develop and adopt a Quality Performance Strategy.	Benefits Training & Development Officer	Benefits Performance Officer & Service Manager	Review current process to establish whether sufficient information is being captured to provide a sufficient level of intelligence about HB caseload. Develop and adopt a Quality Performance Strategy.	31 March 2016	31 March 2016	Existing management check outcomes spreadsheet amended to capture additional information. Best practice used by other similar sized Scottish Councils under consideration.
8	The council has not met its in-year overpayments recovery targets since 2008/09. In addition, fraud overpayments and administrative penalties are not prioritised for recovery.	Revise 2015/16 Service Plan to include Targets of 50% of HB Overpayments recovered in quarter and 20% of overall HB overpayments recovered. (Increasing to 60% and 25% in the 2016/17 Service Plan). Consider further options to review fraud overpayment and administrative penalty recovery. Consider 'Deductions from Earnings' as an additional method of recovery.	Benefits Performance Officer	Benefits Overpayments Officer and Sundry Debtors	Set revised Service Plan targets for both measures and monitor HB recovery performance against revised targets for remainder of 2015/16). Adopt revised targets in 2016.17 Service Plan. Implement consistent recovery rates for all tenures which are more in line with DWP recovery rates. Implement phased return to work for Benefits Overpayment Officer & Investigate potential for Sundry Debtors to increase priority for recovery of fraudulent overpayments and administrative penalties. Consider 'Deductions from Earnings' as an additional method of recovery.	31 March 2016	31 May 2016	Amended 2015/16 Service Plan Targets and proposed increase in HB Overpayment recovery rates discussed with Head of Service and Members of Rent Arrears Scrutiny Group. Benefits Overpayment Officer's long term absence is being managed under the Council's Managing attendance Policy.
9	Due to the limitation of the council's debt recovery system there is only limited analysis of overpayments data.	Establish extent of limitations. Amend the management checking process to include a greater degree of detail which can help identify trends, patterns and areas for further learning and development which can reduce overpayments occurring and increase effectiveness of O/Payment collection.	Benefits Performance Officer	Benefits Training & Development Officer, Service Manager	Review current management checking process to ensure sufficient information can be captured to provide a sufficient level of intelligence about causes of HB overpayments.	31 March 2016	31 March 2016	Existing management check outcomes spreadsheet amended to capture additional information. Best practice used by other similar sized Scottish Councils under consideration.

John C

Ms Angela Leitch
Chief Executive
East Lothian Council
John Muir House
Brewery Park
Haddington
East Lothian
EH41 3HA

14 December 2015

East Lothian Council
15 DEC 2015
Executive Support

Dear Ms Leitch

The audit of housing benefit – benefits performance audit risk assessment

I would like to thank you for your letter of 11 December 2015 including the response to our risk assessment report sent to you on 12 November 2015.

I have considered the proposals to reduce the risks identified in our report and I am satisfied the council's proposed actions and note those already in place, will make a positive contribution to the continuous improvement of the council's housing benefit service. I am therefore pleased to conclude that no further scrutiny is required at this stage.

I would like to thank you and your benefits management team, in particular John Cunningham for the positive and helpful approach displayed throughout the risk assessment process.

Yours sincerely

Russell A J Frith

Russell Frith
Assistant Auditor General

Copied to: John Cunningham
Alex McCrorie
Jim Lamond

Risk Number	Description of risk	Action to be taken	Responsibility		List of task to be carried out to remove risks	By when	Review date	Progress Made (as @31 March 2016)	Action Status
			Lead officer	Partners					
New Risks Identified									
1	The level of resources within the benefit service may not be sufficient to enable the service to continually improve or sustain current performance levels across all of its activities while delivering new initiatives such as the <i>Right Benefit</i> programme, and preparing for the rollout of UC.	Carry out recruitment for temporary maternity cover post and the Modern Apprenticeship Vacancy, (18 months) to ensure that current establishment is maintained.	Service Manager	Team Leaders	Carry out interviews for posts & make appointments	02 February 2016	28 February 2016	Benefit Processing for 2015/16 performance improved and has exceeded performance targets. However recruitment efforts must continue in order to sustain overall performance. Maternity cover resolved. Modern Apprenticeship appointed in February 2016 however post in vacancy by 31 March 2016. More recent Benefit Officer vacancy filled by external recruitment. Currently negotiating further funding under Universal Credit Delivery Partnership Agreement to create 1 additional grade 6 (temporary) Benefit Officer post.	Complete
	As Above	Promote ELC 'Right Benefit Programme' to maximise the opportunity to qualify for FERIS incentive payments, (in order to supplement losses from reducing HB Admin 'Subsidy).	Service Manager	Team Leaders & Corporate Communications	Maintain 'Right Benefit' publicity and marketing campaign and proactive interventions campaigns	31 March 2016	31 March 2016	Whilst the ELC 'Right Benefit Programme' has yet to meet its benefit saving baseline target, (to qualify for FERIS incentive payments) the successful bid for FERIS Maintenance funding, (£18k) has provided some additional resource to augment Benefit Service capacity in 2016/17. This funding will be used to create a temporary grade 4 Benefit Assistant post to support the Right Benefit Programme.	Ongoing
2	Performance is not being reported against all aspects of the service and therefore senior management and members can only have limited assurance that the service as a whole is delivering optimum performance.	Introduce a broader range of key Benefits administration performance indicators that will provide the Council Management Team a greater level of assurance of how the Service is performing.	Service Manager	Benefits Performance Officer	In addition to reporting on existing measures the Service Manager's monthly Highlight Reports will also include performance against; overpayments, accuracy and FERIS targets.	31 December 2015	31 January 2016	Inclusion of additional HB performance measures agreed with Head of Service, however overpayments and accuracy performance has not been consistently reported in Service Manager's monthly highlight report since more pressing business activity has taken precedence, (e.g. implementation of the Universal Credit 'Full' Service across East Lothian).	Ongoing
3	The loss of benefit resources has impacted on the service's ability to improve claims processing times which were in decline, at 17 September 2015.	Carry out recruitment for temporary maternity cover post and the Modern Apprenticeship Vacancy, (18 months) to ensure that current establishment is maintained.	Service Manager	Team Leaders	Carry out interviews for posts & make appointments	02 February 2016	28 February 2016	Benefit Processing for 2015/16 performance improved and has exceeded performance targets. However recruitment efforts must continue in order to sustain overall performance	Complete
4	The council has not been utilising the automated function within the DWP's ATLAS service and is therefore missing an opportunity to reduce the manual workload for the service, and free up resources to carry out other benefit-related tasks.	Investigate potential for The Capita Benefits System to achieve 25% automation of ATLAS changes and implement new process to achieve target.	Service Manager	Team Leaders	Set initial target of 25% automation by 31 March 2015 Review performance against this target for Q4, (as well as considering any impact on claim accuracy) and incorporate a revised target in the 2016/17 Service Plan.	31 March 2016	31 May 2016	Processes in place to maximise 'safe' use of Benefit System automation Automation of 22.2% ATLAS changes achieved as @ 31 March 2016.	Ongoing
5	The council's overpayment recovery targets are not sufficiently challenging, and overpayment recovery performance is in decline when compared to 2012/13 performance levels.	Revise 2015/16 Service Plan to include Targets of 60% of HB Overpayments recovered in quarter and 20% of overall HB overpayments recovered.	Service Manager	Benefits Performance Officer and Revenues Manager	Set revised Service Plan targets for both measures and review performance against revised targets for Q4 period, (1 January 2015 to 31 March 2015). Implement consistent recovery rates for all tenures which are more in line with DWP recovery rates. Implement phased return to work for Benefits Overpayment Officer.	01 January 2016	31 May 2016	Amended Service Plan Targets and proposed increase in HB Overpayment recovery rates discussed with Council Management Team Members of Rent Arrears Scrutiny Group. Benefits Overpayment Officer returned to work on 7 March 2016, (following long term absence due to a serious illness. Increased recovery rates implemented for Public Sector HB cases as part of year end process. This will begin to achieve greater parity in recovery rates across all tenures in 2016/17. Impact of Council rent arrears collection will be monitored.	Ongoing
	As Above	Revise ELC Corporate Write Off Policy to reflect current HB Overpayment process requirements. Make use of available bad debt provision in order to reduce amount of legacy HB overpayments which can no longer be collected.	Revenues Manager	Benefits Performance Officer and Benefits Service Manager	Complete revision of current Corporate write Off Policy. Secure Cabinet approval. Review historic HB debt to ascertain which overpayments may no longer be recovered and submit for write off approval.	31 March 2016	31 March 2016	Benefit Service revisions made to draft Corporate Write Off Policy. Service Manager Revenues still to secure Cabinet Approval.	Ongoing

6	Since February 2015, cases have not been referred to the Sherriff's Officer for recovery action where the customer has not responded to the council's sundry debtor invoice, or subsequent payment reminder correspondence.	Refer cases for further recovery action	Benefits Performance Officer	Benefits Overpayments Officer and Sundry Debtors	Continue to refer these cases on a regular basis	01 October 2015	31 March 2016	Referral of these cases recommenced on 14th October 2015	Complete
Outstanding Risks Identified									
7	Although outcomes from management checks are recorded on a spreadsheet, it is not to the level of detail that could help the council identify trends, patterns and areas for learning and development of the service.	Amend the management checking process to include a greater degree of detail which can help identify trends, patterns and areas for further learning and development. Develop and adopt a Quality Performance Strategy.	Benefits Training & Development Officer	Benefits Performance Officer & Service Manager	Review current process to establish whether sufficient information is being captured to provide a sufficient level of intelligence about HB caseload. Develop and adopt a Quality Performance Strategy.	31 March 2016	31 March 2016	Existing management check outcomes spreadsheet amended to capture additional information. Quality Performance Strategy being used by other similar sized Scottish Councils still under consideration.	Ongoing
8	The council has not met its in-year overpayments recovery targets since 2008/09. In addition, fraud overpayments and administrative penalties are not prioritised for recovery.	Revise 2015/16 Service Plan to include Targets of 60% of HB Overpayments recovered in quarter and 20% of overall HB overpayments recovered. Consider options to review fraud overpayment and administrative penalty recovery. Consider 'Deductions from Earnings' as an additional method of recovery.	Benefits Performance Officer	Benefits Overpayments Officer and Sundry Debtors	Set revised Service Plan targets for both measures and review performance against revised targets for Q4 period, (1 January 2015 to 31 March 2015). Implement consistent recovery rates for all tenures which are more in line with DWP recovery rates. Implement phased return to work for Benefits Overpayment Officer & Investigate potential for Sundry Debtors to increase priority for recovery of fraudulent overpayments and administrative penalties. Consider 'Deductions from Earnings' as an additional method of recovery.	31 March 2016	31 May 2016	Amended Service Plan Targets and proposed increase in HB Overpayment recovery rates discussed with Council Management Team Members of Rent Arrears Scrutiny Group. Benefits Overpayment Officer's long term absence managed under the Council's Managing attendance Policy. Increased recovery rates implemented for Public Sector HB cases as part of year end process. This will begin to achieve greater parity in recovery rates across all tenures in 2016/17. Impact of Council rent arrears collection will be monitored. Target setting will be reviewed as part of 2016/17 Service Planning.	Ongoing
9	Due to the limitation of the council's debt recovery system there is only limited analysis of overpayments data.	Establish extent of system limitations. Amend the management checking process to include a greater degree of detail which can help identify trends, patterns and areas for further learning and development which can reduce overpayments occurring and increase effectiveness of O/Payment collection.	Benefits Performance Officer	Benefits Training & Development Officer, Service Manager	Discuss systems limitations with Systems Team and software provider. Review current management checking process to ensure sufficient information can be captured to provide a sufficient level of intelligence about causes of HB overpayments.	31 March 2016	31 March 2016	Existing management check outcomes spreadsheet amended to capture additional information. Quality Performance Strategy being used by other similar sized Scottish Councils still under consideration.	Ongoing