

To: Finance and Resources Policy Board

On: 24 August 2016

Report by: Director of Finance and Resources

**Heading: BENEFITS ADMINISTRATION – WELFARE
REFORM AND PERFORMANCE STATEMENT**

1. Summary

1. This report details the processing performance in relation to Housing Benefit and the Scottish Welfare Fund, as at the end of June 2016. The report provides an update on the funding and expenditure position in relation to Discretionary Housing Payments (DHP) and the Scottish Welfare Fund.

2. Recommendations

- 2.1 The Finance and Resources Board note the content of this report.
 - 2.2 The Board approves the allocation of £250,000 of existing welfare reform resources to support DHP payments (paragraph 3.3.7)
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3. Background

3.1 Service Information

- 3.1.1 The Service continues to successfully balance a significant work load along with managing the impact of the ongoing effect from the welfare reform agenda.

3.2 Speed of Processing – Housing/Council Tax Benefit

3.2.1 As detailed in Table 1 below, processing speed for New Claims is within target for the period and year to date. In relation to New Claims processed within 14 days of all information received, this measure is also within target for the period and year to date.

3.2.2 Processing of Changes in Circumstance (CIC) is within target for the period, and year to date.

(Supplementary processing information is attached in Appendix 1 for members' reference)

Table 1 – Performance Summary

Performance measure	Reporting Period 13 May 2016 to 09 June 2016	Year to date position	Annual Target
New Claims – processing time	20 days	21 days	24 days
New Claims - % processed within 14 days of all information received	94%	94%	92%
Changes in Circumstance – processing time	8 days	3 days	10 days

3.3 Discretionary Housing Payments

3.3.1 The total budget for Discretionary Housing Payments is shown in table 2 below.

3.3.2 The DHP budget has been calculated to include the full Scottish Government estimate of the amount of funding required to fully mitigate the effect of the Bedroom Tax. This estimate includes a 20% reserve allocation which would be paid in May 2017, if required. In line with DHP Policy and DHP Regulations, the Service makes awards to fully mitigate the effect of the Bedroom Tax and will maximise spend within the year.

3.3.3 An amount of £147,863 (included within the total budget figure in table 2 below) is funding allocated by the Department for Works and Pensions (DWP) for other types of financial hardship (not Bedroom Tax.)

3.3.4 During 2015/16, with the support of Council resources, the Benefits Service made awards to customers facing 'other' financial hardship totalling £289,527.

- 3.3.5 More than 60% of the 'other financial hardship' component of the DHP budget has already been committed for this financial year. It is therefore certain that the budget of £147,863 will be exhausted before the end of the financial year.
- 3.3.6 In addition, the DWP will be implementing new Benefit Cap thresholds in late Autumn 2016. Analysis carried out in May 2016 by the Benefits Service calculated that 110 households in Renfrewshire will be affected by the lowering of the cap threshold in 2016/17. It is anticipated that most of these households will make an application for a DHP and as a result pressure will intensify further on the 'other' financial hardship component of the DHP budget (described in 3.3.3 above).
- 3.3.7 In response to the significant shortfall in DHP funding, it is recommended that similar to previous years, the Board approves the allocation of £250,000 of existing welfare reform resources to support DHP payments. This additional funding would support customers affected by the new Benefit Cap thresholds and those experiencing ongoing financial hardship as a result of wider austerity measures implemented by the UK Government.

Table 2 – DHP Budget

Funding Source	amount
DWP	£425,050
Scottish Government	£1,522,925
Total budget for the year	£1,947,975

Table 3 – DHP Performance Summary

Measure	1 April 2016 to 30 June 2016
Volume of DHP applications received	2,626
Volume of DHP decisions made	2,669
Number of DHP awards	2,602
Average processing time (target 29 days)	17.78 days
Total amount committed/paid	£1,461,471

3.4 The Scottish Welfare Fund

1. The Service continued to make awards in 2016/17, in line with Scottish Government guidance and had spent/committed 21% of its total budget for the Scottish Welfare Fund (SWF) by the end of June 2016.
2. The performance data relating to the Fund is presented in table 4 below. The Service was behind target for the processing of Community Care Grants. The team has focussed on reducing outstanding volumes and aims to be back within target by the next reporting period.

Table 4 – SWF Performance Summary

Measure	1 April 2016 to 30 June 2016
Number of Crisis Grant applications received	1,989
Number of Crisis Grant awards	1,585
Total amount paid for Crisis Grants	£109,031
Average processing time (2 working days target)	1 day
Number of Community Care Grant applications received	506
Number of Community Care Grant awards	393
Total amount paid for Community Care Grant	£156,598
Average processing time (15 working days target)	22 days
Total amount paid/committed from the fund	£265,629
Total Budget	£1,259,893

*Note that figures are adjusted each month to reflect awards previously made, but not fulfilled.

Implications of the Report

1. **Financial** - an efficient, effective Benefit Service assists council tenants meet their financial obligations in terms of rent and council tax and ensures overpayments are minimised and DWP subsidy maximised
2. **HR & Organisational Development** - None
3. **Community Planning –**

Community Care, Health & Well-being – An effective Benefits service is vital to the quality of life of many of our citizens as it provides vital support for low income households in order to sustain tenancies and meet their rent obligations
4. **Legal** – None
5. **Property/Assets** – None
6. **Information Technology** - None
7. **Equality & Human Rights**- The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required, following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** - None
9. **Procurement** - None
10. **Risk** - None
11. **Privacy Impact** - None.

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Appendix 1- Supplementary KPIs

APPEALS

Where a claimant disputes a Benefits decision and also disputes a revision decision they can formally make an Appeal. The Benefits Service will prepare a detailed submission which is then considered by the Independent Tribunals Service. Preparation of a submission is a very involved process and requires significant data gathering.

Target processing speed (number of days)	60		
Result: last 3 months (days)	Apr: 26 days	May: 56 days	Jun: 18 days
Average (12 months to date)	51 days		
Average Appeals Completed (12 months to date)	8 Appeals per month		

Comment:-

The Service continues to manage Appeals processing well within target.

REVISIONS

Where a claimant disputes a benefits decision in the first instance they can request for it to be looked at again. This is known as a Revision. The process involves a Senior Benefit Assessor reviewing the decision thoroughly to decide whether the decision should stand.

Target	28 days		
Result last report	January: 41	February: 39	March: 35
Result Last 3 months	April: 44	May: 38	June: 29

Comment:- The service continued to recover the processing time for Revisions and was within target by the end of this reporting period.

ACCURACY

The Service proactively monitors the accuracy of benefits decisions made through a robust audit checking programme. The Service targets to audit 3% of all calculations and measures the percentage where correct benefit has been paid to the customer

	Target %	Actual %
Volume of Audits	3%	11%
Accuracy – June 16	95%	95%
Accuracy – Year to Date	95%	93%

Comment:-

The Service has set a stretching target for Accuracy and has achieved it for the reporting period.

Overpayments

The value of overpayments reported at the last board was £6,951,064 the current value is £6,915,575

	Target %	Actual %
% recovery of debt raised	73%	76.0%
15/16: % recovery of debt raised	73%	83.5%

Comment:-

The Service is ahead of target in relation to recovery of Overpayments.