

Report by the  
Benefit Fraud Inspectorate

***Aberdeen City Council  
Inspection of overpayment  
activity***

October 2005



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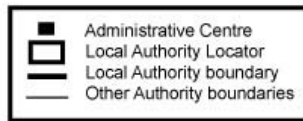
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The maps on this page show the area covered by Aberdeen City Council in relation to neighbouring authorities, and its geographical location in the country.



# Executive summary

## *Introduction*

**1.1** The role of the Benefit Fraud Inspectorate (BFI) is to inspect benefits administration and counter-fraud activity within local authorities, the Department for Work and Pensions (the Department) and its agencies. The findings from our inspections are reported to the Secretary of State.

**1.2** In its response to the *Housing Green Paper* of November 2000, the Department agreed to develop a performance framework for Housing Benefit (HB) and Council Tax Benefit (CTB). BFI played a major role and the first HB and CTB Performance Standards were launched and published in April 2002. Following a major review, a revised set of Performance Standards was published in March 2005.

**1.3** The Performance Standards allow local authorities to make a comprehensive self-assessment of whether they deliver benefit effectively and securely. While the Department has chosen to consider the full picture of what constitutes an effective and secure Benefits service that meets wider strategic objectives, this does not preclude inspections of specific aspects of HB and CTB administration.

**1.4** Aberdeen City Council was selected for inspection based on its recoverable overpayments amounting to over 5% of its HB spend compared to a national average for 2003/04 of 3.5%. This report assesses Aberdeen City Council's performance in dealing with overpayments. We have limited the scope of this inspection to those Performance Standards' components that have a direct impact on Aberdeen City Council's reported overpayments performance.

**1.5** As part of this inspection we examined:

- 30 overpayment cases
- 15 write-off cases.

**1.6** We supplemented our analysis of cases with information from interviews and workshops with managers, staff and key stakeholders.

**1.7** This report should be read in conjunction with the Performance Standards pack, which can be downloaded from the Department's website at <http://www.dwp.gov.uk/housingbenefit/publications/perf-stands/index.asp>

**1.8** We are grateful to Aberdeen City Council for its help and co-operation throughout this inspection, the on-site phase of which took place in June 2005.

## *Overall performance*

**1.9** We examined 19 enablers in the course of this inspection covering Claims administration, User focus and Resource management. Aberdeen City Council met 16 of the 19 enablers examined.

**1.10** We found many strengths and good practices, in particular the council's quality checking regime. The council had well documented procedures for quality checking, clearly defining roles and responsibilities. Each Team Leader was allocated a timeslot in the day to perform checks on their staff. This enabled Team Leaders to provide cover for each other. Team Leaders used 45 minutes each day to check cases and 45 minutes to provide feedback to those officers being checked.

**1.11** The council made good use of the information gathered from checks to inform individual and team training needs. The results of the checks were discussed at monthly management meetings and the effectiveness of training was evaluated using subsequent checking results.

**1.12** In addition, we found that the council had:

- classified overpayments correctly in 90% of our sample
- applied the correct effective dates when calculating overpayments
- considered underlying entitlement and returned or cancelled cheques in appropriate cases
- correctly considered recoverability and used judgement when deciding whom the overpayment should be recovered from
- a good audit trail for actions taken on overpayment cases
- calculated overpayments within 14 days
- good control over workflows for processing changes of circumstances.

**1.13** Aberdeen City Council used most of the recovery methods set out in its comprehensive on-line overpayment policies and procedures. However, it had not used blameless tenant recoveries, where recovery can be made from payments made to a landlord on behalf of customers to whom the overpayment does not relate.

**1.14** Improvements were needed in write-off procedures. Customer Care Assistants (Benefit Recovery) were not pursuing all avenues of recovery before considering write-offs. The council also needed better control over the work done by the Benefit Recovery Team.

**1.15** The council's reported performance against the statutory performance indicator 3b for recovery of overpayments for 2004/05 was 26%. The performance indicators were revised for 2005/06. From 1 April to 30 June 2005 the council's reported performance was 62% against the new performance measure, the amount of HB overpayments recovered during the period as a percentage of the total amount of HB overpayments identified.

**1.16** The council had demonstrated sound leadership and financial planning by prioritising improvements to the HB service. We were told that it had sustained improvements to its new claims processing, changes of circumstances

performance and reduction in local authority error overpayments before tackling the recovery of overpayments.

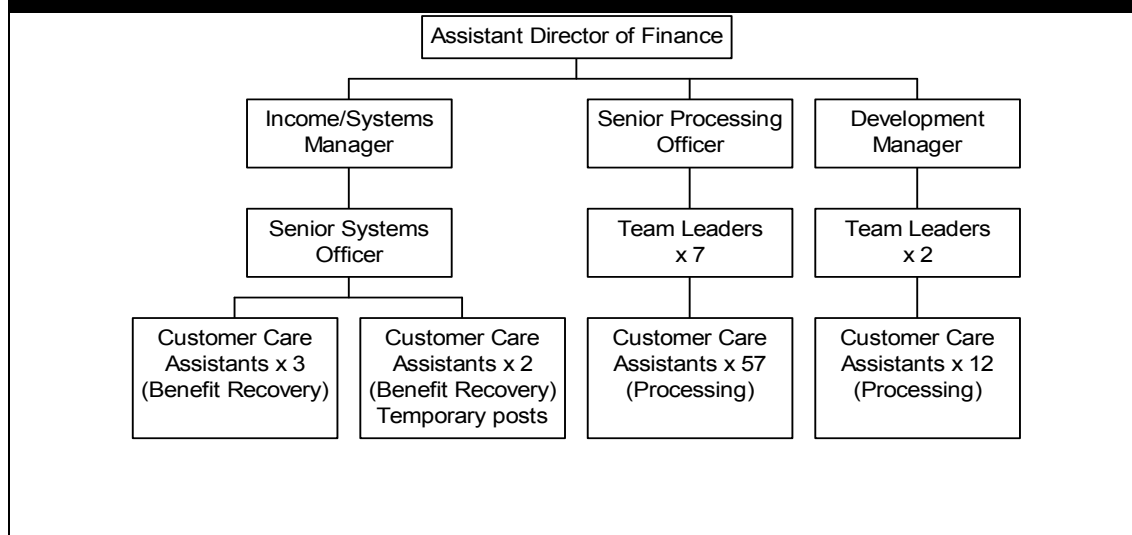
**1.17** Following the processing improvements and reduction in local authority error overpayments, the council submitted a bid to the Department's Performance Standards Fund to improve the recovery of overpayments. The council's bid was successful and it was awarded £29,000 in April 2005.

**1.18** In line with its action plan, submitted in support of the bid, the council recruited 2 additional temporary staff to progress 5,000 old and inactive debts. At the time of the inspection, the Benefit Recovery Team was examining these cases for potential recovery or write-off action before submitting the debts to the Department's Debt Management or debt collection agents. We found that the council needed to strengthen its action plan to include more detail in order to secure success. The council welcomed an offer of help from the BFI Performance Development Team to develop a more comprehensive action plan.

## Background

**1.19** Aberdeen City Council is the city's largest employer, employing approximately 11,000 staff. It covers an area of 71 square miles and has a population of approximately 212,000. The council has 43 elected Members made up of 20 Liberal Democrat, 14 Scottish Labour, 6 Scottish National Party and 3 Scottish Conservative councillors. Figure 1.1 outlines the structure of the Benefits section and the Benefit Recovery Team.

**Fig. 1.1: Organisational structure for the Benefits section and the Benefit Recovery Team**



Source: Aberdeen City Council

## Summary of recommendations

**1.20** A summary of recommendations is shown at Figure 1.2 for the Claims administration theme of Performance Standards that have a direct impact on Aberdeen City Council's overpayment processing. We made no recommendations under the User focus and Security themes of Performance Standards.

**Fig. 1.2: Recommendations**

<b>High priority</b>		
<b>We recommend that Aberdeen City Council:</b>		<b>Paragraph</b>
<b>1</b>	<ul style="list-style-type: none"> <li>implements a workflow system for the recovery of overpayments to enable work to be controlled and prioritised to ensure maximum levels of recovery.</li> </ul>	<b>2.7</b>
<b>2</b>	<ul style="list-style-type: none"> <li>liaises with housing associations with large debts to introduce the use of blameless tenant recoveries in accordance with Section 16 of the Social Security Administration (Fraud) Act 1997.</li> </ul>	<b>2.39</b>

<b>Medium priority</b>		
<b>We recommend that Aberdeen City Council:</b>		<b>Paragraph</b>
<b>1</b>	<ul style="list-style-type: none"> <li>ensures all avenues are pursued before considering write-offs, including tracing cases on the remote access terminal and referring all appropriate cases to either Debt Management or debt collection agents.</li> </ul>	<b>2.43 , 2.44</b>
<b>2</b>	<ul style="list-style-type: none"> <li>revises its overpayment recovery action plan to include:                             <ul style="list-style-type: none"> <li>specific activities to be performed by the Benefit Recovery Team</li> <li>prioritisation of tasks</li> <li>a profile of expected performance</li> <li>key milestones.</li> </ul> </li> </ul>	<b>2.48</b>

<b>Low priority</b>		
<b>We recommend that Aberdeen City Council:</b>		<b>Paragraph</b>
<b>1</b>	<ul style="list-style-type: none"> <li>generates a system report detailing all write-offs to allow the Senior Systems Officer to perform a random check of cases to ensure correct procedures are followed.</li> </ul>	<b>2.42</b>

# **BFI findings**



# Claims administration

## Claims processing

2.1 HB and CTB are vital payments made to help people on low incomes. As these groups of people are at risk, their claims should be dealt with quickly and accurately. Local authorities are required to measure and report the average time for processing new claims and changes of circumstances.

## Performance Measures

2.2 Figure 2.1 sets out Aberdeen City Council's performance against the performance measure for processing changes of circumstances.

**Fig. 2.1: Average number of days to process changes of circumstances**

Performance Measure	Description	Standard	2003/04	2004/05
PM 5	Average speed of processing changes of circumstances (days)	9	19	16

Source: Aberdeen City Council

2.3 We sampled 30 cases where changes of circumstances had led to an overpayment. The average time for Aberdeen City Council to process changes of circumstances in our sample was 41 days. Our sample revealed that the

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**Our sample revealed that the council requested further information promptly, on average within 6 days, and processed changes of circumstances on average within 8 days of receipt of all information.**

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council requested further information promptly, on average within 6 days, and processed changes of circumstances on average within 8 days of receipt of all information. The main reason for processing delays was due to customers delaying replies to requests for further information, which was supplied on average within 29 days. All cases in our sample were issued with reminders at the correct time.

2.4 There was a disparity between the sample findings and the reported changes of circumstances performance. However, we were satisfied that cases in the sample had taken

longer to process than some changes of circumstances cases, as the sample was made up of more complex cases resulting in overpayments.

## Performance Standards Enablers

### *Workload management*

2.5 Aberdeen City Council did not meet the enabler examined (E1). The council closely monitored the levels of assessment work processed and outstanding through reports detailing weekly workload statistics showing peaks and troughs of work. In addition, daily reports were obtained to provide the following information:

- a breakdown of post received in the mail room
- work received by date and document type
- a breakdown of the number of benefit cases processed the previous day
- a breakdown of documents processed by individual users
- all outstanding documents
- out-of-date work.

2.6 Work was allocated using the document management system, taking into account staff experience, knowledge and priority of work outstanding. Team Leaders were able to override the system and reassign cases to other members of staff where cases proved more complex than originally thought.

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### **The Benefit Recovery Team had no formal workload management system.**

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2.7 The Benefit Recovery Team had no formal workload management system. **(High priority recommendation 1)** It is important to manage workloads to ensure that staff are working efficiently, cases are dealt with in order of priority and recovery potential is maximised.

2.8 The team was made up of:

- 3 permanent Customer Care Assistants (Benefit Recovery)
- 2 temporary Customer Care Assistants (Benefit Recovery)
- the Senior Systems Officer
- the Income/Systems Manager.

2.9 The 2 temporary staff were recruited in June 2005 using funds received from the Performance Standards bid to work on progressing 5,000 old and inactive debts.

### *Gathering information*

2.10 Aberdeen City Council met the 2 enablers examined (E3 and E5). Benefit documents were allocated a target completion date on the document management system of 7 days. This ensured that cases were either processed or additional information was requested within 7 days, generating an out-of-date report whenever this target was not met.

2.11 We sampled 30 cases where changes of circumstances had led to an overpayment. All information was submitted with the notification of the change in 6 cases (20%). Further information about the change was requested in 24 cases (80%). The average time taken for Aberdeen City Council to request

further information in these 24 cases was 6 days against a target set in enabler E3 of 7 days.

**2.12** Customer Care Assistants (Processing) issued certificate of earnings forms where appropriate. This allowed for rapid arrangements for employers to supply evidence and for changes of circumstances to be processed quickly.

**2.13** Priority was given to benefit cancellations and urgent benefit letters. These document types were allocated a one-day target on the document management system to avoid overpayments occurring. Out-of-date work reports were generated if this one-day target was missed, alerting Team Leaders to potential problems. Replies to requests for further information were matched to original requests and automatically fed into Customer Care Assistants' (Processing) work trays by the document management system, ensuring that this work took priority.

**2.14** Procedural guidance detailed how to immediately suspend benefit in cases where doubt occurred over entitlement to HB or CTB in order to reduce the likelihood of overpayments occurring.

## *Quality and reducing error*

**2.15** Members and senior managers, who are accountable for the delivery of effective and secure HB and CTB administration, need assurance that the Benefits service and counter-fraud efforts are working as planned. Local authorities should therefore ensure that arrangements are in place to make full use of management information and checking data across the full range of their benefits activities.

## Performance Standards Enablers

### *Quality checks*

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**Each Team Leader carried out daily quality checks on the work performed by members of their team. The total time allocated each day was one and a half hours, comprising 45 minutes checking and 45 minutes feedback.**

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**2.16** Aberdeen City Council met the enabler examined (E9). Each Team Leader carried out daily quality checks on the work performed by members of their team. The total time allocated each day was one and a half hours, comprising 45 minutes checking and 45 minutes feedback. Team Leaders were allocated a set time during the day to perform the checks, enabling Team Leader cover to be provided.

**2.17** The number of checks performed on each Customer Care Assistant (Processing) varied depending on experience and results of previous checks. New staff were subject to 100% check. However, the work of each Customer Care Assistant (Processing) was checked at least once every 4 weeks.

2.18 There were written procedures for the checking regime, with clearly defined roles and responsibilities and a process map setting out the process. In addition to these checks, 125 randomly selected cases were checked for accuracy every quarter in line with the Department's statutory requirements.

2.19 If a case selected for checking included an overpayment, the case check included a check of the overpayment period, calculation and classification. In addition, the Senior Processing Officer checked all overpayments over £1,000. We found the council's checking regime to be good practice.

### *Using quality checks to improve performance and reduce error*

2.20 Aberdeen City Council met the enabler examined (E10). Team Leaders completed a record of findings and feedback from quality checks. When errors were identified, Team Leaders decided whether to retrain their member of staff on the identified area or make a referral to the Training Team. An hour each week, on a Wednesday morning, was set aside for Team Leaders to provide individual training on identified areas of weakness or group training when new instructions were received.

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**The Senior Processing Officer collated training requests and monitored outcomes. This included monitoring the effectiveness of any training delivered by continuous analysis of results from accuracy checks.**

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2.21 The Senior Processing Officer collated training requests and monitored outcomes. This included monitoring the effectiveness of any training delivered by continuous analysis of results from accuracy checks.

2.22 The Senior Processing Officer also prepared a monthly report for the Assistant Director of Finance, detailing findings from accuracy checks, analysis of errors and providing information on how problems areas were to be tackled. We found Aberdeen City Council's feedback and use of information from management checks to be good practice.

## *Overpayments*

2.23 To reduce the loss to public funds, local authorities must effectively administer the processing of HB and CTB to prevent overpayments occurring in the first place. When they do occur local authorities should have clear overpayments policies and procedures that will allow them to:

- identify overpayments promptly
- classify overpayments correctly
- prevent overpayments from continuing
- decide if overpayments are recoverable, and if so, who from
- pursue recovery by the speediest, most cost effective and efficient methods available in line with current legislation.

2.24 Figure 2.2 shows the amount of overpayments identified by Aberdeen City Council from April 2002 to March 2005.

<b>Fig. 2.2: Overpayments identified</b>			
	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>
<b>Amount (£)</b>	2,313,751	2,578,733	2,381,940
<b>% of benefit spend</b>	6	6	5

Source: Aberdeen City Council

## Performance Measures

2.25 Figure 2.3 sets out Aberdeen City Council's performance against the statutory performance indicators for overpayments. These are new measures for 2005/06.

<b>Fig. 2.3: Aberdeen City Council's performance measures - overpayments</b>		
<b>Performance Measure</b>	<b>Description</b>	<b>1 April 2005 to 30 June 2005 %</b>
<b>PM 7</b>	The amount of HB overpayments recovered during the period as a percentage of the total amount of HB overpayments identified	62
<b>PM 8</b>	The amount of HB overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified	6
<b>PM 9</b>	The amount of HB overpayments written off during the period as a percentage of total amounts of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified	1

Source: Aberdeen City Council

2.26 Aberdeen City Council's reported performance against the statutory performance indicator 3b for recovery of overpayments for 2004/05 was 26%. The Assistant Director of Finance advised us that the council had prioritised improvements to its new claims processing, changes of circumstances and reduction in local authority error overpayments before tackling the recovery of overpayments.

2.27 Processing improvements were successfully improved and maintained reducing the average time taken to process new claims from 51 days in 2002/03 to 30 days in 2004/05. The average time taken to process changes of circumstances was also improved from 26 days in 2002/03 to 16 days in 2004/05.

2.28 These processing improvements, together with a comprehensive checking regime and a well-developed training programme led to a reduction in local authority error overpayments as set out in Figure 2.4.

**Fig. 2.4: Local authority error overpayments from April 2002 to March 2005**

Year	Local authority error overpayments identified (£)
2002/03	459,863
2003/04	319,155
2004/05	179,639

Source: Aberdeen City Council

2.29 Following this sustained improvement, the council secured funding of £29,000 in April 2005 from the Performance Standards Fund to improve the recovery of outstanding debt.

2.30 The Performance Standards funding enabled the council to recruit 2 temporary staff in June 2005 to focus on recovery action on 5,000 old and inactive debts amounting to approximately £1 million by:

- checking its own and the Department's IT systems to identify if customers were in receipt of benefits
- referring appropriate cases to the Department's Debt Management and debt collection agents
- considering write-off action for inactive debts under £50.

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**...the council aimed to eradicate all inactive debt over 3 years old by April 2008.**

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2.31 At the time of the on-site phase of our inspection the council was up-to-date with its action plan, submitted in support of the Performance Standards Fund bid. There were 4,600 old and inactive debts outstanding. The council's action plan set a target to deal with these debts by December 2005. The Assistant Director of Finance planned to review progress

in September 2005 to establish a business case to convert the temporary posts to permanent by demonstrating that the 2 posts were self-financing. We were also told that the council aimed to eradicate all inactive debt over 3 years old by April 2008.

## Performance Standards Enablers

### *Managing debt*

**2.32** Aberdeen City Council met 1 (E13) of the 3 enablers examined. The remaining 2 (E11 and E12) were not met.

**2.33** All staff had access to on-line overpayment policies and procedures. These were updated regularly and staff were encouraged to consult the procedures before asking Team Leaders for assistance.

**2.34** Our sample revealed there was a clear audit trail for all decisions, showing:

- if the overpayment was recoverable
- the decision regarding who the overpayment should be recovered from
- the classification of the overpayment.

**2.35** Figure 2.5 sets out the classification of overpayments identified from April 2002 to March 2005.

<b>Fig. 2.5: Classification of HB overpayments</b>			
<b>Category</b>	<b>2002/03 (£)</b>	<b>2003/04 (£)</b>	<b>2004/05 (£)</b>
<b>Claimant error/other</b>	1,804,049	2,174,440	2,117,112
<b>Departmental error</b>	0	0	0
<b>Local authority error</b>	459,863	319,155	179,639
<b>Fraud</b>	49,839	85,138	85,189
<b>Total</b>	<b>2,313,751</b>	<b>2,578,733</b>	<b>2,381,940</b>

Source: Aberdeen City Council

**2.36** We examined the overpayment classification in our sample of 30 cases. In 27 cases (90%) the classification was correct. In the remaining 3 cases the overpayments had been classified as claimant error but the correct classification should have been partial claimant error and partial local authority error.

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**Our sample revealed that the council had, in all 30 cases, correctly identified whether the overpayment was recoverable.**

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**2.37** Our sample also revealed that the council had, in all 30 cases, correctly identified whether the overpayment was recoverable. It was also evident that judgement had been exercised over whom the overpayment should have been recovered from, with a clear audit trail.

**2.38** The council recovered overpayments following the 28-day appeal period using the following recovery methods:

- deductions from ongoing benefit, from the customer or the landlord
- invoice arrangements
- by adding the overpaid CTB to the customer's Council Tax account
- passing debts to debt collection agents
- deductions from ongoing benefit paid by the Department, through liaison with Debt Management.

**2.39** Although the overpayment procedures covered blameless tenant recoveries, where recovery can be made from payments made to a landlord on behalf of customers to whom the overpayment does not relate, in practice this form of recovery was not pursued. We found that 3 housing associations alone had outstanding debts of approximately £85,000. These large debts could be resolved efficiently using this method of recovery.

**(High priority recommendation 2)**

**2.40** Aberdeen City Council's write-off policy stated that write-offs should be considered if all avenues of recovery had been exhausted or it was uneconomical to recover the debt. All debts below £10, which were not being recovered from ongoing benefit, were written off.

**2.41** Before an overpayment could be written off, Customer Care Assistants (Processing and Benefit Recovery) completed a form detailing reasons for the write-off. Write-offs for less than £1,000 were authorised by Team Leaders electronically initialling a form. The Senior Processing Officer and the Senior Systems Officer, for the Debt Recovery Team, wrote off debts between £1,000 and £5,000. Debts over this amount were referred to the Director of Finance.

**2.42** Our sample of 15 write-off cases revealed that the council did not follow its procedures regarding write-offs in all cases. In 2 cases in our sample (13%), the write-off procedure was not followed and the write-off had been proposed and authorised by the same member of staff. We brought this to the attention of the council who assured us that it would take immediate steps to rectify the situation to ensure that procedures were followed in future.

**(Low priority recommendation 1)**

**2.43** Customer Care Assistants (Benefit Recovery) did not always use the remote access terminal to attempt to trace the new address of customers that had moved and to identify whether other benefits were in payment before writing the debt off. Consequently, fewer cases were submitted to Debt Management for recovery. **(Medium priority recommendation 1)**

**2.44** Cases where attempts to trace new addresses were unsuccessful were not referred to debt collection agents as staff felt the debt collection agents would not be able to trace the customer. These cases were written off.

**(Medium priority recommendation 1)**

**2.45** In our sample of 30 overpayment cases we found that the average time taken to calculate overpayments once all information had been received was 13 days, against a target set in enabler E13 of 14 days. Underlying entitlement was considered in all applicable cases in our sample.

**2.46** Unpaid and returned cheques were considered before calculating the final overpaid amount. We saw examples of this in 2 cases in our sample.

## Recovery

**2.47** Aberdeen City Council met all 3 enablers examined (E14, E15 and E16). The council had met its targets of £900,000 and £1 million for recovery of outstanding HB and CTB debt for 2003/04 and 2004/05 respectively. It had set a target of £1.2 million for 2005/06. This target included £150,000 of old debt to be recovered using temporary staff employed as a result of the Performance Standards Fund bid.

**2.48** Although the action plan submitted to support the Performance Standards Fund bid set an overall target for recovery it did not include a detailed breakdown of activities, responsibilities, milestones and a profile of predicted recovery of overpayment debt. **(Medium priority recommendation 2)**

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**Performance against recovery targets was monitored and reported to the Director of Finance on a monthly basis. Reports were submitted to Members through the Resources Management Committee annually.**

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**2.49** Performance against recovery targets was monitored and reported to the Director of Finance on a monthly basis. Reports were submitted to Members through the Resources Management Committee annually.

**2.50** Details of all overpayments were retained on the Benefits IT system even when customers were no longer in receipt of benefit or overpayments had been written off. When HB debtors reclaimed, previous overpayments were recovered from any existing entitlement. Accuracy checks included a check that a search for previous overpayments had been performed.

**2.51** Aberdeen City Council had a collection and monitoring system in place to recover administrative penalties. The Fraud Section was responsible for sending a letter to the Benefit Recovery Team. A copy of this letter was sent, along with an invoice, to the customer stating that the amount to be recovered included an administrative penalty. The council had applied 3 administrative penalties from April 2004 to March 2005. Recovery action was continuing in all 3 cases at the time of the on-site phase of our inspection.



# User focus

## *Customer service*

3.1 The way in which local authorities communicate with their customers and other organisations can have a critical effect on claims administration. Therefore local authorities should make sure that communications with customers and liaison with stakeholders support good customer service while reducing administrative costs and fraud and error.

## Performance Standards Enablers

### *Accessibility*

3.2 Aberdeen City Council met the enabler examined (E41). We compared Aberdeen City Council's decision letters against Schedule 6 of the Housing Benefit (General) Regulations 1987 and the Council Tax Benefit (General) Regulations 1992. The council's letters clearly contained all the information required.

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**Our sample of 30 overpayment cases identified that all overpayment decisions were notified to affected parties within 14 days of the final overpayment calculation.**

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3.3 Our sample of 30 overpayment cases identified that all overpayment decisions were notified to affected parties within 14 days of the final overpayment calculation.

### *Partnership working*

3.4 Aberdeen City Council met the 2 enablers examined (E44 and E45). The council signed a partnership agreement with Debt Management in line with the national model in May 2005. There was regular contact between the 2 organisations and monthly reports were received from Debt

Management, enabling the council to monitor recovery action taken.

3.5 In the first quarter of 2005/06, Debt Management collected £4,504 on behalf of Aberdeen City Council in respect of 68 debts.



# Resource management

## *Strategic management*

4.1 It is important that Members, managers and staff have a clear sense of direction, purpose and focus for their work. Members and senior officers should have assurance that HB and CTB administration is effective and secure. Local authorities should set targets and monitor service delivery so that they achieve optimum levels of performance. Employees should be given opportunities to improve their competencies by being provided with relevant training and support.

## Performance Standards Enablers

### *Monitoring performance*

4.2 Aberdeen City Council met the 2 enablers examined (E53 and E54). The council provided accurate, timely management information to the Department including quarterly performance measurement data.

4.3 The council identified where statutory targets were not being achieved at weekly operational and monthly management team meetings. These meetings were used to examine current and future workloads to establish if there was a need to adapt or reallocate resources. This methodology assisted in reducing local authority error overpayments by closely targeting resources to improve the handling of changes of circumstances and targeting training to improve accuracy in identified areas of weakness.

### *Providing for a skilled and competent workforce*

4.4 Aberdeen City Council met the enabler examined (E56). The council provided a structured training programme for all Benefits staff including Customer Care Assistants (Benefit Recovery).

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**At the time of our inspection 80% of Team Leaders and over 35% of Customer Care Assistants had qualified as Institute of Revenues, Rating and Valuation technicians.**

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4.5 The Assistant Director of Finance, who was a Convention of Scottish Local Authorities adviser, ran evening training courses for staff within and outside the council leading to Institute of Revenues, Rating and Valuation accreditation. Aberdeen City Council's Benefits staff were encouraged to gain external qualifications. At the time of our inspection 80% of Team Leaders and over 35% of Customer Care Assistants had qualified as Institute of Revenues, Rating and Valuation technicians.

## ***IT systems***

**4.6** Aberdeen City Council met the enabler examined (E59). The council's Benefits IT system was implemented in 2001. The HB recovery module was implemented in November 2002 to interface with the Benefits IT system. The council's IT systems were able to accurately produce a range of management and statistical information including ad hoc queries and exception reports.

## ***Secure administration***

**4.7** Aberdeen City Council met the enabler examined (E65). An internal audit was completed in May 2005 comparing Aberdeen City Council's management of overpayments against those of Bedford Borough Council. Bedford Borough Council was inspected by BFI in September 2004, resulting in an Excellent rating.

**4.8** Internal Audit found that the council had comparable processes to Bedford Borough Council for the management and recovery of overpayments but found the main weakness to be 5,000 outstanding overpayment debts. The report made 11 recommendations to incorporate the remaining good practices employed by Bedford Borough Council not yet adopted by Aberdeen City Council.

**4.9** At the time of the on-site phase of our inspection, the Assistant Director of Finance had agreed all recommendations and implementation dates.

**4.10** Internal Audit recommendations not implemented within agreed timescales had to be reported to the Resources Management Committee. A previous audit review of the recovery of overpayments was undertaken in June 2003. The May 2005 audit report stated that all 10 recommendations made following the 2003 audit had been implemented.

