

Report by the
Benefit Fraud Inspectorate

***Boston Borough Council
Processing of claims***

November 2005

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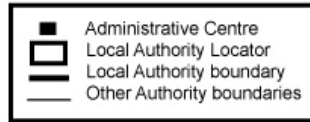
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The maps on this page show the area covered by Boston Borough Council in relation to neighbouring authorities, and its geographical location in the country.



Executive summary

Introduction

- 1.1 This report assesses Boston Borough Council's performance in dealing with claims processing. We have limited the scope of this inspection to those components of Performance Standards that have a direct impact on the council's reported claims processing performance.
- 1.2 As we did not assess the council against all the components we have not provided an overall score for their performance against Performance Standards.
- 1.3 Boston Borough Council was selected for a claims processing focused inspection as its reported performance against the new claims speed of processing Performance Indicator for the second quarter of 2004/05 showed it was taking more than 47 days, on average, to process new claims. The council's reported performance for 2004/05 was 57 days, compared to the Standard of 36 days.
- 1.4 As part of the evidence submitted for this inspection, Boston Borough Council completed a self-assessment against the April 2005 version of Performance Standards.
- 1.5 The on-site phase of this inspection took place between 4 July 2005 and 15 July 2005.
- 1.6 This report should be read in conjunction with the Performance Standards pack, which can be downloaded from the Department's website:
<http://www.dwp.gov.uk/housingbenefit/publications/perf-stands/index.asp>
- 1.7 We are grateful to Boston Borough Council for its help and cooperation throughout this inspection.

Background

- 1.8 The Benefits service is part of the Resources Directorate and is the responsibility of the Director of Resources, who reports directly to the Chief Executive.
- 1.9 Staff working within the Benefits service dealt with Benefits and Revenues work. This combined service was located in the council's main office in Boston town centre. This was also the location of the enquiry point for HB and CTB.
- 1.10 Benefits Customer Services staff dealt with callers and telephone enquiries from customers. They also carried out home visits and interventions.

The Benefits processing team dealt with new claims, changes of circumstances, overpayments and appeals.

1.11 Boston Borough Council transferred its housing stock to a Registered Social Landlord in 1999.

1.12 In the 18 months prior to our inspection the council had faced a number of challenges that had a detrimental effect on the performance of the Benefits service.

1.13 The first major change was the implementation of new Benefits IT system between June 2003 and April 2004. During this implementation period there was limited access to the Benefits IT system for processing claims and as a result a backlog of claims developed.

1.14 In addition there were a number of long-term absences at a senior managerial level in the Benefits service. These were due to both sickness absence and the need to fill vacant posts. The vacancies were a direct result of the council acknowledging that the management structure of the Benefits service needed to be strengthened and to achieve this it needed to recruit senior managers into key posts.

1.15 The introduction of the new Benefits IT system led to a worsening in the time taken to process new claims and changes of circumstances. In 2003/04 the council was taking an average of 40 days to process new claims and 13 days to process changes of circumstances. By 2004/05 this performance had dipped to an annual average of 57 and 27 days respectively. In addition the council also had a backlog of claims that in January 2005 stood at over 1,000 cases. The absence of senior managers led to a lack of strategic direction and as a result limited action was taken to address the deterioration in performance.

1.16 At the time we inspected the council in July 2005, the majority of the new management team had only been in post for a few months. In addition, some individuals had only taken up their positions in the few weeks before our inspection. Despite this there were indications that performance was beginning to improve as the backlog of claims had been almost cleared and was standing at less than 100 cases.

1.17 Senior managers within the council acknowledged that the Benefits service still had a long way to go to reach the standards that they wanted to achieve. They had already identified many of the issues raised in this report as areas they still needed to address and expressed their commitment to take forward the recommendations.

Overall performance

1.18 Boston Borough Council had identified that the performance data it had reported to the Department, prior to our inspection in July 2005, was inaccurate. This was as a result of user error and IT problems. Action to address some of these inaccuracies was ongoing at the time of our inspection. However, the council acknowledged that it may not have identified all of the errors and could not state with certainty that historic performance data was wholly accurate.

Low priority		
We recommend that Boston Borough Council:		Paragraph
6	• revises its HB and CTB claim form in line with the Department's HCTB1	2.45
7	• improves liaison with landlords	2.48, 2.49

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. The Best Value regime requires local authorities to measure and report the average time for processing new claims and changes of circumstances.

2.2 To enable us to comment on Boston Borough Council's effectiveness in claims processing, we:

- looked at its management information
- interviewed managers and Benefits staff
- obtained data from the Benefits IT system for all new claims decided during 2004/05
- selected a random sample of 30 new claims and 30 changes of circumstances decided between January and May 2005 to establish the speed and quality of processing those claims.

Performance Measures

2.3 Figure 2.1 shows Boston Borough Council's performance for the years 2003/04 and 2004/05. No data was available for performance measures 2 and 4, as councils were not required to gather this information before April 2005.

Average time for processing new claims

2.6 Data from the Benefits IT system showed that performance for processing new claims deteriorated from 40 days in 2003/04 to 76 days in 2004/05. However, in July 2005 the council did further work to produce a more accurate calculation. This produced a figure of 57 days, which was validated by the findings from our sample.

2.7 We were told that performance had deteriorated during the conversion to the new Benefits IT system between June 2003 and April 2004. Performance had not fully recovered at the time of our inspection in July 2005. The figures the council provided for the first quarter of 2005/06 showed an average number of days from receipt of claim to decision of 47 days. This is an improvement on the figure for 2004/05, but is still well outside the Standard of 36 days.

2.8 The council told us that up to December 2004 claims waiting for information or evidence to support a claim were being put into a pending run, but not followed up. If the customer failed to provide the necessary information the case would simply remain undecided. The council took action in January 2005 to address this problem. This resulted in claims that had been received a long time earlier being disallowed in that month for failure to provide information. This had an adverse impact on the council's performance in the last quarter of 2004/05, reversing a trend of steady improvement in the quarterly performance on the average time to make a decision on new claims that had existed since go-live of the new Benefits IT system in January 2004.

2.9 From our sample of 30 new claims we identified the time taken for each stage in the new claims process. Our findings are shown in Figure 2.2.

Fig. 2.2: New claims processing, days taken for each stage in the process

Work step	Average days	Range days
Date of receipt at designated office to date of first action	13	0 – 59
Date of first action to all information or evidence available	20	0 – 164
Date of all information or evidence available to date of decision	10	1– 51
Date of decision to date of first payment	8	0 – 30
Total days from date claim received to date of decision	53	2 – 284

Source: BFI analysis

2.10 There were significant delays at each stage of the process. Although the average number of days from the date of receipt to the date of first action was 13 days, 5 of the cases in our sample had no action taken on them for over 40 days. In contrast, first action was taken within a week of receipt of the claim in 21 of the cases.

2.11 When the clerical officers logged a new claim on the system that was received on form HCTB1 they routinely arranged for a check on the remote access terminal concerning entitlement to IS/JSA(IB). This practice helped to

avoid delay when a Benefits officer came to deal with the case, though it did not prevent the need for the Benefits officer to request a check in all the cases where one proved necessary.

2.12 There were also delays in obtaining all the required information from the customer once the need for further information had been identified. The average number of days between the council first requesting further information and all the required information being held was 36 days. This included one exceptional case of 164 days.

2.13 In one of the cases in our sample an inputting error had led to the Benefits IT system using the date of receipt of a previous claim as the date of receipt of the latest new claim. The result was that although the case had taken 284 days from date of receipt to date of decision, it had appeared on the statistics as having taken 2,251 days. The council had identified that errors such as this were leading to inaccurate statistical returns.

Percentage of new claims outstanding over 50 days

2.14 Boston Borough Council was not required to report performance against this performance measure until 2005/06. However, the council did a clerical count in April 2005 and reported that 44% of its outstanding new claims had been outstanding for over 50 days. However, performance in this area had improved and a figure of 12% was reported for the first quarter of 2005/06. This performance is just outside the Standard of 10%.

2.15 Managers told us that the Benefits IT system would not produce data on claims outstanding over 50 days, so the council had had to do a clerical count. The software provider was aware of the problem at the time of our inspection in July 2005 and had promised an upgrade. In the meantime the council had to measure this Performance Measure by carrying out clerical counts of outstanding cases.

2.16 The council had no system in place to routinely identify and prioritise claims that had exceeded, or were close to the 50-day figure. Neither had any analysis been undertaken to establish the reasons why certain claims were taking more than 50 days to decide. **(See Recommendation 1)**

Percentage of new claims decided within 14 days of receiving all information

2.17 Local authorities have a statutory duty to make a decision on all claims within 14 days of receiving all the necessary information, or as soon as practicable thereafter.

2.18 Figures held by the Department showed that Boston Borough Council decided 71% of new claims within 14 days of receiving all information in 2003/04. This fell to 68% in the period April to December 2004, which was well below the Standard of 90%.

2.19 Quarterly figures provided by the council showed that in the last 2 quarters of 2004/05 it was closer to Standard at 85%. However, in the first quarter of 2005/06 this fell back to 72%. The figure provided to us for the third quarter of 2004/05 did not correspond to that of 90%, submitted to the

Department. We were concerned about the lack of validation undertaken on figures submitted to the Department.

2.20 Our new claims sample showed there was an average of 10 days between all information being held and the decision being made. Of the 30 cases, only 22 (73%) were decided within 14 days of receiving all information.

2.21 Figure 2.3 shows our findings for the cases in our sample where all the required evidence was provided. This included 5 cases (20%) where the delay was more than 28 days. The only reason for this appeared to be that the case had gone into the backlog after evidence had been provided. It is not acceptable for cases that are ready for a decision to wait over 28 days for that decision to be made. Such delays can lead to hardship for customers who have provided all the information that was required of them.

Fig. 2.3: Percentage of new claims decided within 14 days of receiving all information

Days	Number	%
0 – 14	17	68
15 – 28	3	12
Over 28	5	20
Total	25	100

Source: BFI analysis

Percentage of rent allowance claims paid on time or within 7 days of decision being made

2.22 Councils were not required to report against this performance measure until 2005/06. Boston Borough Council's reported performance for the first quarter of 2005/06 was 74%, which is well below the Standard of 90%.

2.23 In April 2005 the council assessed its performance at 34%. After investigating the causes of the poor performance it concluded that staff were using incorrect payment cycles and not making use of the urgent payment facility on the Benefits IT system. New guidance was issued to staff in June 2005, which was intended to ensure that payments are made in the first weekly cycle.

2.24 Our sample of 30 new claims decided between January and May 2005, prior to these revised instructions, included 24 rent allowance cases that required payment. Of these only 15 (63%) were paid on time or within 7 days of the decision being made.

Average speed of processing changes of circumstances

2.25 Boston Borough Council's reported performance for processing changes of circumstances in 2003/04 was 13 days and this deteriorated to 27 days in 2004/05.

2.31 However, the council only began monitoring each type of work received from July 2005. Previously it had been unable to identify trends or patterns of work intake. This meant that information had not been available to assist with deciding work priorities and planning the use of resources.

2.32 We found a lack of control over the workflow that was indirectly leading to inefficiency in the processing of claims. Discussions with staff showed that they were sorting incoming work into priority order, but there was no mechanism in place to give team leaders assurance that work was being prioritised appropriately and this was compounded by a lack of written procedures. This lack of control increases the risk of:

- resources not being directed to where they are most needed
- managers not identifying barriers to achieving quicker processing times
- staff putting off dealing with difficult cases
- unjustified variation in the level of service received by different customers.

(See Recommendation 1)

2.33 The council was operating a system under which all work received one day, went into a single tray to be worked on the next. If a claim was not dealt with on the day after receipt, then it went into a backlog to be dealt with in date order by a small team established for the purpose. However we found that cases could remain in the backlog without being actioned for a considerable time.

2.34 Benefits Customer Services staff could request that a case be marked for urgent action and removed from the backlog. This depended on the customer or landlord getting in touch to query the delay. Customers who did not make contact could find their cases subject to delay. There was no formal system in place to identify uncleared cases that had been waiting some time for action.

(See Recommendation 1)

2.35 There are advantages to a system which aims to ensure that most items of work are dealt with very soon after receipt rather than working in strict order of date received. However, we found that the system being operated by the council led to considerable inequity between customers in how quickly their cases were dealt with. Sometimes this was based on pure chance. For example, if a new claim was received on a day when little work was received, it was likely to be dealt with the next day. If it was received on a day when a large amount of higher priority work was received it would immediately go into the backlog and might be waiting for some time to be looked at.

2.36 There was also of a lack of control over the filing system. The council did not have a document imaging system and documents were filed in the claim file when processing action had been completed. Filing had not been kept up to date. At the time of our inspection there were 3,700 items waiting to be filed. This was creating significant problems when an unfiled item needed to be seen.

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Managers had identified that a plan to clear the backlog of unfiled items was

needed, but no action had been taken at the time of our inspection.

(See Recommendation 1)

2.37 Staff were taking appropriate action to deal with extended payment claims and fast-track cases of customers who started work.

Gathering information

2.38 Boston Borough Council met one (E5) of the 4 enablers.

2.39 The way in which incoming work was prioritised and dealt with did not ensure that all new claims and notifications of changes of circumstances were considered within 7 days of receipt for the need to obtain further information. Neither did the council gather information or conduct any analysis of its performance.

2.40 The council requested further information from the customer in 17 (57%) of the new claims in our sample. It took an average of 8 days to send a request for information. In 4 of the cases it took over 14 days. In 3 of the cases where the council asked the customer to provide further information, the initial request did not cover all the information needed and a further request had to be sent. This caused unnecessary delays. **(See Recommendation 1)**

2.41 The performance on our changes of circumstances sample was better. There were 10 (33%) cases where further information had been requested. It took an average of 4 days to make the requests. However, these cases took an average of 33 days to decide. The remaining 20 cases, where all the information needed to decide the case was available from the outset, took an average of 12 days to decide. This confirms the importance of ensuring that customers are aware of what evidence they need to provide when they report a change and of identifying on receipt of a notification of a change whether further information is required. **(See Recommendation 1)**

2.42 Reminders were not sent to customers who had been asked to provide further information. The case was put into a pending run for one month and disallowed if there was no contact from the customer within that time. If the customer provided some, but not all of the information requested, the council would write to them again for the outstanding information, giving a shorter time, such as a week or a fortnight, to respond.

2.43 Benefits Officers told us that changes of circumstances that would lead to a reduction of, or a cessation of, benefit were given priority when the previous day's work intake was sorted each morning. Our sample of changes of circumstances highlighted only one case where avoidable delay contributed to a small overpayment.

2.44 The council had a combined HB and CTB claim form that compared against the Department's model HCTB1 claim form in most respects. It contained a certificate of earnings form for customers to use if they were unable to provide other acceptable evidence of earnings. XXXXXXXXXXXXXXXXXXXX
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2.45 The claim form did not include:

- a request for details of the gross amount of other benefits in payment
- an explanation of what happens after the council receives the form
- information on disregarded income
- definitions of non-dependants. **(See Recommendation 6)**

Working effectively with landlords to minimise repossessions

2.46 Boston Borough Council met one (E7) of the 2 enablers.

2.47 The council's HB and CTB claim form contained clear wording regarding information to be shared with the landlord, subject to written consent from the customer. It clearly stated that information relating to the customer's personal, household and financial circumstances would not be given to the landlord. However, our sampling showed that tenants of the largest Registered Social Landlord all had their benefit paid direct to the landlord irrespective of whether this had been requested or not.

2.48 The council did not provide clear practical advice on the operation of HB for landlords. No leaflets setting out the process or responsibilities for landlords were provided and the council did not have any landlords' forums or meetings to give advice or discuss issues. There was also no single point of contact for landlords. **(See Recommendation 7)**

2.49 The landlords we spoke to said that when they contacted the council about cases where rent arrears were building up pending a decision on a benefit claim, this did not always result in these cases being dealt with urgently. There was no process in place for landlords to contact the council urgently when eviction proceedings were imminent, and landlords told us they were not encouraged to do so. Although we saw no evidence of landlords taking action against tenants who were waiting for their claims to be decided, there is a risk that a lack of effective communication with landlords might lead to threats of eviction and reduce landlords' confidence in the Benefits service. **(See Recommendation 7)**

Quality and reducing error

2.50 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.

Using quality checks to improve performance and reduce error

2.57 We did not look at all aspects of this enabler (E10), so cannot provide an overall view on it. However aspects that we did examine were not satisfactory.

2.58 There was no system in place for the formal collation or analysis of results of the accuracy checks done, or for ensuring that the results of findings from interventions, overpayments, counter-fraud work and appeals were used to identify common errors and training needs. We were told that errors identified from accuracy checks were fed into weekly management team meetings. Team leaders then determined whether they needed to feed back any issues to individuals or to discuss them with all Benefits Officers at their weekly feedback sessions.

2.59 The failure to make full use of all the information available to it on the quality of work reduced management knowledge on levels of service provided and impaired the council's ability to make improvements.

(See Recommendation 1)

User focus

Customer service

4.1 Customer service is important. Local authorities should aim to:

- deliver modern, efficient and secure customer-focused public services, and empower individuals to influence them
- make sure that relationships with stakeholders support good customer service while reducing administrative costs and fraud and error.

Performance Standards Enablers

Accessibility

4.2 We did not look at all aspects of this enabler (E41) so cannot provide an overall view on this enabler. However the aspects that we did examine were satisfactory.

4.3 Decisions on claims and changes of circumstances in our samples were notified promptly to customers. The notifications complied with the legislation and an explanation for the decision was provided in plain English.

Dealing with enquiries

4.4 Boston Borough Council met one (E43) of the 2 enablers. We did not look at all aspects of enabler (E42) so cannot provide an overall view on this enabler. However the aspects that we did examine were satisfactory.

4.5 The council had set corporate targets for dealing with personal callers and telephone enquiries. The Benefit Customer Services staff, who dealt with all telephone calls and personal callers, were aware of these targets and the need to meet them.

4.6 Due to limitations on the information that the telephony system could provide, the council was unable to effectively monitor its performance against the target for answering calls within 3 rings or 15 seconds. Although Benefit Customer Services staff kept clerical records of each call and the time taken to answer, no information was available to record the number of calls lost or waiting.

4.7 The target for dealing with personal callers was for customers to be seen within 10 minutes of their arrival at reception. There was no system in place to monitor this target.

4.8 The main council reception and the Benefits reception accepted claim forms and supporting documents from customers. The largest Registered Social Landlord also provided a similar service.

Partnership working

4.9 Boston Borough Council did not meet enabler (E46) of the 3 enablers. We did not look at all aspects of enablers (E44) and (E45) so cannot provide an overall view on these enablers. However the aspects that we did examine were satisfactory.

4.10 The council had service level agreements that met the requirements of the relevant national models with Jobcentre Plus, The Pension Service and the Rent Service. These agreements were monitored through quarterly liaison meetings and nominated contact points.

4.11 The council had a formal service level agreement with the largest Registered Social Landlord. This was maintained through regular quarterly meetings and contact between the largest Registered Social Landlord and the council's Principal Customer Services Officer. However, this level of liaison was not extended to any of the other Registered Social Landlords in the area. Only the largest Registered Social Landlord was able to escalate unresolved issues through the service level agreement liaison arrangements.

Appeals and complaints

4.12 Local authorities need to ensure that they:

- deal with complaints promptly and that the complainant is given an informative explanation, and if appropriate, an apology and rectification
- resolve disputes as quickly as possible
- use management information to inform the effectiveness of their handling of disputes and appeals
- undertake analysis to identify trends and address common failures.

Performance Standards Enablers

Appeals

4.13 Boston Borough Council did not meet enabler (E47) of the 2 enablers. We were unable to provide a view on enabler (E48) as no data was available at the time of the on-site phase of our inspection July 2005.

4.14 The council had a nominated appeals officer who was responsible for preparing appeal submissions and presenting cases to the Appeals Service.

4.15 Reconsiderations, where the decisions were to be revised, were dealt with by the Team Leaders. However, no management checks were made on these cases to ensure that they were being dealt with in a timely or accurate way.

4.16 Formalised training covering all aspects of appeals and reconsiderations work had not been provided for all staff. **(See Recommendation 4)**

4.17 At the time of our inspection, in July 2005, the council had just brought in procedures, using the Benefits IT system, to monitor its performance in implementing appeal tribunal decisions. As this had only recently been introduced and no decisions on appeals had been received from the appeal tribunal, no data was available to indicate how quickly these decisions were being implemented.

Complaints

4.18 Boston Borough Council met this enabler (E49).

4.19 The council had set corporate targets that complaints, including those relating to the Benefits service, should be answered within 28 days. Complaints were recorded and monitored corporately to ensure that they were progressed and answered within the 28 days. Data for 2004/05 showed that all the complaints about the Benefits service had met this target.

4.20 Customers could obtain a complaints form and explanatory leaflet from the Benefits reception or by telephoning to ask for one.

4.21 If, following a complaint, the manager who dealt with the complaint felt there was a need for remedial action a *lessons learnt* form would be completed. Actions to be taken to remedy weaknesses identified from complaints were fed-back to staff during weekly team meetings.

Resource management

Strategic management

5.1 Benefits administration has to be set within the much broader context of a local authority's overall strategies and responsibilities. Members, managers and staff should therefore have a clear sense of direction, purpose and focus for their work. Members and senior officers should also have assurance that HB and CTB administration is effective and secure.

Performance Standards Enablers

Managing the Benefits service

5.2 We did not look at all aspects of enabler (E50) so cannot provide an overall view on this enabler. However the aspects that we did examine were not satisfactory. Boston Borough Council met enabler (E51).

5.3 The council had a number of corporate plans that set out its strategic direction and key priorities. However, none of these plans made any reference to the Benefits service. The council had missed the opportunity to raise the profile of the Benefits service and to drive improvements by not being publicly accountable for the levels of service it provided.

5.4 There was a lower level operational plan for the Benefits service, which set out a limited range of targets. These focused only on a limited range of Best Value Performance Indicators, linked primarily to the speed and accuracy of processing claims. The plan did not include any targets relating to dealing with complaints, appeals or staff training. However, targets that were set were reviewed annually and were realistic in the levels of improvement that they set out to achieve.

5.5 The council needs to ensure that its operational plans cover all aspects of the Benefits service and that there is a clear link between operational plans and corporate plans. **(See Recommendation 5)**

5.6 Performance against both operational and corporate plans was monitored and reported quarterly to senior officers and Members. In addition the council produced a regular newsletter Performance Monitoring News that provided information to all the council's staff on performance against corporate and operational plans and targets.

Monitoring performance

5.7 Boston Borough Council did not meet either of the 2 enablers.

5.8 In our sample of 30 new claims and 30 changes of circumstances we found a number of errors that would affect the accuracy of management information and recording of Best Value Performance Indicators. These included:

- 3 cases that had been incorrectly identified as new claims
- user error in inputting dates
- 3 cases incorrectly recorded as changes of circumstances.

5.9 External Audit had qualified the 2003/04 subsidy claim due to errors in a number of cells that affected the claim.

5.10 To meet this enabler the council needs to introduce effective management checks to validate the accuracy of data held on its Benefits IT system. **(See Recommendation 3)**

5.11 Although performance against Best Value Performance Indicators had worsened from 2003/04 to 2004/05 the council had not fully established the reasons for the dip in performance or introduced new measures to manage the flow of work to address the issues. Additionally the council was not using exception reports to monitor trends in workflow. **(See Recommendation 1)**

Providing for a skilled and competent workforce

5.12 As we did not look at all aspects of enabler (E55) we cannot provide an overall view on this enabler. However the aspects that we did examine were satisfactory. Boston Borough Council did not meet enabler (E56).

5.13 The council had effective corporate policies and procedures covering appraisal, induction and training. However, there was no structured training programme in place for the Benefits service. **(See Recommendation 4)**

5.14 The corporate appraisal scheme was known as the Employee Development Review scheme. This set out that each employee had an interview twice yearly to discuss their performance, training needs and their aims for the next 6 months. We were told that these were not all up to date and the training needs of Benefits staff, which had been identified at Employee Development Reviews, had not been acted upon. **(See Recommendation 4)**

5.15 The Benefits Team Leaders disseminated information from HB/CTB circulars to staff at team meetings and summarised relevant information in guidance notes. They also provided day-to-day guidance to staff on complex cases. Staff, however, had no comprehensive written procedural guidance and no procedures were in place to ensure that they understood the guidance they had been given.

Value for money

Performance Standards Enablers

IT systems

5.16 As we did not look at all aspects of enabler (E59) we cannot provide an overall view on this enabler. However the aspects that we did examine were not satisfactory.

5.17 The Benefits IT system supported all aspects of paying and accounting for benefit. There were interfaces between it and other council IT systems such as the accounting and Council Tax systems.

5.18 The Benefits IT system supported the provision of most statistical and management information that the council required. XXXXXXXXXXXXXXXXXXXX
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Assurance

5.19 Large numbers of HB and CTB payments pass through the accounting and payment systems operated by a local authority. It is therefore essential that there are rigorous internal control mechanisms in place to provide assurance on the security of the Benefits system.

Performance Standards Enablers

Internal control mechanisms

5.20 We did not look at all aspects of enabler (E62) so cannot provide an overall view on this enabler. However the aspects that we did examine were not satisfactory. Boston Borough Council did not meet enabler (E63).

5.21 The council had a draft document *Revenues and Benefits Post Opening Procedure*. XXX
XXXXXXXXXXXX.

5.22 XXX
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XXXXXXXXXXXXXXXXXXXXXXXXXXXX.

5.23 The council did not carry out a sample case check on quarterly performance measure data to validate its accuracy before returns were submitted to the Department. The council were aware of problems with the accuracy of its performance measurement data and were taking some steps to address this issue, these are outlined in more detail in *Claims processing, Performance Measures*. However the continuing lack of a sample case check on the quarterly returns meant that it could still not be assured that the performance figures it provided to the Department represent an accurate picture of the performance of the Benefits service. This is an area that needs to be addressed urgently. **(See Recommendation 3)**

Secure administration

5.24 Boston Borough Council met enabler (E65). As we did not look at all aspects of enabler (E64) we cannot provide an overall view on this enabler. However the aspects that we did examine were satisfactory.

5.25 Based on an assessment of risk, the council's Internal Auditors identified that the Benefits service was a high risk and audited it annually. Audit plans covered a range of Benefits work including checking work practices for compliance with documented procedural guidance and legislative requirements.

5.26 Oversight of the work of Internal Audit in Boston Borough Council was undertaken by the Audit Scrutiny Committee, which met quarterly. This was made up of Members and officials of the council. It had responsibility for agreeing Internal Audit's programme of work and received summaries of action plans. Internal and External Audit reports were agreed with senior managers prior to being presented to the committee.

5.27 Progress on Internal and External Audit recommendations were monitored in two ways. As part of their annual audits both Internal and External Audit checked to ensure that relevant action on recommendations had been taken. Additionally Internal Audit produced recommendation tracking reports that went to the Director of Resources and the Audit Scrutiny Committee who could challenge officials on progress against recommendations.

