

Report by the Benefit Fraud  
Inspectorate

***Brentwood Borough Council  
Processing of claims***

March 2005



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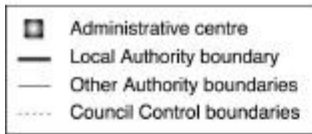
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The maps on this page show the area covered by Brentwood Borough Council in relation to neighbouring authorities, and its geographical location in the country.



# Abbreviations

All abbreviations used in this report are written in full when they are first used. For easy reference the more commonly used abbreviations are listed below.

<b>BFI</b>	Benefit Fraud Inspectorate
<b>CTB</b>	Council Tax Benefit
<b>the Department</b>	Department for Work and Pensions
<b>HB</b>	Housing Benefit
<b>IS</b>	Income Support
<b>JSA(IB)</b>	Income-based Jobseeker's Allowance



# Preface

The Council identified Housing Benefits as a priority area and we took the review of “claims processing” by the BFI as an opportunity to confirm we had improved and to learn where further changes could be made to continuously develop our overall performance.

Brentwood is viewed as a “wealthy” area but it has pockets of deprivation and a high percentage of pensioners and so delivering an efficient and effective Housing Benefits’ service can be challenging. It is also one of the smaller boroughs and like most authorities is subject to severely limited resources. Being close to London also brings its own problems with the recruitment and retention of staff.

The report confirms that we have made excellent progress in the speed of processing claims and now need to ensure that the quality of the processing is also at a high standard.

The interviewing of claimants has been a major step forward and has been possible because of the size of the authority. In addition the funds provided by the Help Fund and Performance Standard Funding have enabled us to increase the number of processors, draw up electronic procedures and invest in a Training Officer who can now co-ordinate the training and development of both new and existing staff.

Members at Brentwood are aware of the considerable work and effort put into the service by the staff involved and I take this opportunity to pass on their thanks to all involved in improving the service over the past year.

We are always eager to learn from other authorities with similar problems and would like to share elements of good practice with others.



**Bob McLintock**

Chief Executive and Town Clerk

Brentwood Borough Council



# 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** Housing Benefit (HB) and Council Tax Benefit (CTB) are important contributions to many household budgets. Just under 4 million people receive HB, including many pensioners and families with children. It helps one in 6 households meet the cost of their housing at an annual cost of £12.1 billion. There are over 4.6 million people in receipt of CTB, at a cost of over £2.8 billion.

**1.3** In its response to the *Housing Green Paper* of November 2000, the Department agreed to develop a performance framework for HB. BFI played a major role and the HB and CTB Performance Standards were launched and published in April 2002. They are standards the Department expects councils to aspire to and achieve in time. Every council has received a copy of Performance Standards and receives amendments when changes are introduced. Local authorities are encouraged to complete a self-assessment against them.

**1.4** In January 2004 the Minister for Housing Benefit and Anti-Fraud announced a programme of focused inspections designed to provide for quick improvements in performance in specific areas of benefits administration. BFI was asked to inspect authorities taking 80 days or more to process housing benefit claims. At the time of this announcement Brentwood Borough Council's reported performance for processing new claims was an average of 82 days.

**1.5** At the time of our inspection in October 2004, Brentwood Borough Council's latest published new claims processing performance for the first quarter of 2004/05 had improved to an average of 65 days. This level of performance was, however, still higher than the national average of 47 days which was the revised criteria we were using to select authorities for this type of inspection.

**1.6** This inspection focused on those elements of Performance Standards that:

- have a material effect on the processing of new claims for HB and CTB
- impact on the sustainability of current performance for claims processing.

**1.7** To examine Brentwood Borough Council's reported performance we randomly selected 30 new claims processed in the period April 2004 to September 2004 and 30 changes of circumstances processed in the same period. The random selection of cases was stratified across the two quarters so that any trend of improvement could be clearly seen and the reasons for improvement identified.

**1.8** Although we sampled the casework on all the changes of circumstances selected, with the agreement of the Benefit Support Manager we stopped sampling new claims when we had completed 20 cases. Brentwood Borough Council confirmed that our findings were representative of the entire population of new claims.

**1.9** The on-site stage of the inspection was conducted between 25 October 2004 and 5 November 2004.

## Background

**1.10** The borough of Brentwood is located within the Metropolitan Green Belt and is situated in the south-west of Essex with a population of around 68,500 of which 95% are UK citizens and 96.5% are from a white ethnic group. Brentwood's housing consists of 80% owner-occupied accommodation and the borough is subject to considerable pressure for development for both housing and employment.

**1.11** As the majority of its housing has been built since 1945 and much of the older housing has undergone renovation, there are very few areas of poor quality housing. There is, however, a need for significantly more low cost, affordable housing. Half of the resident workforce commute out of the borough to work, particularly to London, the level of unemployment is therefore very low.

**1.12** A number of these factors made recruitment and retention of staff a challenge for the Benefits service and this situation was exacerbated by the fact that experienced Benefits staff could earn up to £30 per hour by commuting 30 minutes into London. This was an important issue that senior managers had to manage whilst still implementing frequent legislative changes to the Benefits System over which they have had no control.

**1.13** Brentwood Borough Council embarked on a major programme of change starting with a Best Value review of its revenues service in 2001. Its subsequent improvement report instigated a number of major projects including implementation of the Verification Framework and a new Benefits IT system. A downturn in claims processing performance from the end of 2002/03 coincided with the implementation of both these major projects.

**1.14** The Department's Help Team had been involved with the Benefits service for 2 years until July 2004. Staff directly involved in Benefits administration had been encouraged to suggest new ways of working to improve performance which had proved to be very successful. As a small Benefits service with a high pensioner caseload Brentwood had been able to implement changes that other authorities may consider unrealistic.

1.15 Project management played an important part in the delivery of these major initiatives. Milestones in service and improvement plans had been consistently met over a 3-year period. The steady implementation of these major changes was now nearing completion and Brentwood Borough Council was beginning to see the benefits in terms of improved output performance.

## Summary

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**...Significant improvements had been made and new claims were being processed in an average of 40 days...**

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1.16 Brentwood Borough Council was selected for inspection on the basis of poor performance in the time taken to process claims. However, at the time of our inspection in October 2004 significant improvements had been made and new claims were being processed in an average of 40 days compared to the previous average of 82 days.

1.17 Fundamental changes had been made to the Benefits service over a 3-year period, which included major restructuring to the organisation, new IT and implementation of the Verification Framework. Brentwood Borough Council also recognised that service improvement could only be achieved by developing and retaining the experience of its staff and had been successful in doing so.

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**A local initiative to interview all customers on receipt of a new claim, or when reporting changes of circumstances, was unusual but effective.**

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1.18 Customer service was a clear priority and particular efforts had been made to encourage customers to provide all evidence to support their claim from the outset. A local initiative to interview all customers on receipt of a new claim, or when reporting changes of circumstances, was unusual but effective.

1.19 Close monitoring of the claims process had enabled delays to be identified and dealt with. However, this close management scrutiny

was let down by inadequate management checking, and the level of assurance provided by internal audit.

1.20 A lack of focus on the quality aspects of the work was further emphasised by our identification of inconsistent working practices, a lack of audit trails and weaknesses in document imaging.

1.21 A number of successful bids to the Department's Standards fund plus Brentwood Borough Council's own investment had been rewarded in performance improvement. However, to a large extent this had been achieved at the expense of quality.

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**It now needs to deliver the required quality improvements whilst continuing to improve speed of processing performance.**

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**1.22** The steady progress already made by Brentwood Borough Council is commendable. It now needs to deliver the required quality improvements whilst continuing to improve speed of processing performance.

## Strategic management

**1.23** Brentwood Borough Council had identified *Housing Benefits* as a priority service for 2004/05 but had not documented the role of its Benefits

service as a key enabler in the delivery of its mission and achievement of corporate objectives. This was surprising as the borough lacked affordable housing and employment opportunities and an effective Benefits service could benefit many of its residents.

**1.24** In a small Benefits service with limited resources sustainability is an important issue. This was a particular issue for Brentwood Borough Council as a number of staff posts were vacant. Brentwood Borough Council needs to document in its service plan how it will ensure delivery of the service, taking account of foreseeable changes. Also of equal importance, how it will cope with fluctuations in resource and workload that cannot be forecast.

**1.25** The main contingency available to the Benefits service involved using an external provider to remotely process benefit claims during high workload periods. We were very concerned that no formal contract was in place for this arrangement. We would expect a contract to include that the standard of processing staff and vetting process used during their recruitment was to the level set by Brentwood Borough Council for its own staff. We would also expect that quality and throughput targets had been formalised along with controls around the way that work was to be performed and how the system would be accessed.

**1.26** Brentwood Borough Council relied on the flexibility of its staff to maintain the delivery of the service. Some staff lacked clarity about the roles they were asked to perform and as a consequence inconsistent working practices had started to develop. Also, as staff changed roles the level of access to the Benefits IT system should have been re-considered, but was not. We subsequently found that some staff had inappropriate access levels.

**1.27** Brentwood Borough Council encouraged staff to be forthcoming with their suggestions for process improvements. Its strong desire to improve was not supported by its informal decision-making. Again sustainability would be enhanced by an audit trail of why, when and for what reason changes are implemented. Decisions should be supported by plans that show how delivery will be managed and how outcomes will be evaluated to test success.

**1.28** We concluded that recent improvements in speed of processing new claims had been achieved at the expense of quality. Our sampling of new claims showed that 50% required further action to be taken before a decision was made. The implications of this for the potential volume of error within the HB caseload gave us great cause for concern. This was compounded by inadequate management checking and we concluded that the level of assurance being provided to senior officers and Members was inadequate.

## Processing of claims

**1.29** To reduce claims processing times, Brentwood Borough Council had recognised the importance of ensuring that all information was available from the outset of the claim being considered. High standards of customer service ensured that the service was accessible to all customer groups. A real effort had been made to educate customers to provide all relevant evidence to support HB and CTB claims and to report changes in their circumstances promptly. External publicity, information materials and staff contact had reinforced these messages.

**1.30** There was a clear commitment to the training and development of staff in spite of other competing priorities. The beneficial effects of the recent introduction of a training and development officer post were evident in a comprehensive training and development programme covering key areas of benefits delivery for new and existing staff.

**1.31** Standards of verification were generally acceptable but we identified a need for staff to challenge information and undertake further investigation when assessing claims. Compliance with the Verification Framework was let down by an insufficient audit trail. This was caused by illegible scanned images, weaknesses in the authentication of original documentation, and the deletion of system notes once payment was made. Casework sampling however, showed that good use was made of primary evidence when verifying identity, which is good practice.

**1.32** Close monitoring of performance was a key factor in the impressive improvements in claims processing in the second quarter of 2004. Statutory targets were still not being met for claims processing, but there is a realistic expectation that these are now achievable.



# **BFI findings**



# Strategic management

## Introduction

**2.1** Benefits administration has to be set within the much broader context of a council's overall strategies and responsibilities towards, for example, neighbourhood regeneration, alleviating poverty, preventing homelessness, helping people into work and enhancing consumer choice.

**2.2** For this focused inspection we restricted the scope of our analysis to those areas that had a material effect on the speed and quality of processing new claims for HB and CTB.

**2.3** It is also important that effective strategic management provides direction and supports performance at an operational level. This provides assurance that good performance can be sustained and that the service provided to customers continues to improve.

**2.4** This inspection did not validate performance against the Strategic management area of Performance Standards, but we did consider how individual elements impacted on claims processing performance. Where it was considered that there might be an impact the area was examined in sufficient depth to establish what that impact was.

**2.5** In *Strategic management* we report on the following areas:

- Strategic vision and policy objectives
- Service delivery planning
- Service delivery targets and performance monitoring
- Management assurance and local management information
- Organisational structure and segregation of duties
- Internal and external working arrangements.

## Strategic vision & policy objectives

**2.6** A statement expressing the strategic vision for the Benefits service enables Members, managers and staff to have a clear sense of direction, purpose and focus for their work. It also allows the public to understand where the key priorities for the service lie and how these fit into the overall vision and strategic objectives of the council.

**2.7** Brentwood Borough Council's corporate mission was *'to serve the needs of local people and work in partnership with the whole community in order to ensure that the Brentwood Borough remains a pleasant and healthy place in which to live, work and relax for the benefit of current and future generations'*. Within this context the council aimed to *'ensure that quality services are delivered fairly to all sections of the community'* whilst having regard to its core values.

**2.8** This mission was not supported by a strategic vision for the Benefits service. Although the council had identified *Housing Benefits* as one of 5 priority services for 2004/05 we were concerned that corporate documentation made no reference to the importance of the Benefits service as a key enabler to deliver its mission and corporate objectives. Best Value Performance Indicators for the Benefits service were reported under Housing and Social Inclusion, yet there was no reference to Benefits in the council's strategic objectives for Housing and Social Inclusion.

**2.9** We found that a Social Inclusion Policy was in place to support corporate objectives. The council had recognised that social exclusion in an affluent area like Brentwood could add to the sense of isolation felt by vulnerable individuals. The council had failed to show however, that the affluence of the area, lack of affordable housing and limited employment opportunities needed an effective Benefits service to enable its corporate objectives to be delivered. Tying the success of the Benefits service to the achievement of corporate objectives should ensure that the service receives the resources it needs and positively influences on the sustainability of the service.

**2.10** Whilst we were on site the Borough Treasurer told us that the council had recognised the inadequacy of some of its corporate documentation and was in the process of re-writing it.

## **Recommendations**

### **We recommend that Brentwood Borough Council:**

- **supports its corporate mission with a strategic vision for the Benefits service**
- **amends corporate documentation to recognise the Benefits service as a key enabler to deliver its mission and for achievement of its corporate objectives.**

## **Service delivery planning**

**2.11** Service delivery planning ensures that resources are effectively managed and monitored to deliver service standards and performance targets.

**2.12** A service delivery plan for administering HB and CTB translates the council's strategic vision, policies and objectives into practical ways of providing a service. Effective service delivery plans will allow any changes that are required to improve the HB and CTB service to be managed.

**2.13** Plans can only be effective if they are developed, used, monitored and adapted to meet changing circumstances. Managers and staff need to be convinced that the plans are realistic and achievable.

**2.14** Within Brentwood Borough Council individual service plans were not only seen to provide the essential links at service level with the council's overall mission and strategic objectives, but were also working documents for staff. Individual service plans provided staff with a clearly defined statement of what the council as a whole and its individual services were trying to achieve.

**2.15** We were however concerned that there was no reference within the Revenues Services service plan of how Brentwood Borough Council planned to maintain delivery of the service in the face of foreseeable changes, such as the introduction of a Document Image Processing system. Neither was it clear how it would cope with fluctuations in resource and workload that it could not forecast. These issues could threaten the sustainability of Brentwood Borough Council's current performance.

**2.16** A number of decisions had been taken that had fundamentally changed the way that Revenues and Benefits operated, including the:

- withdrawal of generic working effectively splitting Revenues Services from Benefits
- introduction of interviews for all customers at the outset of a claim thereby avoiding the acceptance of postal claims.

**2.17** Brentwood Borough Council did not document its decision-making for the Benefits service. Consequently we found it was difficult to trace back where, when and for what reason these decisions had been taken. However we did note some of the positive effects brought about by of these changes which were evident in claims processing. The absence of an effective audit trail within claims processing is discussed later under *Verification - provision of an audit trail*.

## Recommendations

### We recommend that Brentwood Borough Council:

- **reviews the contents of its Revenues Services plan to:**
  - show how it plans to deliver the service in the face of foreseeable changes
  - show how it would cope with fluctuations in resource and workload that cannot be forecast
- **introduces a formal audit trail for its decision-making to show:**
  - where, when and for what reason decisions are taken
  - how it plans to implement and evaluate the success or otherwise of decisions it makes.

## Service delivery targets and performance monitoring

**2.18** Service delivery targets support policy objectives and service standards. They give staff a clear view of the desired outcome, and management clear accountability for providing effective and secure administration.

**2.19** Performance monitoring provides assurance to Members and senior officers that HB and CTB administration is effective and secure.

**2.20** In its 2004/05 Revenues Services plan, Brentwood Borough Council had set a range of targets against the national Best Value Performance Indicators. There were also local performance targets for the speed of processing claims following the receipt of all information. The plan included performance from previous years that provided a baseline for measuring improvement and stepped improvement targets for future years.

**2.21** We found, however, that these targets differed significantly from the targets for the Benefits service in the Corporate Performance Plan and therefore a clear link between the 2 documents had not been established. The 60-day target in the Corporate Performance Plan represented a difference of 15 days against the more challenging target of 45 days in the Revenues Services service plan. This sent conflicting messages to staff and other stakeholders.

**2.22** We were also concerned that the Revenues Services service plan was essentially an inward-facing document. It had not been communicated to key stakeholders and there were no there clear links between the targets in the service plan and team and individual performance. We found that some staff had individual targets against which performance could be measured, whilst others did not. Brentwood Borough Council told us that the council had been implementing individual targets since May 2004 and these would be in place for all staff by the end of the financial year.

**2.23** We discuss later in this report, under *Workflow management - performance monitoring* the progress Brentwood Borough Council had made in the collection and use of management information. It was clear that this had enabled effective monitoring of performance by senior officers who were provided with regular updates regarding key performance indicators. Senior officers were provided with details of outstanding work on a weekly basis and performance against Best Value Performance Indicators on a monthly basis.

**2.24** Although information regarding performance was passed to Members on a quarterly basis, this process could have been enhanced by diagnostic commentaries detailing patterns and trends.

## Management assurance and local management information

**2.25** Members and senior officers, who are accountable for an effective and secure HB and CTB administration, need regular assurance that the service is being delivered as planned.

**2.26** Management information provides a firm base to evaluate the effectiveness and security of the Benefits system. It is an essential means to enable management to make informed decisions on the day-to-day running of their sections and to keep Members informed about performance.

**2.27** We discuss later in this report, under *How performance was validated*, the current system of management assurance for processing of claims in Brentwood Borough Council. We concluded that managers at all levels involved in the processing of claims lacked adequate assurance that the service was performing as intended.

**2.28** In particular we were concerned that the results of management checks were not routinely copied to senior officers. The results of management checks were not collated, analysed or fed back into the training and development programme to inform remedial training for established members of staff.

**2.29** The recorded level of accuracy in Brentwood Borough Council in 2003/04 was 96%, which represented bottom quartile performance when measured against all local authorities. We were concerned that the drive to improve new claims processing times appeared to have had a detrimental impact on the quality of work produced. As such it is important that Brentwood Borough Council develops a system of management assurance which enables close control and monitoring of quality issues. We discuss the balance between improving speed and maintaining quality in *Actual performance - speed versus quality*.

**2.30** The progress that Brentwood Borough Council had made in the collection of management information and how it was using this information to make improvements to its service was commendable. We were informed that this had helped to produce the significant improvements evident in the average times taken to process new claims and changes of circumstances.

**2.31** Managers were maintaining close control over work flows by:

- a system of managing work by exception using diary events
- reacting and taking action on claims that had missed processing targets
- ongoing analysis of individual staff performance and using 'dashboard' reporting.

**2.32** In addition to helping prevent the build up of backlogs by identifying delays in the process at an operational level, the analysis of management information can also help to identify:

- procedural weaknesses
- areas of low take-up
- risks to sustained levels of improvement
- trends and patterns.

**2.33** Although Brentwood Borough Council had yet to fully develop the strategic intelligence that its collection of management information allowed, it was using basic information effectively to ensure that managers were alerted when delays or backlogs occurred.

## Recommendations

**We recommend that Brentwood Borough Council provides routine and systematic assurance to senior officers by reporting the results of management checks on a regular basis.**

### Organisational structure and segregation of duties

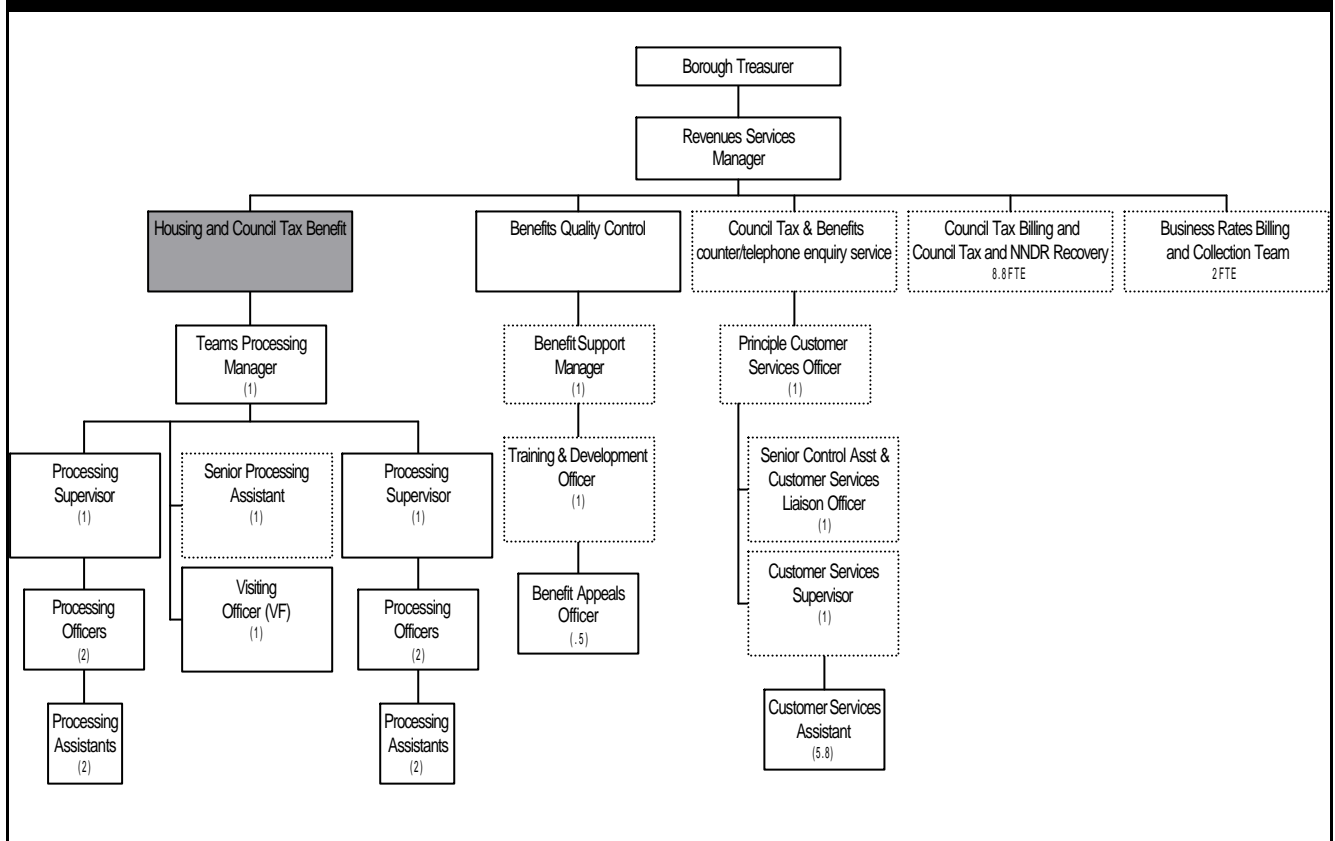
**2.34** Organisational structure plays an important part in the performance of a local authority administering HB and CTB. It is important that staff and other resources are structured in a manner that provides an effective Benefits service. Organisational design will be influenced by council-wide policies on issues such as:

- service centralisation or decentralisation
- outsourcing
- the size and geography of the local authority
- the siting of benefits and counter-fraud work.

**2.35** It is important that the organisational structure adopted should not have an adverse impact on the administration of benefits. The Institute of Revenues, Rating and Valuation recommends the benefits manager should occupy a senior position within the authority with a direct reporting line to the Section 151 Officer.

**2.36** In Brentwood Borough Council the Benefits service was part of Revenues Services, which in turn was part of the Finance Department. The Borough Treasurer who was also the Head of Audit Services and the Section 151 Officer managed the Finance Department. We discuss this further in *How performance was validated - Internal audit*.

**2.37** Figure 2.1 shows the current organisation of Revenues Services within Brentwood Borough Council at the time of our inspection.

**Fig. 2.1: Brentwood Borough Council's Revenues Services' organisational structure**

Source: Brentwood Borough Council

**2.38** The Benefits service within Brentwood Borough Council was a relatively small operation. A limited number of managers and staff provided particular challenges in segregating duties and sustainability for the service. Senior management had recognised that changes to the way they organised the staff within Revenues and Benefits meant that they could manage the following difficulties faced by the Benefits service:

- the complexity of HB and its frequent legislative changes
- the cost of recruiting, training and retaining appropriate staff.

**2.39** Claims processing was organised into 2 alphabetically split teams. Each team consisted of a processing supervisor, 2 processing officers and 2 processing assistants. Although processing supervisors had the usual role of overseeing work, providing advice and guidance and undertaking accuracy checks, they also processed the more complicated claims. The Senior Processing Assistant provided support to both supervisors by providing cover during heavy workload periods, actioning queries from processing staff and monitoring and supervising the progress of claims outstanding over 14 days.

**2.40** Brentwood Borough Council had made 3 successful bids to the Performance Standards to fund additional staff for:

- a Training and Development Officer
- an Overpayments Officer
- an additional claims processor.

**2.41** The Training and Development Officer post had been filled on the basis of a 2-year secondment, which will be reviewed at the end of the term in April 2006. Senior management had secured a commitment from Members that funding for the other two posts will be provided after Performance Standards funding ceases.

**2.42** Brentwood Borough Council was one of the first councils to combine the roles of Council Tax and Benefits staff thereby creating a generic Revenues and Benefits service. Brentwood Borough Council told us that this had been very successful from a customer service perspective as both areas of work interacted with the same pool of customers. It was also popular with staff as they had a broad base of expertise and this gave management additional flexibility.

**2.43** However, over time, senior management had recognised that each area of work had peaks and troughs of pressure and the peaks were constantly impacting on the same staff. They also recognised that the training and development commitment for staff dealing with the full range of duties was both lengthy and costly, especially as Revenues and Benefits had recruitment and retention issues.

**2.44** In May 2004 senior management took the difficult decision to revert back to separate roles for Revenues staff and Benefits staff. This enabled them to monitor the workflow of each area more closely. It was complemented by the introduction of a trainee grade when attempts at recruiting experienced staff had failed. New and inexperienced staff were given the role of processing assistants who had responsibility for interviewing customers at the outset of a claim and accepting supporting documentation.

**2.45** We discuss in the *Executive summary* the problems Brentwood Borough Council faced recruiting and retaining experienced staff due to Brentwood's close proximity to London and the location of private companies who provided outsourced services to a number of local authorities. Senior management had tackled this problem from a number of different angles and one of these was financial XX This had gone some way to retaining the experience of staff but the service was still carrying vacancies.

**2.46** The size of the Benefits service meant that the unfilled posts were having a significant impact upon delivery of the service. We found that staff were keen to do whatever was necessary and this had resulted in some working outside their usual roles and providing cover for absent colleagues and unfilled posts. One individual had been required to undertake more than one role at a time. We noted the commitment and enthusiasm of staff but we were concerned that access to the Benefits IT system had not been reviewed. XXXXXXXXXXXXXXXX  
XX  
XXXXXXXXXXXX

**2.47** Staff did not have job descriptions that accurately reflected the duties they performed and their work activities did not incorporate Specific, Measurable, Achievable, Realistic, Timed objectives. Changing of roles due to the requirement to cover colleagues in times of absence meant that staff did not always have a clear idea of the responsibilities of each role they were performing. This helped to explain the inconsistency around some of the practices adopted by staff and supervisors.

**2.48** Brentwood Borough Council had procured the services of an external provider to process Benefit claims remotely on 2 previous occasions. There were plans to use this facility again to cover periods of peak leave and increased workloads. We were, however, concerned that there was no formal contract in place. This not only threatened the sustainability of the service but in the absence of proper vetting and formally agreed quality and throughput targets, also threatened the effectiveness and security of the Benefits system.

**2.49** Brentwood Borough Council's approach to the obstacles it faced associated with the organisation of its staff had been dealt with in a logical and reasoned way. We show in *Factors that affected processing of claims performance - training, development and provision of procedural guidance*, that due consideration had been given to the needs of individuals as well as the impact on delivery of the service. Brentwood Borough Council now needs to tighten up the security aspects of the way in which it operates.

## Recommendations

**We recommend that Brentwood Borough Council:**

- **introduces formal contractual arrangements with its Benefits processing external provider, that include as a minimum:**
  - **the requirement for proper vetting of staff involved in any aspect of claims processing**
  - **the limits of the external provider's remit and authority and the need for segregation of duties**
  - **performance and service standard requirements, with remedies for failure and incentives for achievement**
  - **procedures for the remedy of errors and the handling of complaints**
  - **the contract's duration, review/breakpoints and termination/variation/renewal arrangements**
- **XX  
XXXXXX**
- **clearly defines all roles within the Benefits service and ensures that individuals understand what is expected of them**
- **reviews staff key work objectives to ensure that they properly reflect the duties performed, and are Specific, Measurable, Relevant, Achievable, Realistic, Timed and directly linked to service provision.**

## Internal and external working arrangements

**2.50** Local authorities function within their own network of relationships with customers, stakeholders and other bodies. Effective partnerships with these organisations can provide mutual benefits through savings in administrative costs and benefit expenditure, and reduce the amount of fraud and error in the system. Some stakeholders such as the Rent Service and Jobcentre Plus play a key part in handling HB and CTB claims effectively and securely.

**2.51** Brentwood Borough Council had signed and agreed service level agreements based on the national models with Jobcentre Plus, The Pension Service and the Rent Service for 2004/05. A nominated liaison officer had been identified to attend meetings in addition to a named contact point within the Benefits service to address operational issues when required. We were told that exceptions to agreed performance were addressed at the time they occurred and not left to the next scheduled liaison meeting.

**2.52** Our sampling confirmed good use of the Remote Access Terminal and effective liaison with Jobcentre Plus and The Pension Service that supported the processing of claims. However, we found that although liaison with the Rent Service was good, performance against the service level agreement was not being monitored effectively. We discuss this in more detail under *Factors that affected claims processing performance - referral to the Rent Officer Service*.

**2.53** Local authorities need to manage their internal partnerships and relationships to support short and longer-term policy objectives. Such management includes ensuring that common goals are set for an effective and secure HB and CTB administration.

**2.54** We found that internal relationships within Brentwood Borough Council were managed effectively. Representatives from the Benefits section, Customer Services and the Council Tax section attended both the Revenues Policy Group and Supervisors Group monthly meetings. In addition to these structured meetings section heads from the Finance Department also met on a regular basis and both this meeting and the Revenues Policy Group was attended by the Borough Treasurer (Section 151 Officer).

**2.55** Brentwood Borough Council told us these meetings had been responsible for a number of significant changes in the way that Revenues and Benefits staff worked and that the suggestions came from the staff themselves. Our concern was the absence a formal audit trail for decisions made and the approach that was agreed to implement and evaluate them.

### Recommendations

**We recommend that Brentwood Borough Council ensures that its service level agreement with the Rent Officer Service is formally monitored and corrective action is taken where necessary.**

# Processing of claims

## Introduction

**3.1** The scope of this focused inspection was to identify and analyse those areas of administration that had a material effect on the processing of new claims for HB and CTB. We included changes of circumstances to establish whether the standard of verification was consistent between new claims and the processing of reported changes, and whether improvements in reported performance against the Best Value Performance Indicator for new claims was consistent with performance being achieved for processing changes of circumstances. We also examined the quality of Benefits claims processing.

**3.2** We report from 3 different perspectives:

- actual performance
  - new claims 14-day performance
  - new claims 36-day performance
  - changes of circumstances 9-day performance
  - speed versus quality
- factors that affected claims processing performance
  - access to the Benefits service
  - training, development and provision of procedural guidance
  - verification
  - work flow management
  - referral to the Rent Officer Service
- how performance was validated
  - management checks
  - internal audit.

## Actual performance

**3.3** This section outlines the Best Value Performance Indicators that Brentwood Borough Council reported to the Department. This data was useful both to give an overall picture of the progress over time of the Benefits service, and to provide the means for detailed analysis of potential delays in the process. By using the information provided by the data, local authorities can effectively monitor and improve performance.

3.4 Figure 3.1 shows Brentwood Borough Council's new claims processing performance indicators between 2002/03 and 2003/04 had deteriorated. We were told this was due to a number of factors including the:

- introduction of a new IT system
- implementation of the Verification Framework
- recruitment and retention of staff.

**Fig. 3.1: Brentwood Borough Council's performance against Departmental and Best Value Performance Indicators**

Performance indicator	Description	Standard/Top quartile	Performance 2002/03	Performance 2003/04
Departmental quarterly return	% new claims determined in 14 days	90	53	51
BV78a	Average time for processing new claims	36 days	49 days	73 days
BV78b	Average time for processing changes of circumstances	9 days	15 days	15 days
BV79a	% cases processed accurately	98	96	96

Source: Brentwood Borough Council

3.5 Against the backdrop of what was considered by Brentwood Borough Council to be a failing service a series of changes were made to improve performance. We have commented in earlier sections of this report on the various measures introduced to make the necessary improvements.

3.6 Figure 3.2 highlights the significant progress made during the first 2 quarters of 2004/05. However, the number of claims processed that contained errors had fluctuated during the first 2 quarters and remained a cause of concern. We look at speed versus quality later in this report.

**Fig. 3.2: Brentwood Borough Council's reported performance against Departmental and Best Value Performance Indicators in 2004/05**

Performance indicator	Description	Standard/Top quartile	Performance 1 <sup>st</sup> quarter	Performance 2 <sup>nd</sup> quarter
Departmental quarterly return	% new claims determined in 14 days	90	69	89
BV78a	Average time for processing new claims	36 days	65 days	40 days
BV78b	Average time for processing changes of circumstances	9 days	15 days	8 days
BV79a	% of cases processed accurately	98	100	95

Source: Brentwood Borough Council

**3.7** We obtained a data download from Brentwood Borough Council's Benefits IT system for all new claims processed during the period April 2004 to September 2004 to undertake caseload analysis.

**3.8** From this we selected a random sample of 20 new claims that had been determined, 10 from each of the periods 1 April 2004 to 30 June 2004 and 1 July 2004 to 30 September 2004. We also selected a separate sample of 30 cases with notified changes of circumstances from the same periods.

**3.9** These samples formed the basis of our work to consider the speed and quality of these claims including adherence to the Verification Framework and its associated processes.

## New claims 14-day performance

**3.10** Regulation 76(3) of the Housing Benefit (General) Regulations 1987 states that every claim for HB must be decided within 14 days of the relevant information having been received, or as soon as is reasonably practicable thereafter. There is a similar provision for CTB at regulation 66(3) of the Council Tax Benefit (General) Regulations 1992.

**3.11** HB and CTB help people on low incomes. As these groups of people are at risk, their claims should be dealt with quickly and accurately.

**3.12** Figure 3.3 shows Brentwood Borough Council's marked improvement in deciding new claims during the first 2 quarters of 2004/05. Our analysis of the data provided from its Benefits IT system supported these figures and highlighted a trend of monthly improvement since April 2004.

**Fig. 3.3: Brentwood Borough Council reported performance against new claims decided within 14 days of all information being received**

	2002/03 (%)	2003/04 (%)	1 <sup>st</sup> quarter (%)	2 <sup>nd</sup> quarter (%)
<b>New claims determined in 14 days</b>	53	51	69	89

Source: Brentwood Borough Council

**3.13** Our sample of 20 new claims contained 13 cases (65%) that had been decided within 14 days of all information being received. It is significant that 8 of the 10 cases in our sample from the second quarter 2004/05 were decided within 14 days of all the information being received by the council, providing further assurance of continuing improvement in processing times.

**3.14** Figure 3.4 shows Brentwood Borough Council's performance against the 14 days target from our sample of 20 new claims. Our analysis showed that 2 of the 3 claims that had taken over 28 days were from a period between November 2003 and March 2004 when the council told us it had a backlog of claims.

**Fig. 3.4: Analysis of new claims sample – time taken to determine claim following all information received**

Days	Number	%
Within 14 days	13	65
15 – 28 days	4	20
Over 28 days	3	15
<b>Total</b>	<b>20</b>	<b>100</b>

Source: BFI analysis

**3.15** Our sampling and analysis supported Brentwood Borough Council's reported Departmental and Best Value performance figures and the impressive trend of continuing improvement during 2004/05.

### Recommendations

**We recommend that Brentwood Borough Council ensures that at least 90% of new claims are decided within 14 days of the receipt of all necessary information.**

### New claims 36-day performance

**3.16** In addition to the statutory requirements, the Best Value regime requires local authorities to measure and report the average time for processing new claims, and sets a target of 36 calendar days.

**3.17** The analysis of our sample of 20 new claims shown in Figure 3.5 shows the various stages of claims processing and the average time taken for each stage. A comparison of the first 2 quarters of 2004/05 highlighted the improvement across all stages of the process and also identified where further improvement could be achieved.

**Fig. 3.5: New claims processing – average days taken for each stage in the process**

Work step	1 <sup>st</sup> quarter 2004/05	2 <sup>nd</sup> quarter 2004/05	Overall 2004/05	Overall range days
Date of receipt at designated office to date of first action	9	5	7	0 – 27
Date of first action to all information or evidence available	29	22	26	0 – 114
Date of all information or evidence available to date of decision	23	6	14	0 – 80
Date of decision to date of first payment	6	2	4	1 – 30

Source: BFI analysis – figures above have been subject to rounding

**3.18** Again our findings supported Brentwood Borough Council's reported performance, however the overall range days reinforce the importance of monitoring the reasons for all delays.

**3.19** We confirmed through our interviews and examination of documents that work was being regularly monitored by the use of 'dashboard' reports. Cases outstanding for over 28 days were actively targeted and passed to the Senior Processing Assistant for immediate action to facilitate continuous improvement.

## Recommendations

**We recommend that Brentwood Borough Council ensures that new claims are processed on average, within 36 days or less.:**

### Changes of circumstances 9-day performance

**3.20** The Social Security Administration Act 1992 (as amended) contains specific legal offences relating to social security benefits making it an offence to dishonestly or without reasonable excuse to fail to notify a change of circumstances.

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

**3.22** We examined 30 cases with notified changes of circumstances and concluded that the correct effective date of change was being identified and used. We also found that Brentwood Borough Council required the same level of evidence to support a change of circumstances as it did for a new claim.

**3.23** The overall average speed of processing changes of circumstances in our sample was 13.8 days. We noted an improvement in average clearance times from the first quarter of 15.6 days to 12 days in the second quarter. By discounting one significant delay of 86 days in the second quarter of our sample, the average speed of processing for the quarter improved to 6.7 days. These results supported improvements identified by Brentwood Borough Council from analysis of its own Best Value Performance Indicators.

**3.24** Figure 3.6 shows that 60% of cases were processed within the Standard of 9 days. There were several significant delays identified in the first quarter with 4 of the 15 cases taking more than 3 weeks to process. The range was 0 to 86 days overall. In one case information had been requested from The Pension Service on 3 separate occasions when a single request would have been appropriate. Staff inexperience and backlogs were cited as the reasons for delays occurring.

**Fig. 3.6: Speed of processing changes of circumstances within BFI sample**

Days	Number	%
0 – 9	18	60
10 – 15	1	3
16 – 23	7	23
Over 23	4	13
<b>Total</b>	<b>30</b>	<b>99</b>

Source: BFI analysis

Note: percentages affected by rounding

**3.25** Improvements evident in the speed of processing new claims were also reflected in the processing of changes of circumstances. We therefore concluded that improvements in one area had not been achieved at the expense of the other. We also found evidence that urgent changes of circumstances were being prioritised for clearance.

**3.26** Figure 3.7 shows that customers reported almost half of the notified changes of circumstances in our sample. These results strongly suggested that the customer base had been educated to report changes that affect entitlement to benefits. This was emphasised by 2 of the changes that were reported because the customer was aware that the assessment was incorrect.

**Fig. 3.7: Sources of notifications of changes of circumstances within BFI sample**

Source	Number	As % of 30 cases/sample
Customer	14	47
Visiting Officer	5	17
Jobcentre Plus/Pension Service	4	13
Housing Department	3	10
Other	4	13
<b>Total</b>	<b>30</b>	<b>100</b>

Source: BFI analysis

**3.27** Brentwood Borough Council’s visiting officer had instigated 5 of our sample of 30 changes of circumstances. This indicated that the visiting regime that supported in-claim interventions was proving to be effective in identifying and capturing changes of circumstances.



Case	Claim Type	Issue: Accuracy Quality Verification	Comments
5	IS/JSA(IB)	Verification	Passport accepted from a person from abroad – the scanned image on the IT system did not contain the pages showing the customers name, description and photograph.
6	Standard	Accuracy, Quality and Verification	Incorrect wage details were used in the calculation of benefit – probable overpayment. The customer was reported to be on maternity leave from work and therefore an event date should have been noted on the Benefits IT system to check the customers circumstances at a suitable future date. The customer's rent was paid by direct debit, however, the bank statement showing rent payments was not seen.
7	Standard	Quality and Verification	Previous claim form several months earlier showed customer was an owner-occupier. Present claim stated she was in rented accommodation – enquiries should have been made to establish the situation e.g. there could have been some equity from the previous property. The claim was processed before details of a savings account were known although details had been requested.
8	Standard	Accuracy and Quality	The incorrect first date of entitlement appeared to have been used. The new claim had been taken and accepted on an incorrect form (in year benefit check form).
9	Standard	Accuracy	Occupational pension of £460.10 per month overlooked in assessment – potential overpayment of all benefit paid to start of new claim.
10	Standard	Quality and Verification	Although 2 monthly wages slips were obtained they were not consecutive months and did not contain a National Insurance number or the employees' name – further enquiries should have been made.

Source: BFI analysis

**3.30** We were told by Brentwood Borough Council's senior management that speed of processing had been the main focus of its attention and although reported accuracy against the Best Value Performance Indicators had been poor it was confident that the checking and monitoring regime it had in place was sufficient.

**3.31** [REDACTED]

**3.32** The issues we have raised include:

- [REDACTED] and awareness of the impact of changes
- [REDACTED]
- [REDACTED]
- [REDACTED]

**3.33** We also found 3 cases where foreseeable changes had not been identified. Our interviews with managers and staff confirmed that event dates were not always annotated on the Benefits IT system. Following the abolition of renewal claims and the potential for certain claims to be in payment for up to 3 years before any intervention is made, it is important that foreseeable changes are identified and followed up to prevent incorrect payments.

**3.34** If the gateway to the benefits system is to be secured with fraud and error minimised then Brentwood Borough Council must ensure these issues are addressed.

## Recommendations

**We recommend that Brentwood Borough Council:**

- **ensures that accuracy levels are not adversely affected by the drive for improved processing times by:**
  - educating staff to carefully examine the details of the claim
  - ensuring staff consider the reasonableness of the claim and refer to previous claim documents when appropriate
- **takes account and follows up any foreseeable changes by using event dates on the IT system to:**
  - encourage customers to report changes by showing that appropriate action is taken where information is supplied
  - ensure that incorrect payments are avoided where possible.

## *Factors that affected claims processing performance*

### Access to the Benefits service

**3.35** Taking positive steps to ensure that the service is accessible to all categories of customers is a key element in effective claims processing.

**3.36** It is important to ensure that the basics are in place, such as:

- an effective claim form and associated information materials
- enquiry facilities
- meeting the needs of customers:
  - who use English as a second language
  - with communication difficulties
  - with disabilities
  - who are vulnerable
  - in work
- effective training for customer services staff.

## *The Benefits claim form*

**3.37** Clear HB and CTB claim forms and leaflets can help reduce the need for requests for further information from the customer. They provide information on the types of evidence required, and reduce the risk of customer confusion, error and fraud. Clear advice at the time of the claim can reinforce messages about the need to provide evidence of identity and income, and resolve the concerns of those with limited documentation.

**3.38** Brentwood Borough Council's claim form was based on the Department's model, which had been awarded the Plain English Campaign's Crystal Mark. It was, clearly laid out with answer boxes that required the customer to make conscious decisions regarding their circumstances. It also provided clear instructions about changes of circumstances that must be reported and who to contact for help and advice.

**3.39** We undertook a comparison of Brentwood Borough Council's claim form against BFI's Designing claim forms – A Good Practice Guide (September 2002) and the VF guidance (April 2000). Appendix A provides our views on areas of the claim form and its design that could be improved.

**3.40** Brentwood Borough Council had conducted research into the reasons why some claims from particular groups were not pursued. This revealed that the length and perceived complexity of the claim form discouraged some groups of customers, particularly pensioners and young people, from claiming benefit.

**3.41** We found there had been no analysis of how many customers provided all the information necessary to process their benefit claim at the first attempt, or the factors which prevented this from occurring. The provision of clear advice and guidance when claim forms are issued helps to ensure that fully completed claim forms, and all supporting evidence are returned at the first attempt.

### **Recommendations**

#### **We recommend that Brentwood Borough Council:**

- **monitors the reasons for incorrectly completed forms and uses this information to inform the initial provision of information to customers**
- **analyses why requests for further information have to be made to customers to identify how the volume of such requests can be reduced.**

## *Customer interviews*

**3.42** Following a staff suggestion to help speed up the processing of new claims, Brentwood Borough Council had introduced a system of interviewing all customers making new claims from April 2004. We were told that when the customer had completed the claim form they were advised to contact the Benefits service to arrange a new claims interview. Home visits were available on request for those unable to attend the Town Hall to make a claim.

**3.43** At the interview the claim form was checked for completeness and documents provided to support the claim were checked for authenticity and compliance with the Verification Framework. If further contact with the Benefits service was required the customer was again encouraged to arrange another interview to ensure that all the required information had been provided and the claim could be processed. We discuss this further in *Workflow management - prioritisation of work*.

**3.44** Managers and staff we spoke to were convinced that this revised approach to claim form completion and obtaining evidence to support the claim, had been instrumental in reducing processing times for new claims. This had also helped to address customer concerns about the length and complexity of the claim form.

**3.45** At each stage of the process the customer received written confirmation on the progress of their claim and the outstanding information required for the claim to be processed. To help ensure that all information to support the claim was obtained, processing assistants from the Benefits service performed the interviews. There were similar procedures in place for when customers notified a change of circumstances.

### *Standards of customer service*

**3.46** The decision to develop a role for a customer liaison officer arose from Brentwood Borough Council's Best Value review in 2001. It was decided that a 'customers' champion' would be able to observe the service from a customer's perspective and have responsibility amongst other things for:

- prioritising claims from vulnerable customers
- controlling any claim form follow-up action for first time benefit customers
- customer care training
- reviewing and controlling forms and leaflets
- liaison with customer focused groups and advice agencies
- conducting customer satisfaction surveys.

**3.47** This role had been established for 3 years and become an integral part of the service. It was apparent that the customer liaison officer's role had had a positive impact upon claims processing. For example, we were told that proactive visits to a local young persons' hostel had not only improved claim form completion and promoted benefit take-up but had substantially reduced rent arrears from 9% to less than 1% and had prevented the eviction of young customers.

**3.48** A review of the needs of working customers had concluded that the benefits of late-night or Saturday morning opening would be limited and it would be more beneficial to offer working customers an appointment at which the claim could be checked for completeness or alternatively a home visit. This approach, together with a commitment to process claims as quickly as possible had been endorsed by advice agencies as part of a consultation process.

**3.49** We were told that joint advice surgeries with The Pension Service and the provision of a mobile service to more rural parts of the borough had proved popular with pensioners and provided a chance to reinforce the message that all appropriate evidence was required to support a claim.

### *Accessibility*

**3.50** Our discussions with customer services staff and observation of the public areas in the Town Hall produced evidence of good accessibility to the Benefits service. This is an important factor in encouraging customers to make contact with the service to provide additional information or declare changes in their circumstances and so has an important role in claims processing.

**3.51** We found the following positive aspects regarding access to the service:

- an assessment of the service against the statutory requirements of the Disability Discrimination Acts
- forms and leaflets were available in large print and Braille
- home visits were available on request
- the claim form was available in 7 ethnic minority languages and was available on the authority's website
- telephone lines were staffed for over 36 hours a week by staff trained to deal with Benefits enquiries and who had access to the Benefits system and scanned documents
- private interview rooms
- waiting areas with toilet facilities
- staff had received training in customer care and the quality of advice given to customers was regularly monitored
- facilities for customers with speech and hearing difficulties
- effective liaison with Social Services.

**3.52** However, accessibility to the service could be enhanced by setting targets and monitoring waiting times for personal callers to the Town Hall and for telephone callers.

**3.53** We concluded that more could be done to find out whether the service met the needs of working customers. Perhaps by including a questionnaire with Council Tax bills that would reach all potential customers of the service. This would help define whether the access, including hours for telephone callers is adequate for this group of customers.

## **Recommendations**

**We recommend that Brentwood Borough Council ensures that working customers are not deterred from claiming benefits or contacting the service by assessing whether the service meets their needs.**

## *Educating customers*

**3.54** Educating customers to report changes of circumstances and provide the required levels of evidence to support claims to benefit are key factors in successful claims processing.

**3.55** As previously mentioned in this report, the volume of changes of circumstances declared by customers to the Benefits service in our sample indicated that the authority had been successful in educating its customers to report changes.

**3.56** However, the process could be enhanced by:

- taking account of foreseeable changes when assessing claims
- monitoring the reasons for incorrectly completed forms
- monitoring why requests for further information have to be made
- identifying further ways of improving the initial supply of information.

**3.57** The customer liaison officer was in the process of redesigning and replacing the suite of leaflets. Also the authority's free newspaper contained information about how to claim benefit and the standards of evidence required to support a claim.

**3.58** We examined a sample of decision notices and found that they explained the decision and the reason for it in plain English and the customer's right to reconsideration or appeal. They also clearly explained the requirement to report changes of circumstances but did not explain the consequences of failure to do so.

## Training, development and provision of procedural guidance

### *Training and development*

**3.59** Effective and secure delivery of HB and CTB depends on the performance of all staff. The administration of these benefits is complex, and staff retention and recruitment are major issues for managers. Local authorities should offer training that is effective, and provide career and personal development opportunities for all staff.

**3.60** Investment in the training and development of staff plays a key role in:

- attracting new recruits
- retaining staff
- offering a career path for potential managers
- developing the management skills of more senior staff.

**3.61** An effective system of training and development had recently been established. Following a successful bid to the Performance Standards fund, the authority had created a new post of Training and Development officer with responsibility for the planning, organisation, delivery and evaluation of training and development activities.

**3.62** A comprehensive training programme based upon the Department's model training plan addressed the needs of both new and established members of staff. Procedural, legislative and refresher training was delivered as required. Senior management showed commitment through the provision of adequate resources. The Revenues service had achieved Investors in People accreditation and 2 members of staff had recently begun studying for benefits related external qualifications.

**3.63** Staff new to the service received comprehensive induction training with close monitoring of their performance during their probationary period. Training requirements were identified as part of the appraisal process and we were told that a training needs analysis tool will be purchased early in 2005, following another successful bid for funding.

**3.64** The training officer was able to monitor the progress of staff new to the service by personally checking their work and acting upon any weaknesses identified. The trainees were able to develop in a supported environment with the opportunity to consolidate their training on test cases. A formal system existed for evaluating the standard of training provided so that enhancements to training courses and materials could be made.

**3.65** Performance against Best Value Performance Indicators was analysed to identify where delays occurred in the process and to highlight any weaknesses in the performance of individuals. The training officer worked with individual members of staff to address identified weaknesses.

**3.66** We also found that customer services staff were trained to deal effectively with customers at the counter and that the quality of information provided was monitored by customer services supervisors.

**3.67** Overall, we concluded the increased commitment to training and development by Brentwood Borough Council was having a significant effect in improving service delivery.

### *Procedural guidance*

**3.68** HB and CTB are important components of the benefits system and it is important that staff and managers responsible for their administration are supported and guided by good procedures.

**3.69** We confirmed through our interviews with staff and examination of documentation provided by the council that various procedural guidance was available to staff. This mainly comprised of Departmental Circulars, The Departments Guidance Manual and *The Guide to Housing Benefit and Council Tax Benefit* by Zebedee, Ward and Lister.

**3.70** We were told that new procedures and changes were discussed at team meetings and the training officer delivered presentations to explain more complex changes. Staff also referred to handouts received at Verification Framework training courses. However, we also established there was a strong culture of learning from others, consulting colleagues and asking supervisors when staff were unsure of what to do.

**3.71** We found there were no procedures in some areas, which had led to the development of inconsistent practices in some areas, for example:

- use of the IT system notepad
- treatment and identification of foreseeable changes.

**3.72** Developing and documenting procedural guidance to translate local policies and procedures into practical steps for staff to follow, is important to ensure consistency and uniformity of approach.

**3.73** Following a successful bid for Performance Standards funding Brentwood Borough Council had procured the services of an external provider to develop comprehensive HB and CTB guidance material. The final version of the guidance was received during our inspection in November 2004. The guidance had an electronic link to the Verification Framework Guidance on the Institute of Revenues, Ratings and Valuation website.

**3.74** It is important that the new guidance is supported by local procedures and is:

- subject to version control
- amended promptly and dated accordingly
- readily available and used by staff.

## Recommendations

**We recommend that Brentwood Borough Council supplements HB procedural guidance with local procedures that accurately reflect actual working practices and translate local policy into practical steps for delivery.**

## Verification

**3.75** Local authorities must verify information supplied by customers to decide entitlement to benefit. This is an essential part of securing the gateway to the HB and CTB systems. Regulation 73(1) of the Housing Benefit (General) Regulations 1987 requires that:

*...a person who makes a claim...shall furnish such certificates, documents, information and evidence in connection with the claim...as may be reasonably required by the appropriate authority to determine that person's entitlement to...housing benefit...*

**3.76** There is a similar provision in regulation 63(1) of the Council Tax Benefit (General) Regulations 1992.

**3.77** Brentwood Borough Council adopted the Verification Framework in January 2003. Our interviews with staff confirmed all staff had received Verification Framework training and had copies of training handouts. However, staff we interviewed made no reference to the Department's *Housing Benefit and Council Tax Benefit Security Manual* introduced from April 2004 to replace the Verification Framework Manual.

**3.78** Our sampling confirmed that staff had a sound understanding of the requirements of the Verification Framework despite the number of claims we identified that required further action. Brentwood Borough Council had undertaken external publicity to educate customers of the need to provide evidence to substantiate a claim and we confirmed that this was ongoing.

**3.79** We also found verification control sheets in all the cases in our sample. We had some concerns with the council’s audit trail for certifying that documents were copies of originals.

**3.80** Figure 3.9 provides an overview of the standard of verification in our sample of 20 new claims. Although we were satisfied that these items had been verified to the appropriate standard, the legibility of many scanned images meant that the audit trail was insufficient to satisfy the Verification Framework. We look at this in more detail under *Authentication of original documentation*.

**Fig. 3.9: Quality of verification in sampled new claims**

Verification item	Number requiring verification	Number verified	% verified
National Insurance number – customer	20	20	100
National Insurance number – partner	2	2	100
Identity – customer	20	18	90
Identity – partner	2	2	100
Liability to pay rent	15	13	87
Residency	20	18	90
IS, JSA(IB) and Pension Credit	8	8	100
Income – customer	12	10	83
Income – partner	2	2	100
Capital – customer	12	11	92
Capital – partner	2	2	100
Non-dependants’ circumstances	2	2	100
Non-dependants’ circumstances	2	2	100
Non-dependants’ circumstances	2	2	100

Source: BFI analysis

## Verification of identity

**3.81** Since 6 September 1999, sections 1(1A) and 1(1B) of the Social Security Administration Act 1992 (as amended) require HB and CTB customers, and any other person in respect of whom benefit is claimed, to provide:

- a statement of their National Insurance number and information or evidence establishing that the number has been allocated to them, or
- information or evidence enabling the National Insurance number allocated to them to be ascertained.

**3.82** If a person does not have a National Insurance number, they should apply for one and provide all the necessary information or evidence to enable a number to be allocated to them.

**3.83** In all claims for HB or CTB, only a local authority can make a decision as to whether or not the evidence it receives is sufficient for meeting the requirements of sections 1(1A) and 1(1B) of the Social Security (Administration) Act 1992. Local authorities will need to consider each case on an individual basis and keep an audit trail to document how they have arrived at their decision to accept that Section 1(1A) and 1(1B) had been satisfactorily met.

**3.84** In any case where inconsistencies are identified or there is a reason for doubt, the local authority should make further checks.

**3.85** Our sample of 20 new claims confirmed that the National Insurance numbers for both customers and their partners had been obtained and verified in all cases.

**3.86** Brentwood Borough Council obtained birth certificates, passports or driving licences as evidence of identity wherever possible. The acceptance of these primary sources of evidence is good practice. We found that 17 of our sample of 20 new claims contained one or more of these primary sources of verification. However, as can be seen from Figure 3.10, we also found that scanned images in a number of these cases were illegible.

**Fig. 3.10: Number of primary sources of evidence of identity produced in sample of new claims**

Item provided	Number	Quality of image acceptable
Passport	5	2
Driving licence	10	5
Birth certificate	5	4
<b>Total</b>	<b>20</b>	<b>11</b>

Source: BFI analysis – 3 cases contained more than one document to verify identity.

**3.87** Our sample of 20 new claims also contained an overseas passport that had been accepted where the scanned image did not include the appropriate pages containing the customer's name, photograph and description. In another case a British passport that predated the current European Union passport and was therefore several years out of date, had also been accepted.

**3.88** Brentwood Borough Council confirmed it had enhanced its scanning system and was in the process of testing a new release. Whilst on site we saw examples of documents scanned with the new software and were satisfied with the quality of the images it produced. It is important to ensure that scanned images are legible and that any clarification sought by staff at the time documents are being accepted is recorded on the system notepad. This action forms a key part of the audit trail of the claim.

### *Standards of verification of evidence in support of a claim*

**3.89** Before a local authority can award benefit, it has to be satisfied about both residency and liability to pay rent or Council Tax.

**3.90** The most secure way to verify residency is to visit a customer at the dwelling. We found 4 cases in our sample of 20 new claims that had been visited. Brentwood Borough Council had accepted various types of evidence to verify residency, all of which were acceptable. However, we considered 2 claims, warranted further investigation.

**3.91** Both claims concerned the validity of the rent. In the first case the rent book was doubtful for a number of reasons:

- entries appeared to have been made at the same time
- a previous tenant's name had been crossed through
- the landlords' name and address was not included.

**3.92** The second case included a letter purporting to be from the landlord and included 3 receipts for rent paid monthly. This case raised doubts over how the customer could pay the rent, given the financial circumstances that had been declared. The claim was not decided for 6 months and the landlord had not contacted the council.

**3.93** In both cases the HB and CTB payment was made to the customer. A visit to check residency would have been appropriate in both cases.

**3.94** The Housing Benefit (General) Regulations 1987, Schedule 3, paragraph 10, Schedule 4, paragraph 4 and Schedule 5, paragraph 5, provide that when the customer receives Income Support (IS) or income-based Jobseeker's Allowance (JSA(IB)) the local authority must disregard a customer's income, earnings and capital. There are similar provisions in the Council Tax Benefit (General) Regulations 1992.

**3.95** Before a local authority can assume the customer has no income or capital, it must obtain confirmation from Jobcentre Plus or The Pension Service that the customer is in receipt of IS, JSA(IB) or Pension Credit.

**3.96** Obtaining evidence of IS or JSA(IB) through the Remote Access Terminal reduces the time to deal with claims and provides enhanced customer service. We were told that several staff had been trained as operators, which ensured cover for absence and flexibility, both of these were particularly important for Brentwood Borough Council's Benefit service due to the scale of its operation.

**3.97** We confirmed that all cases involving IS, JSA(IB) and Pension Credit were verified to a satisfactory standard. Our sampling of new claims confirmed that good use had been made of the Remote Access Terminal and 7 of the 8 new IS or JSA(IB) claims in our sample had been checked and confirmed through this means.

**3.98** In cases when HB and CTB customers are not in receipt of IS or JSA(IB), the local authority must verify the income and capital of the customer and any partner.

**3.99** Our sample of 20 new claims contained 12 standard claims that required verification of income and capital. Figure 3.11 shows our findings.

**Fig. 3.11: Verification of income in sampled new claims**

Type of case	Number of cases requiring verification	Verification satisfactory	
		Number	%
New claims	12	10	83

Source: BFI analysis

**3.100** We found 2 cases where further information should have been obtained. Both cases involved the acceptance of pay slips that did not meet the standard required by the Verification Framework. In the first case only one wage slip was accepted and it was undated. The second case involved 2 monthly pay slips that were accepted without a name or National Insurance number and they were not consecutive.

**3.101** It is important that pay slips are carefully scrutinised to ensure they belong to the customer, are representative of normal pay, contain any savings deductions or bonuses, and are for the correct period.

**3.102** Our sample of 20 new claims contained only one case where we considered verification of capital did not meet the required standard. The council asked for details of savings and bank accounts and accepted the evidence provided by the customer. However, the claim papers showed that the customer made rent payments by direct debit and the bank statement provided did not contain any details of rent paid by direct debit. This suggests the possibility of another account and should have been followed up.

**3.103** Brentwood Borough Council should also have been alerted to the possibility of savings or capital in another case where the customer was living in rented accommodation but had previously owned the property they lived in. This situation should have been followed up to establish the facts. This demonstrates the need to examine previous claims carefully and ensure information is crosschecked wherever possible.

## *Authentication of original documentation*

**3.104** Our sample of 20 new claims contained 8 cases where the quality of the scanned image was poor or illegible. It is important that documentation accepted as evidence in support of a claim is carefully scanned and checked to ensure the image is clear enough for a management or quality check of the case to be performed. The scanned images of photographs on driving licences and passports are good examples of verification of identity that can be used in future claims as part of the crosschecking process, provided that the image is clear.

**3.105** Brentwood Borough Council told us that a new colour version of its scanning equipment had led to improved scanning quality and a further new release was in the process of being tested at the time of our inspection in November 2004.

**3.106** The Verification Framework requires the council to be able show that an appropriately trained officer had certified any documents seen and accepted as original. System or clerical records should be annotated that original documentation was seen along with the date and name of the accepting officer. In the case of a home visit, the visiting officer should record full details with a note certifying original documentation had been seen. We were satisfied that Brentwood Borough Council had appropriately trained officers and took the appropriate action when verifying claims. However, to fully meet the requirements of the Verification Framework it needs to improve its audit trail for this.

**3.107** It is vital that forged, manipulated or counterfeit documentation is identified at the outset of a claim. The vigilance of suitably trained staff, attention to detail and appropriate record keeping are all key in securing the gateway to the benefits system.

## *Provision of an audit trail*

**3.108** It is important that details of all action taken throughout the claims processing cycle, from the day the claim is received to the day it is decided, is recorded and retained either on file or on the system notepad.

**3.109** This action ensures the assessment can be re-performed if necessary using the details available to the original processing officer, provides an audit trail for security purposes and facilitates management or quality checking of an individual's work. It is also an important part of customer service if the customer wishes to query how benefit has been calculated or decides to make a complaint or appeal against a decision.

**3.110** Our sampling of new claims and interviews with staff revealed inconsistent practices in the use of the system notepad. We were told that some staff had expressed difficulty in finding information on the system notepad due to the volume of information held and that capacity had become an issue.

**3.111** We were told that the system notepad was used to record details of the action taken on a claim until it was decided and it was then deleted. Our sampling of new claims confirmed this was the case and management acknowledged it was aware of the practice of deleting system notes. However, we found that not all staff followed this practice as some found it caused additional work and made cases difficult to follow.

**3.112** Brentwood Borough Council should develop written procedures for staff to ensure uniformity and consistency of approach. If capacity is an issue then system notes could be weeded in a similar fashion to paper based files. The present system introduces unnecessary and unacceptable risks to Brentwood Borough Council's claims processing and should be urgently addressed.

## Recommendations

**We recommend that Brentwood Borough Council provides refresher training for Benefits staff using BFI findings as examples of where improvements can be made, including:**

- **ensuring that primary evidence such as passports are still current**
- **challenging evidence provided during verification in light of the customers explanation**
- **the legibility of scanned images so that verification and identity checking can be re-performed at a later date**
- **the audit trail for showing that any documents seen and accepted during the verification process are original and not copies.**

## Workflow management

**3.113** The Benefits service used a combination of paper-based files, scanned images and the Benefits IT system to facilitate claims processing. The scanning system had been introduced at the beginning of 2003 following introduction of the Verification Framework.

**3.114** This software interfaced with the Benefits IT system allowing easy access to scanned images of original documentation whilst reducing the amount of photocopied material in the office.

**3.115** Whilst the absence of a Document Image Processing system did not in itself present any operational problems there were occasions when customer services staff dealt with enquiries without access to the full details in the claim file. We were told that there were plans to implement a full Document Image Processing system that would need to interface with the present in-house system currently used on post opening duties, and that the new system would be in place by December 2005.

**3.116** Benefit files were stored on the Benefits section under an alphabetical system based on addresses within the borough. The Benefits service itself comprised 2 sections, each dealing with a straight alphabetical split of the caseload from A to K and L to Z based on the customer's surname.

## **Recommendations**

**We recommend that Brentwood Borough Council introduces local procedures that advise Benefits staff how and when to weed information from the Benefits system notepad to ensure that a uniform and consistent approach is taken.**

### *Prioritisation of work*

**3.117** Work was passed to the benefits section from either the post room or from customer services. Processing supervisors divided post into urgent and non-urgent piles and left the work in in-trays for clearance by processing staff. Processing staff did not specialise in any one area of work and were therefore expected to clear complex cases such as students or self-employed cases by enlisting the help of the Senior Processing Assistant if required.

**3.118** An external provider had been used to process claims remotely on at least 2 occasions in 2004 during periods of staff absence. We were told there were logistical problems in transporting files to the remote processing site and that occasionally complex cases had been returned without being processed. There were also some errors found on the cases that were processed. Managers we spoke to told us that the use of an external provider had helped to clear one backlog and prevented the build up of others.

**3.119** Staff we spoke to were aware of the need to process claims promptly and although they lacked individual targets were aware of the basic requirement to clear new claims within 28 days of receipt of all information. We were told that when staff identified a claim that would have a detrimental effect upon the figures for speed of processing they brought this to their processing supervisor's attention.

**3.120** As a result of the interview system for new claims very few new claim forms were received through the post. Processing assistants were responsible for ensuring that all relevant supporting information had been provided and that the claim had been registered from the correct date of receipt.

**3.121** If additional evidence was missing at the interview stage the customer was handed a letter detailing information that had been supplied and any information still required. A notepad entry was also generated on the system with outstanding details and a return date. We were told that these customers were then contacted by telephone after 14 days, details of the telephone conversation was recorded and a reminder letter sent. The aim was to ensure that the claim was processed within the 28 days target.

**3.122** We were shown process maps detailing the steps required for processing both new claims and changes of circumstances.

## Performance monitoring

**3.123** We found that Brentwood Borough Council had developed a comprehensive system of performance monitoring which was having a beneficial effect upon its clearance of outstanding work.

**3.124** Following a successful bid to the Performance Standards fund the authority had developed a 'dashboard' reporting system which converted information from the Benefits system into individual performance data. This allowed for easy comparison of both individual output and the average and overall clearance times for various types of new claims, changes of circumstances and cancellations.

**3.125** Whilst the potential for using this type of information for operational purposes and also its wider strategic value were still being developed, its immediate impact had been to create a system of close control over the volumes and age of work within the system.

**3.126** This approach was supported by effective use of various systems reports, which identified incomplete claims, claims outstanding for more than 14 days and those outstanding for more than 28 days. These reports were passed to the Processing Supervisor and Senior Processing Assistant for clearance and the reasons for claims not hitting target were recorded on a spreadsheet for analysis.

**3.127** The lack of a full Document Image Processing system meant that there was no easy way of establishing the volumes of outstanding work within the Benefits service by type. For example changes of circumstances waiting to be processed were counted with all outstanding post. A manual count of outstanding post items was performed once a month and the results passed to managers for monitoring purposes.

**3.128** We found that staff had embraced a system of working by exception, responding promptly to claims that were approaching or had missed processing targets. Their use of the diary system and notepad facilities complemented this approach and they established follow-up dates, which helped to ensure claims were processed within target.

**3.129** The progress made by Brentwood Borough Council in the monitoring of performance was commendable and the benefits of this closer control and active monitoring were reflected in improving processing times.

## Referral to the Rent Officer Service

**3.130** The Housing Benefit (General) Regulations 1987 require a local authority to refer certain rent allowance claims to the Rent Service for a determination to be made on the level of rent eligible for HB. The local authority is required to make this referral within 3 working days or as soon as practicable. The regulations also provide for an application to be made for a pre-tenancy determination.

**3.131** Delays in making referrals to the Rent Officer can result in unnecessary delays in the time it takes to process a claim. Our sample of new claims contained 4 cases that had been referred to the Rent Officer. Figure 3.12 highlights the time taken between the various stages of the referral process.

**Fig. 3.12: Time taken to administer claims referred to the Rent Service**

	Average number of working days	Range days
Date claim received to date of referral to the Rent Service	77	35 – 179
Date of referral to date of determination by the Rent Service	30	10 – 80
Date of determination to date of receipt at the council	1.5	1 – 3
Date received by the council to date of action taken by council	26	0 – 81

Source: BFI analysis

**3.132** Cases requiring referral to the Rent Officer should be identified at the outset of the claim and a referral made without delay. The average number of days taken from the date a claim was initially received to the day the council processed the claim following the Rent Officer's determination was 135 days. Our analysis showed the cases in our sample had taken between 66 and 210 days to process. This level of performance was unacceptable, however, the 4 cases referred to the Rent Officer were from our sample of new claims between April 2004 and June 2004 and this period did include some claims delayed by a backlog of work.

**3.133** Our interviews with staff confirmed a common understanding of how a referral to the Rent Officer was made. Details were entered on the Benefits IT system and a report produced the following morning. The report was then checked and sent to the Rent Officer by facsimile. We were satisfied that appropriate cases were being referred.

**3.134** We confirmed that a service level agreement between Brentwood Borough Council and the Rent Service was in place and liaison meetings took place twice yearly. However, it was apparent from our analysis of Rent Officer referrals that monitoring had been overlooked.

**3.135** We examined a report produced at the beginning of November 2004, showing a total of 6 outstanding Rent Officer referrals. The 6 cases had dates highlighting the request to the Rent Officer which had been outstanding for between 20 and 126 days and the average for these cases was 53 days. We however, confirmed with the Rent Officer that no decisions were outstanding prior to November 2004.

**3.136** Prompt referral of cases to the Rent Officer and monitoring their progress is clearly an area for improvement. It is important that Brentwood Borough Council monitors Rent Officer referrals and follows up any outstanding cases.

## *Payments on account*

**3.137** Regulations 91(1) and 91A of the Housing Benefit (General) Regulations 1987 require local authorities to make a payment on account if:

- it is impracticable to decide a rent allowance claim within 14 days of receipt of the claim, and
- that impracticability has not arisen out of the customer's failure, without good cause, to provide the necessary information which the local authority reasonably requires and has requested.

**3.138** Payments on account should only be made when necessary and for as brief a period as possible. They are not intended as a substitute for making a full decision and correct payment on a claim.

**3.139** Our sample of 20 new claims contained only one case where a payment on account was appropriate but had not been made. This case had been processed remotely by an external contractor and the payment on account had been overlooked. Our interviews with staff confirmed an awareness of when a payment on account should be made.

### **Recommendations**

**We recommend that Brentwood Borough Council:**

- **ensures that claims appropriate for referral to the Rent Officer are identified at the outset of the claim**
- **monitors performance against the its service level agreement with the Rent Officer Service to ensure that cases are being processed within prescribed time limits**
- **takes prompt action to process claims on receipt of Rent Officer decisions.**

## *How performance was validated*

**3.140** Effective management and accuracy checks provide information about:

- the integrity and security of benefit processes
- the quality of work such as the evaluation of performance against legislative and other requirements
- training and development needs of staff
- weaknesses in processes.

**3.141** The Audit Commission, in *Countering Housing Benefit Fraud – A Management Handbook*, recommends that local authorities quality check at least 10% of claims as a way to prevent errors occurring at the start of the process. The check should take place before a decision notice is sent.

**3.142** These accuracy checks should cover all aspects of claims processing and administration, including overpayments and changes of circumstances.

## Management checks

**3.143** We were told that processing supervisors in Brentwood Borough Council checked 20% of cases, selected at random from a daily report, which detailed all types of amendments, cancellations and suspensions to claims on the Benefits system. This included new claims, changes of circumstances, and overpayments. We were informed that external audit had stipulated that 20% of cases must be checked, but that internal audit had recently suggested revising this to 30%.

**3.144** We were told that management checks involved checking the accuracy of the last assessment and the calculation. It did not include a check of customer signatures or the information on any previous claims.

**3.145** However, we found that pressures of work often prevented processing supervisors from performing the check on the day of selection. When this happened and arrears of checks had built up, the check became a post rather than a pre-notification check which prevented any errors in processing being amended before the payment was dispatched.

**3.146** We also found that during periods of peak leave, the check was not always performed. For example, during the period from 16 June 2004 to 9 July 2004, none of the cases selected for checking were subjected to a management check.

**3.147** Management checking of benefit assessments should not be seen as a replacement for the activity of internal audit. Therefore, we recommend that the level of checking be reduced to a 10% overall check to ensure that the volume of checks remain manageable and to enable processing supervisors to perform the checks properly. We were concerned to find that 2 of the cases from our sample of 20 new claims, which we identified as being deficient, had been subjected to a management check.

**3.148** When staff new to the service are processing claims or work is performed by external providers, it is important to target their work to gain additional assurance that assessments are correct and procedural guidance is being adhered to. We noted that the Training and Development Officer took personal responsibility for trainees by checking their assessments, feeding back any errors and using the information to develop training sessions. Also, that claims processed by an external provider were included in the random sample selection and subjected to a higher level of checking when required.

**3.149** We found that processing supervisors and other members of staff who processed claims as and when required, did not have management checks performed on their assessments. It is important that management checking encompasses the work of everybody involved in claims processing. Additional checks should be performed on the work of those performing the checks, to gain assurance that they are being performed properly and timeously.

**3.150** We were told that when errors were identified they were passed back to the assessor for the case to be corrected. However, these cases were not then routinely passed back to the processing supervisor to confirm the correction or note the action taken. The memo detailing the error was then retained in the case file.

**3.151** We were also particularly concerned to find that there was no ongoing collation or analysis of the types of errors found by management checks. Nor were the results of management checks reported regularly to senior officers and members. Analysis of management checks provides a valuable source of management information. It can be used not only to provide assurance on the integrity and security of benefit processes but also to inform the:

- quality of work performed
- training and development needs of staff
- identification of weaknesses in processes
- appraisal cycle.

**3.152** We concluded that the current system of management checking in Brentwood Borough Council failed to provide managers with adequate assurance that the Benefits service was working securely and effectively. Although, it should be relatively straightforward to refine the system to provide Members and senior managers with the routine, regular and systematic assurance they require.

## Recommendations

### We recommend that Brentwood Borough Council:

- **reduces the level of management checks to 10% of all assessments, and ensures that checks:**
  - **take place before the decision is notified to the customer**
  - **confirm that the assessment is lawful and the benefit calculation is correct**
  - **include the work of everybody involved in claims processing**
  - **are increased for staff new to the service or where the results indicate a need for closer monitoring**
  - **include an additional check of those performing management checks**
  - **are returned to processing supervisors when errors have been corrected**
- **sets targets for improved levels of accuracy**
- **collates and analyses the results from management checks and uses this information to inform:**
  - **changes to working practices**
  - **training provision**
  - **the appraisal cycle.**



**3.161** We concluded that there was much that internal audit could have done to improve the standard of claims processing and the security and effectiveness of the system but had failed to do so.

### **Recommendations**

**We recommend that Brentwood Borough Council reviews its process for allocating audit time to the Benefits service to ensure that the scope, depth and reporting of work undertaken by internal audit provides senior officers and Members with the assurance they need on the security and effectiveness of the Benefits system.**



# Appendices

*Appendix A: Analysis of the claim form*

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# Appendix A: Analysis of the claim form

Clear HB and CTB claim forms can help reduce the need for requests for further information from the customer. They can also reduce the risk of customer confusion or fraud. Clear advice at the time of the claim can:

- reinforce messages about the need to provide evidence of identity and income
- resolve concerns of those with limited documentation
- reduce delays in the time taken to process claims.

We compared Brentwood Borough Council's claim form against BFI's Designing claim forms – A Good Practice Guide (September 2002) and the VF guidance (April 2000).

This table below highlights only where the authority's form could be improved or enhanced. Brentwood Borough Council should take these comments into consideration in any future redesign of its HB and CTB claim form.

<b>Analysis of Brentwood Borough Council's claim form against BFI's <i>Designing the HB/CTB claim form</i> guide requirements</b>		
<b>Good Practice</b>	<b>Good Practice present?</b> Yes/No/Partial	<b>BFI comment</b>
<p><b>General</b></p> <p>Each update of the form is readily identifiable. This will ensure that only current versions of the form are used. It will also help in any claims for backdating.</p> <p>Specific spaces for customers to provide further relevant information if they need to.</p>	<p><b>N</b></p> <p><b>P</b></p>	<p>The claim form did not provide the version number or date of print.</p> <p>Very limited space was provided, but customers were invited to send further sheets of paper if necessary. There was also a separate small space for customers to apply for backdating.</p>

Good Practice	Good Practice present?	BFI comment
<p><b>Residency and rent</b></p> <p>The form must collect for all tenancies:</p> <ul style="list-style-type: none"> <li>• details of their previous address and their status at that address (for example, owner, tenant or living with friends), together with details of any previous claim for HB and CTB. This information could also identify the possibility of undisclosed capital in the form of property owned by the customer or their family.</li> <li>• the amount of rent, how often it is payable, and who it is payable to</li> </ul> <p><b>Self-employed earned income</b></p> <p>The form must collect:</p> <ul style="list-style-type: none"> <li>• whether self-employment is the only employment for the customer or partner. (It is possible for a person to be both self-employed and an employee)</li> <li>• whether the customer or partner are sole traders or partners in the business. If they are partners, details of the partnership and their share in the business</li> </ul> <p><b>Benefit income</b></p> <p>The form must collect:</p> <ul style="list-style-type: none"> <li>• the gross amount of benefit in payment. It is possible for deductions to be made from many benefits to recover overpayments. The authority must ensure that it uses the gross figure</li> <li>• the method of payment for each of the benefits (for example, order book, giro-cheque, direct to bank or building society)</li> </ul> <p><b>Other income</b></p> <p><b>The form must collect:</b></p> <ul style="list-style-type: none"> <li>• details of <b>all</b> other income received by the customer, partner and dependants. The claim form should tell the customer that certain types of income attract a disregard, although it does not need to give specific details. It might also note that payments received from the Eileen Trust, the Independent Living Fund or the Macfarlane Trust need not be declared</li> </ul>	<p><b>P</b></p> <p><b>P</b></p> <p><b>N</b></p> <p><b>P</b></p> <p><b>P</b></p> <p><b>N</b></p> <p><b>P</b></p>	<p>The claim form asked for details of previous address, including status, if the customer had been at current address for less than 12 months.</p> <p>The claim form did not ask who the rent was payable to.</p> <p>This question was not included.</p> <p>Only the name and address of other partners was requested.</p> <p>The claim form asked for the amount of IS, JSA, DLA or AA in payment, rather than the gross amount - so any deductions would not be apparent.</p> <p>This question was not included.</p> <p>The claim form did not inform the customer that certain types of income attract a disregard.</p>

Good Practice	Good Practice present?	BFI comment
<ul style="list-style-type: none"> <li>whether the income is regularly increased and if so, the date the next increase is due</li> </ul>	<p><b>P</b></p>	<p>The claim form did not ask if income increased regularly, but did ask when the next increase was likely.</p>



