

NORTH LANARKSHIRE COUNCIL

REPORT

AGENDA ITEM No. 13

To: HOUSING & TECHNICAL SERVICES COMMITTEE	Subject: BENEFIT FRAUD INSPECTORATE (BFI) REPORT – NORTH LANARKSHIRE COUNCIL
From: DIRECTOR OF HOUSING & PROPERTY SERVICES	
Date: 12 February 2003	Ref: TMCK/UC/JMCE

1. Purpose of Report

- 1.1 This report updates Committee on progress towards implementation of the Benefits Action Plan.

2. Background

- 2.1 The outcome following the Secretary of State's consideration of the BFI's report and the Council's response was the subject of a report to Committee on 16 May 2002.
- 2.2 Members will recall that, whilst the Secretary of State had decided not to exercise powers to direct the authority to attain specified standards of administration, the Department for Work and Pensions (DWP) would continue to monitor the Council's performance and progress towards implementation of the BFI's recommendations by means of quarterly reports, the first of which was to be submitted at the end of June 2002.
- 2.3 To date, the Council has submitted three reports for the quarters ended 30 June, 30 September and 31 December 2002, each providing a brief commentary on progress achieved during the quarter, together with an updated version of the Benefits Action Plan and supporting documentation.

3. Progress Achieved

- 3.1 By 31 December 2002, all 134 of the recommendations contained in the BFI's report had been either fully or partially implemented.
- 3.2 A summary of progress achieved between 1 April and 31 December 2002 towards implementation of the plan is appended to this report.

4. The DWP's Response

- 4.1 The DWP has responded positively to the Council's quarterly submissions, acknowledging the considerable progress made since the BFI inspection. Particular reference has been made to the steady pattern of improvement in performance against the best value indicators, now at top quartile or near top quartile levels.

- 4.2 On 9 December 2002, two officials from the DWP visited North Lanarkshire to discuss progress to date, review monitoring arrangements and obtain assurance that plans were in place to ensure improvements were sustainable over the longer term.
- 4.3 The DWP representatives were encouraged by the Council's positive response to the BFI's report and its commitment to raising the standard of its benefits administration, evidenced by improved levels of performance and substantial additional investment in the benefit service.
- 4.4 The DWP will report back to the Housing Benefit Minister, following which an assessment will be made as to whether the Council's performance should continue to be closely monitored. Whilst the DWP has indicated that it is unlikely to recommend a second BFI inspection in light of the standards attained, the BFI may nonetheless decide to undertake a second visit.

5. Ministerial Visit

- 5.1 The Housing Benefit Minister, Malcolm Wicks MP, has arranged a visit to North Lanarkshire on 19 February 2003 to congratulate the Council on progress achieved towards improving performance and to provide continued support to the authority.

6. Conclusion and Recommendation

- 6.1 The outcome of the DWP's assessment together with details of any follow-up inspection by the BFI will be the subject of further reports to Committee.
- 6.2 In the meantime, Committee is asked to note the contents of this report.

7. Access to Information

- 7.1 Background information is available from the Housing & Property Services Department.



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Director of Housing & Property Services
encl.

Benefits Action Plan

Summary of Progress 1 April to 31 December 2002

Performance Indicators

- ❑ Overall performance shows a steady improvement from the previous two years and during the three-quarters of the current year, with figures on or around the targets set.
- ❑ Figures recently released by the DWP show NLC's performance for HB/CTB administration reaching the top quartile in three categories and the second in a further two.
- ❑ Improved processing performance with outstanding work well within preferred target thresholds.

Standards of Verification

- ❑ Introduction of a new single claim form.
- ❑ Dedicated help team established to assist claimants in completing the new form, carry out home visits for elderly and vulnerable claimants and visits to sheltered housing complexes.
- ❑ Benefits procedures manual re-written to incorporate the BFI's recommendations.
- ❑ Programme of Verification Framework and Fraud Awareness refresher training undertaken.
- ❑ Level of accuracy checks increased to the 10% target recommended by Audit Scotland.

Monitoring and Control of Benefit Periods

- ❑ Benefit period overruns kept well under control and well within the DWP tolerance limit.

Processing Renewal Claims and Changes of Circumstances

- ❑ Weekly rolling reviews issued eight weeks in advance.
- ❑ Review timetable issued to assist in planning and managing the workload.

Fraud Investigation and Sanctions

- ❑ New post of Fraud Manager created and five Fraud Officers added to the existing team, following Committee approval to increase the level of resources allocated to counter-fraud work.
- ❑ Weekly Incorrect Benefit Scheme introduced in April 2002.
- ❑ Fraud hotline established and widely publicised.
- ❑ Fraud Investigation Good Practice Guide further developed.

Classification and Recovery of Overpayments

- ❑ Recovery of overpayments from ongoing benefit introduced.
- ❑ Recovery and write-off policy produced, supported by procedural guidance.
- ❑ Intensive training undertaken.
- ❑ Benefits overpayment team established.

Re-Structuring

- 14 posts created as part of re-structuring.

Staff Training and Development

- Training has been afforded a high priority with a wide range of issues covered within the framework of the Benefit Training Plan.

Benefit Administration Policy Statement

- Sets out the Council's objectives in relation to benefits administration within the framework of the Government's strategy for tackling fraud and improving administrative standards.
- Produced with reference to the BFI's Good Practice Guide.
- Takes account of the findings contained in the BFI's report on North Lanarkshire Council.
- Approved and adopted by Committee on 29 August 2002.

HB/CTB Performance Standards

- Adoption of the National Performance Standards approved by Committee on 31 October 2002.
- Commencement of self-assessment against the seven modules which make up the standards.
- Action plans in place to address areas which need to be improved to meet the standards.

Internal Audit

- Programme of follow up checks underway to confirm implementation of the Benefits Action Plan.

IT Security

- IT Security Policy produced by IT Services.
- Business Continuity Plan drafted.

Publicity

- Benefits newsletters introduced.
- Publicity leaflets drafted.
- Strategy in place to raise the profile of the fraud team.