

Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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HB/CTB A22/2009

ADJUDICATION AND OPERATIONS CIRCULAR

WHO SHOULD READ	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
ACTION	For information and action by 11 December 2009
SUBJECT	Future provision of performance data for the Right Benefit Indicator

Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual.

Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
- have any queries about the
 - **technical content of this circular**, contact Andrew Munro
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- 6 Note that RBI data will continue to be made available to the Audit Commission, Wales Audit Office, Audit Scotland and the Government Offices as management information.

Using the spreadsheet information to inform target setting and benchmarking

Updated benchmarking groups for 2009/10

- 7 The changes in the caseload and the creation of the new unitary authorities in England have meant that for 2009/10 the composition of the various benchmarking groups has changed. The new groups will be part of the suite of spreadsheets containing RBI data. It was necessary to make these adjustments as the sole purpose of the benchmarking groups is to assist LAs with comparing their performance against LAs with similar characteristics. Obviously, we have to ensure that such comparisons are still meaningful and that the members of each benchmarking group continue to have similar characteristics.
- 8 However, the benchmarking groups are only a tool to assist LAs in assessing their performance against the indicator. LAs can continue to assess and compare their performance in whatever way they find most useful. For example, we are aware of LAs who have successfully benchmarked performance and shared good practice with neighbouring LAs or pre-existing benchmarking groups. There is no reason why more than one approach cannot be used.

Updated target setting advice

- 9 Whilst we intend to provide regular RBI data, the 2008/09 historical data on HoBOD will also be provided in spreadsheet format as a one-off. This spreadsheet will contain caseload information for 2008/09 that is currently available on HoBOD. We recommend that LAs use this caseload to inform their target setting for the RBI. It will help provide a more up to date and accurate guide to local target setting than the previous caseload details given in *HB/CTB Circular A10/2008, Appendix C*, which were from the period October 2006 to September 2007.
- 10 The example below shows how the data can be used to assist target setting.

Table A gives the number of customers in each risk group for an LA

Table A	Average no. of customers						
	RG1	RG2	RG3	RG4	RG5	RG6	All
Name of LA	1379	1104	3982	1184	2760	8577	18,986

Table B gives the expected average number of changes per customer for each risk group calculated as a national average:

Table B							
Risk group	All	RG1	RG2	RG3	RG4	RG5	RG6
Expected average changes to Entitlement per Customer in Caseload	0.95	3.02	2.72	1.55	1.14	0.88	0.44

- 11 To obtain the number of changes that an LA might expect to find from their caseload, multiply the corresponding risk group figures in Table A by those in Table B. For example, multiply 1379 by 3.02 to work out the 'expected changes' for risk group one and so on. Using the above figures this produces

Table C 'Average LA' Expected Changes						
RG1	RG2	RG3	RG4	RG5	RG6	All
4165	3003	6172	1350	2429	3774	20,892

- 12 Summing the totals for each risk group in **Table C** gives the overall figure of 20,892 which is an indication of the amount of changes you may expect from your caseload.

- 13 To convert this figure to changes per thousand caseload divide the number of changes by the caseload

(1) $20,892 \text{ divided by } 18,986 = 1.10039$

and then multiply by 1000

(2) $1.10039 \times 1000 = 1,100.39$

So 20,982 changes in the above example equates to 1,100.39 changes per thousand caseload.

- 14 Note that the figures derived by using this method will not include bulk changes which should be either disregarded or added to the 'expected changes' figure when setting local targets. See *HB/CTB Bulletin G16/2009* for more information on 'bulk pre-identified changes'.

- 15 The change figures in the spreadsheets include bulk changes as we are not able to identify such changes separately. LAs using the RBI as a tool to reduce fraud and error should do this themselves. One method would be to disregard months or scan periods which contain an unusually high number of changes and substitute an estimate based on typical month-by-month performance.
- 16 LAs should also be aware that the 'expected changes' derived from this method are only an indication of the changes that can be found in their caseloads and are intended solely as a guide to assist local target setting. We recommend that LAs should consider all relevant factors when setting targets including their own previous performance. The 'expected changes' figure for each LA should in no way be seen as a DWP yardstick or expectation.
- 17 We would also recommend that LAs continue to have regard to other information such as the number of interventions, referrals, investigators and the other outputs formerly measured under the Performance Standards. They should also consider the speed in which changes are identified and processed as an important factor in reducing fraud and error in their caseload.
- 18 For advice on target setting and for any other queries in relation to this circular please contact the names given in *para 5* of this circular.

RBI spreadsheet

Content of the RBI spreadsheet

All information that is currently available on HoBOD will also be made available to all LAs on the RBI spreadsheet. Each LA will receive information for all LAs.

In summary, the following information is currently available on HoBOD and will also be on the spreadsheet.

- 1 LA code (LAID)
- 2 LA name
- 3 LA Grouping (benchmark group)
- 4 Date of data extract
- 5 Year to date changes in entitlement per 1000 caseload
- 6 Year to date increase/reduction per 1000 caseload
- 7 Average changes in entitlement per 1000 caseload per week
- 8 Month by month changes in entitlement per 1000 caseload
- 9 Risk group
- 10 Average number of customers year to date
- 11 Year to date changes in entitlement
- 12 Year to date increase/reduction in entitlement
- 13 Number of changes in entitlement per customer in risk group
- 14 All changes in entitlement year to date by risk group

In addition to the above, the spreadsheet will provide a further breakdown of (14) *all changes in entitlement year to date by risk group*, as detailed below.

- 15 All increase/reduction in entitlement year to date by risk group

Timetable

As the SHBE data extraction is taken on a rolling four-week basis, the RBI spreadsheets will be updated on the first Thursday of every month to ensure that new RBI data is incorporated for as many LAs as possible.