



4. Addressing customer error

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4.1 It is inevitable that some of our customers will make honest mistakes in the information they provide to us. We know the benefits system is complex and can sometimes be confusing for customers to understand. It is therefore our responsibility to ensure that the system is designed in a way that reduces confusion and the chance of mistakes occurring.

4.2 However, our customers also have a responsibility to make every effort to understand what is required of them during the life of their claim, and this includes the duty to inform us of changes to their circumstances once their benefit is in payment.

4.3 Our strategy for reducing customer error is therefore based primarily around measures that will better inform customers about their responsibilities. By providing clearer information to our customers, we will move them towards greater compliance with the benefit rules, and this will improve our levels of customer service.

4.4 Many of the initiatives we are introducing to reduce official error will also contribute to a reduction in the levels of customer error. Again, our approach is based around **prevention**, **compliance** and **correction**.

Prevention

Product quality

4.5 Our programme of work to simplify the benefits system will help to reduce complexity for our customers and make it less vulnerable to all forms of error. To achieve this, benefit rules and processes need to be easier for customers to understand and comply with.

4.6 In particular, customers may be confused when they are in receipt of benefits that contain different rules for similar situations. As part of our drive to simplify the benefits system, we will look to align similar rules in different benefits and remove anomalies and inconsistencies, unless there is a compelling reason for not doing so. This will reduce the confusion that some customers experience, especially those who may receive more than one benefit.

Improved customer experience

4.7 To improve customers' understanding of benefit rules, we will review and simplify the information we provide to customers at each point of interaction with the Department. This includes the information we give them through leaflets, claim forms and computer-generated letters.

Following the recommendations of the National Audit Office report on communications,¹² the Department has reduced the number of leaflets it produces for customers. These have been rationalised to ensure that the range of information we provide through leaflets is clear, concise and meets customer needs. In the future we will:

- reduce the number of leaflets we produce;
- ensure that all leaflets, where possible, are accredited with the Plain English campaign Crystal Mark status for clarity; and
- test all our new leaflets with a sample of customers before issue to ensure that they are clear and easily understood by the target audience.

¹² Comptroller and Auditor General, National Audit Office, 2006, *Department for Work and Pensions. Using leaflets to communicate with the public about services and entitlements* (HC 797), 25 January.

4.8 At the moment it can be difficult for customers to find clear and concise information about what, when and how to report changes in their circumstances. This causes unnecessary confusion and results in customers not providing important information to the Department. More readily available information would increase customers' understanding of their responsibilities once in receipt of benefit, and will encourage them to report relevant changes.

4.9 We will therefore look at how we might restructure the Department's website to ensure that it provides a clear, reliable source of information to customers, clarifying what changes need to be reported, how customers can report them and when. Local authorities, where they have not already done so, will also be encouraged to review and update their websites to make it easier for Housing Benefit and Council Tax Benefit customers to understand their responsibility to report changes.

4.10 An increasing proportion of customer contact with the Department is carried out over the telephone, and customers can be held in queues until a member of staff is available to answer their call. Jobcentre Plus will use this waiting time to best advantage by introducing a telephone message for waiting customers which outlines the customer's responsibilities to report changes in their circumstances. This message will also inform customers of the types of change they need to report, as well as how and when they should report them. If successful, we will consider introducing this more widely across the Department.

4.11 In the longer term, we aspire to enable most of our customers to make benefit claims over the internet securely. We already provide electronic versions of claim forms, which can be completed electronically before being printed and returned to one of the Department's agencies. But we want to go much further than this. If customers can complete the forms online, they should be able to

complete them in their own time, with the ability to save them and return to them when they have the correct information to hand. The online application should be so easy to use that it will prevent customers from making simple errors when inputting their information.

4.12 The technology supporting the interactive online application would be able to validate the information the customer inputs as each page is completed online and would provide a warning message should the information appear to be incorrect. The online application form could also be designed so that a claim could not be submitted until simple errors or inconsistencies are corrected. This information would then be ready to be input directly into our benefits systems without the need for re-entry of data, which is where error can enter the system. The ability for a claim to be submitted directly to our systems would be carried out on a risk basis; that is, those claims that include particularly complicated information would be validated by departmental staff before being submitted.

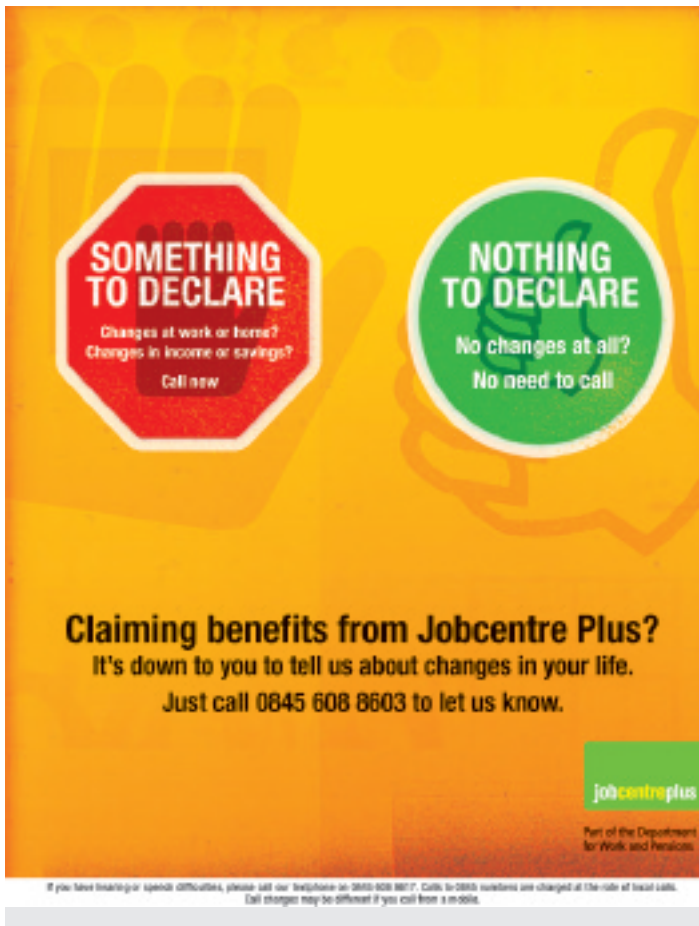
4.13 In December 2006, new legislation enabled local authorities to accept claims to benefit, amendments to claims and change of circumstance notifications electronically or by telephone.

4.14 We also aspire, over time, to introduce an online customer account service. This would enable customers to check the current status of their benefit claims online and notify the Department of changes of circumstance automatically. The system would then be able to re-calculate and amend benefit payment based on the information provided, without the need for human intervention. This process would be subject to an appropriate risk assessment. Such a system is currently being used by the Australian Government's welfare delivery arm, Centrelink. We will explore the potential of this technology as part of the Department's long-term IT modernisation plans.

Customer compliance

4.15 Although most customers already receive their correct benefit entitlement, we want to ensure that all customers do so, and that it remains correct for the duration of their claim. This means ensuring that the claim is based on the customer's current circumstances. All customers have a responsibility to report relevant changes to the Department and their local authority when they occur. To ensure that this happens, we need to state clearly to customers their responsibilities at the start of the claim and remind them of these responsibilities on an ongoing basis.

Figure 3: A poster from the Department's customer awareness campaign



4.16 We will encourage greater customer compliance with the benefit rules as part of a new awareness campaign (see Figure 3). This campaign will explain a customer's responsibility to report changes in circumstances when they happen. It is in our customers' best interests to make sure that the details held by the Department are kept up to date.

Pension Credit recipients are normally entitled to receive Pension Credit for the first four weeks while abroad. But some customers leave the country and continue to claim Pension Credit beyond four weeks. If it continues to be paid and the customer unintentionally fails to notify the Department of this change, the resulting overpayment is due to customer error. The Pension Service has improved its leaflets to make clear the benefit entitlement rules while abroad. It has also used postal redirects as a data-matching source to identify and correct such cases. We are investigating further data-matching possibilities and also standardising rules across benefits to reduce the frequency of this error.

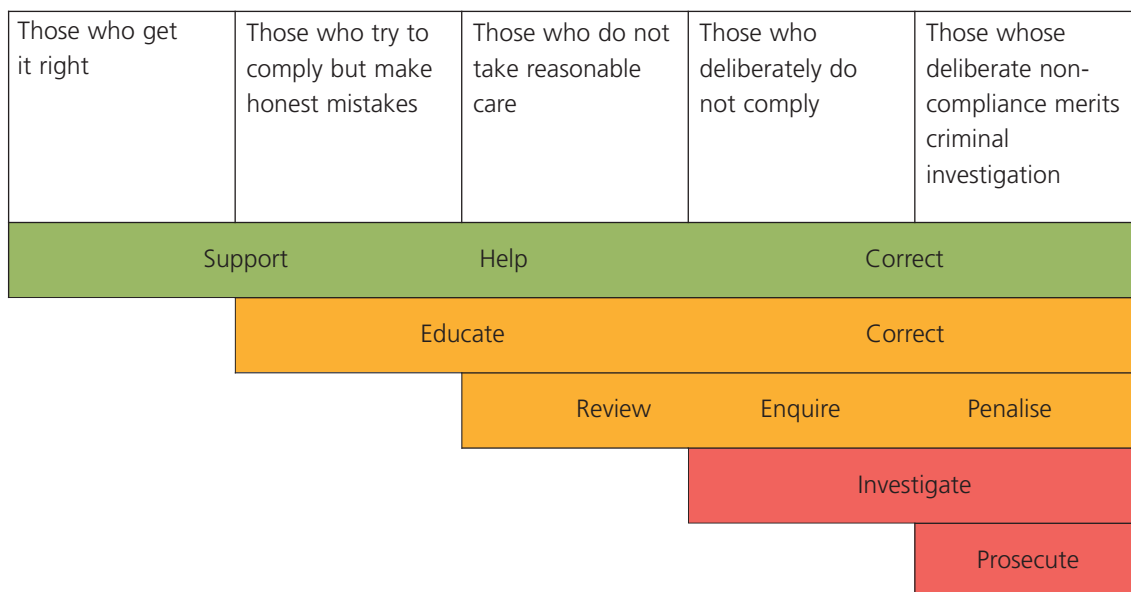
4.17 However, we need to do more than improve our leaflets and heighten customer awareness. We plan to look creatively at how to make it easier for customers to report changes of circumstance, as well as raising their awareness about what they need to report, when and to whom – a particular difficulty for those recipients of Housing Benefit who are not receiving any other benefits, as they do not have the regular face-to-face contact that Jobcentre Plus has with many of its customers.

Rights and responsibilities

4.18 The Department is committed to ensuring that customers' benefit payments are correct, and we expect our customers to take the same care when they provide us with information at the outset or during the lifetime of their claim. Customers can make honest mistakes but, unfortunately, a small minority of customers persistently give rise to customer error. In order to ensure that we can respond appropriately to customer error, we will tailor our actions according to how customers behave.

4.19 The responses are tailored to those customers who get it right, those who try to comply but make honest mistakes, those who do

Figure 4: Our approach to tackling different types of customer behaviour



not take reasonable care, those who deliberately do not comply and those whose deliberate non-compliance merits criminal investigation. We will make best use of resources by targeting our responses as appropriate to each of these behaviours. Figure 4 shows how different customer behaviours will be addressed.

4.20 We will provide ongoing support and help to those customers who already get it right or who make honest mistakes. This means providing clear information about rights and responsibilities, as well as striving to ensure that we reduce complexity and therefore possible confusion. We will educate and introduce more frequent checks of claims of those customers who appear to be making more regular mistakes with the information they provide to us. This will be in the form of more targeted support to encourage them to comply with the rules and regular reviews of their claim to ensure the information we hold is current and correct. For

those customers who deliberately do not comply with the benefit rules, but where customer fraud is ruled out, we will investigate and penalise them for their carelessness. Throughout this process we will recover any overpayments that occur.

4.21 From April 2006, Jobcentre Plus introduced a new customer compliance approach. Where it appears that a customer may have failed to report a change in their circumstances, Jobcentre Plus invites them to an interview to discuss their benefit claim. During that interview, allegations or suspicions are put to the customer in order to establish the correct benefit entitlement. Action is also taken to recover any overpayments. The customer is told of the consequences of failing to comply in the future. A key outcome is to ensure that customers are fully aware of their responsibilities to report changes, and the consequences of failing to do so in the future.

Consequences of non-compliance

4.22 The Department will explore the feasibility of introducing a number of further measures to encourage customers to return to compliance. It is not our intention to penalise unfairly the customer who makes a genuine mistake when completing a claim form or providing information to the Department or local authority. But we do wish to tackle those who refuse to take their responsibilities seriously or fail to take reasonable care to comply with the benefit rules. We will therefore make clear to all customers throughout the life of their claim that it is in their best interest to ensure that the information they give us is accurate and kept up to date.

Correction

4.23 We want to work more effectively with our customers to ensure that the information on which we calculate their claim continues to be correct over the lifetime of their benefit claim. We cannot do this alone. We therefore want to explore ways in which we can achieve our shared aim of ensuring that customers receive the correct amount of benefit to which they are entitled.

4.24 We understand that our customers' circumstances can change frequently. Most people report changes that affect their benefit payment. But some don't. In 2007 we will test a new approach to capturing changes of circumstance more promptly by sending a pre-populated letter to customers around six months after the start of their claim. This will ask them to confirm whether or not the entitlement details we hold are still correct.

4.25 If the customer's circumstances have not changed and the information is accurate, we will invite the customer to confirm this in writing. No further action will be required and the customer will have fulfilled their responsibility. But where the customer's circumstances have changed, we will ask them to provide details of the change and to return the information to us for processing. The benefit claim will be updated, and we will notify the customer of the new amount of benefit they are due.

4.26 If the pilot proves effective, we will consider introducing this initiative on a national basis.

4.27 The initiatives we propose to put in place to tackle official error, such as the case-cleansing exercise in The Pension Service, are also likely to identify customer error in the caseload. Again, where we find this category of error, we will correct it to ensure that the customer's payment is correct.

Recovering debt

4.28 The Department and local authorities make every effort to recover overpaid benefit. We will continue to recover debts where it is cost-effective to do so and, building on our new debt-management strategy, we also aim to:

- increase overall recoveries;
- produce a long-term reduction in the amount of money the Department is owed through overpayments; and
- improve financial processes to reduce the cost of recovering benefit debt.

4.29 These improvements will see enhanced management and recovery of debt in future years.