

### Right benefit and right time indicators – Questions and answers

- Q1 National Indicators NI 180 (right benefit)/NI 181 (right time) is causing confusion. Senior officers and Members are more familiar with the previous performance measures and were able to follow performance trends on new claims/change of circumstances. This is not the case with the new national indicators with no base data to calculate local or national targets.**

DWP provided advice in HB/CTB Circular A10/2008 on calculating local targets for the right benefit (NI 180) indicator. LAs should use their local management reporting systems to estimate the numbers of changes processed within the timeframe specified.

For right time (NI 181) LAs may find it helpful to compare, using their local systems, the speed of processing performance in 2007/2008 to monitor performance in 2008/2009. HB/CTB Circular A3/2009 gives information on the proposed release of right time performance data for 2008/09 which should further help LAs in setting targets and monitoring performance.

- Q2 NI 180/181 seems to have increased the burden on LAs. New indicators are used in addition to the previous performance measures.**

DWP has replaced 18 performance measures by the 2 indicators, NI 180 and NI 181 to reduce burdens. LAs can, of course, use additional measures to help gauge the performance of their service.

- Q3 Why are DWP obsessed with performance indicators instead of concentrating on being more customer focused/friendly?**

Communities and Local Government (CLG) wanted to rationalise the number of national indicators central government imposed on Local Government. Therefore in line with Government policy DWP reduced the number of national indicators relating to HB and CTB to two; NI180 (right benefit) and NI181 (right time). We consider that the indicators relating to deciding claims on time and ensuring the right benefit is paid are the most important in terms of focusing on the customer experience. In addition, they link with DWP's Departmental Strategic Objectives.

**Q4 Why are rent increases included in both National Indicators NI180 and NI 181?**

As a result of representation from the Local Authority Associations, all rent increases, including LA tenancy rent increases are included in the indicators. Rent increases for other types of tenancy had always counted towards PM5 (Speed of processing for changes of circumstances). Many LA have transferred their housing stock and it was considered that LAs that had not would be disadvantaged if they could not include these as we expect LAs who have transferred their housing stock will record that they have processed rent increases in 1 day thereby 'improving' their overall performance.

Changes processed automatically during the year do not impact significantly on levels of fraud and error but are reflected in NI 180 performance.

We explained in HB/CTB Circular A10/2008 that all changes count, including bulk up-ratings. However these are a reflection of LA caseload uplift and do not represent additional effort associated with fraud and error activity

**Q5 What plans are there for DWP to review the current performance indicators?**

In HB/CTB Circular A4/2008, following discussion with the Local Authority Associations the Department gave an undertaking that it would work to develop a better outcome based indicator to include in the National Performance Indicator suite from 2011.

**Q6 All work on new claims and changes is not captured by right benefit or right time measures e.g. extended payments. What recognition is given for this additional work?**

DWP appreciates that the two national indicators cannot cover all aspects of HB/CTB work. However, key management information will be derived from the Single HB Extracts and will be published on HoBOD, and used to inform future policy decisions.

**Q7 What recognition is there going to be for LAs struggling with increasing caseloads?**

It has been agreed that in 2009/10 an additional £45m subsidy will be provided solely for the purpose of assisting LAs in their statutory duties to administer and process HB/CTB claims and directly related enquiries during the economic downturn. HB/CTB Circular S2/2009 provides details of the allocation to each LA.

DWP will be looking to see what impact the economic downturn has on future workloads in order to inform any future discussions and decisions on administration subsidy distribution. LAs should therefore ensure that their SHBE returns are accurate and produced on time. LAs failing to send in complete data returns promptly, without prior agreement with DWP, could see a negative impact on any future funding distributions.

**Q8 DWP should publish details of IRRV winners so that their good practices can be shared?**

DWP's web site already has links to the IRRV site and we may want to pick up on and disseminate matters of good practice identified by the IRRV. However, it is not for DWP to promote IRRV winners specifically.

**Q9 DWP benchmarking groups are confusing as there are few apparent similarities between LAs within each set.**

The benchmarking groups have been defined by estimating the number of changes of circumstances per 1000 caseload that we would expect to occur within each LA, based on the types of customers within their caseload.

For each LA we looked at the proportion of customers within each risk group which gave us an estimate of the volume of changes of circumstances that we would expect to occur. We then divide that figure by the LA's caseload. We then grouped LAs according to the outcome of that figure.

**Q10 Lack of SHBE data – when will it become available?**

DWP is arranging for LAs to have the opportunity of validating some of the data they have supplied via the SHBE. This will take place in March and was announced in HB/CTB Circular A3/2009. When LAs and DWP are confident that the data derived is robust, it will be published.

**Q11 Target setting guidance from DWP – what help is available?**

LA Performance Team is happy to help LAs set targets for right time and right benefit. We provided contact details for the team in HB/CTB Circulars A10/2008 and A3/2009.

**Q12 As DWP is no longer setting performance targets why are quarterly letters still being issued to CEOs?**

Due to the lack of data from SHBE we have not sent any CEO letters since the end of 2007/08. Once we have received reliable data from SHBE we will re-instate the CEO letters. These letters will show performance against NI180 and NI181.

However, we have been writing to the Directors of Finance where data shows performance could be improved. Recently this has focussed on NI180. We may contact LAs regarding NI181 performance once we have sufficient data.

- Q13** **Audit methodology focuses on the whole claim which is having a detrimental affect on the implementation of the initiatives. For example, auditors are applying a rigid approach to verification using the VF standards and not considering all the evidence that have been applied holistically to a claim.**

This is currently being looked at in response to the Local Authority Associations paper to DWP put forward at February's steering group. We will be talking to the Audit Bodies as part of this response.

- Q14** **Not enough time is provided to validate data through the Bridge application as this process needs to be run over the weekend. Information is being sent off blind.**

HB/CTB Circular A23/2008 lets LAs know they can amend data before submission. It is for LAs to manage the timing of this.

- Q15** **Constant changes to benefit rules are making HB more complicated.**

The introduction of Local Housing Allowance represented a significant step forward in simplifying the HB system. We continue to look for other ways to make the HB rules simpler.

In December 2005, a Benefit Simplification Unit was created to drive forward simplification across the benefits system, to challenge existing complexity and ensure that the benefits system operates in ways that customers and staff can understand.

We always aim to provide at least six months notice of any changes.

- Q16** **What plans are there for DWP national TV campaigns to promote take up?**

Ministers have asked the Child Poverty Unit to establish a taskforce of experts to develop ways to help local services, in particular LAs, improve the take up of benefits and tax credits. This group will report by Spring 2009.

- Q17** **LAs need a period free from change to allow them to consolidate and improve.**

We have seen real improvements in the delivery of benefits. The average time taken to process a new claim has decreased from 55 days in 2002-3 to 26 in 2007-8. And this is just the average. The best performing LAs are now able to process a new claim in around 20 days.

However, we need to do more to improve the benefit system and offer prompt support to people who need it. Some people say we should slow down welfare reform because we are entering a recession. The Government believes that we should do the opposite by increasing the pace, because that means offering more support to people and matching it with the expectation that they should not fall out of touch with the world of work.

**Q18 What has happened to the simplification of HB?**

Local Housing Allowance was the start and not the end of our reforms.

At Budget 2008 the Government announced a review of the working age HB system. This joint DWP/HMT internal review of HB looked at the effectiveness of the system, particularly in promoting work incentives, efficiency and fairness and to ensure that it represents value for money for the taxpayer.

The December Welfare Reform White Paper, *'Raising expectations and increasing support: reforming welfare for the future'* provided a formal update on the review outlining our next steps and key issues we would like to address.

Also announced was the intention to launch a public consultation on HB reform in the first half of 2009, a process which will begin with the publication of the HB reform consultation document. The consultation document will set out the long term vision for HB reform and a potential strategy for achieving our objectives, including value for money, whilst setting out any early steps we may need to take.

**Q19 DWP should stop relaxing verification at the gateway as there are concerns over in/out work pilot because JCP does not verify to an acceptable level.**

Legislation requires one organisation to accept the verification carried out by another unless they have reason to doubt it. LAs should not apply doubt to JCP verification without detailed evidence to justify why.

**Q20 Are there plans for JCP to review its Standard Operating Model? JCP has lost the local connection.**

We know of some areas where the liaison arrangements in place are very good but we do accept that this may not be universal. We believe the quality of liaison comes down more to the quality and enthusiasm of the staff involved (in both Jobcentre Plus and LAs) than to the 'operating model' as such.

One of the biggest benefits that came about in the areas that piloted the new In and Out of Work arrangements was that communications and working relationships between all parties improved significantly. People in JCP began to develop a better understanding of the needs of LA staff and vice versa. These arrangements are now being rolled out in more areas and have the potential to enable much better 'local connection'.

Of course any arrangements are only as good as the people operating them. If arrangements in any area are not working particularly well then JCP Districts each have an External Relations Manager and this would be the person to contact.

**Q21 DWP needs to roll out Local Housing Allowance on all claims as soon as possible to help reduce HB complexity.**

It was always our intention to roll out the Local Housing Allowance gradually for new customers and those who move address only, to smooth the transition for LAs and customers alike.

We are monitoring the Local Housing Allowance over the first two years of its operation and have no current plans to transfer the existing caseload.

**Q22 LAs need guidance on the impact of Government Connect and use of wireless technology on mobile working.**

The background information is listed in HB/CTB Bulletin G21/2008, which includes a Q&A section. Government Connect are now responsible for providing advice on Government Connect issues, see <http://www.govconnect.gov.uk/index.php>.

**Q23 What penalty does DWP apply to JCP/TPS when they deliver a failing service?**

DWP negotiates targets with its delivery businesses JCP/PDCS, based on resource, productivity, and workload assumptions. Targets are designed to be stretching, driving increased efficiency over three year spending review cycles.

**Q24 Why do JCP and PDCS have different measures of performance to those of LAs? Why not align these performance measures so that we are all on equal footing?**

Performance measures must take into account operational delivery factors and to ensure that they drive delivery of policy intent. Specific social security benefits are intended to meet different needs. This is sometimes reflected in different target structures. Where possible DWP seeks to align performance measures where this supports delivery of policy

**Q25 Quality of tax credit information on CIS is poor. Why does it not match the information contained on the award notice?**

Provision of tax credit information for LAs via CIS was governed by what is necessary as identified in the HB Regulations for administration of HB/CTB.

As with all new IT solutions there have been a couple of issues with the transfer of the data between HMRC and DWP and these are currently being resolved. However LAs should be reporting any faults with the tax credit information on CIS via the LA Support Team to enable these to be investigated and fixed.

**Q26 Is it possible to have a download of tax credit information in the form of an ETD?**

A review of the existing ETD functionality and process is currently taking place. As part of this review a project has been established to provide LAs with an electronic prompt to advise when a new claim, change of circumstances, or end of tax credit award has been made by HMRC. This work is in the early stages and further information will be available in the next few months.

**Q27 DWP needs to apply more pressure on software providers to get things right.**

DWP works with software suppliers in order to help prepare and plan for IT changes. Monitoring the performance of software suppliers is a matter between each LA and its supplier and is subject to commercial arrangements.

**Q28 There is insufficient lead in time given to software providers to make IT changes.**

Software suppliers are notified of changes at the earliest possible opportunity. We aim to provide at least six months notice of any changes.

**Q29 Can the DWP provide a view on the speed of processing verses accuracy debate?**

The consequences of an unsatisfactory HB service will result in a poor customer experience. It is therefore important that councils achieve a balance between paying customers quickly and making sure that benefit decisions are correct at the outset. One should not be to the detriment of the other.

Councils must ensure that relevant and reliable information is gathered in support of claims and that any delays in the assessment process are kept to a minimum. Information should be checked systematically, with a sound appreciation of where it is at risk of being wrong. Decisions on entitlement should only be made once all information is received.

**Q30 When will DWP issue guidance on verification?**

This is currently being looked at as part of the response to the Local Authority Associations paper to DWP put forward at February's steering group. We will be talking to the Audit Bodies before any new guidance is issued.

**Q31 What is DWP's position on corporate call centres?**

DWP's position is clear. It uses them in JCP and PDCS. If the question relates to DWP's view of LAs' use of call centres it has to be for each LA to design its service that best meets its own needs and those of its community.

**Q32 DWP should fund internet access for deprived areas to help achieve high levels of e-business.**

This is a cross-Government issue and not one for DWP alone. Many LAs already do provide internet access, for example, through libraries.

**Q33 Is the DWP able to provide guidance on the possible conflict of interest between front and back office set up?**

We have found the practice of separating out front and back office to be becoming increasingly widespread. The extent of success can only really be determined by comparing local outcomes to what the revised design was set out to achieve. Although we have not formally evaluated any such arrangements it seems that they can operate with varying degrees of success.

**Q34 Why are there delays in getting information updated on HoBOD and a lack of confidence in the data available?**

Unfortunately, the data embargo last year has impacted on the timing to introduce the provision of data via the Single HB Extracts (SHBE). HB/CTB Circular A3/2009 outlines the difficulties experienced with data validation and software issues, which are being addressed. Until we can be confident that the data received is fit for purpose, we will not publish on DWP's website/HoBOD. We appreciate that the delay in releasing performance data will be a disappointment, especially as this information is useful for benchmarking purposes. However, we believe it is in the interests of all who will want to use SHBE data that we maximise its value and ensure reliability and completeness before making it widely available.

**Q35 If monthly scan data on HOBOD has to be retrospectively adjusted why not just adjust current month instead?**

In theory we could adjust the current month instead. However, since the adjustments are because some of the changes in the previous month were not genuine changes, it makes sense to adjust the previous month so that there is then an accurate picture of the true performance that was achieved within each month.

**Q36 DWP and Audit Commission need to provide guidance on what information and evidence should be collected for telephone claims.**

DWP is responsible for policy, not the Audit Commission. The verification requirement is no different for telephone claims than for postal claims. DWP has made the Audit Bodies aware of this.

**Q37 Why are there delays with issuing NINOs to PFAs?**

In order for a NINO to be allocated, an applicant is required to attend a JCP for an interview, they need to provide sufficient information to corroborate their identity and where possible to provide documentation to support this e.g. passport or travel documents issued by the Home Office. The documents are examined for authenticity and corroborative checks are made. Only when JCP is satisfied that identity has been confirmed and that there is a business need will a NINO be allocated.

Sixteen working days is the current actual average clearance time for a NINO to be allocated. However, in some instances where a fast path process can be facilitated a NINO can be allocated with four days on receipt of a completed application form.