

April 2008

# moredirect



⬇ Increasing  
pensioner take-up

⬇ New Horizons  
for inspection





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## Editor's comment

Welcome to this edition of **moredirect** – the DWP magazine for local authority staff working in Housing Benefit/Council Tax Benefit administration.

There are a number of significant developments this month, including important milestones in the introduction of Local Housing Allowance (LHA) and changes to the way DWP measures local authority performance.

On pages 8–9 read how three local authorities have worked together in partnership to implement the LHA in their areas. Their experience demonstrates clear advantages to working this way for each local authority involved.

The new performance landscape is covered in a series of articles on pages 11–15. These articles look at significant changes being made to the way in which DWP assesses the performance of local authorities and benefits services.

I would welcome any feedback on the magazine and am grateful for any suggestions for articles that you would like to appear in future editions. You can email your ideas to [Central-Services-Team@dwp.gsi.gov.uk](mailto:Central-Services-Team@dwp.gsi.gov.uk) or call me on 0207 712 2568.

I look forward to hearing from you.

**Robert Sneddon**



## Thank you for giving me the opportunity to introduce this edition of **moredirect**.

☞ Shirley Trundle,  
Director, Benefit  
Strategy  
Directorate

This month sees the implementation of the Local Housing Allowance (LHA) and I know how much work you have all been doing to prepare for a smooth introduction. This scheme brings about a substantial

change in the way we pay HB to tenants in the private rented sector and is essential to our wider welfare strategy to promote personal responsibility and financial inclusion. I believe that the LHA represents very real progress in taking forward our HB reform programme.

Changes will also be made to how we measure, inspect and engage on HB performance. I am sure you welcome the reduction in the number of HB performance measures in addition to more streamlined collation of performance management information. This, and the ability to set targets reflecting local priorities and partnerships, represents positive change.

I believe that all these measures will help take forward our shared agenda of delivering a streamlined, transparent and efficient Housing Benefit service.

## news

# Moving in and out of work

**Pilot schemes to speed up claims for benefits and tax credits of people moving in and out of work are encouraging more customers to apply for work.**

New benefit and tax credit claims processes for people moving in and out of work are being piloted in six regions. Early signs are that the new systems are having a positive effect for customers and staff.

The piloted processes include new ways of passing information between local authorities (LAs), Jobcentre Plus and HM Revenue & Customs (HMRC), reducing delays in paying correct benefit entitlement. They also

include using a secure electronic link provided by Government Connect.

Colleagues from LAs, Jobcentre Plus and HMRC have been piloting the changes since September 2007. The pilots are running in Sedgemoor, West Somerset, West Lothian, Lambeth, Merthyr Tydfil and Liverpool.

A full evaluation and report, with recommendations regarding national roll-out, will be made to a Joint Working Steering Group made up of senior figures from HMRC, DWP and the Local Government Association.



### To learn more ...

Email Ashley Sawyer at  
[hbsdmp.wweg@dwp.gsi.gov.uk](mailto:hbsdmp.wweg@dwp.gsi.gov.uk)

# Speaking out

James Ablewhite from Housing Benefit Strategy Division reports on DWP Minister James Plaskitt's visit to find out how Voice Risk Analysis (VRA) technology could help to prevent fraud.

DWP has helped to fund pilots into the use of VRA in the prevention and detection of benefit fraud. Minister James Plaskitt has followed progress with interest and recently visited a call centre trialling the system.

The Minister met with managers and call-handlers at the Capita call centre in Coventry. He listened in to conversations with HB customers in Birmingham and heard how the call-handler decides what information to use to determine a risk rating. Capita is handling calls for three of the six local authorities (LAs) currently piloting VRA.

## Pilot projects

The VRA pilots are part of DWP investigations into the potential for new technology to help in the fight against fraud and error. These were announced by James Plaskitt on launching the counter-fraud strategy. DWP published 'Reducing fraud in the benefit system – Achievements and ambitions' in 2005 and two years later Harrow Council became the first public body in the world to test VRA technology.

James Plaskitt said, "We have already made massive reductions in benefit fraud – cutting it by nearly two thirds since 2001. But we still need to do more to ensure that tax payers' money always goes to those who need it.

"Our investigators are successfully using sophisticated 21st century techniques to stop criminals. The introduction of this cutting edge technology will be another weapon in the battle against benefit fraud."

## Risk analysis

VRA involves taking a risk-based approach to verification, making use of improved IT and processes. It is a proven technique in the private sector where it is used to better assess the risk associated with insurance claims. DWP is keen to see whether the same techniques can be successful within HB to give indications of risk and enable swift verification of the information customers provide. This should allow for speedier processing of low-risk calls.

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*"This technology aims to tackle fraudsters while speeding up claims and improving customer service."*

*James Plaskitt MP*

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- Left to right: Judith Keech, Local Government Services; James Plaskitt MP; Richard Sheridan, Client Services Director (Capita); David West, Local Government Services (Capita) and Chris Gibbs, Head of Benefits, Birmingham City Council

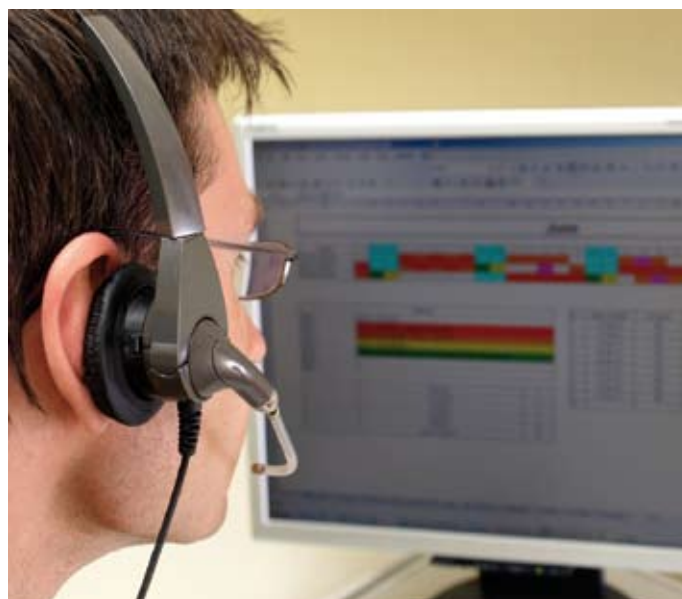


The VRA technology being used during the pilots is phone-based and analyses changes in the caller's voice. The caller is recorded at the beginning of the phone call to ensure that any subsequent nervousness or shyness is not a trigger for risk. Once the caller's voice is calibrated any changes in stress will be recorded. The measurement of physiological levels of voice stress, combined with behavioural analysis and conversation management questioning techniques, is believed to enable the detection of truthful statements and potential risk.

At the moment, when reporting a change of circumstance or even making a new claim, HB claimants are required to complete and return application forms with various proofs and evidence. This can be time-consuming and, for many people, also involves having to visit a neighbourhood office. It is hoped that phone systems using VRA will speed up this process.

"The vast majority of people who receive benefits are genuinely entitled to them," said James Plaskitt. "However, there is a minority who are intent on stealing money from those who need it most.

"This technology aims to tackle fraudsters while speeding up claims and improving customer service for the honest majority."



### Assessing results

DWP analysts are currently evaluating data from the pilots to determine whether VRA:

- correctly identifies high risk
- correctly identifies low risk
- reduces fraud
- encourages customer reporting of changes
- reduces clearance times
- provides efficiency savings
- improves customer satisfaction.

Once the data has been assessed decisions on the next steps for VRA will be taken. Early signs are positive, as Ian Nisbet, Benefits Manager Wealdon DC, who is involved in piloting VRA, recently told **moredirect**.

"We have found that VRA is a proven process providing a telephone-based risk assessment," said Ian. "It allows genuine cases to be fast-tracked efficiently, while detecting and managing higher levels of fraud."

# Talking head

Andrew Parfitt, the new head of Housing Research and Analysis Division (HRAD) in DWP, talks to us about his new role and his life outside the office.



## Question 1

### What did you do before joining DWP?

**I worked in** what is now Communities and Local Government (CLG) for eight years. I was an economist on housing and homelessness and worked on projects including Professor John Hills' review of the aims of social housing and the housing reform programmes of Ministers Ruth Kelly and Yvette Cooper. Before that, at the Department for Transport, I dealt with projects including the high-speed line to St Pancras and the introduction of emergency tugs around the UK coastline to help prevent oil spills.

## Question 2

### What do HRAD do?

**There are about** 25 people in HRAD including operational researchers, statisticians, social researchers and economists. We provide analytical and policy advice on housing issues. These included how to reduce fraud and error in benefits, how to get more social tenants into work, the Local Housing Allowance and the future strategy for Housing Benefit. One of our main areas of work is establishing how local authorities can continue to improve their performance in delivering the right benefits on time. We also assess new initiatives.

## Question 3

### How does DWP compare with CLG?

**Well, it's early days.** But both places are very friendly with lots of talented people and analysts working closely with policy colleagues on some really interesting issues. DWP is a lot bigger; so it's been quite a challenge finding out how the organisation fits together and who does what. I like the way work-life balance is taken very seriously here and, for the civil service, it's pretty non-hierarchical – at least, in the bits I've encountered.

## Question 4

### Describe your typical working day.

**There isn't really** a typical day – that's the nice thing about this job. But it's a rare day that I don't have at least a couple of meetings – sometimes many more. It can be a challenge, after a late night out, to suddenly hear that a Minister needs some urgent briefing.

My very first morning here, I had a meeting with our Ministers and Yvette Cooper. She seemed surprised that I had crossed over to 'the other side' – of course, we are all friends really. One of my aims is to continue to strengthen the links between the two departments on housing and worklessness – both professionally and socially.

My team is based in London, but I'm beginning to get out and about. I've already been to Newcastle and I'm planning to visit some local authorities next – to see what life is really like.

### Question 5

#### What are your ambitions in the job?

**One of my aims** is to ensure the people in my division enjoy their work and have fun as much as possible. We spend so much of our life at work and sometimes it can be stressful. I think, where possible, we should try to see the lighter side of

things. I also want to carry on enjoying being an analyst in government. It's really great to be able to find out about the world and make a difference to people's lives.

### Question 6

#### What about your life outside of work?

**One of my** main interests is local history. I live in the hills of Crystal Palace in south London and it's fascinating to learn about what's gone on in the area. I also like learning other European languages, although my memory is like a sieve. It keeps some of my friends entertained.

Andrew Parfitt (centre) and his team



# Three heads are better than one

Three local authorities (LAs) are working in partnership to roll out Local Housing Allowance.

Dagenham, Havering and Waltham Forest LAs are working to implement Local Housing Allowance (LHA) in their areas. They are using transparent local decision-making processes to deliver a user-friendly and flexible process. The partnership allows all three LAs to meet their objectives whilst using innovative approaches to meet their communities' needs. The project is joint planned and uses a shared communication strategy. Other joint activity includes meetings with stakeholders (including landlords), information about basic bank accounts, training, policies, procedures, staff awareness sessions and general publicity.

Two of the partners are already paying Housing Benefit by BACS. All three have carried out 'BACS drive' publicity campaigns to encourage more residents to open bank accounts. Customer Services staff provide information about these accounts.

The partnership is distributing LHA information in the form of leaflets, posters, a website and articles for local media. Free newsletters are being delivered in all three areas. This has meant there has been a consistent approach which has avoided the additional



Left to right: Claudia Andrew, LHA Project Officer Barking and Dagenham; Sue Beasor; Annette Cardy; Sharon Kahan, Policy and Systems Training Officer, Havering; Kevin Engstrom, Principal Benefits Officer, Barking and Dagenham; Chris Henry

time and cost for each LA producing material separately. A series of landlord forums are being held to consult on the safeguard policy. This is ensuring that landlords have a better understanding of policies and procedures and of the need to contact an LA as soon as arrears start to build up.

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***“The relationships I’ve formed are helping me enormously in my work and I know they will continue long after this project is completed.”***

***Annette Cardy***

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Partnership working is enabling senior managers to share ideas, resources and expertise and thereby make efficiency savings. This approach is also being employed by other staff on the project and important and robust working relationships are being built between all three LAs. Project staff are gaining project management skills and sharing valuable information that will benefit customers. Training officers are preparing and delivering training material and ensuring the project is delivered to schedule.

The partnership is based on a joint approach to implementing LHA. While benefit managers have occasionally had to compromise to ensure the project stays on track, each authority retains their autonomy and is able to adapt the approach to meet local needs.

**Sue Beasor, Havering Local Authority Lead Officer, is project-managing the partnership.**

“I’ve been involved in implementing many changes to the HB scheme over the years,” says Sue. “This is the first time I’ve been involved in joint working to this extent. It’s been a great challenge and the advantages of working in a cross-borough team have been enormous.”



**Annette Cardy, Benefits Manager at Barking and Dagenham, is a project team member.**

“Everyone involved in this project has gained so much from it. We have all increased our knowledge and skills,” says Annette. “The relationships I’ve formed are helping me enormously in my work and I know they will continue long after this project is completed.”

**Chris Henry, Benefits Manager at Havering, welcomes the cost savings the project represents.**

“This project was deliberately chosen for shared implementation because of the savings that could be made without any compromise to quality and resource,” says Chris. “Working in partnership has huge potential but it’s important to be selective about the project.”

**Nalda Russell-Stowe, Benefits Manager at Waltham Forest, is enjoying team working.**

“The old adage of ‘a problem shared is a problem halved’ springs to mind,” says Nalda. “I’ve not felt overwhelmed at any stage, or worried about whether there are enough resources to get the job done. Working with a great team of experts and jointly delivering a major change has been well worth it; I am already thinking of doing it again.”

# All change

DWP's Change Programme is aimed at streamlining services and providing joined-up delivery for customers.

Navigating through the DWP's different agencies can be a frustrating experience for some customers and, too often, they are asked for the same information more than once.

Launched in 2007, the DWP's Change Programme is our response to listening to our customers and recognising their frustrations. We are re-designing our services to ensure that customers do not have to go to several different places to get the help and advice they need.

## No wrong door

The Change Programme adopts a 'no wrong door' approach, in that it aims to meet the majority of customers' needs through a single contact. We are committed to delivering the wider Government Service Transformation agenda which aims to give the public a more effective, joined-up service through cross-departmental working.

To drive the change, DWP is looking at customer research. This will enable DWP to gain an understanding of customers' needs and provide a more informed service. To improve processes, we are using 'Lean' techniques to make sure processes are as efficient as possible.



## Improving services

Our aspiration is to provide a better service with shorter, more efficient processes and fewer handoffs whilst giving greater choices of ways for customers to contact us. Beginning the delivery of these changes is a key priority in 2008.

In future there will be fewer phone numbers for customers to choose from, consistent telephone greetings across agencies and better information about what to expect. DWP is also improving services available to customers over the internet via [www.direct.gov.uk](http://www.direct.gov.uk) from spring 2008.

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*"Our aspiration is to provide a better service with shorter, more efficient processes."*

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## ? To learn more ...

Further information on the Change Programme is available by emailing [change.programmecomsteam@dwp.gsi.gov.uk](mailto:change.programmecomsteam@dwp.gsi.gov.uk) Find out how the Change Programme will benefit LA liaison in the next edition of **moredirect**



# New-look assessment

The system DWP uses to assess the performance of local authorities and benefits services is being changed from April.

A new performance framework has been introduced for LAs in England.

The new framework shifts the way we measure benefit service performance away from service delivery and towards outputs and outcomes. LAs will also have more freedom to determine service delivery targets.

Communities and Local Government (CLG) announced the new framework in their October 2006 White Paper 'Strong and Prosperous Communities'.

## For LAs the new framework will mean several changes:

- There will be fewer (198) national performance indicators against which they must report to central Government.
- There will be less prescription about how services are delivered for LAs and local strategic partners.
- Local Area Agreements will be negotiated between LAs and Government Offices (GOs). They will set out priorities and contain the only improvement targets (up to 35) against national indicators.
- Comprehensive Performance Assessment will be replaced by a Comprehensive Area Assessment from April 2009. This will focus more on delivery of outcomes rather than on performance of individual services.
- The Audit Commission will move to a lighter audit regime with inspection based mainly on a joint risk assessment carried out by all inspectorates.

## For benefits the framework will mean:

- the 18 performance measures in the HB/CTB Performance Standards will be replaced by two
- the new 'right benefit' and 'right time' indicators will provide information on changes in entitlement and processing times and have been adopted by the Welsh Assembly Government and the Accounts Commission in Scotland
- there will be no national targets for these indicators, although LAs can set local improvement targets if they wish.

We will continue to collect and publish data on the Housing Benefit Operational Database (HoBOD). This data will provide contextual information and support LAs in terms of benchmarking and performance management.

LAs are expected to maintain good performance and improve in meeting customers' needs and minimising customer error. Over the next three years LAs will also need to adjust to a 5% real decrease year-on-year in their administration subsidy. This will mean taking a critical look at how services are delivered if performance improvement is to be maintained.

## ? To learn more ...

Email questions about the new performance indicators to [performance.framework@dwp.gsi.gov.uk](mailto:performance.framework@dwp.gsi.gov.uk)

For more information about the Communities and Local Government (CLG) October 2006 White Paper see 'Strong and Prosperous Communities'

# Take a good look

The Government is changing the inspection and reporting arrangements for HB/CTB services.

From April 2008 audit bodies in England, Scotland and Wales will take over responsibility for inspection from the Benefit Fraud Inspectorate (BFI). The move is part of the Government's strategy for reducing costs and the burden on LAs by decreasing the numbers of inspection bodies. The new system will also allow a more joined-up, common approach across local Government.

The bodies taking over these responsibilities are the Audit Commission (AC) in England, Audit Scotland and the Wales Audit Office. These bodies will be able to integrate HB/CTB work with their other functions and consider HB/CTB services in a wider local Government context. This should allow for more streamlined inspections.

The new HB/CTB assurance work will take account of wider performance and risk frameworks for local Government, such as the Comprehensive Area Assessment in England, Best Value work in Scotland and the Wales Programme for Improvement. In addition, the changes provide for fully independent reporting as the audit bodies will set their own inspection programmes and methodologies.



## Getting ready for change

We are working with the audit bodies to help them deliver as consistent an approach as possible across Great Britain. We are also taking into account national differences in the way audit bodies work and the different local Government performance frameworks that exist in England, Scotland and Wales.

Each audit body has set up a stakeholder group to develop their approach to the work. The Audit Commission in England has undertaken pilot inspections using newly-developed Key Lines of Enquiry (KLOEs) and information from these pilots has been shared with Audit Scotland and Wales Audit Office.

Systems are being established for sharing the HB/CTB performance information we hold with the audit bodies to inform their inspection programmes.

In addition, we are working with Communities and Local Government (CLG), Government Offices in England (GOs) and the devolved administrations to build a common understanding of what is important about HB/CTB administration. We are also considering how to liaise on HB/CTB inspection in the future.

## Transitional year

2008/2009 is a transitional year. The AC is planning a final Comprehensive Performance Assessment (CPA) in England and is currently consulting on the arrangements for that assessment.

After completing each of their inspections the audit bodies will send reports covering HB/CTB to the Secretary of State.

Any follow-up action will be carried out with the appropriate audit bodies, Government Offices in England or devolved administrations in Scotland and Wales. We will continue to offer post-inspection support through our Performance Development Team (PDT).

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*“The move is part of the Government’s strategy for reducing costs and the burden on LAs by decreasing the numbers of inspection bodies. The new system will also allow a more joined-up, common approach across local Government.”*

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### **?** To learn more ...

Further information can be found on the Audit Commission website [www.audit.commission.gov.uk/index.asp](http://www.audit.commission.gov.uk/index.asp)

If you have any questions on how we are working with audit bodies contact [barry.dennett@dwp.gsi.gov.uk](mailto:barry.dennett@dwp.gsi.gov.uk)

We want to continue to work with LAs to help build on the improvements that you have already delivered.

Average processing times for new claims have improved significantly from 62 days to 33 days since 2001/02. But customers of some LAs still have to wait longer than five weeks for their claims to be decided.

Fraud has nearly halved since 2002/03 but this has been more than offset by an increase in error, particularly customer error. Nationally, LAs are overpaying their customers HB of around £770 million and CTB of £200 million a year.

Some LAs in England will have targets set for the two HB/CTB national indicators in a Local Area Agreement. We are providing performance information to help GOs negotiate these agreements. We will continue to provide information and support to GOs in monitoring progress against any new targets. We will also work with LAs and GOs to ensure that everyone understands the importance of the benefit services LAs deliver.

We will continue to analyse LAs’ performance against national indicators on the Housing Benefit Operational Database (HoBOD). We also expect to continue to publish performance information on the two new national indicators and broader management information that will support local target setting and service management. Where we have performance concerns, we will ensure that any subsequent contact and support is co-ordinated with GOs and audit bodies as necessary. This will ensure an agreed approach and avoid duplication.

# A helping hand

A new system for performance management will mean a time of change and adjustment for us all. We have put resources in place to help.

## Performance Development Team

The Performance Development Team (PDT) offers help in delivering HB/CTB service improvements. The team will continue to work with individual local authorities (LAs). It will also promote partnership working, work with groups of LAs on specific areas, enable better performing authorities to support others and develop the identification and sharing of good practice.

PDT help is free. But LAs need to invest the time and resources required to develop improvement plans and are responsible for delivering them. LAs should keep DWP informed of progress so that improvements in the delivery of public services can be monitored.

For more information about PDT contact [cheryl.weaver@dwp.gsi.gov.uk](mailto:cheryl.weaver@dwp.gsi.gov.uk)



## Performance and good practice guidance

We are replacing the current Performance Standards Guide with a Performance and Good Practice Guide (PGPG) in line with the new framework which will be implemented from 1 April 2008.

The guide contains examples of good practice and gives guidance on the new performance indicators. It also contains general information and guidance on:

- Local Area Agreements
- Comprehensive Area Assessments
- inspection
- DWP expectations of LA performance against the performance indicators
- using the Housing Benefit Operational Database (HoBod) and benchmarking.

*“PDT help is free. But LAs need to invest the time and resources required to develop improvement plans and are responsible for delivering them.”*



### Email address for LA queries

We currently provide a dedicated email address to answer your performance-related queries, such as how and what to count towards the Processing of New Claims performance measure. From April 2008 we will continue to provide this service for the new performance indicators.

Send queries to **performance-framework@dwp.gsi.gov.uk**

We aim to answer queries within five working days from receipt or eight days for those requiring input from policy colleagues. We also monitor the type and amount of queries raised and answers provided. These are then posted as frequently asked questions (FAQs) on our website.

See **[www.dwp.gov.uk/housingbenefit/faq/perform-indicators.asp](http://www.dwp.gov.uk/housingbenefit/faq/perform-indicators.asp)**



### To learn more ...

For details email  
**performance.framework@dwp.gsi.gov.uk**

For queries regarding data and software issues  
contact **hbdataservices@dwp.gsi.gov.uk**

Good practice is presented under themes based on the new Audit Commission's Key Lines of Enquiry (KLOEs). Key drivers of good performance are indicated, as are areas of good practice that can lead to improvements in efficiency.

The new guide is published in PDF format only and is available for download from our website. This enables us to update it on a regular basis and ensure users have access to the most up-to-date version. Hard copies can be printed out if preferred.

If you have any questions regarding the PGP contact Valerie Hunt at **performance-framework@dwp.gsi.gov.uk**

# Four for one benefits for pensioners



Christie Dennehy is making the process more customer-focused

## Take up of CTB and HB is lowest amongst pensioners and a new process aims to address this.

The process allows people claiming Pension Credit over the phone from The Pension Service to access CTB and HB at the same time. The Pension Service fills in a CTB/HB claim form and sends it to the customer for checking. The customer then signs it and sends it to their local authority.

The application process is simple to use. Just one phone call gives customers access to four benefits including state retirement pension.

The process has operated since December 2005 and is a result of a three-way partnership between The Pension Service, Housing Benefit Strategy Division and local authorities. It received a Joined-up Government award at the Civil Service Awards. The award was for looking beyond institutional barriers, identifying common objectives, putting in place practical working arrangements and using a co-ordinated strategy for implementation and delivery.

Bernard Mitton and Christie Dennehy work on the process for Housing Benefit Strategy Division.

“We are now making the process even leaner,” said Bernard. “From October 2008 we are doing away with forms for non-dependants and children and, most importantly, the short CTB/HB claim form itself.”

From October The Pension Service will take CTB/HB details from the person claiming Pension Credit and pass them on to the local authority to assess entitlement. The Pension Service will also send these details to the customer, asking them to contact the local authority if there are any errors.

“It’s making the process more modern, customer-focused and efficient,” said Christie. “We want to explore whether these principles could be applied more widely, to other benefits as well as other groups. There’s a long way to go, but it’s a journey we look forward to.”

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***“Just one phone call gives customers access to four benefits including state retirement pension”***

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