



REPORT TO: POLICY AND RESOURCES COMMITTEE ON 24 NOVEMBER 2015

SUBJECT: AUDIT SCOTLAND'S REPORT ON THE HOUSING BENEFIT SERVICE IN MORAY

BY: CORPORATE DIRECTOR (CORPORATE SERVICES)

1. REASON FOR REPORT

- 1.1 To inform the Committee of the findings from an external audit of the council's Housing Benefit service. This report also provides the service's response to mitigate "risks to continuous improvement" identified through the audit.
- 1.2 This report is submitted to Committee in terms of Section III A(39) Council's Scheme of Administration relating to the organisation, administrative and management process of the Council.

2. RECOMMENDATION

- 2.1 **It is recommended that the Committee considers the findings in Audit Scotland's report and notes the actions and response to the highlighted risks to continuous improvement as detailed in this report.**

3. BACKGROUND

- 3.1 In 2008, Audit Scotland took over the Department for Work and Pensions' Benefit Fraud Inspectorate's responsibilities for the inspection of Housing Benefits in Scotland. The risk assessment undertaken by Audit Scotland considers the extent to which Scottish local authorities are complying with their statutory responsibility to continuously improve their benefits service and identifies risks to continuous improvement. A more focused audit is only carried out where the inspection identifies serious risks to continuous improvement or if the local authority's proposals have not delivered performance improvement within a reasonable timeframe.
- 3.2 The audit provides assurance to the Department for Work and Pensions and Members on the overall level of risk to continuous improvement in benefits administration across Scotland.
- 3.3 A copy of the risk assessment report, issued in September 2015, is on Members' portal. The report highlights the following aspects:
 - (a) Following Audit Scotland's last risk assessment in November 2011 (a report was submitted to this committee on 31 January 2012, paragraph 18 of the

Minute refers) the 7 risks to continuous improvement identified have been addressed by the service.

- (b) The service has faced considerable challenges over the last 4 years; implementing the UK Government's extensive welfare reform agenda whilst maintaining performance is a particular example.
- (c) The service faces further challenges when Universal Credit is introduced in Moray from 16 November 2015.
- (d) Whilst speed of processing performance is below the Scottish average, it continues to improve.
- (e) Only one risk to continuous improvement has been identified from this audit (page 10 of the report) – *"The remote processing contract will end on 31 December 2015 and all fully trained benefit staff may not be in place by that date. This could result in a dip in performance."*

3.4 In response to this the service has confirmed to Audit Scotland that a new benefit processor was appointed with effect from 23 September 2015; this provides a 3 month overlap with the remote processing service before their contract ends. The member of staff has previously worked within the service and therefore requires a lesser degree of training which should mostly be completed within this period. Consequently any impact on performance should be minimal.

4. **SUMMARY OF IMPLICATIONS**

(a) **Moray 2023: A Plan for the Future/Service Plan/Health and Social Care Integration**

The 10 year plan identifies welfare reform as a significant factor for the future of public services in Moray. There are no implications on the Health and Social Care Integration Plan.

(b) **Policy and Legal**

The Local Government in Scotland Act 2003 introduced statutory duties relating to Best Value and Community Planning. The key objective of the risk assessment is to determine the extent to which the benefit service is meeting its obligations to achieve continuous improvement in all its activities.

(c) **Financial implications**

The financial implications in respect of the appointment of a new benefit processor are incorporated within the merger of Customer Services and the Revenues Service (report to this committee of 18 March 2014, paragraph 8 of the Minute refers).

(d) **Risk Implications**

The Benefits Manager will continue to closely monitor and report on matters affecting benefit administration and welfare reform to Members.

(e) Staffing Implications

No impact

(f) Property

No impact

(g) Equalities

No impact

(h) Consultations

The Customer Services Manager and Head of Legal and Democratic Services have been consulted on this report and Audit Scotland's findings.

5. CONCLUSION

5.1 The audit considered the effectiveness of the benefit service in meeting national and local priorities, business planning and reporting, and delivering outcomes.

5.2 The service has experienced significant change in recent years; not least the significant resources required to plan, implement and answer the increased enquiries on the various changes being introduced as part of the welfare reform agenda.

5.3 As Audit Scotland's findings are mainly positive with just one risk identified, Members can be assured that there is a clear focus on continuous improvement within the service, whilst working to meet the priorities of the UK and Scottish Governments' welfare agendas.

Author of Report: Norma Matheson
Background Papers: Benefit Manager
Ref: