

**NORTH LINCOLNSHIRE COUNCIL**

**HOUSING AND STRATEGIC PLANNING  
CABINET MEMBER**

**BENEFITS SECTION – IMPACTS OF CURRENT ECONOMIC SITUATION**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To inform the Cabinet Member of the additional workload taking place in benefits due to the recession, and action being taken within the service.

**2. BACKGROUND INFORMATION**

- 2.1 The current economic situation is starting to have an impact in the local area. Recent figures from the Department for Work and Pensions (DWP) for the North East Yorkshire and Humber District show that the number of claimants for job seekers allowance (JSA) for the period April to January have increased on average 65.04% compared to last year. However in respect of Barton and Scunthorpe job centres these figures are higher than average at 89.39% and 81.36% respectively. This is obviously having an impact on the workload of the benefits service.
- 2.2 The amount of incoming post for benefits has increased by an average of over 100 items per week in the last six months, and the total number of system processes started is 23.5% more this year than the same time last year.

In the last 11 months the overall caseload has increased by 7.6% but that for working age is increasing at a faster rate than for pensioners as shown below .In the last month from end January to end February 2009 alone there has been an increase of 280 claimants.

	<b>Working age</b>	<b>Pensioners</b>	<b>All</b>
Cases at 15.3.08	6339	8004	14,343
Cases at 28.2.09	7322	8113	15435
Increase Nos	983	109	1092
<b>Increase %</b>	<b>15.5%</b>	<b>1.4%</b>	<b>7.6%</b>

- 2.2 Two national Indicators, NI180 (Right benefits) and NI181 (right time) judge the performance of the benefits service. NI180 measures the numbers of changes in circumstance identified in the year, as increasing these will reduce the amount of fraud and error in the system. Targets are set and we have been under pressure from the DWP to increase the numbers reported and processed. This further increases the workload of the section.
- 2.4 If the audit commission decide to inspect the benefits service we will be expected to show what we have done to address their key lines of enquiry (KLOEs) for the benefits service. This includes consulting with customers concerning their needs and ensuring the take up of benefits is maximised. (See separate report)
- 2.5 With regard to performance, for the last four years the benefits service has achieved the maximum score of 4 for the Comprehensive Performance Assessment. However benchmarking against other councils showed that performance improvements were possible, particularly with regard to time take to process new claims.
- 2.6 An action plan for improving performance was implemented and this has resulted in improved performance and increased output. The number of days taken to process new claims has reduced from 29 days to 24 days. This action plan has ensured that we have coped with the additional workload as output has increased significantly over the period, however we need to ensure that we are taking action to meet these additional demands on the service.
- 2.7 The DWP has recognised that the recession is causing additional work for benefit services across the country and has made some grant available so that councils are better able to ensure that people are receiving their correct entitlement as soon as possible. The council's share of this is an additional £114,615 benefit administration grant specifically to fund increases in workload in benefits due to the recession. This is a one off one-year payment that we intend to spend on ;
- Maintaining and extending the existing temporary resources currently allocated to benefits assessments.
  - Allowance for existing benefits assessors to work overtime
  - Appointment of an additional temporary service development officer to undertake consultation and take up work in order to meet KLOEs
- 2.8 We are also
- Maintaining the pressure on performance management as per the action improvement plan.

- Monitoring the situation very closely with consideration being given to moving resources from elsewhere in Local Taxation and Benefits into benefits assessments should the need occur.
- Currently working on proposals to set up a “new claims” team from existing resources, which will result in more claims being received fully documented and will ensure that claims are processed more quickly. This involves working more closely with the local link and making extended use of their Homelink service. This should further improve performance times and output.

### **3. OPTIONS FOR CONSIDERATION**

- 3.1 There are no decision options to be considered but the Cabinet Member is asked to note the contents of this report.

### **4. ANALYSIS OF OPTIONS**

- 4.1 None to be considered

### **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

#### **5.1 Financial**

The additional administration subsidy of £114,615 is a one off payment from the DWP to be paid in 2009-10. The Service Director Finance must certify that this has been allocated to expenditure relating to benefits administration

#### **5.1 Staffing**

The additional staffing requirements have been authorised by decision record and recruit processes are currently underway.

#### **5.2 Other**

There are no IT or property implications

### **6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

- 6.1 The council has a statutory duty to provide benefits service and in order to meet that duty we need to ensure that the service has adequate resources.
- 6.2 By ensuring that the right people get the right benefits as quickly as possible the council is ensuring that there is addition income in the Local economy, thus helping with the general economic situation.

## **7. OUTCOMES OF CONSULTATION**

- 7.1 The staff in the Benefits service have been consulted and are happy with the proposals for allocation of the additional grant.
- 7.2 This report has been circulated to the relevant trade unions for information.

## **8. RECOMMENDATIONS**

- 8.1 That the Housing and Strategic Planning Cabinet Member notes the contents of this report and endorses the efforts being made in the benefits service to meet the increasing demands on the service.

### **SERVICE DIRECTOR FINANCE**

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### **Background Papers used in the preparation of this report**

Information from DWP job centre plus  
DWP HB/CTB Circular S2/2009