

Benefits KLOE Report

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SUMMARY OF REPORT

The key findings of this piece of work may be summarised as follows:-

KLOE scoring at a glance

Description	Score*
Judgement 1 - How good is the service?	2.41
Judgement 2 – What prospects are there for improvement?	2.44
These 2 judgement are informed by the following questions;	
Question 1. What has the service aimed to achieve?	Context
Question 2. Is the service meeting the needs of the community and users?	2.12
Question 3. Is the service delivering value for money?	2.70
Question 4. What is the service track record in delivering improvement?	2.38
Question 5. How well does the service manage performance?	2.27
Question 6. Does the service have the capacity to improve?	2.66

* Where 1 is poor and 4 is excellent

Strengths

- Strong history of delivering customer care to required specifications.
- Improvement in customer's satisfaction of the quality of the service.
- The service's track record in delivering improvement.
- Value for money through income maximisation through overpayment recovery.
- Strong history of improving performance indicators.

Weaknesses

- Customer focus needs to be realigned with audit Commission model
- Demographic sectoring of customers and staff.
- Designing the service based on customer needs.
- Evidence of the commitment of leadership to the management and monitoring of the service
- Long-term planning (as defined by the Audit Commission)

1. INTRODUCTION AND CONTACT DETAILS

1.1 Introduction

The purpose of this report is to provide a comprehensive overview of the Audit Commission's new Key Lines of Enquiry for Benefit Services.

Key Lines of Enquiry have been used on other Council Services, but as the Benefit Fraud Inspectorate (BFI) previously evaluated Benefit Services, the Audit Commission never developed KLOE specific to benefits. The abolition of the BFI has now prompted the Audit Commission to provide Specific KLOEs for Benefits from 1st April 2008.

1.2 Contacts

Any questions should be addressed in the first instance to

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2. BACKGROUND

2.1 Definition

The Audit Commission are an independent public body responsible for ensuring that public money is spent economically, efficiently, and effectively in the areas of local government, housing, health, criminal justice and fire and rescue services.

Their mission is to be a driving force in the improvement of public services. They promote good practice and help those responsible for public services to achieve better outcomes for citizens, with a focus on those people who need public services most.

Their strategic objectives underpin all that they do:

- To raise standards of financial management and financial reporting.
- To challenge public bodies to deliver better value for money.
- To encourage continual improvement in public services so they meet the changing needs of diverse communities and provide fair access for all.
- To promote high standards of governance and accountability.
- To stimulate significant improvement in the quality of data and the use of information by decision makers.

The Audit Commission has the power to inspect Local Authorities. The goal of the inspections is to arrive at a judgement of the Authorities' performance in certain areas.

Key Lines of Enquiry (KLOE) are detailed questions that help to inform the inspection judgements. They are used by the inspection teams, but KLOEs are also published to help audited and inspected bodies with their own assessments.

From 1st April 2008, the Audit Commission took over responsibility from the Benefit Fraud Inspectorate (BFI) for inspection of Local Authority Benefit Services using newly developed KLOEs.

2.2 Benefit Service Inspections

Housing and Council Tax Benefit (HB and CTB) services make a vital contribution to the social and economic wellbeing of an area and to local authorities' strategies to protect vulnerable people by addressing poverty, deprivation, homelessness and unemployment.

The focus of benefit inspections will be on the effective and efficient delivery of better outcomes for local people: benefit customers and council tax payers. The AC approach will assess how well customer-care and value for money is being delivered and improved within the context of delivering statutory duties in a very complex legal framework. All AC judgements will be underpinned by assessing how well the council gets the right benefit payments to the right people at the right time.

The inspection process and scoring methodology is completely different from that used by the BFI where assessment against the Department of Work and Pensions (DWP) performance standards was undertaken. The KLOE approach is not a replacement of the performance standards. The new regime means that benefit services will be assessed against more challenging criteria. Benefit Managers familiar with BFI's approach will, understandably, see the new benefit inspection as a 'harder test'.

2.3 KLOE

Every council that administers the benefit scheme has a responsibility to pay the right benefits to the right people at the right time. This fundamental responsibility and the legal requirements of the national benefit scheme therefore underpin all benefit assessments.

The KLOE descriptors have been developed in consultation with local authorities, the Department for Work and Pensions (DWP), the Local Government Association, London Councils, the Institute of Revenues Rating and Valuation, the Chartered Institute of Public Finance Accountancy and our pilot authorities.

The benefit service descriptors for Judgement 1 (How good is the service?) key lines of enquiry (KLOE) are designed to help us assess the standard of service provided for local people. The inspectors will refer to relevant regulations and orders to assess and make judgements about the extent to which local policies and practices meet statutory requirements.

The Commission's inspection approach also focuses on service outcomes; the service's contributions to area-based priorities such as tackling poverty and inequality, and reducing worklessness; and the perspectives of local citizens and people who use services.

The Judgement 2 (What prospects are there for improvement?) KLOE and descriptors are used for all service inspections. These help the Commission assess the prospects for future improvements.

There are three headline questions asked for Judgement 1 and need to be evidenced. The questions and KLOE for Judgement 1 are;

- Question 1. What has the service aimed to achieve?
- Question 2. Is the service meeting the needs of the community and users?
- Question 3. Is the service delivering value for money?

Judgement 2 – What prospects are there for improvement?

- Question 4. What is the service track record in delivering improvement?
- Question 5. How well does the service manage performance?
- Question 6. Does the service have the capacity to improve?

The KLOEs related to the judgement and questions are looked at in greater depth in this reports's findings.

The Commission will look for evidence related to KLOE and have produced documentation with suggestions on the type of evidence that would be suitable.

3. INSPECTIONS

3.1 Pilots

The Commission has undertaken nine pilot inspections to develop criteria for judgement and to work out how best to apply the existing service inspection approach to benefit services. The focus of the inspections will be on the effective and efficient delivery of better outcomes for local people: benefit customers and council tax payers. The Commission approach will assess how well customer care and value for money is being delivered and improved within the context of delivering statutory duties within a very complex legal framework. All the Commission's judgements will be underpinned by assessing how well the council gets the right benefit payments to the right people at the right time.

The Commission are very grateful for the support that the following councils gave them in the pilot inspections:

- Blaby District Council;
- Bradford Metropolitan Borough Council;
- Chester-le-Street District Council;
- Derby City Council;
- London Borough of Merton;
- London Borough of Newham;
- London Borough of Tower Hamlets;
- Slough Borough Council; and
- Wokingham Borough Council.

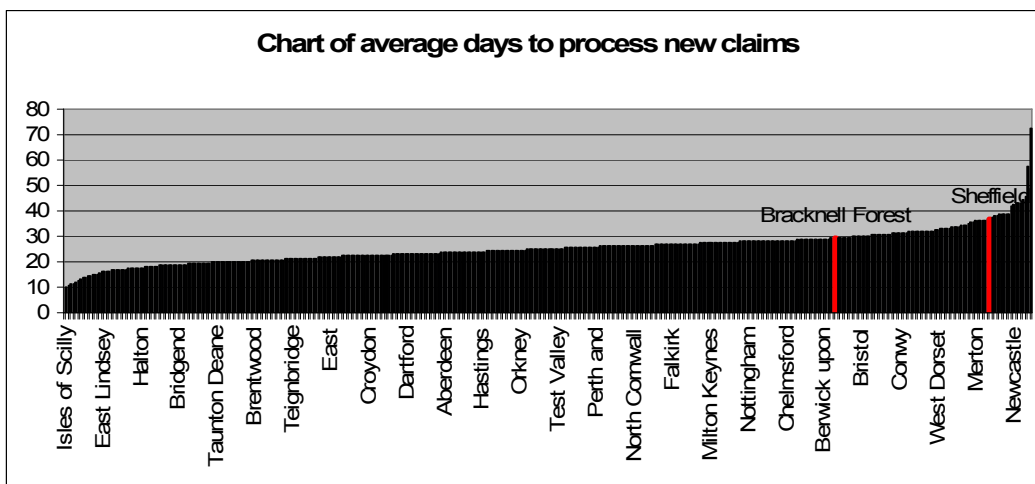
The Commission will not publish the reports as they represent the pilot working and the 'scores' will not form part of any formal Comprehensive Performance Assessment (CPA) or benefit service assessment process.

3.2 2008/2009 Inspections

The Audit Commission have made it clear that they will target the 35 most 'poorly' performing Authorities for inspection. Although they have supplied the sources of information they will use to determine 'poorly', the actual mechanism is still unknown, possibly even to the Audit Commission itself. Having said this, they have indicated that particular attention will be paid to last years performance in the area of PM1 (days to process new claims) and PM5 (days to process changes of circumstances).

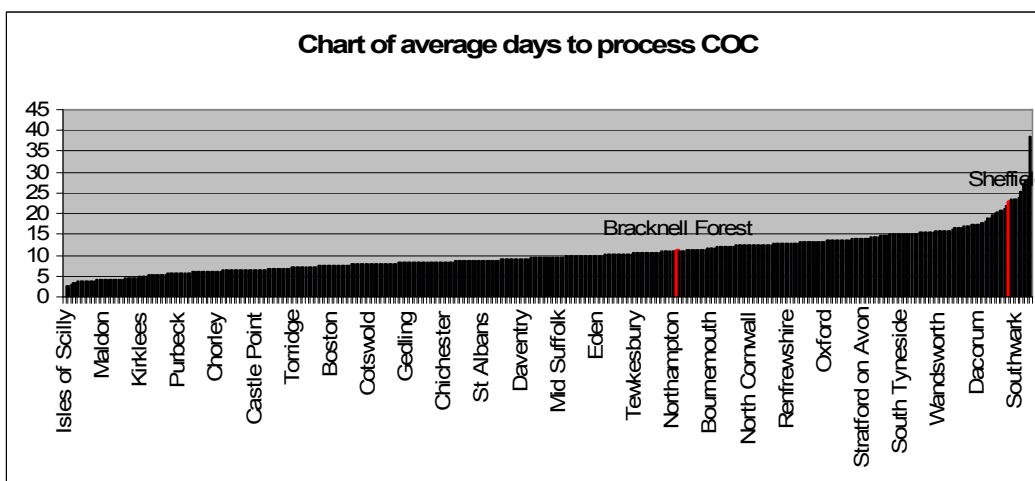
South Staffordshire was the first Local Authority Benefit Service to be inspected on 9th June 2008. The second site was Sheffield on 23rd June 2008.

By looking at Sheffield's performance, we can gain an insight into the inspection selection criteria. The chart below orders all authorities from the best performance in the reported September 2007 figures, to the worst in terms of days to process new claims.



Sheffield is at the bottom of the fourth quarter while Bracknell is in the bottom of the third quartile. In fact Sheffield is in the bottom 20 worst performers.

The table below has the same comparison, but looks at the change of circumstance indicator.



In this table we can see that Bracknell is between in the third quartile, while Sheffield is 13th from bottom.

It is interesting to note that the Sheffield manager believes that they were selected for inspection because their supplier (Liberata) made a processing error that caused them to exceed their threshold. While the Commission have stated emphasis will be on PM1 and PM5 performance for 07/08, they have also said that subsidy can be a factor. With this in mind, it is no surprise that Sheffield have been selected for the first inspection.

It is tempting to assume that the bottom 35 performers from the tables above will be selected for the 2007/2008 inspections. However, while there are certainly a number of authorities in the bottom 35 in both tables, not all Authorities in the bottom 35 of the PM1 table are in the bottom 35 of the PM5 table, and vice versa. Thus we can see why other criteria are important in the selection process.

3.3 Inspection Methodology

Once an Authority is notified of inspection, the inspectors will send a questionnaire designed to be a self-assessment. This questionnaire will help the inspector focus on issues while on site. Before the site visit, the inspectors will request documentation which will be informed by local knowledge, performance statistics and the questionnaire.

While on site, the inspectors will interview key personnel and this will usually lead to more requests for documentation. While this resembles the BFI methodology, there will be greater emphasis on triangulation.

Triangulation is the Commission's term for the process of verifying that strategies, policies and processes are not only documented but are adhered to. In simple terms the Commission will check that an authority actually does what it claims to do.

Emerging findings are readily discussed with the management team and there is ample opportunity to challenge results and provide further evidence.

Ultimately, the reports will be published on the web.

In terms of Local Authorities or indeed any other organisation predicting their Benefit Service score, it will be difficult to exactly mimic the inspection process. Other than the experience and resource required, a key issue is the Commission's reluctance to provide a scoring matrix for Local Authorities to assess themselves against. This is probably because it is exactly what the Commission wants to move away from.

When looking at the KLOE it at first seems relatively simple, as the responses are either 'yes' or 'no'. Unfortunately, the questions are so broad, they are very subjective. While it is possible to reason with an inspector on-site, it is difficult to do this if you are not being inspected. Add to this the fact that the Commission have only published details of score definitions for scores 2 and 3, and then self-assessment becomes difficult. However, what can be done is an assessment in terms of these two score definitions. For example, if a self-assessment is done with reference to the two score definitions and it is felt that the Local Authority performs below the score of 2 in most instances, then an assessment of 1 can be inferred.

4. SELF-ASSESSMENT

As highlighted earlier, a full assessment designed to mimic the Audit Commission would be expensive and also unlikely to be totally accurate. Therefore a risk based approach should be adopted.

4.1 Self-assessment aims

The aim of the assessment is to provide an objective view of the Benefit Service in terms of the Audit Commission's KLOEs. It will produce an assessment of where the Authority is using the Audit Commission's KLOE as a frame of reference.

The assessment will highlight areas that are met and areas that are not met. A probable score will be produced and a table of strengths and weaknesses drawn up.

4.2 Self-assessment methodology

The proposed timescales and budget prohibit a full assessment. The assessment will therefore concentrate on interviews with key members of the Benefit Service Management Team (BSMT).

The KLOE will be explored with the BSMT in terms of identifying recognised strengths and weaknesses.

The BSMT will then help the assessor to score the Authority using a scoring matrix developed for the task.

Finally, the assessor will report on the findings, giving the Authority results together with recommendations on priorities.

4.3 Self-assessment findings

KLOE 1 sets the context for the subsequent KLOE. This question looks for evidence in areas like the Community strategy or Business Plans. The Bracknell Forest website holds the Bracknell Forest Sustainable Community Plan (SCP). There are a number of documents available elsewhere that are held electronically.

The Corporate Plan's title is 'Living together working together' and outlines eight priorities; Promoting learning and training for all ages, Protecting and enhancing the environment, Improving health and well being, Providing decent and affordable housing, Developing a town fit for the 21st Century, Improving travel and transport, Promoting community safety, and Improving community engagement. The SCP was written in 2005 and its long-term scope is three years.

Also available is the Annual Report Review of 2006 to 2007 and Plans for 2007 to 2008. This document is linked to the SCP and the underlying priorities. The more up to date Annual Report Review of 2007 to 2008 and Plans for 2008 to 2009 is not available on the website but is available on request on the Housing Benefit counter.

The Corporate Plan does not specifically identify the Housing Benefit team but this is quite a common trend. The BVPI are listed along with all other BVPIs for the council. In the 2008/2009 plans, no targets have been set as yet for the 2 Housing Benefit indicators of 'Right Time' and 'Right Benefit'

KLOE 2 concerns the needs of the citizens and users, and whether the service is meeting these. In order to assess if the needs are being met, the Authority needs to understand what the needs are.

KLOE 2.1 asks if the needs are at the heart of the design of the service. The service shows particular strength staff embedding a customer focus in all their work and meeting standards set out in legislation. There is a 'right first time' ethos and customer care training is regular and well attended. The effects of this care can be seen by the lack of complaints received by the service.

There is some uncertainty over who frontline staff are. On visiting the main office you are first directed by a receptionist to the benefit counter. The staff on the counter are corporate customer service staff who can take evidence, but more complicated queries are dealt with by passing the customer over to a benefit specialist. The Audit Commission seem to prefer having the least amount of contacts before a query is dealt with. In this model, a claimant with a complex benefit query would need to speak to three people before their query is answered. On a positive note, this model ensures that a complex query will be answered.

The Authority undertook a survey of customers for Best Value indicators in 2006. The results can be summarized as follows;

BV 80a – Overall I am satisfied with the ways I can contact the local Benefits office = 73% strongly agree or agree (75% in 2003)

BV 80b – Overall I am satisfied with the experience of visiting the local benefit office = 74% strongly agree or agree (73% in 2003)

BV 80c – Overall I am satisfied with the telephone service provided by my local Benefit office = 65% strongly agree or agree (71% in 2003)

BV80d – Overall I am satisfied with the service provided by staff in my local Benefits office = 73% strongly agree or agree (75% in 2003)

BV 80e – Overall I am satisfied with Housing / Council Tax benefits form = 56% say they strongly agree or agree (57% in 2003)

BV 80f - Overall I am satisfied with the speed of the service = 62% say they strongly agree or agree (47% in 2003)

BV 80g – Overall satisfaction = 71% (67% in 2003)

The trend is difficult to analyse. Overall there has been improvement, but of the 6 elements, only two have improved since the last survey. The biggest impact is in the satisfaction of the speed of service.

The results in themselves are good but there is little evidence to suggest that results were used to design the service. It is clear that the service's efforts to design the service around the customer have had a positive outcome (concentrating on speed of service). The next KLOE focuses on the next step – actually proactively establishing what the customer needs are.

KLOE 2.2 asks if the service is based on a robust understanding of local need. The authority may argue that the BVPI survey helped to understand local need, but the survey asked about satisfaction and not what the customer felt they needed.

The service takes full account of the legal framework and there are good outcomes for the customers. Basic information is available about the community and this can be seen in the SCP and other documents. Part of the corporate priorities is to engage with the community and the service participates in surgeries and uses basic information to engage minority groups such as the Polish Community. The service promotes take-up of benefits by working with the Pension Service and sending out take-up leaflets with the council tax bills. However, the service is operating as a fair service in these areas because the community profiling and use of that data is not systematic and used to target those most in need systematically.

The service ensures information about its accessibility is promoted by using the internet website and placing advertisements in the local paper. However, there are other media routes that can be exploited.

The service works collaboratively with partners such as Bracknell Homes, CAB, Pension Service and the Homelessness Forum to improve the service to the customer.

Overall the service should receive a solid level 2 score for this KLOE.

KLOE 2.3 asks if service standards are clear and comprehensive and if users have been involved in setting them. The service has its own service standards that are based on the Corporate Standards. It is unclear if the standards are available to customers. There is a list of standards on the website. One set of standards is for 'Housing and Benefits' and for the benefits part the standard is 'We will provide you with information about any welfare benefits which may be available to help you secure housing'. This appears to be related to the Housing Service. Even if the Housing Benefit service standards are available in hardcopy, the service does not involve the user in setting the standards.

The service should score between level 1 and level 2 for this KLOE.

KLOE 2.4 asks if there are suitable arrangements for consulting with users and non-users. The service has a customer feedback, complaints and compliments system, but does not use this information to improve services.

The service works hard to ensure that communication with stakeholders is regular and effective. It also works hard to ensure that the customer is aware of the consequences of making false claims or not reporting changes by sending anti-fraud leaflet with every notification, and placing the leaflets in doctors' surgeries and other key locations.

The service should score between level 2 and level 3 for this KLOE.

KLOE 2.5 asks if the Service embraces equality, diversity to ensure fair and equal access. All Councils must submit the level of Equality Standard they operate at, where Level 1 is the lowest and Level 5 is the highest. Bracknell is currently operating at Level 2 and plan to reach Level 3 by March 2009. At level 2, an authority is judged to be fair.

There are many strengths in this KLOE as the service ensures all staff attend regular Equality and Awareness training. Discretionary Housing Payments (DHP) are suitably used and staff aware of the fund. In fact, DHP have been targeted to those most in need by targeting homeless customers under 19 years old.

The service ensures it is compliant with Disability regulations and access to e-services is enabled through public access terminals in public buildings.

In order to move from a 'fair' to a 'good', the service needs go beyond meeting requirements. For example, the service does not ensure that equality performance is monitored in contract staff. It is difficult for the service to reach diverse communities if it does not systematically analyze its customer base and look for diversity.

The service should score a level 2 for this KLOE.

KLOE 2.6 asks if the service is delivering what it promised to. The service has set itself aims and objectives and has achieved these in the past. While the service is pleased with its performance, the Audit commission has set high standards for 'good' authorities. In particular the Audit Commission would expect a 'good' authority to effectively progress all work in less than 7 days. So while the service produce accurate decisions and make appropriate payments, the service must be operating in upper quartiles in order to achieve a level 3.

The most current performance tables available are those on the DWP Hobod site. The figures for 2007/2008 put Bracknell ranked as 259 of 408 (where 408 is the worst) for change in circumstances.

The authority should score a level 2 for this KLOE.

KLOE 2.7 asks if the service is effective in meeting local, regional and national objectives. This KLOE is really about Performance Indicators. The service generally does very well in this KLOE as this KLOE is most comparable to the old Performance Standards. As such, Bracknell meets most performance requirements. The service proactively ensures incorrect payments are minimized by checking high payments and visiting all high risk cases. Anti-fraud activity is comparatively good.

The KLOE asks about Local Area Agreements (LAA) and asks about the authority's positive impact on them. A common weakness around LAA is evidencing the Benefit Services focus on the LAA. Addressing this weakness should help the service attain a level 3 score for this KLOE, but it should currently score at level 2.

KLOE 2.8 asks about the customer's satisfaction of the quality of the service. An analysis of the BVPI satisfaction survey was done in KLOE 2.1. The Audit Commission would class overall satisfaction of 80% and over as 'good'. Therefore the service would score a level 2 for this KLOE.

Question 3 concerns value for money (VFM). Evidence for VFM is linked to costs, budgets, benchmarking, business plans and subsidy claims.

KLOE 3.1 asks how the organisation's cost compare to others. A strength is the collation of cost per claim information and benchmarking this against other authorities. Strengths also include budget monitoring and subsidy submission. The weaknesses were concerned with evidencing understanding the differences in cost as compared to other authorities, and using cost data to improve services. Arrangements are underway to meet with an identified 'similar' authority to get a better understanding of the differences in cost. The service should score between level 2 and 3 for this question

KLOE 3.2 asks how VFM is managed. Similarly to the 3.1, the service has ample evidence on how VFM is managed as the service is very aware of costs and the relationship between costs and quality.

There are many strengths in this KLOE as costs are closely monitored. This means that the service should score between a level 2 and level 3 for this KLOE.

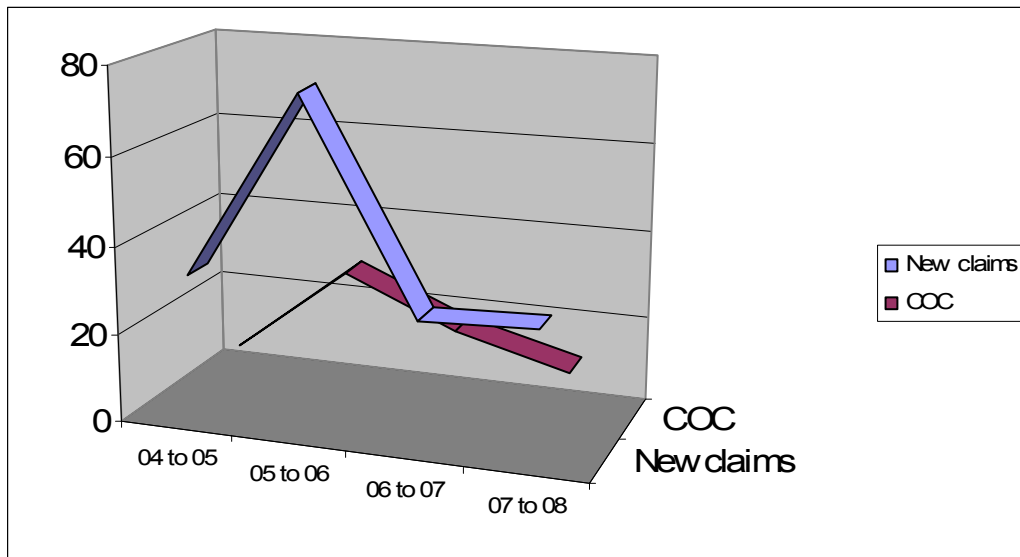
The weaknesses that prevent the level 3 are to do with evidence around how the service has contributed in reducing evictions. Another area of weakness is the services lack of clear policies and processes for reviewing and improving value for money.

Question 4 concerns the service's track record in delivering improvement.

KLOE 4.1 asks if the service can evidence a record of effective implementation of change that lead to improvement. The service misses out on a level 3 for this KLOE because although there is ample evidence of effective change implementation (welfare take-up, LHA etc) most evidence is reactive. The service needs to establish evidence of pro-actively focusing on the most disadvantaged.

KLOE 4.2 asks if the service can show that it has delivered significant improvements in outcomes and key performance indicators that would be experienced by users. There is no doubt that the Authority has delivered improvements (see graph 4.2 below) and this KLOE should score at a level 3.

KLOE 4.3 asks what the direction of travel of key performance indicators over the last three years have been. The table below shows the performance over the last three years in terms of new claim and change of circumstance 'days to process'.



While the overall trend is steady improvement in COC, the performance in new claims suffered slightly in 07/08 despite significant improvement since 2005. However, performance is still in the lower quartiles. This is tempered by the evidence in improvement of customer's satisfaction (KLOE 2.8).

A level 2 score is most likely for this KLOE.

KLOE 4.4 asks if the capacity and track record demonstrate improving value for money over time. The service can demonstrate a steady improvement in VFM. It can demonstrate long-term VFM decisions by its procurement of Pericles. The service has officers and members who show some awareness of VFM but has difficulty in evidencing VFM in strategic and day-to-day management and review. The service needs to consider how it can evidence VFM decisions in the short, medium and long-term.

The service scores a level 2 for this KLOE.

Question 5 concerns how well the service manages performance.

KLOE 5.1 asks how good the service's improvement planning is. There is strong evidence in the area of the service's planning. There are numerous examples of projects that have been well planned. However, this particular KLOE is split in to three more questions.

KLOE 5.1.1 asks if aims and priorities for the future are clear, challenging and robust. Is the service aiming to improve the 'right' things – the things that matter most to users and communities – and to address service weaknesses? Once again, the needs of the user feature heavily. There is weakness in long-term planning as the Commission defines long term here as 5-10 years. Many practitioners do not consider this practical in the Benefit Service. Once again the recurring weakness of understanding the needs and views of the user surfaces in this KLOE. However the focus on short/medium term and an understanding of challenges facing the service secure a level 2 score.

KLOE 5.1.2 asks if aims and plans are coordinated, robust and deliverable. Does it have clear and robust proposals for meeting efficiency targets and improving value for money? Once again, the needs of the user and their engagement feature in this KLOE. There are links to Corporate Aims to the Benefit Service. This 'golden thread' is a strength with this service despite there being few direct links to the service. Although basic service planning is taking place, there are some weaknesses around the engagement of users. Another weakness is not including forthcoming legislation such as ESA into the service aims. The service should score between level 1 and level 2 for this KLOE.

KLOE 5.1.3 asks if the service has clear and robust proposals for meeting efficiency targets and improving value for money. Targets are set and they are geared towards providing a value for money service. As this is the main thrust of this KLOE, the service scores a Level 3.

KLOE 5.2 asks if there are arrangements and a culture in place to support continuous improvement. This KLOE is split into another 4.

KLOE 5.2.1 asks how effective the leadership of the service is. Leadership in this instance refers to lead officers, executive officers and Councillors. There is a mixed quality and calibre of leadership and the service may need to work on ensuring that they can evidence that the staff recognise the support provided by the leadership. It does not actively ensure that the leadership is representative of the community profile. This means it has a level 2 score.

KLOE 5.2.2 asks if effective performance management arrangements are in place to drive and monitor progress, and review impact. A solid level 2 is attained by having a transparent and easily evidenced activity in the area of performance. The service is not afraid to review aspects of the service when it feels performance has worsened. The

score may feel a bit disappointing but the service falls short due to the user focus aspect and in particular the weakness around user involvement.

KLOE 5.2.3 asks if effective performance management arrangements are in place to drive and deliver improved value for money. Over the years, costs of the service in terms of Cost per Claim was collated, reported and benchmarked. More recently this measure has fallen out of favour because of the wildly varying operational practices. More relevant has been Performance Standards. However, this KLOE is looking for evidence that the service is using service costs as a key component of performance management. The service scores a level 2 because while the service understands the benefits of comparing services, and has indeed benchmarked cost per claim, it needs to provide the service's leadership more information on costs and encourage challenging exchanges around these.

KLOE 5.2.4 asks if the service learns from high performing and other providers, user feedback and its own experience. The service has an understanding of its strengths and weaknesses. The service needs to ensure that the mechanism in place for complaints and compliments is well publicized. This applies to the service standards. Involvement of users and partners in setting targets is a recurring weakness. A KLOE score of between level 2 and level 3 is most likely in this instance.

Question 6 concerns the service's capacity to improve.

KLOE 6.1 asks if the service has access to the appropriate skills, tools and finances to deliver improvement. The service is dedicated in investing in people and is committed to providing quality training. Staff are encouraged to remain with the service. The service is systematic in long term planning. However, ICT needs to be used more in the area of user and non-user access to the service. This last point means the service narrowly misses out on a level 3 score, attaining a strong level 2.

KLOE 6.2 asks if there is evidence of effective financial and human resource planning. There is a lack of evidence about staff feeling valued. The training is fully evaluated in terms of effectiveness across all levels of staff, but could be stronger in the area of member training evaluation. The service has difficulties in evidencing consideration of Equalities and human rights issues in all aspects of the service, although there has been some activity in this area recently. This KLOE scores a level 2.

KLOE 6.3 asks if there is a robust, modern procurement strategy to apply best practice to achieve improved value for money in priority areas, including working with partners. The service scores well here with no apparent weaknesses. The service has a robust procurement strategy and is encouraged to consider VFM and partnership working.

The service should score a level 3 for this KLOE.

KLOE 6.4 asks if the service/ organisation is investing, and attracting inward investment, appropriately to deliver improvement. There is no doubt that the service attracts funding to deliver improvement when available. The service secured 3 PSF bids that should help it move towards a level 3 score. The service needs to work on evidencing the VFM outcomes from these bids to secure the level 3 score for this KLOE.

4.4 Inspection Themes

It is important to remember that the descriptors are not meant to be a checklist. Additional comparisons against known inspection findings can help identify additional strengths and weaknesses not already uncovered by descriptor scoring.

Defective claims

Some of the pilots were criticised about their policies and procedures around defective claims. While maximizing performance is a good thing, the Audit Commission suggested that authorities analysed defective claims to see why they become defective. Authorities were then advised to redesign aspects of the service to address the reasons for defective claims. This would lead to a positive outcome for the customer.

The service has started to monitor this issue but it is too early to draw any conclusions.

Overpayments

The Audit Commission often see a corporately disjointed approach to recovery of debt. Often, authorities have recovery staff in several departments. Moreover, HB overpayments and CTAX recovery functions are usually separate. The Audit Commission suggest to some authorities that it would be better value for money to foster an environment where the skills of both teams could be used in harmony.

The Audit Commission also criticize the practice of levying the maximum allowable repayment from future benefit for Income Support claimants, while allowing non-benefit recipients to repay benefits under this minimum level.

A linked criticism is not ensuring underlying entitlement is calculated wherever possible. More stringent checks in this area should ensure lower overpayments.

The service is running a refresher course next month on overpayments and underlying entitlement. The compliance officer does home visits and identifies potential underlying entitlement.

There is a £5 pound limit on invoices. Pericles limitations mean that all invoices are produced and manual extraction is needed, which in itself is costly.

The service is looking at having a debt policy for the service. Examples have already been secured from other Local Authorities and are being considered. The service needs to review procedures on write-off since the new financial officer came into post.

There is a difference in invoicing cycles depending on whether or not the customer is still in receipt of benefits. Once again Pericles limitations make it difficult to address this issue. However, a new release is imminent and should address this weakness.

Appeals

The Audit Commission criticized authorities with a poor track record in getting appeals to tribunal. They recommend an analysis of delayed submission in order to establish the causes, and then the development of procedures in order to alleviate the problem.

Appeal performance in the last year has been 'good'. Appeal leaflets go out with every notification and the leaflets are technically correct.

Benefit take-up

The Audit Commission criticise poor take-up and recommend effective campaigns that are evaluated and built into future team plans.

This authority's benefit take-up is much like any other Local Authority's and ensures a take-up leaflet accompanies yearly Council Tax bills. The problem with benefit take-up is analyzing how truly effective a campaign has been. The service needs to develop a system for measuring the effectiveness of any take-up related strategy or procedure.

Last Pension credit exercise sent 120 targeted take-up letters, but received no replies. The previous campaign got 20 applications. This shows an appropriate level of analysis. The latest disk is being evaluated in light of these results.

Fraud Awareness

The Audit Commission have criticized authorities for not ensuring staff have regular fraud awareness training. The service has fraud awareness provided every year by Fraud manager. Referral feedback is given individually and in team meetings.

Awareness extends to the customer by having both leaflets and posters in reception that support the 'no ifs, no buts' campaign.

Fraud performance in general is excellent. The fraud team's performance last year was about 28 sanctions for 5,000 caseload. This translated to a CPA 4.

There is a comprehensive set of procedures for staff to follow which sets down in detail what staff need to be aware of when checking the evidence provided to support an application form. A series of checks are conducted to ensure that the evidence provided is correct and genuine.

The website contains information about claiming benefit, reporting benefit fraud and how to contact the benefits service. There is also a link to a benefits calculator to help customers calculate how much benefit they are entitled to.

4.5 Self-assessment conclusions

The scores and areas of weaknesses can be summarised in the following table:

Category	Ref	score	Weaknesses	Priority	Area
Judgement	1	2.41			Performance
Question	1	N/A			Service aims
KLOE	1.1	N/A			
KLOE	1.2	N/A			
KLOE	1.3	N/A			
Question	2	2.12			
KLOE	2.1	2.00	Design around user needs	High	
KLOE	2.2	2.25	Needs of communities	High	
KLOE	2.3	1.50	Available service standards and performance against	Low	
KLOE	2.4	2.50	Regular consultation with users	High	
KLOE	2.5	2.10	Reaching diverse communities	High	
KLOE	2.6	2.00	Performing not in upper quartiles	Medium	
KLOE	2.7	2.62	Links with Local Area Agreement	Medium	
KLOE	2.8	2.00	Average satisfaction survey results	Low	
Question	3	2.70			Value for money
KLOE	3.1	2.70	Cost data being benchmarked to improve services	Medium	
KLOE	3.2	2.70	Clear review policies for VFM	Medium	
Judgement	2	2.44			Prospects
Question	4	2.38			Track record in Delivering improvement
KLOE	4.1	2.00	Focus on most disadvantaged	High	
KLOE	4.2	3.00			
KLOE	4.3	2.00	Performing not in upper quartiles	Medium	
KLOE	4.4	2.50	VFM focus in day to day management	Medium	
Question	5	2.27			Improvement planning
KLOE	5.1	2.28			
KLOE	5.1.1	2.00	Long term plans and user needs	High	
KLOE	5.1.2	1.83	Aims include legislative changes, user needs	High	
KLOE	5.1.3	3.00			
KLOE	5.2	2.26			
KLOE	5.2.1	2.25	Demographic representative staff/leadership	Medium	
KLOE	5.2.2	2.30	Long term plans and user needs	High	
KLOE	5.2.3	2.00	Reporting of VFM	Medium	
KLOE	5.2.4	2.50	Users setting performance measures	High	
Question	6	2.66			Capacity to improve
KLOE	6.1	2.50	ICT providing info on non-user perception	Medium	
KLOE	6.2	2.65	E&D performance monitoring	Low	
KLOE	6.3	3.00			
KLOE	6.4	2.50	Evidence of funding for VFM	Low	

In addition to the table, additional theme weaknesses can be summarised as follows;

Theme	Weakness	Priority
Defective Claims	Analysis of reasons	High
Overpayments	Review debt and write-off policy	High
Take-up	Variety of campaigns and subsequent analysis	Medium

Certain themes can have an effect throughout most KLOE. One of these is the area of Customer needs. The Commission feel it is important for the service to base itself around what the customer needs. In order to establish this, the service needs to engage with the customer and ask the customer what it wants from the service. It may be that the customer wants what is already being delivered, but without being asked, the service is trying to second guess the customers' needs.

If the service wants to aspire to a higher score than level 2 in both judgements, it needs to address the issue of customer needs as soon as possible. This is because what the customer says will have an affect on the service.

Most high priority weaknesses are linked directly to the customers needs. Other high priority weaknesses have a direct effect on the customer's perception of the service. Overall addressing the high priority weaknesses give the service direction and improve customer perception of the service.

4.6 Self-assessment recommendations

4.6.1

The service needs to consider building the service around customer needs

- The service should produce an analysis of its customer base and use the analysis to help ensure a representative response from any consultation.
- The service should consult its customers and stakeholders on what they want and need from the service.
- The service should analyse customer and stakeholder consultation and agree value for money service changes with members.

4.6.2

The service should consider a centralised library of procedures, training notes, policies, minutes etc, together with assigning the responsibility for the maintenance of such a library.

4.6.3

The service should work with other services to be clear on its links with the Local Area Agreement.

- The service should consider ways it can help the Authority meet LAA priorities.
- The service should build links into the business plan and actively encourage all staff to be aware and work towards the priorities.

4.6.4

The service should consider better ways to benchmark in VFM areas. The service should identify VFM indicators and encourage benchmarking group members to adopt the measures.

4.6.5

The service has difficulty in demonstrating the recognition of the effectiveness of councillors in managing the service.

- The service should actively seek to include the leadership in its KLOE action plan
- The service should consider creating a focus group on service development that includes service staff of all levels up to Councillor level.
- Positive and negative feedback from the leadership about the services performance should be cascaded to all staff as part of an ongoing communication process, and recorded appropriately.

4.6.6

The service should ensure its defective claim analysis produces positive service outcomes for the customer.

- The service should consider ways it can help customers provide evidence more readily.
- The service should test the effectiveness of any service changes through engagement with relevant customer groups.