
Report to Resources and Audit Committee

Date of Meeting: 02 May 2013

Subject: Audit Scotland - Housing Benefit Risk Assessment

Report by: Team Leader - Revenues & Payments

1.0 Purpose

- 1.1. The purpose of the report is to provide the Committee with a briefing on the outcomes of Audit Scotland's recent inspection of Clackmannanshire Council's Housing & Council Tax Benefit Service.

2.0 Recommendations

- 2.1. The committee is asked to note, comment and challenge the outcomes of the inspection process.
- 2.2. The committee is asked to note the action plan prepared by officers to address the risks identified by Audit Scotland.

3.0 Considerations

Background

- 3.1. In 2008 the Accounts Commission agreed to undertake risk based assessments of all 32 Scottish Local Authority's delivery of Housing & Council Tax Benefit. The approach taken by Audit Scotland is to assess the risks to the continuing improvement within the delivery of the benefits service.
- 3.2. The first inspection for Clackmannanshire Council was conducted in January 2009 and 32 risks were identified. By the time of the second inspection in 2012, the Council had fully completed 22 of the actions, 3 were ongoing and 7 were outstanding. Full details are contained in Audit Scotland's final report attached in **Annex A**.
- 3.3. Audit Scotland concluded that Clackmannanshire Council had made significant progress in addressing the areas of risk identified at the 2009 audit with 22 complete, 3 in progress and 7 out-standing.
- 3.4. In Clackmannanshire Council, the Benefits function is carried out within the Revenues & Payments Team. This service has faced significant change over the past two years; the introduction of Welfare Reforms will introduce further

changes as the service adapts to provide new and different services to the public.

3.5. The service aims to put the customer at the centre of its approach and system of working. However, it is accepted that improvements can be always be made and operates a model of continuous improvement.

3.6. The findings of the most recent audit proposes action in the following key areas:

- Resolving the external issues that have resulted in a backlog of work, directly impacting on the time taken to process new claims and changes of circumstances
- Ensuring that actions required to prepare the council for the changes arising from the welfare reform agenda are fully recorded on the welfare reform action plan, and that progress against the plan is regularly monitored and reported
- Extending the current performance management framework to include reports to senior managers.
- Develop and publicise customer service targets, with regular monitoring and reporting of performance
- Consider the capacity of the Fraud and Audit team to deal with the anticipated increase in cases.
- Establish the reasons for the discrepancy in the value of overpayments outstanding at April 2012, and improve performance in the recovery of all debt outstanding
- Publicise the outcome of prosecutions and counter-fraud work on the Council's website.

3.7. The action plan developed by the service in response to the audit acknowledges the findings and recommendations of the external inspection by Audit Scotland. These recommendations have been accepted.

3.8. Officers have developed an action plan to address the issues raised by Audit Scotland, the full plan is attached in **Annex B**. Feedback from Audit Scotland to date has been positive with recognition of the balance required between resources available during a period of significant change and the commitment of the service to make system and process improvements where possible. Target dates are reasonable, align with the service's operational plan and project plans and have been agreed with the teams responsible for delivering the improvements. Where other services are involved in improvements, discussion has taken place to confirm dates are reasonable and achievable.

4.0 Conclusion

4.1 The Benefits Scheme is committed to continuous improvement in its operation. Changes to the Benefits System arising from Welfare Reform will, however, continue to place considerable demands including many new responsibilities, on the service.

- 4.2 The actions agreed with Audit Scotland aim to improve the service delivered to customers and the internal management of the service. Management information will be strengthened improving internal controls and accountability.
- 4.3 The service will implement the actions within a defined timeframe and updates on progress will be provided to future Resources and Audit committee meetings through the specific audit reporting on outstanding actions.

5.0 Sustainability Implications

5.1 None

6.0 Resource Implications

6.1 Financial Details

6.2 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

6.3 Finance have been consulted and have agreed the financial implications as set out in the report. Yes

6.4 Staffing

6.5 None

7.0 Exempt Reports

7.1 Is this report exempt? Yes No

8.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all
- The Council is effective, efficient and recognised for excellence

(2) **Council Policies**

9.0 Equalities Impact

9.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

10.0 Legality

10.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

11.0 Appendices

11.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix A - Audit Scotland Inspection Report

Appendix B - Clackmannanshire Council response in the form of Action Plan.

12.0 Background Papers

12.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes

No

Author(s)

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Approved by

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