

REPORT TO EXECUTIVE			
PORTFOLIO AREA: FINANCE AND RESOURCES			
Date of Meeting:	19 December 2002		
Public			
Key Decision:	Yes	Recorded in Forward Plan:	Yes
Inside Policy Framework			

**Title:** RESOURCING BENEFITS ADMINISTRATION 2003/04

**Report of:** Head of Revenues & Benefits

**Report reference:** RB5/02

**Summary & Recommendations:**

- 1.The Executive is requested to support the staffing measures detailed in 3.2 of the report designed to; resource the increased workload due to the introduction of Pension and Working Tax Credits; redress the Council's inability to recruit and retain experienced Benefit Assessment Officers.
2. Note that the cost of the measures noted in 3.2 at £90,000 in 2003/04 (£110,000 at top of scale) will be met from specific DWP grant (recurring of £116,250).
3. Note that a further report will be submitted to the Executive in February 2003 detailing the longer term resource and infrastructure pressures on benefits administration including the implications of LSVT on benefits assessment. Also the implications of the potential Public/Private Partnership on Benefits Administration.
4. The Executive is further requested to earmark a minimum of £100,000 of additional benefits administration from the grant of £268,000 (approx £350,000 in 2004/05) to resource the implications of LSVT on Benefits administration. Earmarking the balance, i.e. £168,000, in 2003/04 to resource longer-term resource and infrastructure pressures on Benefits Administration which will be subject to a detailed report in February 2003.

**Contact Officer:** Peter Mason **Ext:** 7270

CITY OF CARLISLE

To: The Executive RB5/02

19 December 2002

## RESOURCING BENEFITS ADMINISTRATION 2003/04

### 1. INTRODUCTION

1. Due to City Council initiatives, i.e. LSVT, and Government initiatives (DWP), i.e. introduction of Pensions and Working Tax Credits, the revamping of the Counter Fraud Strategy (SAFE) and requirements to meet standards set out in the Benefits Performance Management Framework, staff resources targeted at Benefits need reviewing.
2. DWP in recognising the need to increase Benefits staff resources has targeted additional administrative and specific grant from 2003/04 onwards to meet legislative changes and facilitate improved performance, i.e.

£

- Additional Administrative Grant 268,000

- Pension Credit Grant 54,000

- Working Credit Grant 16,350

- Increased Counter Fraud Grant 45,900

384,250 (\*See Note)

\*Note – DWP are making an announcement on 21 December on additional specific grant allocated to authorities to meet standards set out in Benefits Performance Management Framework. It is possible that the Council could get allocated up to £60,000 (for 2 years).

### 2. RESOURCE PRESSURES FOR BENEFITS ADMINISTRATION 2003/04

1. LSVT - DWP weightings for resourcing different types of benefit claims indicate that the processing of a housing association tenant is almost double that of a Council tenant when assessing Housing Benefit claims, i.e. 1.9 to 1.

The Council currently has 8 W.T.E. Assessment Officers that used to assess Council Tenant claims and are being trained up for housing association claims.

Increased Subsidy from DWP of £75,000 to £100,000 due to LSVT will fund up to 4 additional assessment officers. However due to late transfer date, this increase in grant will not be reflected in 2003/04 settlement.

The City Treasurer was advised in June 2002 of the short-term shortfall in grant and indicated that Housing Revenue Account balances would meet the 2003/04 shortfall in DWP grant. However, as noted above, HB admin grant has increased by £268,000 which will more than meet the additional staff required in this respect (and an extra £75,000-£100,000 will be available in 2004/05).

#### 2.2 Resourcing Pensions and Working Tax Credits Growth in HB Caseload

DWP predictions are that the Council will need to increase staff resources by a minimum of 5% (or two staff) to resource the growth in caseload in administering the above.

Specific DWP grant of approximately £70,000 per annum (recurring) as noted above will meet the cost of such resources.

## 2.3 Resourcing Counter Fraud (SAFE) Changes and Requirement to Meet Performance Standards set out in Benefits Performance Management Framework

Specific DWP grant of approximately £46,000 pa has been made available in respect of these initiatives (DWP announcement due 21 December 2002 could increase this to approximately £100,000).

### 3. OVERVIEW AND WAY FORWARD

3.1 The Council has been allocated significant increases in administration and specific grant to meet legislative changes and facilitate improved performance.

Unfortunately experienced Benefit Assessment Officers are almost impossible to recruit. Also Carlisle is losing experienced assessment officers to Capita's new benefits processing centre.

2. Whilst more detailed investigations on actual resource requirements/changes in responsibilities, infrastructure etc are ongoing (also the implications of the PPP initiative on Benefits Administration) the following actions need to be progressed as a matter of urgency now that the DWP has allocated specific grant:

#### 2003/04 Top of Scale

##### Cost

(i) The recruiting of a dedicated Benefits Training 24,900 26,590

Officer to train up unskilled (but with the required

basic education and general experience)

Assessment Officers (probably Scale SO1).

(ii) The recruiting of 3 trainee assessment officers 44,190 50,650

(probably Scale 2/3).

(iii) To assist in retaining current 15 assessment 20,540 29,290

officers (and take account of every increasing

knowledge/skill base required), regrade

assessment officers to Scale 4/5 from 3/4.

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Total 89,630 106,530

Say 90,000 110,000

3.3 All these measures can be achieved from within new specific grant available of £116,250 with up to £268,000 (approx £350,000 w.e.f. 01 April 2004) still available for other benefit admin initiatives including resourcing benefit assessment implications of LSVT and longer term improvements in performance required under the performance standards. Also the implications of the PPP initiative on the Benefits Service. These will be subject to a further report in February 2003.

#### 4. HEAD OF PERSONNEL'S COMMENTS

The grades proposed are appropriate for the level of work given the increasing complexity of the job.

#### 5. HEAD OF FINANCE'S COMMENTS

The Head of Finance has been consulted on the budget and revenue dealt with in this report.

#### 6. LEGAL COMMENTS

Not applicable.

#### 7. CORPORATE COMMENTS

Not applicable.

#### 8. RISK MANAGEMENT ASSESSMENT

Not applicable.

#### 9. EQUALITY ISSUES

Not applicable.

#### 10. ENVIRONMENTAL IMPLICATIONS

Not applicable.

#### 11. CRIME AND DISORDER IMPLICATIONS

Not applicable.

#### 12. RECOMMENDATIONS

1. The Executive is requested to support the staffing measures detailed in 3.2 of the report designed to:

- i. resource the increased workload due to the introduction of Pension and Working Tax Credits;
- ii. redress the Council's inability to recruit and retain experienced Benefit Assessment Officers.

1. Note that the cost of the measures noted in 3.2 at £90,000 in 2003/04 (£110,000 at top of scale) will be met from specific DWP grant (recurring of £116,250).
2. Note that a further report will be submitted to the Executive in February 2003 detailing the longer term resource and infrastructure pressures on benefits administration including the implications of LSVT on benefits assessment. Also the implications of the potential Public/Private Partnership on Benefits Administration.
3. The Executive is further requested to earmark a minimum of £100,000 of additional benefits administration from the grant of £268,000 (approx £350,000 in 2004/05) to resource the implications of LSVT on Benefits administration. Earmarking the balance, i.e. £168,000, in 2003/04 to resource longer-term resource and infrastructure pressures on Benefits Administration which will be subject to a detailed report in February 2003.

### 13. REASONS FOR RECOMMENDATIONS

Resourcing the implications of Government and Council Initiatives on Benefits Administration.

PETER MASON

Head of Revenues & Benefits

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Revenues & Benefits

Carlisle

18 December 2002

PM/CH/RB502