Appendix A : Performance and Finance Select Committee : 16 July 2003

The London Borough of Brent Benefits Service

Backlog Clearance Plan

August to October 2003

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Background

The Benefits Service transferred back to Brent from EDS on 1st October 2002. At this time there were significant problems associated with the service, including the following:

❖ Focus on perceived contract requirements (to meet limited goals & avoid penalties) rather than customer needs or service outcomes (assessment and payment of benefit)
❖ Poor internal monitoring and reporting
❖ Limited numbers of staff with a full understanding of the lifecycle of a claim
❖ High numbers of temporary staff, incentivised by piecework to meet contract turnaround goals
❖ Inadequate training and development of staff with teams based on specialisms (undertaking a narrow range of duties)
❖ Lack of effective quality controls
❖ Serious processing delays
❖ Significant backlogs of work with limited flexibility for the deployment of staff
❖ Delays built into the use of the Viewstar document imaging queues

The Inherited Backlog

The backlog on October 1st was as detailed below:

Work type	Active	Diary	Total
Appeals	1,026	260	1,286
Cancellations	156	45	201
CIC's	1,881	434	2,315
New Applications	1,495	1,542	3,037
Renewals	1,184	495	1,679
RO Referrals	332	0	332
Other work types	1,990	0	1,990
Totals	**8,064**	**2,776**	**10,840**

However this did not show the full extent of the backlog, in addition:

♦ Approximately 1,500 outstanding rent officer referrals had either not been sent or were awaiting input on to the system.
♦ A high number of the appeals were several years old

Progress made since October 2002

In October members agreed the Benefits Recovery Plan that outlined our approach to improving the service, clearing the backlogs and identified the priorities for the service. Specifically these were to put claims into payment and keep them in payment. This meant that we prioritised putting new claims into payment and processing renewal claims without a break in claim. We attempted to clear new work

first, this in the short–term meant that changes in circumstance were given a lower priority.

From October to November we spent a good deal of time understanding the service. By December we felt confident enough to change the way we worked. All work received prior to December 23rd was ring-fenced as backlog and processed by four additional temporary assessors whilst the remaining permanent staff concentrated on incoming work. This approach to prioritising work enabled new work to be processed in a timely way (thus preventing the backlog from increasing), urgent cases were processed to an agreed criteria, and saw the backlog (exclusive of diary) steadily reduce to a low of **7,000** folders. During this period, however, productivity continued to be affected by staff attending an extensive programme of training and induction, there were also unacceptably high levels of absence due to sickness.

System problems

This policy was having a positive effect upon the outstanding backlog until the migration of the core processing system from Current world to Iworld in February 2003. The disruption caused by the migration severely impacted upon performance, not only in terms of staff being unfamiliar with the new system but also in the delays associated with the features of the new system which required officers to "click and drag" rather than have screens pop up. This and the numerous bugs in the new system lead to the creation of a significant backlog between February and April which was compounded by year end system close downs and coincided with one of our busiest periods of the year which saw the backlog (exclusive of diary) rise to **12,500** folders

From Mid April we have experienced chronic IT problems throughout the service. Firstly, disruption due to an error on Viewstar resulted in 3 processing days being lost. When the contract with EDS ended on 1st May 2003 Capita were required to take over the maintenance and support for all systems used within benefits. The transfer to Capita and the apparent lack of documentation that accompanied the handover from EDS, meant that Capita were unable to successfully provide a stable platform for the service. Failure to provide a stable platform caused the system to crash constantly, which had a crippling effect on productivity and caused major problems and delays in the call centre, the counters area and One Stop Shop service. This problem took over four weeks to resolve and caused the backlog (exclusive of diary) to increase by several thousand to **14,860** folders.

As a result of a continued hard work by both Capita and Brent IT, the system has been stable since 26th May 2003, although these improvements have provided stability they are not considered to be the final solution as more work is required to completely resolve all outstanding issues. However, the improved stability has meant that officers have started to make an impact into the considerable backlog of work that has developed over this time. This has been achieved through staff working weekday overtime up to 8pm and working both Saturdays and Sundays from 9 am to 4pm. This has coincided with a relatively light renewal workload for the month of June, which has seen a slight reduction in the usual levels incoming work.

The Current Backlog

The current backlog as of 3 July 2003 is detailed below:

Work type	Active	Diary	Total
Appeals	1072	44	1,116
Cancellations	203	71	274
CIC's	7,275	197	7,472
New Applications	4,427	1,549	5,976
Renewals	1,938	782	2,720
44	489	17	61
Totals	**14,959**	**2,660**	**17,619**

The number of cases in Diary (pending) has reduced slightly which gives us some confidence that our strategy of ensuring that claims are put into payment where at all possible, as opposed to further enquiries being made is working. There is still further work on implementing this strategy and we continue to monitor this aspect of the workload closely. We expect this diary (pending) figure to rise as we make inroads into the backlog over the coming months as higher the volumes of outstanding work processed will lead to higher levels of claims requiring further information. Claimants have 4 weeks to supply such information, as documentary evidence in support of a claim is often sent in a staggered way, it is likely that evidence will continue to be submitted after the initial backlog has been cleared. This will mean that incoming work levels will also increase for a period of time before this stabilises. Additionally assessing the backlog will generate a greater number of appeals and queries. On the positive side, dealing with backlog will mean higher volumes of claims will be in payment and this should have the knock on effect of increasing the overall benefit caseload and improving rent and council tax arrears.

Analysis of backlog by work type

This analysis is based on the average number of folders cleared, per officer, per day. However, the older folders, especially appeals can have over 50 documents within the folder and may be particularly difficult to assess, until we actually start clearing this work any attempt to effectively quantify a daily clearance rate will prove difficult. This is the work, which we will be using additional resources to clear.

Work type	Total outstanding (inc Diary)	Processed by 1 person per day	Total person days
Appeals	1,116	5	223
Cancellations	274	30	9
CIC's	7,472	25	299
New Applications	5,976	20	299
Renewals	2,720	30	91
Complaints stage 1	25	3	8
Complaints stage 2	14	0.5	28
Tribunals	81	0.5	162
MP/Solicitor enquiries	10	3	3
RO Decisions	61	50	1
Totals	**17,749**		**1,123**

There are 65 Working days available in August, September and October. We will have the equivelant of 14 Officers available (for the £140,000 additional funding being requested), which will equate to 910 person days available.

Based on the above calculation this means that there is likely to be a backlog of work remaining at the end of October. We will be setting milestones for all of the work categories and monitoring progress closely. There will be a regular review of the plan and we will report progress to Members and Chief Officers on a regular basis.

Analysis of daily incoming work and existing assessment resource

The table below details additional daily incoming work. There are small backlogs of work detailed below and we are anticipating being able to process these within existing resources.

Work type	Average daily incoming work	Number processed by 1 person per day	Number of staff required each day
Appeals	15	5	3
Cancellations	30	30	1
CIC's	100	25	4
New Applications	150	20	8

Renewals	115	30	4
RO Decisions	25	50	1
Quality checks	50	50	1
Complaints stage 1	4	3	1.5
Complaints stage 2	1	0.5	2
Tribunals	2	0.5	2
MP's/Solicitors letters	3	3	1
Liaison	45	15	3
Audit & Investigations	3	0.75	2
Urgents	80	27	3
Rats	50	25	2
Enquiry line	1 officer all day		1
C/S support	2 hour lunch cover		2
Totals			**43**

There are 45 staff available within the permanent establishment. However there are other aspects of ad-hoc project work, which can often relate to urgent prioritise for the Council such as grant and subsidy claims. The volumes cannot be quantified in the above format as it is of an ad-hoc nature and is managed and planned for as and when it arises.

Workload Management

The approach to managing the workload is similar to that agreed by Members in the initial recovery plan. Incoming work not in payment will be dealt with as the first priority. In practice there will be older documents attached to incoming work and these will also be dealt with when the new item of work is dealt, thus reducing the backlog. The backlog will be isolated and we will deal with older backlog first. We will set milestones for backlog clearance. Within the categorisation of incoming work and backlog we will prioritise new claims and renewals out of payment and changes in circumstances will take a lower priority.

Throughout the period of backlog clearance it will be difficult to set targets for Best Value Performance Indicators as a concerted effort of dealing with older claims will necessarily have the impact of extending the average processing times. Whilst we do have a clear age profile of the work outstanding as it is likely that we will need to make further enquiries with claimants and our control on the time taken to respond is limited.

Whilst clearing the backlog is vital to our recovery it is also essential that we are able to cope with the volumes of work coming in. In the next 6 months we will continue our evaluation of the impediments, some of which are detailed below, and develop strategies for effective management. Some of the key issues are:

- ❖ Ensuring that processes are not leading to duplication or double handling of work
- ❖ Educating customers and assisting them to provide information promptly

❖ Improving the skill sets and productivity of staff
❖ Setting targets for reducing absence due to sickness

Issues currently affecting performance

Issues, which currently affect performance, include:
❖ Increased requests for annual leave during the summer
❖ Staff training programme for the implementation of new legislation
❖ Additional training resource from assessing pool and "buddying" new staff members

Additionally there are other issues that will impact upon performance during the summer months but will be harder to quantify their impact upon the service and productivity, these include:

❖ Service restructure
❖ Workload impact of the introduction of pensioner tax credits
❖ Increased level of appeals and potential tribunals as overpayment recovery action is increased
❖ Increased level of quality checks to meet increased number of agency staff
❖ Potential of industrial action

Assumptions underlying backlog clearance

System availability / stability

The whole backlog clearance plan is underpinned by a central assumption that Capita will provide a stable system environment for the agreed hours (i.e. 8am to 8pm weekdays and 9am to 4pm on weekends) on an ongoing basis throughout this period, which will allow officers to maximise their assessing potential. The System problems experienced throughout the service in April and May have demonstrated the crippling nature of not having reliable and stable platform. It is therefore essential that Capita recognise this fact and agree to this commitment.

Sickness levels

The level of sickness throughout the Revenues and Benefits Service is currently 11%. Although implementing the new staff sickness procedure there are still unacceptably high levels of sickness throughout the service. Whilst a great many efforts are being made to reduce this figure there still remains an absence rate that needs to be factored in to any work plan. It is proposed to use a figure of 11%

Staff retention

Since transferring the service back to LB Brent we have lost 4 experienced officers to the agency market, all cited higher rates of pay as their reason for leaving. Whilst we have removed most of the larger anomalies within the assessment function there remains a danger that others may follow the path taken by their colleagues to enhance their salary. As it is impossible to predict how many staff may leave the

service over the summer we have made the assumption that no additional staff will leave.

Backlog Clearance Options

Option 1 – Additional agency resources

By employing 14 additional agency staff directly, LB Brent will be able to select and vet officers to ensure that they posses the necessary skills, knowledge, experience and integrity. This would provide a higher level of control over the exercise and provide a degree of quality assurance. However, this option is heavily reliant on being able to attract high calibre assessment staff for a short period. As there is a shortage throughout Britain of high quality staff this may prove difficult and may require increased hourly rates to lure them from their current contracts.

Accommodation issues

Under this option LB Brent would need to find desk space and PC's for an additional 12 staff. As thee has been a delay in the commencement of building work on the East wing of the 8th floor of Brent House there is potential to re-equip some of the space vacated by EDS. This would provide the space for the extra staff at least until building work commences. This is currently scheduled for September 2003. After this date we have booked space in Elizabeth House to which we can relocate.

IT Issues

The impact of this option would have minimal IT implications as the space has previously been connected to both Iworld and Viewstar. However, Brent IT and Capita will need to be consulted to ensure the platform can accommodate additional users. As part of the transfer back to Brent all PC's involved in the service were upgraded. This means that there remains a surplus of Net Vista PC's that can be used to equip the area. However, it was agreed as part of the transfer that Capita could have the existing monitors for the Revenues contract. Consequently we will need to purchase additional monitors for this exercise.

Option 2 – Commission Capita or another contractor to provide an off site processing centre

A number of authorities, particularly outsourced ones utilise an off-site processing centre to clear their work. This type of working has been developed to take advantage of lower salary and accommodation costs in poorer parts of the country. Whilst being popular on the basis of cost, this option does present a number of difficulties for the authority in terms of logistics and ensuring quality.

System access issues

As we currently have a contractual relationship with Capita we could explore the possibility of using one of their national processing centres in Blackburn, Mendip or Havant. Access to Iworld and Viewstar would need to be provided to whichever site was chosen. When considering the difficulties experienced in maintaining a solid platform over the previous months and the current fragility of the system, it perhaps would be unwise to network the system to an off-site processing centre, the cost of doing this may also prove prohibitive.

Quality Issues

As most Capita sites work on the Academy system we would need to ensure that a pool of suitably trained Iworld assessors existed. Additionally we would need to have confidence in the completeness and quality of work. As the majority of folders have a number of documents which generate several assessments for one case. A strict regime of checking would need to be instigated to ensure that all aspects of the claim were addressed in the assessment.

Cost issues

As highlighted above there are a number of logistical problems that would have significant cost implications were they to be pursued. The cost of making the system available to an off-site resource and any resulting support costs would need to be established, as would the cost for organising, monitoring and quality checking the additional work.

Option 3 – Maximisation of existing resource

This option would see no additional resource being employed. However the existing resource within revenues and Benefits would be utilised differently to maximise the level of assessments that could be achieved. This would be achieved at the expense of other duties undertaken.

Increase weekend overtime

Between 5 and 12 staff are currently working Saturdays and the occasional Sunday. More staff would be encouraged to participate by paying increased overtime rates. In the short term this may prove productive, as staff are familiar with the systems and of Brent's way of working. However there is a clear danger of burnout amongst staff that will not enjoy the benefit of a break from work over the weekend. This will quickly start to affect their productivity during the week and ultimately can cause health problems. It should also be noted that whatever rate is offered, some staff will not work during the weekend as they have family commitments.

Extend weekday overtime

At present the system is available from 8.00am to 8.00 pm. On average less than 5 staff per day chose to work overtime during the week. This number could be increased by offering improved overtime rates and extending system availability to 10.00pm. However, the dangers encountered by the adoption of this plan would be of a similar nature to those experienced by staff undertaking weekend overtime, as there is a clearly an optimum number of hours that an officer can work before their concentration, productivity and ultimately their health is affected.

Introduction of a night shift

This has been piloted in several authorities and indeed by EDS in the past, reports are that it produces increased productivity but does require a significant level of supervision. In principle the service would be split into two separate assessment teams. The first team would work from 8.30am to 4.30 pm the second team would commence work at 5.00pm and work until 1.00am. Any adoption of this plan would need to have system availability guaranteed by Capita as there would be a restricted time slot for producing overnight batch jobs and system reports

Reduced benefit functions

In order to maximise productivity from the existing resource, it would be necessary to provide a reduction in other functions of the benefits service. Services affected would include:

- ❖ An end to liaison arrangements with RSL's
- ❖ An end to the enquiry line for OSS staff
- ❖ A temporary closure or reduced opening of the Counters service at Brent House

This would obviously be an extremely unpalatable option for a number of our key stakeholders and would be unsustainable for any extended period of time.