
Meeting of the Cabinet - 13th December 2006

Report of the Director of Finance

Benefit Fraud Inspectorate (BFI) Inspection Report on DMBC

Purpose of Report

1. To report details of the outcome of the recent BFI inspection of the Council's Benefit Services.
2. To report details of the Benefit Services score as part of the 2006 Corporate Performance Assessment (CPA) process.

Background

3. On 23rd November last, the Secretary of State for Work and Pensions, John Hutton, published a 60 page inspection report by the BFI on Dudley Council's administration of benefits and counter fraud activity. Such in-depth inspections are unusual these days but the Government selected Dudley for a full inspection as it had never previously been inspected and was reporting a high standard of performance to the Department for Work and Pensions.
4. In 2005/06, the Council administered some £74.3 million in housing and council tax benefits, about 10.8% of its gross revenue expenditure. Approximately 150 staff are employed by the Council in the Benefit Services Division, administering benefits for some 30,000 households in the Borough.
5. The inspection, conducted by a team of 6 Government Inspectors over a 4 week period earlier this year, found that the Council was performing overall to an excellent standard. *It is believed that this is the first time ever that Inspectors have given such a favourable outcome following an inspection.* Dudley achieved or exceeded Standard in 10 of the Department of Work and Pensions' 12 performance measures and in the other 2 there was clear evidence that performance was improving. Inspectors noted that this "commendable" level of performance was achieved at the same time as the Council successfully introduced a new Benefits IT system.
6. Other matters commented upon favourably in the inspectors report include:
 - Dudley's emphasis on providing a good service to its claimants
 - speedy turnaround times when benefit claims are received
 - the rigorous procedures in place to manage and prioritise incoming work
 - the firm arrangements that exist to prevent benefit fraud.

7. With regard to the Benefits Services score as part of the Corporate Performance Assessment regime, such scores are normally determined via a self-assessment process. However, this year Dudley's score has been derived from the BFI inspection and I am pleased to report that Dudley Benefit Services has been scored 4 for CPA purposes and the service provided rated as excellent. *It is believed that this is the first time ever that a Authority's Benefit Services score has not fallen following a BFI Inspection.*

Finance

8. The costs to the Council of supporting the inspection have been met from existing budgets.
9. The BFI is an independent unit within the Department for Work and Pensions and is funded from "the public purse".

Law

10. Housing and Council Tax Benefit is administered in accordance with the Social Security Contributions and Benefit Act 1992

Equality Impact

11. The benefits service provided seeks to comply with the Council's policy on Equality and Diversity.
12. This report will have no specific effect on children and young people. There is no requirement for consultation with children and young people or the involvement of children and young people in the preparation of the report.

Recommendations

13. To note the excellent outcome of the recent BFI inspection of the Council's Benefit Services.



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