

South Ayrshire Council

**Report by Head of Finance and ICT
to Leadership Panel
of 15 February 2022**

Subject: Service Review Phase 2 - Benefits Services

1. Purpose

- 1.1 The purpose of this report is to seek Members' approval of Phase 2 of the review of Benefits Services within the Revenues and Benefits Service.

2. Recommendation

2.1 It is recommended that the Panel:

2.1.1 approves Phase 2 of the service review of Benefit Services (as detailed in Appendix 1 and associated Addendum (confidential) to this report); and

2.1.2 requests that the Service Lead - Revenues and Benefits now completes implementation of the review.

3. Background

- 3.1 At its meeting on 21 September 2021, the Leadership Panel approved the recommended option to retain separate Benefits processing and Information and Advice services and noted that Phase 2 of the Benefits Service review would be completed by February 2022.

- 3.2 Phase 1 of the Benefits Service Review was initially approved by the Leadership Panel on 19 January 2021. This phase primarily concentrated on the reconfiguration of Universal Credit (UC) digital support posts the duties of which, due to the delayed migration of UC, were able to be incorporated into the existing benefits advisors role.

- 3.3 Additionally as part of the 2021/22 budget setting arrangements Members approved savings which resulted in the deletion of 3 FTE vacant posts within Benefit Services. These changes are now reflected in the proposed structures.

- 3.4 The more detailed Phase 2 review now provides the opportunity to deal with the wider impact of the UK Governments Welfare Reform agenda, including the migration of working age claimants to UC, whilst ensuring adequate resources are in place to deliver and develop robust benefit services for our customers.

4. Proposals

4.1 The Service Review is included as Appendix 1.

4.2 The review includes an overview of the key activities of the Benefits Service plus further key considerations that formed part of the review deliberations as summarised below:

- i. The Benefits Service is currently split into two teams – one which processes Housing Benefit (HB), Council Tax Reduction (CTR) and Education Benefits (Edbens), the other Scottish Welfare Fund (SWF) Grants and Discretionary Housing Payments (DHP). The entitlement criteria and regulations governing the benefit schemes are entirely different with staff working to distinctly different performance targets. There is no discernible operational reason to change this set up, albeit the proposed structure will result in some overall changes to the staffing compliment in each of the teams. (Structures are attached at Annexes 1a-c of the Addendum (confidential) to this report.)
- ii. Prior to the commencement of Service Review process the Benefits Service team consisted of 49 FTE posts. Savings previously approved as part of the 2021/22 budget exercise, resulted in the deletion of 3 FTE vacant posts which are now reflected in the proposed structures, and this final stage of the Service Review is proposing a further reduction of 1 FTE.
- iii. Whilst Housing Benefit caseloads have fallen due to ‘natural’ migration to UC of working age claimants this has now stabilised. The DWP have confirmed that full migration of the remaining legacy benefits is unlikely to happen until at least 2025. Additional demands on CTR processing due to UC and increased uptake for Free School Meals and Clothing Grants means that staff resources will be directed to new areas of processing as well as addressing increased demands within the Scottish Welfare Fund
- iv. Demand for support from the SWF and DHP fund has been increasing steadily since 2017, notwithstanding the additional pressures currently being experienced from administering the Covid-19 Self Isolation Support Grant (SISG). The proposed structures will increase the staff in the SWF team to accommodate the increased demands and to ensure we are able to maintain our pre-Covid performance standards.
- v. The findings of the Council’s Future Operating Model will be reported separately to the Council, however the Benefit Services has made an efficient move to Working From Home (WFH) and this has demonstrated that we can engage effectively with our customers without the need for high volume face to face (F2F) enquiries. We will continue to provide F2F appointments for customers who need this service.

4.3 The Addendum (confidential) and associated Annexes 1a to 1c to this report provide further detail on the specific staffing implications of the service review proposals.

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 Savings of £85,000 were anticipated as part of the 2021/22 budget setting exercise. As identified in the confidential addendum the proposed structural changes results in a shortfall of £17,375. This shortfall will be managed within other non-employee budgets within the Service.

7. Human Resources Implications

- 7.1 The resulting proposed changes from this review are outlined in the Addendum (confidential) to this report and will be implemented in accordance with the Council's established Framework for Managing Workforce Change.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

- 8.1.1 There are no risks associated with adopting the recommendations.

8.2 *Risk Implications of Rejecting the Recommendations*

- 8.2.1 There is a risk that rejecting the recommendations will result in a less effective Benefits Service for customers.

9. Equalities

- 9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as Appendix 2.

10. Sustainable Development Implications

- 10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

- 11.1 An options appraisal was previously undertaken in the autumn of 2021 which recommended no significant change; this was approved by the Leadership Panel of 21 September 2021. This report now concludes the Benefits Service Review exercise.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Commitment 2 of the Council Plan: Closing the Gap/ Reduce poverty and disadvantage.

13. Results of Consultation

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Brian McGinley, Portfolio Holder for Resources and Performance, and the contents of this report reflect any feedback provided.

13.3 Consultation has taken place with the relevant Trade Unions and there are no issues outstanding.

14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Head of Finance and ICT will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Implement service review structure changes, including all HR and recruitment processes	30 April 2022	Service Lead - Revenues and Benefits

Background Papers **Report to Leadership Panel of 19 January 2021 – [Service Review – Benefits Service Phase 1 \(Addendum\)](#)**

Report to Leadership Panel of 21 September 2021 – [Feasibility Review – Benefits Services \(BS\) linking with the Information and Advice Hub \(IAAH\)](#)

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