

**Meeting of the Executive Members for
Housing and Adult Social Services and
Advisory Panel**

17 July 2006

**Meeting of the Executive Member for
Corporate Services and Advisory Panel**

25 July 2006

Joint Report of the Director of Resources and the Director of Housing and Adult Social Services

**Transfer of the Social Care Welfare Benefits Function from
Resources Directorate to Housing and Adult Social Services
Directorate**

Summary

1. This report seeks approval for the transfer of management responsibility for the social care welfare benefits function from the Resources Directorate to the Directorate of Housing & Social Services. This follows the first stage of a review of the discretionary charging system undertaken jointly by the two Directorates.

Background

2. The system for administering discretionary charging was introduced initially in 1998 and reviewed with the introduction of the 'Fair Charging Policy' in 2003. The introduction of Fair Charging Policy by the Department of Health was a national policy directive and within the policy there was a requirement on local authorities to offer all individuals in receipt of social care a welfare benefits check and advice as part of their financial assessment. That commitment was undertaken in York through the establishment of 5 whole time equivalent posts of welfare benefit advisor and 0.5 administrative post. These posts were funded through Adult Social Care budgets and managed by the Resources Directorate within the benefit advice section.
3. The discretionary charging process has two other key components apart from the welfare benefits checks, advice and gathering information for making financial assessments. These components are managed separately within the Directorate of Housing and Adult Social Services. The finance section of Corporate Services manages the financial assessments. The Charging unit within Adult Services reconciles the level of provision with the assessed charge in order to

send invoices to customers. As well as being separately managed each component utilises different information and data systems.

4. A formal review of the charging process has been initiated jointly by the Heads of Service responsible for the three sections involved. This review is being undertaken because of:
 - an internal audit undertaken last year which identified weaknesses in the charging system.
 - Increasing management costs of the welfare benefits component of the charging process
 - Concern over the complexity of the process and potential for developing a more efficient and effective system
5. The review sets out to create service improvements in the whole process. These are:
 - Streamline the process.
 - Improving the communication between teams/officers
 - Improving customer service and using council resources more effectively.
 - Improve performance information and targets
 - Income maximisation & reduction of debt to the authority.
 - Benefit maximisation.
 - Accountability and management support
 - Cost of administering the process
6. The review has identified that further work is required to analyse and improve the process. However this further work should be preceded by a rationalisation of the structure within which the discretionary charging system operates. Single management is recommended, to be achieved by the transfer of the welfare benefits component to the Directorate of Housing and Adult Services and within that directorate for the Finance section to manage all three components.

Consultation

7. The proposal has been made following the review involving the managers and leads within each section. Staff from each of the affected sections are aware of the proposals and formal consultation has commenced. As this proposal relates to internal processes to the Council no further consultation has been undertaken.

Options

8. Three options were considered when arriving at the conclusion that the creation of a single entity covering all three components would be most appropriate. These were:

Option 1

To retain the status quo in the structure and concentrate solely on process improvement.

Option 2

All functions being undertaken within one unit (with or without co-location of all sections).

Option 3

A combining of the charging and financial assessment functions but to retain the benefits advice function within the Resources Directorate.

Analysis

Option 1 Retaining the current structure

9. It is considered that many of the improvements outlined in paragraph 5 could be achieved although probably not to the extent of other options. It would not achieve the following:
- Accountability and management support
 - Cost of administering the process (Management overheads)

Option 2 Managing all components in one section

10. It is considered that all of the improvements outlined in paragraph 5 would be achievable and to a greater extent than the other options

The only potential disadvantage would be if, in the future, the Council developed a partnership with the Department of Works & Pensions to provide a joint visiting team. This may require more complex working arrangements than if options one or three were selected.

Option 3 Combining Financial Assessment and Charging Functions

11. It is considered that many of the improvements outlined in paragraph 5 could be achieved although probably not to the extent of other options. It would overcome the disadvantage of option 2 covered in paragraph 10.

Corporate Priorities

12. The current proposals will support the following Corporate priorities when approved.
- Improving our organisational effectiveness
Improve leadership at all levels to provide clear, consistent direction to the organisation

Financial Implications

13. The transfer of management responsibility will be contained within the existing budgetary provision for the service.

Legal Implications

14. There are no legal implications to this proposal.

Human Resources Implications

15. Consultation with staff and representatives has commenced in relation to the change in management. Any further changes to working practices or the location of the sections will follow the more detailed analysis of the discretionary charging process.

Equalities Implications

16. This proposal will not have any impact on the equalities objectives of the authority.

Crime and Disorder Implications

17. There are no implications within this report

Information and Technology (IT) Implications

18. The proposals will not require any significant changes to current IT systems. The management of the three components within one section of the Directorate of Housing and Adult Social care will enable access to improved communication and management information.

Property/Other Implications

19. Not Applicable

Risk Management

20. Identified below are the risks of the proposal not being implemented.;
 - Current management structure continues with current additional costs
 - Complex working practices continue with cost implications
 - Additional cost pressures on adult services budgets that are already stretched
 - Discretionary charging process will not be strengthened as required by the internal audit
21. Identified below are potential risks following the agreement of the proposals within this report;
 - There is a risk the advantages gained by linking the welfare benefit function of the discretionary charges with the council Resources Team responsible for benefit advice
 - Potentially there would be a need for more complex arrangements if a formal partnership with the Department of Works & Pensions is required in future.

It is felt that the impact of the risks are higher and more likely to happen, if the proposal is not agreed, any potential risks can be managed through contingency planning.

Recommendation

22. Following the analysis and appraisal that has been undertaken, it is recommended that option 2 is approved with the resulting transfer of the management of the benefits advice function from the Resources Directorate to Housing and Adult Social Services Directorate.

Reason: To improve the efficiency and effectiveness of the service.

Contact Details

Author:

Keith Martin
Head of Adult Services
Housing & Adults Social Services
Tel No.01904 554006

James Drury
Head of Public Services
Resources Directorate
Tel No 01904 551161

Chief Officer Responsible for the report:

Bill Hodson
Director of Housing and Adult Social Services

Simon Wiles
Director of Resources

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Specialist Implications Officers:**HR Implications**

Claire Waind
HR Advisor (Community Services)
(09104) 554519

Sue Foley
HR Advisor (Resources)
(01904) 551690

Financial Implications

Debbie Mitchell
Senior Finance Officer
(01904) 554161

Wards Affected: *List wards or tick box to indicate*

All

For further information please contact the author of the report

Background Papers: None

Annexes: None