



Council Tax Support and Housing Benefits 2014-15

City of York Council

Internal Audit Report

Business Unit: Customer & Business Support Services
Responsible Officer: Assistant Director, Customers and Employees
Service Manager: Head of Customer and Exchequer Services
Date Issued: 21/07/2015
Status: Final
Reference: 10320/008

	P1	P2	P3
Actions	0	0	2
Overall Audit Opinion	High Assurance		

Summary and Overall Conclusions

Introduction

York's Local Council Tax Support scheme currently provides up to a 70% discount for council tax for eligible applicants of working age. As required by central government, the scheme ensures that eligible applicants of pensionable age are entitled up to a 100% discount. Housing Benefit provides eligible applicants with a financial contribution towards payment of their rent. Currently, this is paid directly to the rent account of council tenants and via BACs to the landlords of private tenants. As of December 14, the schemes administer benefit payments to a combined total of 13,331 claimants.

An additional budget of £231,900 is reserved for discretionary housing payments, applicable to Housing Benefit claimants undergoing hardship and requiring further help towards their rent.

Objectives and Scope of the Audit

The purpose of the audit was to provide assurance to management that procedures and controls within the system will ensure that:

- Support applications and changes of circumstance are assessed accurately, calculated correctly and processed within a reasonable timeframe;
- Appeals against historic CTB and requests to reconsider HB and CTS awards are processed according to procedure and within a reasonable timeframe;
- Overpayments are correctly calculated and processed within a reasonable timeframe;
- Recovery of overpayments for customers on historic CTB and the recovery of debt from HB and CTS customers is processed according to procedure and obtains appropriate authorisation before write off;
- Discretionary Housing Payments are awarded appropriately and calculated correctly;
- Business management performance information is regularly reviewed and appropriate action is taken;
- Customer service representatives manage customer expectations according to CYC service standards;
- Real Time Information data is accurately input onto SX3 and adjustments to entitlements are correctly calculated.

The audit did not include review of discretionary Council Tax payments as these are strategically placed under the York Financial Assistance Scheme.

Key Findings

The service demonstrates a system of effective control, with comprehensive training arrangements and statistical monitoring processes. The processing times of New Claims and Changes of Circumstance have vastly improved since the previous financial year and the service now

Email correspondence

Issue/Control Weakness

There is no quality assurance process for email correspondence.

Risk

Email correspondence may not reflect the customer service charter or effectively communicate correct Benefit legislation.

Findings

The City of York Council's customer service charter requires that correspondence with Benefit claimants effectively explains any legal requirements in plain, simple to understand language. In addition, customer service representatives are expected to provide their service in a courteous, responsive and timely manner irrespective of age, gender, cultural/religious background, disability, sexual orientation or need.

On a monthly basis, recorded calls are reviewed in order to assess the customer service skills displayed by representatives and to ascertain whether customers have been provided with the correct legislative information. Results will then be discussed during 1-2-1 sessions.

Currently, the timeliness of response to customer emails is monitored via tracker spreadsheets. However, there is no quality assurance process for ensuring effective written communication.

Agreed Action 2.1

Refresher training will be provided to customer representatives on ensuring quality in written correspondence.

The possibility of saving copies of emails to Lagan/the forthcoming document management system will be investigated. On completion, samples of emails will be reviewed as part of the monthly customer service quality assurance check. Results will then be discussed during 1-2-1 sessions.

Priority

3

Responsible Officer

Customer Service
Contact Team
Manager

Timescale

01.10.15

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 5 grades of opinion, as set out below.

Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable Assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

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