SAVINGS OPTION 2015/16 to 2017/18

1 Savings option description and account code for budget to be adjusted

<table>
<thead>
<tr>
<th>DEPARTMENT / DIVISION / SERVICE AREA:</th>
<th>Chief Executive / Finance / Elevate / Revenues &amp; Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>DESCRIPTION OF SAVING:</td>
<td>Withdrawal of the Benefits Direct service at One Stop Shops. This will reduce the overall number of Housing Benefit staff by 9.</td>
</tr>
<tr>
<td>DESCRIPTION OF SERVICE:</td>
<td>Benefits Direct staff assess Housing Benefit and Council Tax Support claims with customers at the One Stop Shops.</td>
</tr>
</tbody>
</table>

PROPOSED CHANGES TO THE SERVICE:

The Benefits Direct service has provided an ‘enhanced’ service to customers. The perception is that the overall cost of the service could be seen as excessive and cannot be sustained.

A policy decision will be needed as to how the Council wishes to engage with residents in the future, Having a continued enhanced service by providing face to face assessment could be construed as being counter – intuitive when compared to the desire to “channel shift “ to self service and “digital by design”.

Removing benefit claim processing in this way will mean assessment and processing for housing benefit and council tax support will be done in the “back office” as an end to end process there.

Currently there are 13 Benefits Direct officers that are based in the OSS each day. This is from a full complement of 38 benefit officers. These posts will be allocated / removed as follows;

- 4 posts will be incorporated into the Benefits back office structure to maintain existing outputs as work will be reallocated there after the closure of the “Benefits Direct” service
- 4 posts will be incorporated into the Council Tax Team structure to boost collection and therefore the Council’s income (included in proposal CEX/SAV/61)
- 5 will be deleted from the current structure and the post holders will be made redundant (this is based on the current position of no vacancies within Benefits. If positions are vacant at the time that
this initiative is implemented staff will be redeployed accordingly)

There will be a net saving of 9 staff.

However, the Revenues & Benefits service will also proactively work within the governance in LBBD through its welfare reform strategy and its associated boards. This will involve working across the authority coordinating with the third and voluntary sector in order to support residents.

This will involve signposting and information to help with debt management, financially capability and budgetary support and access to affordable credit.

By proactively working with residents and having a coordinated approach this will encourage partnership working, reduce “double handling” which will encourage efficient and effective use of resources. This in turn will not only be cost effective but also provide a “holistic” approach for residents who need help, This will have a corporate impact by not only increasing collection of income but will also potentially mitigate impacts on homelessness and the other “impact indicators” that the authority is measuring. A joined up and targeted approach will make significant savings.

2 Version control / history of amendments

<table>
<thead>
<tr>
<th>Doc. Name</th>
<th>CEX SAV 58 Withdrawal of the Benefits Direct service at One Stop Shops.doc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doc. location:</td>
<td></td>
</tr>
<tr>
<td>Author:</td>
<td>Owner:</td>
</tr>
<tr>
<td>Sian Peters</td>
<td>Jonathan Bunt</td>
</tr>
<tr>
<td>Date:</td>
<td>Version:</td>
</tr>
<tr>
<td>6/8/2014</td>
<td>0.1</td>
</tr>
<tr>
<td>7/08/2014</td>
<td>0.2</td>
</tr>
<tr>
<td>11/8/2014</td>
<td>0.3</td>
</tr>
<tr>
<td>12/8/2014</td>
<td>0.4</td>
</tr>
<tr>
<td>16/10/14</td>
<td>0.5</td>
</tr>
<tr>
<td>19/10/14</td>
<td>3.0</td>
</tr>
</tbody>
</table>

Options for Approval status include: Working (still under development); Draft for Review (issued for review); Approved (has been signed, or passed for approval by the approving body).

3 Final approvals required for this document
### 4 Budget changes proposed

<table>
<thead>
<tr>
<th>Year</th>
<th>In-Year Budget Change</th>
<th>Cumulative Total Savings</th>
<th>Detailed Breakdown of Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/2016</td>
<td>259</td>
<td>259</td>
<td>£000’s Employees 0 £000’s Transport 0 Supplies 0 Other 0 Total 259 £000’s Source GF</td>
</tr>
<tr>
<td>2016/2017</td>
<td>0</td>
<td>259</td>
<td>£000’s Employees 0 £000’s Transport 0 Supplies 0 Other 0 Total 0 £000’s Source GF</td>
</tr>
<tr>
<td>2017/2018</td>
<td>0</td>
<td>259</td>
<td>£000’s Employees 0 £000’s Transport 0 Supplies 0 Other 0 Total 0 £000’s Source GF</td>
</tr>
</tbody>
</table>

*Indicate source as applicable: GF (Revenue) / DSG (Dedicated Schools Grant) / HRA (Housing Revenue Account) / CAP (Capital)

If your proposal will affect more than one source of funding, please give details below:

Total estimated savings across GF/HRA/DSG - £331k
- 2015/16 GF £259.4k (78.37%), HRA £65k (19.64%), DSG £6.6k (1.99%)

### 5 What savings will be achieved?

**Staff related savings**
- **Current number of posts** – 104 (in Elevate)
- **Number of posts to be deleted** – 9 (in Elevate)
- **Grades of posts to be deleted** – 9 x SO1
- **% reduction of staff in service area** – 9%
- **Amount of salary saving** – N/A

**Non-staff related savings**
- **Utilities – including heating/lighting** - N/A
- Supplies and services – N/A
- Buildings and premises - N/A
- Transport - N/A

### Third party payments/income
- **Commissioning/contracts** – contractual payments to Elevate
- Charges to the HRA/DSG - N/A
- Increase fees & charges – N/A
- Grants/additional funding streams – N/A

### 6 What is timeframe for achieving these savings?
- Removal of Benefits Direct 1 April 2015

### 7 Impact of savings

#### Achieving Council priorities and performance targets/standards
- Potentially processing times will be increased with the changes. The advantage of Benefits Direct is that the process reduces processing times as in the main there is immediate turnaround. This could flow through to delays in payment of Council Tax and Rents, impacting on collection performance.

#### Customers and service users
- Customers will no longer be able to have a benefit claim assessed at One Stop Shops
- Customers will have to make more use of self service options
- There will be less footfall at One Stop Shops

#### Strategic and support services
Outline any back office and support service impacts from the implementation of this saving, include (if applicable):
- Legal/assurance/risk – N/A
- ICT – N/A
- Assets/buildings – There will be an increased need for desks in the back office.
- HR – N/A
- Finance – N/A
- Policy and communications – A policy change is required to close down the benefits direct programme
- **Elevate** – A reduction in target cost

**Equalities and diversity.** It is assumed vulnerable people would have family, friends or
carers who could assist with self service.

<table>
<thead>
<tr>
<th>Impact Yes/No</th>
<th>Protected Equality Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO</td>
<td>Men, Women &amp; Transgender People</td>
</tr>
<tr>
<td>NO</td>
<td>People from Black &amp; Minority Ethnic Groups</td>
</tr>
<tr>
<td>NO</td>
<td>Disabled People</td>
</tr>
<tr>
<td>NO</td>
<td>Old &amp; Young People</td>
</tr>
<tr>
<td>NO</td>
<td>Lesbian, Gay &amp; Bisexual people</td>
</tr>
<tr>
<td>NO</td>
<td>People with different Religions &amp; beliefs</td>
</tr>
<tr>
<td>NO</td>
<td>Pregnant Women &amp; New Mothers</td>
</tr>
<tr>
<td>NO</td>
<td>People who are socio-economically disadvantaged</td>
</tr>
</tbody>
</table>

Partners

- There are no expected impacts on our partners or stakeholders.

8 Risk assessment

- Volumes of contact are likely to remain the same but shift channel
- Some individual benefit claims will take longer than at present but the overall turnaround time on new claims will remain the same
- Reputational damage to Elevate and LBBD through removing the service
- With a return to back office processes this will cause a pressure on processing times and may impact on local authority error, which is a risk for the authority through the DWP subsidy regime, local authority error being a measurement of administrative delay as well as "error".

9 Other costs

- Redundancy costs for up to 5 officers. At least 4 redeployment opportunities will be available for staff in the 9 posts being removed as part of this proposal
- £30k communications budget to ensure residents are aware of the change, and the various ways of accessing benefits services once this face to face channel is removed.
Agilisys believe the Customer Services and Revenues and Benefits, and Information Communication and Technology proposals represent an ambitious plan for the Council to transform the service and operating model significantly beyond what has previously been discussed. The overall change is aligned to discussions Agilisys are having with other customers. This combines a unique set of capabilities Agilisys have invested in and developed in recent years. These capabilities include:

- Technologies and intellectual property to help automate and digitise customer contact to streamline traditional face to face, contact centre and paper based transactions
- A modern scalable cloud computing platform to enable consumption based pricing of IT services
- An expert analytics platform to enable targeted collection campaigns
- Transformation capabilities to help guide organisations through the complex change management challenges typically encountered

The savings plans Elevate are currently committed to deliver within the Target Cost total £700k.

The proposals included within these pro-formas represent a significantly more profound change to operations and their associated costs. The proposals are integrated in their design, with choices about the location of delivery for some services, and as such should be considered as a single, cohesive programme rather than individually. To fragment into separate proposals would have an impact on the associated investments and benefits.

Agilisys believe it is the combined skills of our respective organisations, and the integration of the Agilisys platforms, which enable the delivery of these savings. This represents a Transformational approach and a significant investment for both parties.

To reflect the significant changes in commercial and payment arrangements, investment from both parties and the delivery of the programme benefits, Agilisys would require a commitment from the Council to revisit the construct of the Elevate Agreement. This would enable further efficiencies to be release from Elevate overheads. Agilisys have previously discussed (and articulate within these pro-formas) a release of the Council from the obligations of £625k per annum.

The aspects of the Contract which enables the delivery of the proposals to the Council include:

i. A movement away from the Target Cost Mechanism
ii. Removal of the 40 day break clause
iii. An extension of the existing contract to 2020

Agilisys request an opportunity to engage with the Council on these points, and how best they could collaborate on regeneration initiatives in the borough.