

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

4 JUNE 2008

REPORT OF THE DIRECTOR OF FINANCE

CPA BENEFITS

1. EXECUTIVE SUMMARY

- 1.1. Responsibility for the conducting the Comprehensive Performance Assessment (CPA) of Benefits Services has been transferred from the Benefits Fraud Inspectorate (BFI) to the Audit Commission. This report outlines the consequences of this transfer of responsibility.

2. TRANSFER OF RESPONSIBILITY

- 2.1. On 1 April 2008 the Audit Commission will take over responsibility for benefits inspections and assurance from the Benefit Fraud Inspectorate (BFI).
- 2.2. In addition to the continuing need to provide assurance that approximately £15 billion of public money is spent as intended, the Audit Commission approach will be informed by the vital contribution benefit services make to the social and economic wellbeing of an area and the significant contribution to local authorities' strategies to address poverty, deprivation, homelessness and worklessness.
- 2.3. The Audit Commission will develop a benefit service framework to bring together the strands of its benefit work, to develop a coherent risk-based, proportionate and efficient approach. It is reviewing all aspects of its benefit work, including the work appointed auditors undertake on claim certification and auditors' data quality work, which will be applied to key benefit performance indicators in 2008. The Audit Commission will also use its knowledge of the way Councils approach the National Fraud Initiative to contribute to its understanding of their approach to dealing with benefit fraud. By bringing these elements together, the Audit Commission believes that it can provide better assurance for service users and tax payers at lower cost.

3. IMPLICATIONS FOR THE ASSESSMENT

- 3.1. In future, there will be a focus on the perspective of service users and local citizens, and less emphasis on process. The new approach will mean that benefit services will be assessed against more challenging criteria. The new benefit inspection will be a 'harder test'

3.2. The scoring will be totally different to the existing method of scoring for CPA under the Department for Work and Pensions performance standards. It will follow the Audit Commission approach to other service inspections, and relies on an assessment against Key Lines of Enquiry (KLOE) with specific criteria for benefits.

3.3. If there is no service improvement then a Council such as Wirral which received an Excellent (4 out of 4) rating for the CPA annual assessment will receive a Fair (2 out of 4) rating using the new inspection methodology. This will not necessarily mean that the service has deteriorated. It will reflect that the Audit Commission is using more challenging criteria for assessment.

4. FINANCIAL AND STAFFING IMPLICATIONS

4.1. There are none arising from this report.

5. EQUAL OPPORTUNITIES IMPLICATIONS

5.1. There are none arising from this report.

6. HUMAN RIGHTS IMPLICATIONS

6.1. There are none arising from this report.

7. LOCAL AGENDA 21 IMPLICATIONS

7.1. There are none arising from this report.

8. COMMUNITY SAFETY IMPLICATIONS

8.1. There are none arising from this report.

9. PLANNING IMPLICATIONS

9.1. There are none arising from this report.

10. LOCAL MEMBER SUPPORT IMPLICATIONS

10.1. There are none arising from this report.

11. BACKGROUND PAPERS

11.1. Benefits Services CPA – Key Lines of Enquiry – Audit Commission April 2008.

12. **RECOMMENDATIONS**

- 12.1. That Members note the transfer of responsibility and the implications for the CPA of Benefits Services.

IAN COLEMAN,
DIRECTOR OF FINANCE.

FNCE/98/08