WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY G.P. SOUTHERN OF ST. HELIER ANSWER TO BE TABLED ON TUESDAY 15TH NOVEMBER 2016

Question

Will the Minister detail the "operational improvements" mentioned in answers given during questions without notice on 1st November 2016 in relation to the reduction in numbers of over- and under-payments in Income Support, and provide figures to show how such improvements have addressed the issue?

Answer

The reference to operational improvements on 1st November 2016 was made by Deputy Southern quoting from a recent Scrutiny report. The written response to that report made the following comment:

Operational review

The Panel acknowledged that their report was finalised without a discussion with the Minister for Social Security in respect of operational matters. On page 62 of the Review they note –

This section contains accounts of some experiences of people living on a low income in dealing with applications to the Social Security Department. The Scrutiny Panel has not yet had the opportunity to discuss all the issues raised in this section with the Minister for Social Security but will take them up in a forthcoming Quarterly Hearing. The issues here provide significant authentic feedback to the department from their clients and the Panel considers it appropriate to include this section in our report despite the fact that the Minister for Social Security has not yet had an opportunity to respond. (Emphasis added)

It is disappointing that the Panel were not able to discuss these issues with the Minister prior to publication. Over the last 12–18 months, there have been significant improvements in the administration of Income Support and in the treatment of claimants' applications, amongst a number of other areas. It is a shame that it was not possible for these improvements to be formally recorded in the Panel's findings.

The Social Security Department has invested heavily in improving the customer experience and the ability to deal with customer contact on a "right first time" basis. The full list of improvements made is extensive, but changes include an increase in staff capacity in customer facing areas, the introduction of online forms for certain benefits and changes, and the allocation of key officer contacts for third party partner organisations.

The result has been a considerable reduction in the time taken to process benefit applications and changes to existing benefits over the last year. For example, new claims to Income Support can now often be made and processed within 4 working days. Applications for a Special Payment are processed on the same day, changes to benefit are often made within one working day. This has made a real and welcome change to the customer experience. In particular, under and over payments of benefit have reduced.

The Panel suggests that moving to a general payment in arrears would reduce overpayments. However, this could also create significant difficulties for vulnerable claimants at the start of a claim or following a change in circumstance. Such a change would also require major administrative and IT changes, necessitating a considerable financial investment.

In addition to the information already published, please note that the Social Security Department has made significant and ongoing investments in improving its customer service. This has been made possible by smarter allocation of staff resources and our commitment to the States-wide LEAN initiative. Under and overpayments occur when a household is paid the incorrect rate of benefit, in most cases because there has been a delay in providing or processing the information needed to amend the claim. Therefore, the numbers and durations of these under and overpayments can be reduced by both encouraging customers to provide the correct information as soon as a change occurs to their entitlement and improving our processing times.

In recognising this the Department has invested heavily in improving the customer experience and in our ability to deal with customer contact on a "right first time" basis. This has led to a considerable reduction in the time taken to process benefit applications and changes to existing benefits. As noted this has the effect of reducing under and over payments, because the longer a change takes to action, the longer a household is paid the incorrect rate of benefit.

In terms of specific improvements, at the beginning of 2016, we expanded the number of Income Support desks in our front office to 8. This has allowed us to carry out more activity with our customers in real time, meaning that a customer with a change to their entitlement can visit the Department and have the change applied to their claim immediately. This reduces the potential for over or underpayments by making it easier for customers to give us the right information with the minimum of delay and for any queries to be resolved at the same time. This task was previously split into a number of separate back office processes and took much longer to complete.

An online form has recently been introduced allowing the customer the option of completing an electronic form to inform us of any change in their income, and this is actioned by the next working day. Also, if a customer emails us any information about changes to their claim, this is generally actioned within two working days.

A certain level of overpayment is an inherent feature of a benefit system that pays in advance. It has been suggested that Income Support should shift to paying in arrears, but this could create significant difficulties for vulnerable claimants at the start of a claim or following a change in circumstance. A change from paying in advance to paying in arrears would require major administrative and IT changes, necessitating a considerable financial investment.