

Assurance and scrutiny – reporting on the vital role of Scotland’s housing benefit services

Councils’ benefit services are a lifeline service to people that are often in dire financial need and seeking support at the most difficult and complex time in their life. In 2021/22 Scotland’s councils paid out more than £1.2 billion in Housing Benefit to over 260,000 households.

The Accounts Commission has a responsibility to report on the performance of this critical service and provide assurance that councils are delivering an effective and efficient benefit service. Alongside this, auditors regularly scrutinise the performance of claims processing.

In our [recently published strategy](#), we set a priority to report on how well local government is working to reduce the multiple impacts of inequalities, including poverty, housing, education, and access to care.

Our reporting on the performance of Housing Benefit services is an important part of delivering that priority and in 2019 we changed our approach by introducing reviews on specific themes. We want to provide independent insight into aspects of this service where performance is declining, but also understand areas of strong performance which should be shared to support improvement across all councils.

In 2021/22, we carried out two Housing Benefit performance audits.

[Clackmannanshire Council](#) had significantly improved its claims processing performance since our previous engagement and we were looking to identify good practice that could be shared across Scotland.

[East Lothian Council](#) had experienced a significant decline in Housing Benefit claims processing performance during 2021/22. We established that a service restructure in 2020/21 resulted in the loss of key posts and, to manage the demand for Covid-19 support payments, experienced Housing Benefit staff had been re-deployed.

Both councils accepted the recommendations from our reports and are working to address them. We identified consistent risks to continuous improvement that all council’s should be aware of including:

- A lack of reporting of benefit service performance to senior management and elected members.

- Insufficient formal, documented management checking processes to ensure claims were being processed accurately.
- A lack of focus on Housing Benefit overpayment recovery.

In February 2023 we published a thematic study report on [Resourcing the benefit service](#) (insert link). Our study considered the changes to councils' benefit services following the introduction of Universal Credit in 2013, and the impact of resources on claims processing times, in particular the effects of flexible working, staff absences and increased workloads. It also reported on good practice in service delivery used by councils that could be shared.

The study found that Scottish councils had responded to a reduction in Housing Benefit caseloads by expanding the remit of benefit services to process other financial assessments, including, assistance from the Scottish Welfare Fund and applications to the Scottish Government's Covid-19 support schemes. This has helped the benefit service protect jobs and retain expertise.

We also found that some councils were disproportionately affected by increased workloads arising from processing Covid-19 support payments and, when comparing overall workloads per average full-time equivalent staff member, the differences between councils is significant.

In some councils where the benefit service was responsible for call handling and personal callers, insufficient information was recorded to understand the impact on the service. In addition, increased flexible working, which is now prevalent for benefit services, correlated with a reduction in short-term sick leave, but also a decline in Speed of Processing performance.

Councils continue to seek new ways to improve service delivery and customer experience and are using innovative and new technologies such as robotics and automation.

Looking ahead, we will consider the findings and implications arising from this study to determine the focus of our future engagement.