Rotherham MBC leads the e-volution of e-benefits.

Mark Evans gives a key insight into the National eBenefits Project, highlighting its success in terms of both effectiveness and efficiency and indicates that the outcomes are to be taken forward in an exciting new venture involving Rotherham Borough Council, RBT Connect and Northgate Information Solutions.

The scale of the challenge

Currently some of our most disadvantaged communities are suffering because of low take-up of benefits. Figures released by the Department for Work and Pensions (DWP) show that Housing and Council Tax Benefit helps four million or one in six households meet their housing costs – yet as many as one in ten eligible people are still under-claiming and missing out on their rights.

Few can be in any doubt about one of the major causes for this low take up of benefits - it is the sheer complexity of the system. The National Audit Office's report *Dealing with the complexity of the benefits system*, published in November 2005, examined the potential for reform and suggested that *"harmonisation of administrative rules and procedures would be a significant step forward and make the system easier to explain to customers."*

The government has a five-year strategy for benefits reform and is committed to simplification of the benefits system. It has introduced a range of initiatives to support this objective and assist with providing a better service to claimants. One of these initiatives is the National eBenefits Project, led by Rotherham Borough Council and sponsored by the Office of the Deputy Prime Minister (ODPM).

The ODPM focus for this Project was to: pioneer the development of products which would support local authorities in providing a better service to citizens claiming Housing and Council Tax Benefit; contribute to the delivery of the ODPM's Priority Service Outcomes in relation to benefits; and to help local government meet its target efficiencies of £6.45 billion by 2007/8.

This article examines the operation of the pilot, discusses its outcomes and indicates how local authorities can build upon the successes of the pilot to improve the benefits system for their local communities.

Committed to service improvement

Rotherham is a metropolitan borough in South Yorkshire with a diverse and vibrant community and considerable challenges in providing a benefits service which is responsive to the needs of local communities. Like most local authorities, Rotherham is striving to continuously improve its service for citizens, to meet national standards and to contribute towards the £75 million annual efficiency gains required in Revenues and Benefits. Since 1999, when the Council was criticised by the Government's Benefit Fraud Inspectorate, Rotherham has improved its service and is now rated as a good authority with a 'four star' Benefits service.

In partnership with RBT Connect Ltd, a joint venture between Rotherham BC and BT launched in 2003 which is responsible for a variety of services including the overall delivery of the Revenues and Benefits Service, the Council delivered noticeable improvements to citizens, in particular in administering a housing benefit caseload of over 26,000. Processing times for new claims (benefit application to benefit award) reduced from an average of 34 days to 28 days, and processing times for Change in Circumstances fell from 7 days to 5 days.

The willingness to change was not limited to just those services which were acknowledged as failing. As part of the partnership the Council and BT have addressed age old problems such as local government procurement. The introduction of new working practices and technology have seen remarkable results with over £2m cashable savings per annum being produced by the partnership. This has been combined with other "Gershon type" initiatives that have seen dramatic changes and improvements to the way the whole council is functioning.

RBT Chief Executive, Brian James explains *"The investment made by BT really helped Rotherham to introduce modern IT systems. The transformation of our services has been achieved by initiatives such as home working by benefits staff ."* This home working initiative delivered a 55% increase in productivity and won RBT Connect a 2005 Guardian Public Services Award (Recruitment and Retention of Staff).

eBenefits has the potential to deliver wider benefits services to customers

Rotherham chose to build on its success and lead the National eBenefits Project to enhance its service to citizens and help other local authorities to do the same. Working in partnership with Northgate, Microsoft and others, Rotherham worked to ensure that the pilot would act as a platform for the future, enabling local authorities to deliver benefits in new and innovative ways and to target benefits services more effectively to the most disadvantaged members in the community.

"We were keen to trial the eBenefits system but insistent that it should not compromise the speed and quality of the processing, since Rotherham is committed to compliance with the Verification Framework as prescribed by the DWP. Before entering into the pilot we were entirely convinced that this would be the case. We were also convinced that eBenefits had real potential to tackle some of the most pressing problems facing our benefits service."

Councillor Ken Wyatt
The Council's Cabinet Member for e-Government

The eBenefits pilot at Rotherham examined four key issues:

- How to provide advice and answers to questions across a wider range of benefits at first contact with an advisor
- How to operate simpler processes to provide a high quality and efficient service
- How to make customer interaction easier, whilst leaving existing 'back end' legacy systems intact
- How to use the data held to reduce multiple requests for information and ensure that people get what they want from their first contact.

Together with RBT, the Council initially completed a business transformation exercise to update their Revenues and Benefit processes, incorporating the use of an Electronic Document Management System (EDMS) with workflow. RBT ensured that a range of leading technology companies, including Northgate, Microsoft and Ruleburst were contracted to develop the eBenefits system aimed at increasing the take-up of benefits, simplifying the assessment process and reducing instances of fraud and over-payment.

"It is fair to say that the National Project objectives were realigned with a clear focus on local authority priorities. In collaboration with our partners we concentrated on simplifying and speeding up the way local authorities could deliver Housing and Council Tax Benefit and Free School Meals. But eBenefits has the potential to deliver wider benefits services to customers"

Mike Cuff,
Chief Executive, Rotherham Borough Council

About eBenefits

The eBenefits system was piloted in Rotherham's new town centre Customer Service Centre between August and October 2005, and was supported by new approaches to service delivery, including performance management and cultural change.

eBenefits is a web-based system that captures details relating to the benefit claimant, covering all circumstances that can effect the benefit award now or in the future. Completed benefit claims are then transferred to the EDMS and also to the core benefits system in readiness for action by benefit processors. It is capable of interfacing with existing back-end EDMS and core benefits systems.

For the pilot, benefit advisers of varying degrees of experience and expertise were authenticated and authorised to use the system through the Government Gateway, part of the Government Connect Register, with an audit trail to record transactions carried out by each benefit adviser. The pilot dealt with both new claims and Change in Circumstances of claimants. For new claims there is a three-step process.

Step 1 Eligibility

This captures high-level information that is processed by a high-level calculator, assessing eligibility against all 61 welfare benefits. The system uses legislative rules, which are accurate and up-to-date, and gives details of potential entitlement, as well as potential non-entitlement.

Step 2 Application

Takes the interview process into an intelligent application for Housing Benefit, Council Tax Benefit and Free School Meals. The system asks a series of questions that streamlines the interview, depending upon the answers given. During the application stage, a 'consent to share customer information' page and a 'declaration of authenticity' page are displayed; these can be digitally signed on-line, or printed off in an easy to read format for the customer's signature.

Step 3 Entitlement

Calculates an Entitlement Summary that gives an indicative level of the amount of benefit that would be awarded, with the opportunity for rent officer details to be entered prior to this for improved accuracy.

The application can be partially saved at any point within the eBenefits system or submitted automatically to back-end systems such as EDMS and core benefits systems. During the pilot the Government Connect Register was used as the transfer method.

The vast majority of benefit transactions relate to changes in claimants' circumstances for existing benefit claims, so in addition to processing new claims, eBenefits has a Change in Circumstances menu with appropriate questioning depending on the changes that are being reported.

A benefit tracking system is available to allow enquiries to be carried out through the eBenefits system; and queries can be answered by pulling data into eBenefits from the core benefits system. The information held in the core benefit system can also be used for pre-populating the eBenefits system when completing new applications, eliminating duplication and making benefit advisers aware of a citizen's circumstances from previous or current claims.

The eBenefits system currently interfaces with Northgate's core benefits system and Comino document management and workflow system.

In order to ensure the eBenefits system can be rolled out across the country the Project has involved a range of back-end system providers.

Local authorities using the Academy benefits system will be able to interface to eBenefits next as a part of a separately funded piece of work led by Amber Valley Borough Council.

"Capita welcomed the opportunity to partner with Northgate in developing a fully interfaced solution with Academy Benefits working to the technical standards of the National eBenefits Project. The 130 local authorities using Academy Benefits are now well positioned to consider implementing the eBenefits system based on a viable and cost effective solution. Importantly, this demonstrates how performance standards funding can be used to deliver real improvements in the delivery of Benefits services."

Keith Graddon,
Strategic Product Manager,
Capita Software Services

"We must take full advantage of innovative new systems to speed up the processing of Benefit claims, so improving the Benefits service to citizens in our community. What I particularly applaud is the partnership

between Capita Software Services and Northgate Information Solutions to work together to increase the flow of information using the XML schema and help take out any duplication of work in the processing of claims. The potential of this is to change the culture of how we process Benefit claims (for example we currently utilise trained processors to key data in as well as assess claims) and particularly ensure that when we receive a Benefit claim we have the full information necessary to process a Benefit claim first time."

Kevin Stewart,
Head of Revenues and Benefits,
Amber Valley Borough Council

"There appears to be a good opportunity for our local authorities to make service delivery improvements and efficiency gains through use of the eBenefits product. IBS OPENSystems are therefore working closely with the eBenefits Project Team in order to deliver a seamless front to back office solution for the OPENRevenues system for new claim processing and so allow our customers to realise these benefits."

Jon Gibbs,
Pre-Sales Support Manager,
IBS OPENSystems

Delivering success

During the period of the pilot over 9,700 customers passed through the Centre with some 6,400 submitting claims or seeking benefits advice. As with any pilot, learning was an integral part of the process helping to fine tune the quality of the services on offer.

60 per cent of citizens applying for their benefits via the eBenefits system preferred it and staff acknowledged the improvements in consistency of information and service that can be achieved. This is illustrated in the following claimant case studies below. Claimant A was of working age and Claimant B was a pensioner. Both were dealt with by the council's advisors using the eBenefits system.

The success of the pilot was, in part, due to the initial review of the business processes undertaken in administering Housing and Council Tax Benefit. This original exercise resulted in cost neutral improvements for a range of services across the Council and confirmed the "Gershon" theory that resources could be removed from processing and transferred to customer facing areas, whilst improving service delivery. This was followed by defining the system requirements of the on-line, adviser led, single point data capture system that would enable non-specialist advisors to give any citizen a comprehensive assessment of benefits that they would be eligible for, with facilities to automatically instigate a claim for those benefits.

It was this use of technology to provide intelligent questioning and obtain the information specifically relevant to the benefit application that was the key to success. This allowed advisers to gather all the information necessary to calculate a benefit award during the benefit interview, and in turn act as a guide to non-specialist benefit advisors during the interview.

Claimant A - Working Age Case

A single parent started work and his Income Support ceased. He was receiving a lone parent run-on and attended the council office for advice on eligibility for Housing and Council Tax Benefit.

An application for Housing and Council Tax Benefit was completed to record his new circumstances.

The added value of using the eBenefits system meant he was given advice on other welfare benefits after the High-Level Eligibility was completed. He was informed that he may be eligible for working and child tax credits and free prescriptions. He was also provided with an indicative level of entitlement so he knew how much rent to pay until the new claim had been processed.

The system pre-populated from existing data held by the Council so we did not need to enter details about the claimant as these were already known because he had an existing claim.

Claimant B - Pensionable Age Case

A pensioner who had never claimed Council Tax Benefit came to enquire whether he would qualify for any help.

An application was completed.

The added value of using eBenefits was that we were able to provide a there and then decision about eligibility and the likely amount to be received.

Normally the customer would have to wait for an assessment letter once the claim has been processed, which takes up to 4 weeks in Rotherham. We also gave advice on other welfare benefits because the High-Level Eligibility was completed. The advice was to claim a savings credit, a component of Pension Credit, from DWP.

"The level of advice on eligibility to other state benefits provided by local authority benefit advisors depends upon the level of experience of those benefit advisors. The challenge and success of the Rotherham pilot was in providing its citizens with a consistently high level of advice about the benefits that they were eligible to claim.

"Whilst the e-government agenda has improved the accessibility of information around benefits, there remains the issue of alleviating the digital divide by providing supported access to electronic services. We believe in Rotherham that we have been able to do this by using non-specialist staff, but in the future other organisations and individuals themselves will be able to use such systems, tackling the problem of benefits take-up by taking our services out to the community, for example using registered social landlords rather than expecting claimants to come to us."

Carol Mills,
Executive Director of Corporate Services & National Project lead, Rotherham Borough Council

Driving efficiency

To measure the efficiency of the system, process mapping was used to identify the specific tasks and activities carried out at Rotherham. The timings are shown in Tables 1 and 2.
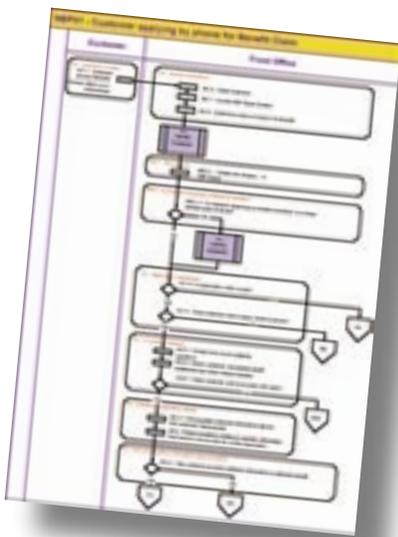
Carol Mills states *"The Rotherham pilot and process mapping model indicates that a full implementation of the eBenefits system, including cultural and transformational change combined with the elimination of certain administrative processes could deliver for the Council an additional annual saving in staff costs of some £250,000. This is a saving that we could transfer for use by other customer facing activities within the wider benefits arena.*

An exciting prospect when you consider the extensive transformation, service improvement and real cashable savings that have already been delivered by RBT at Rotherham. This is before taking into account the potential savings attributable from a reduction in paper and storage requirements".

Table 1

TIMES BY ACTIVITY - PRIVATE HOUSING BENEFITS CLAIM

Activity	Current	Revised	Saved
Complete Claim Form	30	30	0
Entitlement Summary	24	11	13
High-Level Eligibility & Welfare Advice	6	12	-6
Scan Claim Forms & Change of Circumstances	5	0	5
Assess Private Property Housing Benefit Claim	77	43	34
Total	142	96	46
Total (Hours.Minutes) :	**2.22**	**1.36**	**0.46**

Table 2

ASSESS PRIVATE

Description	Staff	Time (minutes)	Process Cut	Reason	Revised Staff	Revised Time	Time Saved
Assessing the Benefit Claim from the DIP workflow system	1	10	1-6 & 12-17	eBenefits will make the assessment based on data entered to the system.	1	2	8
Refer to Rent officer	1	1	18a	This process has changed since the process map was developed	1	0	1
Check documents for completeness	1	15		Checking should be easier	1	10	5
Check to see if claim is contrived	1	1			1	1	0
Create private landlord	1	10			1	10	0
Contact Customer or other agencies	1	5	21	Advisor will request additional evidence at interview	0	0	5
Check that all evidence is present	1	15		Still need to check evidence	1	15	0
Input claim details to iWorld	1	15	24	Data will be automatically entered to iWorld from eBenefits (claim creation process)	0	0	15
Check & send assessment letter	1	5		Still need to check & send letter	1	5	0
TOTAL Minutes		**77**				**43**	**34**

Working with its commercial partners Rotherham BC has assisted in the development of cost-effective and easy to use products that support the increased take-up of Council Tax Benefit, Housing Benefit and Free School Meals and use rules-based technology to simplify the process. It is also contributing to a wider vision of closer integration between central and local government in benefits delivery that has been endorsed by the DWP, HM Revenue and Customs, the Cabinet Office e-Government Unit and the ODPM.

"There is a clear need to improve citizens' uptake of benefits to prevent hardship or even homelessness, and also to ensure that those administering them can do so quickly, effectively and efficiently. Northgate has worked successfully with Rotherham Borough Council and its partners in developing the system and throughout the pilot to ensure that eBenefits could do both. We are now excited by the prospect of delivering our wider vision for local authorities and continuing to develop joined-up systems which improve benefits delivery."

David Meaden
Managing Director of Public Services, Northgate Information Solutions

Developing the solution

Rotherham is now looking to take forward the National eBenefits Project products as part of a wider consortium including leading technology companies Northgate, BT and Microsoft, and to develop a forum for local authorities and other stakeholders to share best practice.

Mike Cuff, Chief Executive of Rotherham Borough Council, says *"The National Project objectives were focused on simplifying and speeding up the way local authorities could deliver Housing and Council Tax Benefit, Free School Meals and offer wider welfare benefits advice to citizens. However, it is essential that we do not lose sight of the next step which must be to truly join-up local government, central government and intermediaries in the benefits field."*
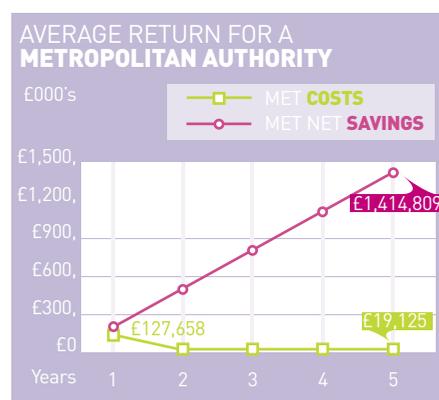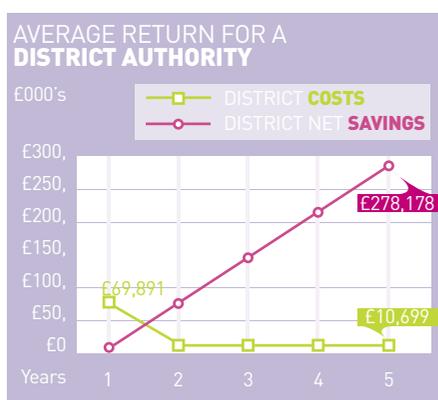
The new eBenefits system developed during the pilot is soon to go live at Rotherham, and is expected to deliver efficiency savings of around £250,000 per annum. The partners believe that the solution could deliver not only more effective benefits delivery systems but also greater efficiencies for local authorities across England.

By using the DWP's most recent claims data for 2005, council tax property numbers from the Valuation Office Agency and the Rotherham process mapping model, the potential savings that the eBenefits system could have when applied to over 270 other English local authorities is some £36 million per annum, which equates to an authority average of over £134,000 per annum.

These savings would not just be limited to lower quartile performing councils. An analysis by the latest Audit Commission CPA scores of local authorities for Benefits indicates that the average staff saving per annum for 4 star councils is expected to be in excess of £282,000, for 3 star councils £152,000 and 2 star councils £279,000.

Further service level improvements, efficiencies and savings would be achieved by implementing the eBenefits system in a greater number of outlets (for example Housing or Neighbourhood Offices, Welfare Rights, and mobile/visiting officers) through eliminating courier services and reducing paperwork and instances of lost/misplaced applications.

As well as developing an eBenefits information pack, the National eBenefits Project has produced a business efficiency calculator that is being made available on the eBenefits web site. This will enable local authorities to calculate the potential savings in staff time that could be achieved within their own authority. The calculator is based on the process model used at Rotherham, but specific processes and timings can be adjusted to reflect the timings, costs, volumes and processes used by each council.

AVERAGE RETURN FOR A DISTRICT AUTHORITY

£000's

DISTRICT **COSTS**
DISTRICT NET **SAVINGS**

£300,
£250,
£200,
£150,
£100,
£50,
£0

£69,891
£278,178
£10,699

Years 1 2 3 4 5

AVERAGE RETURN FOR A METROPOLITAN AUTHORITY

£000's

MET **COSTS**
MET NET **SAVINGS**

£1,500,
£1,200,
£900,
£600,
£300,
£0

£127,658
£1,414,809
£19,125

Years 1 2 3 4 5

AVERAGE SAVINGS PER YEAR BY CPA RATING

Savings in £000's

£300,
£250,
£200,
£150,
£100,
£50,
£0

SAVING £279,380
SAVING £152,672
SAVING £282,421

2 Stars 3 Stars 4 Stars
Benefits CPA Star rating

What next?

Rotherham will go live with the commercial eBenefits system in April 2006 and is then looking to take the system to other local authorities as part of a wider consortium.

The commercial eBenefits products have benefited from the learning process of the pilot and also provide a basis for developing the functionality of the system further, for example including mobile and self-service offerings.

The priority for the Consortium will be to finalise its early adopter programme and work towards a wider take-up by local authorities. At the same time, Rotherham will be looking to take forward the wider vision with central government. Government Connect may present an opportunity to ensure that in future citizens claiming multiple benefits won't have to make numerous visits or calls and complete different paper applications.

eBenefits System Overview
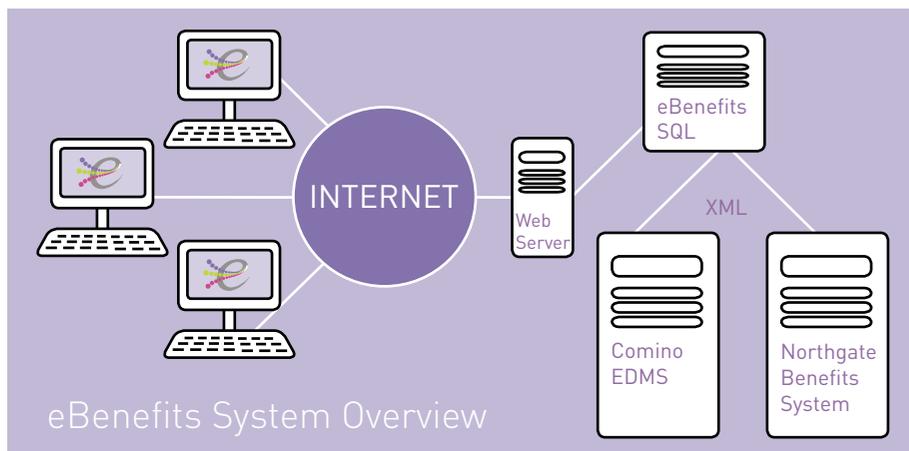
"Last year's launch of the Government Connect Programme has the potential to streamline benefits administration still further as work progresses on technical integration and common authentication processes with central government departments."

Steve Gallagher
Programme Chair for the Government Connect Programme, Bolton Metropolitan Borough Council

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Costs and effectiveness

The following table sets out the costs of implementing the eBenefits system with associated hardware plus planned enhancements.

Product	Site Licence
Base eBenefits with up to 50,000 Council Tax properties	£40,000
Base eBenefits with 50,000 to 80,000 Council Tax properties	£50,000
Base eBenefits with 80,000 to 120,000 Council Tax properties	£65,000
Base eBenefits with over 120,000 Council Tax properties	£90,000
eBenefits self-service module	£10,000
eBenefits HLE Calculator	£5,000
eBenefits off-line mobile	£5,000

Services	Cost
One-off	
Integration of eBenefits with non-Northgate CRM systems	£5,000
eBenefits implementation	£10,000
eBenefits Transformational Services (daily rate)	£500 to £1,000
Annual Support and Maintenance	25% of capital

NOTE:
Software licences are perpetual licences with unlimited use for councils, their intermediaries and citizens.

Discounts on the pricings shown in the above tables would be available to any Councils seeking to implement in partnership with others.

Mike Cuff concludes: *"We believe that eBenefits can deliver first class services to authorities grappling to come to terms with their benefit delivery problems. It presents an opportunity that cannot be ignored if we all wish to have a more effective and efficient benefits delivery service."*

"Many local authorities understand that the business of delivering benefits is a complex one. eBenefits provides the opportunity to drive through that complexity. The future is here today and we are determined that other authorities are able to share it."

Mark Evans is the eBenefits Programme Manager, Rotherham Metropolitan Borough Council.

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