

1213

The Social Fund Commissioner's Annual Report
2012/**2013**

irs



INVESTOR IN PEOPLE

1213

The Social Fund Commissioner's Annual Report
2012/**2013**

Foreword

I am pleased to present my fourth Annual Report, which sets out the achievements of my staff at the Independent Review Service (IRS) during the year ending March 2013. As a result of changes introduced by the Welfare Reform Act 2012, the discretionary Social Fund was abolished at the end of March 2013. It has now been succeeded by locally based provision delivered by Local Authorities in England and through locally delivered national schemes put in place by the Scottish and Welsh Governments. Consequently my role, and that of the Social Fund Inspectors, will be abolished at the end of July 2013. This will be my last Annual Report in my capacity as the Social Fund Commissioner for Great Britain.

Annual Reports traditionally focus on the particular reporting year under review. This year, as the discretionary Social Fund and the independent review process approach their closing stages, also seems a suitable time to reflect on past experience.

The past year has been a challenging one for us, given a background of reducing staff numbers and our impending closure. We remained committed to delivering the high standards our customers and others have come to expect from us, particularly in relation to the quality and speed of our decision making and the level of our service. The morale, flexibility and efficiency of our staff have been fundamental to our achievements this year.

From our experience, we know that Social Fund customers represent some of the poorest and most vulnerable members of society; and that they want a prompt resolution to decisions which affect their daily lives. In many cases the urgency of the needs presented underlines this. Because these needs will not disappear, the challenge for new arrangements will be to deliver timely, high quality decisions that are right first time and promote public confidence.

I am pleased to report that we have, once more, achieved very high standards in the delivery of review decisions and service to our customers, alongside a continued pattern of reduction in our unit cost. Our performance data bears this out and I am pleased to note that 72% of the people who responded to our customer survey told us they were satisfied – or very satisfied – with our service. During our remaining months in operation the focus will be on continuing to deliver the best possible service we can from our finite resources and using proportionate resources to support the review process.

My report includes a section on the evolution of the review process, and the IRS as an organisation, since 1988. The independent review combines a review and appeal function in one process. I believe it represents an efficient, cost-effective administrative law dispute resolution model, which involves the customer meaningfully in the process and is accessible, timely, proportionate and fair. Given these characteristics, and the number of decisions taken each year by public bodies, it is disappointing that this model has not been adopted more widely, as a means by which citizens can challenge administrative decisions.

Our enduring legacy is that citizens have had a say about what happens to them; and their expectations about how they should be treated have increased. Commissioners and staff have listened to customers and have adapted the type of review and service that is delivered and how it is delivered. We have put the needs and concerns of the people using our service firmly at the centre of our review process and in doing so have improved their access to justice.

As an organisation we did not reach this point overnight. I would like to pay tribute to the role that previous Commissioners have played in the development of an effective, independent service which delivers a quality review process. Their contributions are summarised in the last chapter of this report, which looks back over the lifetime of the independent review. I would also like to take this opportunity to express my appreciation for the skill, commitment and professional approach demonstrated by all staff at the IRS throughout my time here. Our achievements would not have been possible without their hard work and dedication. They have been our greatest asset and I wish each of them well in terms of their personal futures.

A handwritten signature in black ink, appearing to read 'Karamjit Singh', written in a cursive style.

**Karamjit Singh CBE,
Social Fund Commissioner for Great Britain**

Contents

2012/2013 at a Glance	2
Legal and Organisational Structure	4
Performance	6
Quality and Standards	9
Our Relationships with Customers and Other Stakeholders	13
Accountability	16
Twenty Five Years of the Independent Review Process	18
Appendices	23

Charts

1 IRS Workload	6
2 Review Outcomes	7

Tables

1 Completion Times of Inspectors' Reviews	7
2 Cost of the Inspector's Review Over Time	8

2012/2013 at a Glance

Performance

- Our review workload was 48,368 in 2012/2013.
- Inspectors completed 95.5% of urgent cases (for living expenses or other needs requiring a very urgent decision) within 24 hours of receipt of the papers from Jobcentre Plus.
- Inspectors completed 98.9% of all other cases within 21 working days of receipt of the papers from Jobcentre Plus.
- Our unit cost was £73, which continues a pattern of reduction in our unit cost. We calculate this to include all our direct costs of staff, non-manpower and capital expenditure; and our indirect costs of accommodation and related costs which are outsourced and paid for centrally by the Department for Work and Pensions.
- Inspectors changed 39.8% of the decisions they reviewed.
- These changed decisions resulted in payments totalling £10,006,366 from the £141 million budget for grants and payments totalling £566,346 from the £561.4 million budget for loans.

Quality and Standards

- Case readers examined 2,396 cases (5% of our total workload) and found that a high proportion (89%) met the quality standard. We changed the outcome of 125 decisions because of errors identified in case reading; this equated to 0.3% of our workload.
- We received 2,552 complaints about Inspectors' decisions, which represented 5.3% of our workload. We changed the outcome of the Inspector's decision in 135 of these cases. This represented 0.3% of our total workload.
- We received 70 complaints about our service and upheld 21 of them, which equates to 0.04% of our total workload.
- An external panel examines the fairness, impartiality, openness, clarity and responsiveness of our complaints service. Over the year they examined a total of 40 complaints and found that 99.38% had been handled effectively.
- During 2012 we surveyed 43,413 customers in total and received 6,720 (15%) responses; 72% of respondents told us they were either satisfied, or very satisfied, with the manner in which we dealt with their case.

Our Relationships with Customers and Other Stakeholders

- Our stakeholder events aim to make the most of our expertise, and the valuable insights gained from our casework. We held a stakeholder event in Birmingham and another in Glasgow, which were attended by 130 delegates. These events focused on contemporary information about Social Fund law and current issues affecting casework.
- Senior IRS and Jobcentre Plus Managers continued to discuss national performance and operational issues relating to the Social Fund.
- I accepted the Low Commission's invitation to submit a response to their Call for Evidence on the future of advice and legal support. I focused on the insights from our casework experience, which indicate that a lean, simple, customer focused and informal grievance model provides benefits for customers and other stakeholders alike.
- I also submitted evidence to the Justice Select Committee's Call for Evidence on the abolition of the Administrative Justice and Tribunals Council. I stressed the importance and strength of independent oversight in connection with administrative decision making.

Accountability

- We spent a total of £2.754 million from our direct budget allocation of £3.101 million, which represented a budgetary underspend of £0.348 million (11%). We returned money to the Department when it became clear that it was no longer required.
- Our staff accounted for 88% of our direct budget expenditure. The impending closure of our organisation has inevitably led to a reduction in staff numbers. We started the year with 78.62 staff in post and by 31st March 2013 had reduced to 67.77 staff in post.
- We have our own in-house IT team and we spent £126,000 on IT, including the costs of our in-house IT team, external support and necessary hardware and software.
- We are accredited to the ISO/27001 certification standard for our Information Security Management System. In May 2012 I referred two incidents to the Information Commissioner, where I considered that there had been a breach of security standards. Following investigation the Information Commissioner decided not to take any formal enforcement action. This was because of the particular facts of the case and the measures we have already put in place to prevent a breach of this nature.

Legal and Organisational Structure

The Discretionary Social Fund

The Fund is cash limited and was introduced in 1988. It provides community care grants and interest free budgeting loans and crisis loans, to help people with costs that can be difficult to meet from low income¹. The scheme is operated by Jobcentre Plus; part of the Department for Work and Pensions.

The Social Fund Commissioner

My role as Commissioner is an independent statutory appointment. The Secretary of State for Work and Pensions appoints the Commissioner to undertake duties² which include:

- appointing Social Fund Inspectors and other staff;
- monitoring the quality of Inspectors' decisions;
- arranging training for Inspectors; and
- reporting annually to the Secretary of State on the standard of Inspectors' reviews.

The Welfare Reform Act 2012 contains provision for the abolition of the post of the Social Fund Commissioner. That provision will be commenced on 1 August 2013.³

Social Fund Inspectors

Social Fund Inspectors provide the independent tier of review for people who are unhappy with the Jobcentre Plus' decisions on their applications for a community care grant, budgeting loan or crisis loan. As with the Social Fund

Commissioner's role, the role of Inspector was established by Act of Parliament⁴.

Due to the abolition of the discretionary Social Fund, the role of the Inspector will be abolished at the same time as the Social Fund Commissioner's role.

The legal framework for the discretionary Social Fund originates from primary legislation and includes Secretary of State's directions and guidance.

The Inspector's review is a unique procedure in administrative law, because it combines both a review and appeal function in one process. It deals with issues of legality **and** whether the decision was a right one in all the circumstances of the case. And it offers a definitive and legally binding outcome.

In reviewing a decision made in Jobcentre Plus, the Inspector has a duty to correctly interpret and apply the law and to take account of guidance. As a starting point, the Inspector examines all of the evidence thoroughly to identify the relevant facts and the key issues to be decided in the case. The Inspector may then need to ask the applicant or his representative for relevant information. The Inspector then applies the law to the facts.

The Inspector goes on to decide whether the decision under review was reached correctly and is reasonable in law. Then, the Inspector looks at the merits of the case and decides whether the decision is a right one, taking account of any new evidence and relevant changes in circumstances. Each case is decided on its own merits.

¹ These payments are defined under section 138(5) of the Social Security Contributions and Benefits Act 1992.

² Section 37 of the Social Security Act 1998 sets out the duties of the Social Fund Commissioner.

³ The Welfare Reform Act 2012 (Commencement No.6 and Savings Provision) Order 2012.

⁴ Social Fund Inspectors, under section 38(3) of the Social Security Act 1998, have a duty to review decisions that have been reviewed by Jobcentre Plus, where an application for a review has been made in accordance with regulations.

The review process results in one of three possible outcomes. The Inspector may reach the same decision as Jobcentre Plus; he may reach a different decision; or, he may decide to refer a case back to Jobcentre Plus for a fresh decision. It is extremely rare for a case to be referred back.

Inspectors have the power to review their own or another Inspector's decision to correct errors⁵. Once our complaints process is exhausted, a customer that remains dissatisfied with an Inspector's decision may apply for a judicial review in the Administrative Court. If a customer has a complaint about maladministration, he may ask his MP to refer this to the Parliamentary and Health Service Ombudsman.

The Independent Review Service

As the Social Fund Commissioner I am the head of the Independent Review Service, which is the organisation within which Social Fund Inspectors and other staff carry out their responsibilities. The IRS is based in Birmingham and reviews Jobcentre Plus decisions for customers living in all parts of England, Scotland and Wales.

We aim to provide a high quality independent review that is expert, fair, adaptable and efficient.

Our focus on maintaining an inclusive and high quality service, against a backdrop of reducing resources, is important for a number of reasons.

The discretionary Social Fund is targeted at some of the poorest and most vulnerable members of our society, whose needs are often urgent. We are committed to ensuring our service is straightforward to use for all concerned. We place emphasis on providing people with simple, clear information and a choice of contact methods. Where people need extra support, we will respond to their situation accordingly. Once an Inspector takes responsibility for a case, our aim is for that person to deal with the case all the way through to the final decision. This allows the customer to deal with a named person who knows their case and also makes the best use of our Inspector resource.

The wider financial challenge and the on-going modernisation of public services serve to highlight how important it is for us to keep on delivering an efficient, cost-effective service. Our commitment to achieve this, alongside our commitment to our customers, underpins our strategic objectives. These are to:

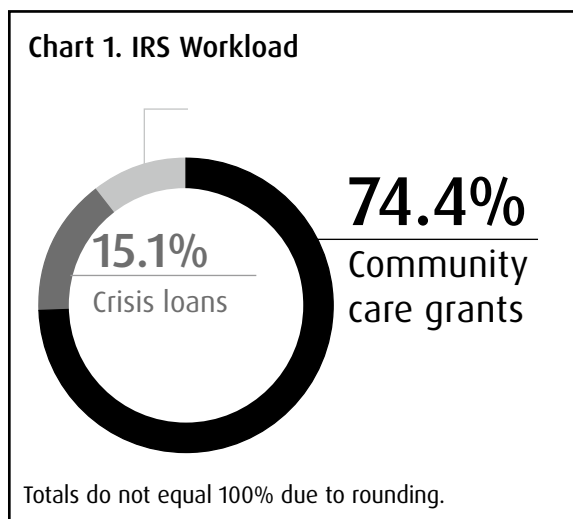
- Provide an independent, high quality and accessible review that delivers the right outcome first time to our customers.
- Focus business resources and support to deliver the required outcomes, including value for money for the taxpayer.
- Work with the DWP Stewardship team to undertake all necessary preparations to achieve a controlled closedown of the IRS in 2013/2014 as a result of changes to the Social Fund set out in the Welfare Reform Act 2012.

⁵ This power is derived from section 38(5) of the Social Security Act 1998.

Performance

We aim to deliver a high quality review service, which is responsive to the changing environment in which we work, takes account of the different needs of our customers and delivers the right outcome as quickly as possible. To help us achieve this, our business processes are straightforward, effective and proportionate.

The discretionary Social Fund is made up of community care grants, budgeting loans and crisis loans. Our workload for 2012/2013 was 48,368. Chart 1 shows how our workload for 2012/2013 was broken down between the different types of application.



Appendix 1 shows the breakdown of our workload by month.

In reviewing a decision, the Inspector has the power to:

- confirm Jobcentre Plus' decision;
- change the outcome of its decision;
- exceptionally, refer the case back for further investigations and a new decision.

The Inspector will confirm a decision where the final outcome is right, whether or not there was an important error in the decision making process in Jobcentre Plus. The Inspector will change, or substitute, a decision where an important error led to the wrong outcome or where new evidence or a change in circumstances means the decision made by Jobcentre Plus is no longer a right one.

Inspectors identified important errors in 49.9% of the Jobcentre Plus decisions they reviewed. The Social Fund Commissioner's advice to Inspectors on what constitutes an important error explains that it is *"... one on which the decision, at any stage in the process, turns and that leads to a different decision at that stage. In other words, an error at one of the key stages of the decision-making process, which knocks the decision "off-course" and makes the rationale for the decision incorrect."*

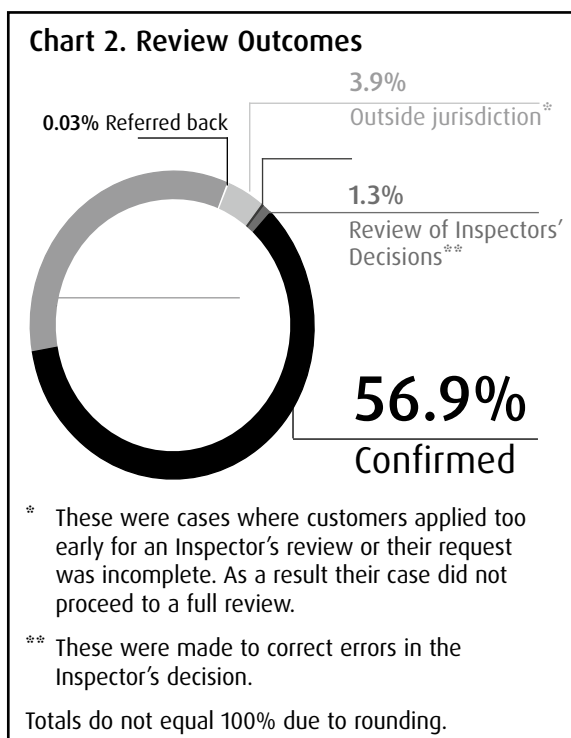


Chart 2 shows how our workload was broken down into overall outcomes.

Inspectors changed 39.8% of the cases which proceeded to a full review.

There are a number of Jobcentre Plus centres that process Social Fund applications and our work from each of these centres differs. Appendix 2 shows a breakdown of decision outcomes for community care grants, budgeting loans and crisis loans by Jobcentre Plus Social Fund District.

Inspectors made payments totalling £10,066,366 from the £141 million budget for grants and payments totalling £566,346 from the £561.4 million budget for loans.

Completion Times

Our completion times are measured in working days from the date we receive the papers from Jobcentre Plus. Table 1 below sets out our targets and our achievements.

Table 1. Completion Times of Inspectors' Reviews

Action/Timescale	Target %	Achievement %
Urgent cases*: • completed within 24 hours of receipt of the papers	90	95.5
All other cases**: • completed within 21 working days of receipt of the papers	90	98.9

* Living expenses or other needs requiring a very urgent decision.

** 93% of cases fell into this category.

Appendix 3 shows the breakdown of our achievements by month.

We received 68% of the case papers requested from Jobcentre Plus within 4 days.

The Cost of the Review

The cost of the review must be proportionate to the nature of the disputes that arise and the sums of money they involve.

During 2012/2013, our unit cost was £73, compared to £74 for the previous year. In calculating our unit cost, we have included all our direct costs of staff, non-manpower and capital expenditure; and our indirect costs of accommodation and related costs which are outsourced and paid for centrally by DWP.

Table 2 shows that we have continued to lower our unit cost per review. We have managed to do this against a background of maintaining our quality standards and refining our case processes.

Table 2. Cost of the Inspector's Review Over Time

	Workload	Cost per Review £
1988/1989 – first year of operation	2,758	381
2007/2008	19,221	200
2008/2009	28,866	154
2009/2010	49,927	99
2010/2011	53,626	86
2011/2012	52,107	74
2012/2013	48,368	73

Quality and Standards

Quality Standards

Inspectors are experts in Social Fund law. Given they provide the final stage of the statutory review process; it is essential that Inspectors get the decision right and deliver a high quality review service to our customers.

“An excellent service and staff get all the information required to make a fair decision.”

Customer survey

Our quality standards for the review help us achieve a common understanding of the quality benchmark. They are to:

- be accessible;
- make legally sound and accurate decisions;
- communicate in a straightforward way which can be easily understood; and
- be proportionate and timely.

We actively monitor performance against the quality benchmark by:

- reading individual cases;
- analysing complaints and enquiries;
- evaluating feedback from our External Complaints Panel;
- monitoring diversity; and
- surveying our customers.

I have a statutory duty to monitor the standard of Inspectors' decisions. Case reading is one of the ways in which I discharge that duty. I chair a Standards Conference which combines and evaluates findings from all parts of our quality assurance framework. This helps us to identify issues and trends, pinpoint any areas for improvement and refer matters on to our Quality Forum, which I also chair. This Forum develops and implements solutions which may include

further support for Inspectors, such as training or formal Commissioner's advice to Inspectors.

Case Reading

This is the primary means by which we assess the standard of Inspectors' decisions. In addition to the cases I read on a regular basis, cases are also read by Managers and by those Inspectors who have lead responsibility for quality assurance. The case reading process involves examining the evidence in an individual case, assessing whether the Inspector reached a sound decision and looking at the clarity of the resulting decision letter. The cases are selected on a random basis and undergo a rigorous assessment against our quality standards.

During 2012/2013 we read 2396 cases (5% of our total workload). Case readers found that a high proportion of decisions (89%) met the quality standard. They found the outcome to be wrong in 4.2% of decisions. We changed the outcome of 125 decisions because of errors identified in case reading; this equated to 0.3% of our workload.

These results represent a continuation of the high standards achieved in previous years. I am particularly pleased with this performance, given a background context of decreasing staff resource, the level of demand for our services, and the degree of uncertainty and adjustment for staff which the impending closure inevitably creates.

We remain committed to maintaining our high standards until our closure at the end of July 2013. For many years, emphasis on continuous improvement has been an integral part of our approach. As we move towards closure, our emphasis will be on supporting all of our staff to continue to deliver our high quality standards.

Complaints about Inspectors' Decisions

The Inspector's decision is normally the final tier of review. There is no automatic right to a further review, although the law does provide for correction of errors at the discretion of the Inspector. Beyond that point, a customer who remains dissatisfied with an Inspector's decision can apply for permission to challenge that decision through the courts by judicial review.

Our specialist Customer Service Team deals with all enquiries, suggestions and complaints received from any party to the review. They consider each complaint thoroughly and impartially, in order to provide the appropriate remedy. Depending on the individual circumstances, this might result in a changed decision outcome or an explanation of why the Inspector's decision is the right one in the circumstances of the case.

During 2012/2013, we received 2552 complaints about decisions, which represented 5.3% of our workload. This compares favourably with previous years. We looked at all of those cases again and Inspectors on our Customer Service Team corrected errors, leading to a different outcome for the customer, in 135 cases. This represented 0.3% of our total workload.

A single, centralised team for dealing with complaints helps us to identify promptly anything that is not working well and to learn from our mistakes. Analysing and acting on data from complaints helps us detect trends, areas for improvement, or recurring themes with broader implications for our approach to casework.

Judicial Reviews of our Decisions

A customer who is still dissatisfied with an Inspector's decision, after exhausting our complaints process, may seek a judicial review⁶. During 2012/2013 one customer requested permission to bring judicial review proceedings. The Court refused permission in this case.

Complaints about Service

As well as dealing with complaints about decisions, our Customer Service Team also investigates and responds to complaints about our service. During 2012/2013 we received 70 complaints about our service. We upheld 21 of these, which equates to 0.04% of our total workload.

Although the level of complaints about our service remains low, we continue to look for underlying issues and ways of addressing them.

External Complaints Panel

For several years we have had an external panel that examines the fairness, impartiality, openness, clarity and responsiveness of our complaints service. Panel members are independent people with relevant experience. I value their feedback, as it provides independent assurance of the quality of our complaints handling.

During 2012/2013 the panel met on two occasions and examined a total of 40 complaints, together with the associated Customer Service Team responses. Overall, the panel concluded that the standard of complaint work handling remained very high; of the complaints they examined the

⁶ The judicial review process involves two stages. The first stage is an application for permission for a judicial review hearing. Only if permission is granted does the case move to the second stage, a hearing in the Administrative Court.

panel found that 99.38% had been handled effectively. In particular, the panel noted that decision letters provided clear explanations, were courteous in tone and demonstrated empathy for customers who were in difficult situations. Due to our impending closure the panel held its last meeting in November 2012. I would like to take this opportunity to express my appreciation of the contribution which panel members have made to our process of scrutinising and improving our handling of complaints.

Customer Survey

Our postal customer survey helps us to evaluate the level of customer satisfaction. We issue customer survey forms throughout the year with Inspectors' decisions. Survey questions invite feedback on whether the customer found it easy to deal with us; the clarity of the Inspector's decision; the quality of our telephone service and the customer's view of how, taken as a whole, we dealt with their review.

During 2012 we surveyed 43,413 customers in total and received 6720 (15%) responses. I am pleased to report that 72% of survey respondents informed us they were either satisfied or very satisfied, with the manner in which we dealt with their case.

Diversity of our Customers

The cases we review show that we have a diverse customer base. We use the diversity data we collect to identify and evaluate trends in outcomes across different population groups.

We would expect to see different outcomes in decisions given the discretionary nature of the scheme, the diversity of our customer base and the fact that each case is decided on its individual circumstances. For example, the number of people in a household can have a significant impact on the award amount. Typically people who live alone tend to need a bed for themselves, whereas a couple with two children will need more beds. Payment for multiple items increases the total award.

We use a range of measures to assess whether our decisions are fair and whether people in comparable situations receive equal treatment. Taken together, all these measures assure us that Inspectors have taken a consistent and evidence-based approach.

The results of our diversity monitoring should be viewed in this context.

Ethnic Background

During the past year we issued 29,000 forms asking customers for information about their ethnic background and this generated a 17% response rate. A table which includes more detail about these results is available at Appendix 4.

Disability

The form which asks customers about their ethnicity also asks them about whether their day to day activities are limited because of a health problem or disability which has lasted, or is expected to last, for at least 12 months. Respondents can select one of the following options: (a) yes, limited a lot; (b) yes, limited a little; (c) no disability.

We issued 29,000 forms and received a response rate of 17%. The results are similar to those of last year; once again over half of respondents told us their day to day activities are limited a lot by their disability. A table which includes more detail about these results is available at Appendix 4.

The proportion of decisions changed by Inspectors is very similar across the groups. Average award amounts are broadly comparable for those who reported disability and those who did not. However, it is noticeable that the average award amount is higher for people who told us they do not have a health problem or disability of more than 12 month's duration.

The overall findings from our wide range of quality indicators provide assurance that variations in decision outcomes are consistent with the evidence about the individual circumstances of the case.

Our Relationships with Customers and Other Stakeholders

Our expertise and extensive casework experience, gained at the final tier of review, enables us to share valuable evidence-based insights with a variety of external stakeholders.

We are aware that external recognition of our independence is an important strength, in terms of our credibility and public confidence in the Inspector's review. So, the principles of openness and impartiality are key factors in how we manage external relations. Our clear aim is to help decision makers and advisers alike to ensure that the customer receives the right decision, at the earliest opportunity, delivered in a clear and straightforward way.

Our Customers

We are committed to delivering high quality decisions and a responsive service, in ways that make best use of our finite resources. To meet this challenge, we aim to get things right first time by making our processes, letters and phone calls simple to deal with and our resulting decisions easy to understand.

Legally sound and accurate decisions

"Very satisfied, although I did not get the outcome I would have benefited from."

Customer survey

Customers and their representatives tell us that a consistent and rational approach to decision making, combined with a clear and comprehensible decision letter, gives them confidence in the outcome: even when the final result is not the one they actually wanted.

"Very prompt and professional."

Customer survey

We work hard to deliver on our commitment to high quality decisions and the results of those efforts are covered in the Quality and Standards section of this report. The feedback we receive tells us that our commitment to quality is recognised and appreciated by the people who use our service.

Timely

"I appreciate, along with my clients, the speedy response to their request for review."

Stakeholder event feedback

We know how important it is for people to receive a prompt outcome on decisions that affect their daily lives. Because of this, we set very clear and challenging targets which reflect different levels of urgency. If we can deal with a case before the target date, we do. We take steps to identify customers who have a particularly urgent need, in order to deal with their cases more quickly. And, we keep customers informed in the event of any delay.

"It was dealt with quickly, no hassle."

Customer survey

Clear accessible information

We ensure that information about what we can and cannot do for our customers is clear and easily available. The Inspector's decision letter includes, in concise form, key information and key reasons for the decision outcome. The decision outcome is set out clearly at the start of the letter. Inspectors use plain language in their letters, taking care to ensure that they put across the correct legal meaning in simple terms.

"It is so clear what has been allowed and what has not been allowed and the reasons why it has or has not. At least I know the reasons."

Customer survey

Straightforward

"I like the way you can discuss cases with Inspectors over the telephone."

Stakeholder event feedback

We encourage our customers to participate in their review as much as possible. We find that they are more likely to be satisfied if they feel Inspectors listened to them and took account of their circumstances. Inspectors contact customers by telephone, whenever this form of contact is possible and suitable. The Inspector telephones the customer if he needs more information that is crucial, in terms of delivering a sound decision. He gives the customer the opportunity to provide the required information. However, the Inspector only makes necessary enquiries; so he will not contact the customer when he already has everything he needs to decide the case. We find that this approach makes the best use of time and helps us to provide our customers with the right decision at the earliest opportunity. Customers do not need legal, or any other kind of, representation to achieve this.

"The person on the phone was very helpful in going over all the process, was very good service."

Customer survey

Other Stakeholders

Our work with the organisations and individuals that represent the interests of our customers, and with Jobcentre Plus, places emphasis on achieving maximum impact from our limited resources.

Jobcentre Plus

Our experience is based on the cases that come to us for independent review and our work with Jobcentre Plus focuses on the issues we see in those cases. We share this experience with the aim of increasing the proportion of decisions that are right first time in Jobcentre Plus.

Feedback

We have a long-standing agreement with Jobcentre Plus to provide feedback on the standard of their decisions, so that learning points can inform decision making in the future. This feedback provides an important development tool for decision makers in Jobcentre Plus. This year, given our resourcing, our focus has been on continuing to ensure that Inspectors provide focused feedback in every decision, rather than the production of additional reports.

Liaison

Senior IRS and Jobcentre Plus managers have continued to discuss national performance and operational issues relating to the Social Fund. The subjects under discussion included: improvements in scanning within Jobcentre Plus and the associated provision of papers; the reorganisation of Social Fund work across the national Jobcentre Plus Social Fund network; our related capability to request and return papers to and from the right place; changes in procedures, together with a range of practical and operational matters arising from the impending cessation of Social Fund activity within the IRS and Jobcentre Plus. It is vital that this liaison continues in the run up to closure, to help us to continue to deliver the best service possible.

Supporting Advisors and Representatives who help Social Fund Customers

In terms of independence and balance, it is important that we share our experience with all of our stakeholders: including people who use our service and those who represent or advise them. At stakeholder events we aim to make the most of our expertise, and the valuable insights gained from our casework.

Decisions that are right first time provide the best outcome for the customer and the taxpayer. Presenting clear, focused and complete evidence at the earliest opportunity is important, in order to enable decision makers to reach the right decision first time. A sound understanding of Social Fund provision, and the relevance of supporting evidence, should help advisors and representatives provide support for their clients in a knowledgeable and targeted way. It should help them to provide information for decision makers in a clear and focused format; explain decision outcomes to their clients; outline the possibilities and limitations of the scheme and assist their clients to make an informed judgement about whether or not it is appropriate to ask for a review.

In November 2012 we held a stakeholder event in Birmingham and another in Glasgow, which were attended by 130 delegates. The delegates represented a wide range of organisations from the welfare rights community. These events focused on contemporary information about Social Fund law and current issues affecting casework.

"I enjoyed all of the day and found it very informative."

Stakeholder event feedback

These events provided a discussion forum for attendees to exchange information and ideas with fellow professionals. They also provided a setting for stakeholders to give feedback on their experience of the service we provide

and any insights they gained from their involvement in supporting Social Fund applications. Feedback from attendees was very positive. Many of them reported that attending the events gave them a better understanding of the relevance of supporting evidence and the importance of presenting relevant information in a clear way.

"Wished I had attended this years ago."

Stakeholder event feedback

My Responses to Calls for Evidence

I was pleased to accept the Low Commission's invitation to submit a response to their Call for Evidence on the future of advice and legal support. I consider it a fundamental part of my role to share insights from our casework experience, where they have potential to offer public benefit.

I recognise that a contemporary challenge for dispute resolution providers is how to meet the needs and reasonable expectations of users at affordable cost and without losing the quality of decision making. I believe that a process which simplifies matters for people who wish to pursue a welfare dispute should reduce demand for related advice. My evidence included insights from our casework experience which indicates that a lean, simple, customer focused and informal grievance model – which provides relevant information at key stages in the process – provides benefits for customers, representatives, advisors, decision makers and taxpayers.

I also submitted evidence to the Justice Select Committee's Call for Evidence on the abolition of the Administrative Justice and Tribunals Council. My submission drew on the insights from my current role, which led me to stress the importance and strength of independent oversight in connection with administrative decision making.

Accountability

We recognise the need to act in a manner that is transparent and which demonstrates value for money, because we are funded by public money.

A Memorandum of Understanding sets out the framework for the relationship between the Secretary of State and the Social Fund Commissioner. It respects my statutory independence and the independent decision making role of the Inspectors. The Departmental Steward (Work and Pensions) and I are co-signatories to the Memorandum.

Each year, as part of the Government Spending Review process, we submit a Business Plan for approval which sets out our strategic objectives, associated work programme and customer service standards for the forthcoming year. It includes a bid for funding and sets out how we aim to deliver any funding reductions required.

The IRS Business Plan, including our bid for funding, was approved by the DWP Steward acting on behalf of the Secretary of State. The IRS budget formed part of the overall DWP resource request which is set before Parliament.

During the year we have had regular meetings with the Steward or her staff. These have been helpful in resolving a number of issues, as we both work towards an effective closure process for the IRS.

Budget

During 2012/2013, we spent a total of £2.754 million from our direct budget allocation of £3.101 million, which represented a budgetary underspend of £0.348 million (11%). Our staff accounted for 88% of our direct budget expenditure.

The impending closure of our organisation has inevitably led to a reduction in staff numbers. We started the year with 78.62 staff in post and by 31st March 2013 had reduced to 67.77 staff in post.

Closure generated a level of uncertainty that made it necessary to plan for a number of scenarios, which we reflected in our bid for funding. In the event, a reduction in staff numbers contributed significantly to our budgetary underspend. This in turn led to changes to the review process and associated efficiency savings. Other contributory factors to the underspend included a lower workload than forecast, reduced investment in longer term development and lower costs for printing, postage, travel and subsistence.

For the reasons set out above, it became clear during the year that our costs were less than anticipated. Having identified the likely underspend against our original budget, we returned money to the Department when it became clear that it was no longer required.

Information Security

We are committed to keeping confidential information safe. Our achievements have been recognised by accreditation to the ISO/27001 certification standard for our Information Security Management System. This accreditation has a wide scope and applies to all customer information used and stored, whether in electronic or paper format, at our site in Birmingham. Although risks can never be eliminated, a robust system of risk management enables us to monitor and review our internal activity and ensure that controls are effective and proportionate.

In May 2012 I referred two incidents to the Information Commissioner where I considered that there had been a breach of security standards. One had been raised by a customer and the other had been identified by our internal quality assurance process. The Information Commissioner has investigated these incidents and decided not to take any formal enforcement action. This was because of the particular facts of the case and the measures that we have already put in place to prevent a breach of this nature.

Information security is of such critical importance that it can never be an area for complacency. I hope that our approach to risk management and data protection provides assurance to our stakeholders,

and the public, that we adopt appropriate measures to safeguard confidential information and keep these measures under review. We will remain vigilant throughout the time we remain in operation.

Information Technology

We have our own in-house IT team who are responsible for the management and maintenance of our IT systems, including a bespoke case management system, to support the delivery of the business. In 2012/2013 we spent £126,000 on IT, including the costs of our in-house IT team, external support and necessary hardware and software.

Training and Support for Staff

During 2012/2013 key training for Social Fund Inspectors and other staff focused on changes to Social Fund law, related impacts and updates on essential security matters. In the lead up to closure we will need to maintain a high level of service to our customers with fewer resources. To help us achieve this, our emphasis will be on supporting staff in ways that ensure they have the appropriate knowledge and skills for their job roles and the challenges ahead.

We are pleased to have been accredited consistently as an Investor in People organisation since 1997.

Twenty Five Years of the Independent Review Process

It is twenty five years since the discretionary Social Fund and its independent review process were established, under the Social Security Act 1986. As the Bill progressed through Parliament, a number of politicians advocated an independent grievance process for disputed decisions, which would be distinct from the departmental decision making process.

In response to these Parliamentary discussions, the Government introduced an amendment that led to the creation of an external, independent review process which Social Fund Inspectors have delivered since 1988. The statutory role of Social Fund Commissioner was created in order to “... *entrench the independence of Social Fund Inspectors*”. Nevertheless, at the outset some commentators still expressed reservations about whether a review by a Social Fund Inspector would prove to be demonstrably independent and whether an independent review process would deliver prompt, consistent, quality decisions. Some were concerned about the loss of an oral hearing for the customer and others wondered whether Inspectors were too remote from local need and might become case-hardened.

Despite these early concerns, the independent review process has provided a widely respected external tier of review for more than two decades. Collective facts and figures in the Annual Reports of Social Fund Commissioners over the years create a commendable record of achievement in relation to clearance times, productivity, quality and unit cost. Much of the feedback we have received over the years indicates that there is widespread confidence in the independence of the Inspector’s review. We have been pleased to see, from responses to our customer survey, that individual customers have expressed a high level of satisfaction with the manner in which we dealt with their case.

“You have done a very worthy and reliable job.”

Stakeholder event feedback

Changes stemming from the Welfare Reform Act 2012 abolished certain elements of the discretionary Social Fund from April 2013, bringing an end to the independent review process. I consider this presents a timely opportunity to reflect on the real insights provided by our casework experience over the years and consider the working practices and culture that brought us to where we are today.

Where it all started: 1988

- The Independent Review Service (which was then known as the Office of the Social Fund Inspectors) began its work in Birmingham on 11 April 1988 with 60 staff, just over half of whom were Social Fund Inspectors.
- At the end of the first year in operation a total of 7,858 review applications had been received and 2,758 cases were cleared.

Six years on

- By the end of the financial year 1993/1994 staffing levels had increased to 161 (107 of them Inspectors), the number of applications for review had risen to 26,433 and the number of cases cleared that year was 28,091.
- In the six years to 31 March 1994 a total of 91,850 decisions had been delivered and 15 cases had been examined on judicial review.
- By this time Inspectors had reduced the length of their decisions, omitting some of the technical terminology and legal references.
- The first in a series of IRS Journals had been published, containing regular features about procedural and legal issues, together with articles about how we conduct our business.

Ten years of the independent review

- In the reporting year ended 31 March 1999 Inspectors cleared 22,791 cases.
- By June 1997 the organisation had received recognition as an Investor in People and has retained that accreditation ever since.
- A framework was in place for continuous improvement in the quality of the Inspector's review. Looking outwards, the IRS Business Team had begun to design and deliver workshops to front line Social Fund decision makers in the (then) Benefits Agency, aimed at improving the standard of their initial decisions.

Twenty years of the independent review

- In the reporting year ended 31 March 2009 Inspectors cleared 28,866 decisions; this workload was 50% higher than for the previous year.
- Further changes had made the Inspector's decision letters clearer and simpler; helping Inspectors to increase their productivity and issue decisions at the earliest opportunity.
- Alongside core review work, support had been provided to Jobcentre Plus with the design and implementation of a Quality Assurance Framework for their front line Social Fund decision makers.

The last reporting year before closure

- In the reporting year ended 31 March 2013 Inspectors cleared 48,368 decisions, none of which resulted in a case progressing to a judicial review. Since the independent review process began in 1988 over half a million decisions have been completed and only twenty four cases have progressed to judicial review.
- The unit cost per review has reduced from £381 for our first year in operation ending in March 1989 to £73 for our final complete reporting year ending in March 2013.
- We have continued with our proactive and streamlined approach to evidence gathering for the review, including use of the telephone as the preferred method for customer contact. This has meant that the majority of customers received their Social Fund Inspector's decision within 12 days of the review papers being received from the Jobcentre Plus – and within 24 hours for those customers who applied for a crisis loan due to lack of money for urgent living expenses. This represents a significant improvement from clearance times averaging 8 working days for crisis loans and 21 working days for other cases during the first year in operation.

It can be seen that a number of building blocks, changes and refinements have taken us from the late 1980s to the present day. This has also been accompanied by major cultural changes within our organisation, affecting mind sets and roles.

In addition, judicial review judgments helped to clarify some important principles relating to the independent review. Given the number of cases reviewed by Social Fund Inspectors since 1988, judicial review challenges have been relatively few. Legal insights from those judgments have formed an essential part of the professional development of Social Fund Inspectors over the years.

Individual Social Fund Commissioners have also introduced their own distinctive contributions, as the review process and the organisation has adapted to changing environments, external expectations and legal developments.

In 1988 the first Inspectors were drawn from the staff working in what was then known as the Department of Social Security. Soon afterwards the first Social Fund Commissioner, Mrs Rosalind Mackworth, began to appoint Inspectors from outside the Civil Service. Ever since then the recruitment of new Inspectors has included people drawn from various academic, legal and welfare rights sectors. This approach has helped to strengthen the independence of the review, by increasing the spread of experience and range of professional insights that our Inspectors bring to their role.

A key priority at the outset was to establish the independence of the Inspector's review: both in fact and perception. Mrs Mackworth's emphasis was on ensuring that the Inspector's review was open and transparent. To this end customers were given the opportunity to know the case against them and provide comments, before the Inspector completed the review. Customers were also given reasons for the Inspector's decision and received the same decision letter as the original decision maker: arrangements that still form part of the independent review process today. These

principles of openness and transparency have continued to play an important role in the work of the organisation ever since those early days.

"Provides good decisions and transparency."

Stakeholder event feedback

The second Commissioner, Mr John Scampion took up office in 1995. He inherited an organisation whose review decision making was accepted by customers, their representatives and others as independent; and his attention turned to other aspects of the review. Mr Scampion focused on enabling Social Fund customers to receive the "right" decision at the earliest opportunity. Decisions which are right at the earliest opportunity help everyone, by providing the right remedy for the customer when it is needed and reducing the time and cost involved in looking at cases again. Because Inspectors deliver the final tier of review, this generates a considerable amount of information about the manner in which Social Fund cases are handled and about the experiences of Social Fund customers. The IRS began to use this data and case-based expertise to assist the (then) Benefits Agency, and welfare rights organisations, to improve the service they provided – in their different roles – to Social Fund customers. Customer feedback and case experience was also used to strengthen the clarity and focus of the Inspector's review.

In 2000 Sir Richard Tilt, took up office as the third Commissioner. He initiated research which identified new ways of helping customers to better understand the important aspects of their case, in terms of the legal and evidential decision making requirements. These strengthened their ability to play a more proactive role in the review of their case. Through an active programme of high level meetings with

Departmental officials he highlighted learning points for improvements in Social Fund delivery, from first-line decision making and beyond. Sir Richard also introduced awareness sessions – delivered by relevant experts – which were designed to give Inspectors a wider understanding of particular issues faced by some of the Social Fund customers whose cases they handled.

“I thank you for understanding my predicament.”

Customer survey

These sessions underlined that the independent review is not simply a legal process; it is one that impacts on the real lives of real people.

I was appointed as the fourth Commissioner and took up my office in December 2009. A climate of austerity and legislative changes to support welfare reform has formed the backdrop to my time in office. The economic context has intensified the on-going challenge of making decisions as efficiently as possible, while also protecting our reputation and the quality of the Inspector’s review. We have always kept our case processes and use of resources under continuous critical scrutiny. This has been even more important since a recruitment freeze was imposed across the Civil Service in July 2010. Our current approach to reviews is flexible, makes proactive use of the telephone, involves customers meaningfully in the process and delivers clear and succinct decision letters.

The values and ethos of the organisation, driven by all Commissioners and taken on board by staff working at the IRS, have been crucial to the continual development of the review and the service delivered. Independence, for example, is not something guaranteed by statute alone; our independence has been supported by the values, mind sets and attitudes of the people working within the organisation. An active management involvement has also played a valuable role in developing a structured approach to continuous improvement in our decision making, as part of on-going quality assurance and performance appraisal activity.

The impending closure of the IRS presents us with a range of new challenges and risks to manage, alongside the day-to-day demands ordinarily associated with delivery of a high quality service from within a finite resource. As we move towards closure, one of our key aims has been to achieve a balance between responding to new issues associated with closure and maintaining high standards in the on-going delivery of our core business.

“I would always recommend you as professionals with heart.”

Customer survey

The journey that has brought the independent review process and our organisation from 1988 to today has provided us with a wealth of evidence about what is most important for customers and other stakeholders. I would sum this up in the following key characteristics:

- Independent – this has been crucial to promote public confidence.
- Inquisitorial in approach – important because we know Social Fund customers are not legal experts.
- Delivers sound decisions promptly – high standards in decision making, provision of clear and understandable reasons in decisions, and approaches that are responsive and tailored to the needs of individual customers, are all important qualities for any modern process for resolving disputes.
- Easy to access – formality and complexity can make pursuing a dispute a daunting experience, particularly for people who are vulnerable and who may have urgent needs.
- Proportionate and cost effective – early resolution of disputes, fairly, quickly, efficiently and effectively is in everyone’s interest.

The Inspector’s review has brought closure to all but a very small number of cases, avoiding escalation to judicial review. It has developed into a lean, simple, easily accessible example of an independent method for resolving disputes which provides relevant information for customers at key stages in the process. This is an administrative justice dispute process which produces benefits for customers, representatives, advisors, decision makers and tax payers alike.

“It has been an excellent service for claimants/advisors. Sorry it is going.”

Stakeholder event feedback

Appendices

1	IRS Review Workload by Month 2012/2013	24
2	Spread of Decision Types by Jobcentre Plus Social Fund District 2012/2013	25
3	IRS Decision Completion Times by Month 2012/2013	26
4	Diversity Monitoring Data	27
5	The Social Fund Commissioner for Great Britain	28

Appendix 1

IRS Review Workload⁷ by Month 2012/2013

Month	Community Care Grants	Crisis Loans	Budgeting Loans	Total Workload
April	2,650	574	357	3,581
May	2,976	703	426	4,105
June	2,626	581	343	3,550
July	2,755	686	394	3,835
August	3,060	622	412	4,094
September	2,762	633	438	3,833
October	3,301	662	452	4,415
November	3,264	656	554	4,474
December	2,545	450	445	3,440
January	3,858	647	482	4,987
February	3,144	596	237	3,977
March	3,059	516	502	4,077
Total	36,000	7,326	5,042	48,368

⁷ Workload comprises decisions on applications for an Inspector's review; applications for community care grants also considered for crisis loans, and vice versa; and reviews of Inspectors' decisions under section 38(5) of the Social Security Act 1998.

Appendix 2

Spread of Decision Types by Jobcentre Plus Social Fund District 2012/2013⁸

	Community Care Grants – %			Crisis Loans – %			Budgeting Loans – %		
	Confirmation	Substitution	Refer Back	Confirmation	Substitution	Refer Back	Confirmation	Substitution	Refer Back
Belle Vale	55.4	44.6	0.1	78.1	21.9	0.0	92.4	7.6	0.0
Chorlton	56.5	43.5	0.0	80.0	20.0	0.0	96.4	3.6	0.0
Sunderland	61.5	38.5	0.0	83.0	17.0	0.0	94.7	5.3	0.0
Newcastle	63.1	36.9	0.0	78.0	22.0	0.0	98.5	1.5	0.0
Tees Valley	52.6	47.4	0.0	71.0	29.0	0.0	96.5	3.5	0.0
Bradford	51.0	48.9	0.1	83.2	16.8	0.0	94.5	5.5	0.0
Sheffield	56.6	43.3	0.1	83.6	16.4	0.0	95.3	4.7	0.0
Chesterfield	48.8	51.2	0.0	89.1	10.9	0.0	92.3	7.7	0.0
Nottingham	60.4	39.6	0.0	82.7	17.3	0.0	94.8	5.2	0.0
Essex	52.6	47.4	0.0	83.3	16.7	0.0	93.2	6.8	0.0
Norwich	51.4	48.6	0.0	75.1	24.9	0.0	98.1	1.9	0.0
Perry Barr	55.2	44.7	0.0	72.8	27.2	0.0	93.9	6.1	0.0
South East Bobs	60.2	39.8	0.0	84.5	15.5	0.0	96.6	3.4	0.0
South East Hikys	61.7	38.2	0.1	80.0	20.0	0.0	97.0	3.0	0.0
Bristol	42.1	57.9	0.0	77.1	22.9	0.0	89.8	10.2	0.0
Central & East London	47.1	52.9	0.1	84.1	15.9	0.0	97.1	2.9	0.0
London South	46.5	53.4	0.1	81.1	18.9	0.0	90.2	9.8	0.0
North & North East London	43.8	56.1	0.1	79.5	20.5	0.0	92.4	7.6	0.0
West London	48.5	51.5	0.0	76.8	23.2	0.0	93.3	6.7	0.0
Llanelli	41.4	58.6	0.0	83.8	16.2	0.0	95.6	4.4	0.0
Newport	40.7	59.2	0.1	73.9	26.1	0.0	97.4	2.6	0.0
Inverness	55.0	45.0	0.0	79.3	20.7	0.0	97.8	2.2	0.0
Springburn	58.3	41.7	0.0	84.7	15.3	0.0	92.5	7.5	0.0
Wembley	71.2	28.8	0.0	61.1	38.9	0.0	100	0.0	0.0
National	52.8	47.2	0.0	74.9	25.1	0.0	94.4	5.6	0.0

⁸ When reviewing decisions, an Inspector has the power to: confirm Jobcentre Plus' decision; substitute Jobcentre Plus' decision with one of his own; or refer the case back to Jobcentre Plus for a fresh decision to be made.

Appendix 3

IRS Decision Completion Times by Month 2012/2013

Month	Urgent cases* – % completed within 24 hours	All other cases – % completed within 21 days		
		Community Care Grants	Crisis Loans	Budgeting Loans
April	93.5	99.9	99.3	100.0
May	96.8	99.7	100.0	100.0
June	94.0	99.7	100.0	100.0
July	97.5	99.4	100.0	100.0
August	94.6	99.1	100.0	100.0
September	95.8	99.0	99.4	99.8
October	96.7	99.2	98.2	99.8
November	95.6	98.3	100.0	100.0
December	94.7	97.3	100.0	100.0
January	96.1	95.7	98.1	99.8
February	96.4	98.9	100.0	100.0
March	92.6	99.6	100.0	100.0
Total	95.48	98.7	99.6	99.9

* Living expenses or other needs requiring a very urgent decision.

Appendix 4

Diversity Monitoring Data

Ethnic Background Results

	Responses to survey	Represented cases*	Substituted cases*	Average award
White	4,085 (80%)	886 (22%)	2,465 (60%)	£527.03
Mixed/Multiple Ethnic groups	157 (3%)	35 (22%)	92 (59%)	£621.29
Asian/Asian British (including Chinese)	315 (6%)	97 (31%)	211 (67%)	£677.88
Black/African/Caribbean/Black British	459 (9%)	159 (35%)	296 (64%)	£795.63
Other ethnic group (including Arab)	72 (1%)	32 (44%)	50 (69%)	£712.50

* Percentages relate to the number of responses to the survey.

Disability Survey Results

Extent of disability	Responses to survey	Represented cases*	Substituted cases*	Average award
Yes, limited a lot	2,754 (54%)	609 (22%)	1,679 (61%)	£525.59
Yes, limited a little	1,086 (21%)	288 (27%)	664 (61%)	£594.53
No disability	1,234 (24%)	310 (25%)	743 (60%)	£650.91

* Percentages relate to the number of responses to the survey.

Appendix 5

The Social Fund Commissioner for Great Britain



Karamjit Singh CBE was appointed as the Social Fund Commissioner for Great Britain in December 2009. He also holds a similar statutory appointment as the Social Fund Commissioner for Northern Ireland, which is a separate jurisdiction. He was appointed as the Judicial Appointments Ombudsman for Northern Ireland in September 2006.

The early part of his career has covered academia, the voluntary sector, local government and the Commission for Racial Equality.

His previous public appointments have included the Police Complaints Authority, the Parole Board, the Criminal Cases Review Commission, the Judicial Studies Board, the Civil Service Commission, the Electoral Commission, the Queen's Counsel Selection Panel, the Employment Tribunal and chairing an NHS Trust.

His past voluntary activities include being a Trustee of the Citizenship Foundation, the Lloyds TSB Foundation, the British Lung Foundation and organising free medical camps in an Indian village.

He was awarded the CBE in 1999 for services to the administration of justice.

Independent Review Service for the Social Fund

4th Floor
Centre City Podium
5 Hill Street
Birmingham
B5 4UB

Telephone: 0121 606 2100
Facsimile: 0121 606 2180
E-mail: sfc@irs-review.org.uk
Internet: www.irs-review.org.uk



Made from 100% recycled stock.
Made from de-inked post consumer waste.

ISBN 978-1-909532-46-5



£16.00