**Contact**

Queries about the

- **technical content of this bulletin**, contact details are given at the end of each article
- distribution of this bulletin, contact
  housing.correspondenceandpqs@dwp.gsi.gov.uk

**Who should read**

All Housing Benefit (HB) staff

**Action**

For information

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Benefit cap – implementation of tranche 2

1. National implementation of the benefit cap started on 15 July 2013, with all appropriate households to be capped by the end of September 2013. In developing our implementation approach, the Department for Work and Pensions (DWP) have considered lessons learned from phased rollout and consulted with stakeholders including local authorities (LAs). Through this consultation, it was agreed that the national implementation should be delivered in two tranches.

2. Tranche 1 included all LAs with 275 households or fewer and capping began on 15 July 2013. National implementation of the benefit cap in tranche 1 LAs is progressing very well and is on track to be successfully completed, enabling us to start the final phase of implementation. Additionally, during tranche 1 implementation, the business process and information technology (IT) systems worked as expected.

3. Tranche 2 includes all LAs with 276 or more households and commenced from 12 August 2013. DWP has kept those LAs in tranche 2 updated as to when they will receive their first cases. The Project has confirmed the start of tranche 2 activity by writing to those 40 LAs.

4. The precise date the cap takes effect will be confirmed by the claimant’s LA when the benefit cap calculation has been assessed and any adjustment to the Housing Benefit (HB) award made.

5. During national implementation DWP have had arrangements in place to support LAs in preparation for both tranches of implementation. They have held a series of joint DWP/LA Best Practice Events in June to share the phased implementation experience and the benefit cap claimant journey. They also sent out Implementation Start-Up packs to all LAs, whether they were at the event or not. Additionally, to support LAs, DWP has appointed Single Points of Contacts, who have been having weekly telekits with their nominated LA contacts and these will continue during national implementation. Additionally those LA contacts also have the individual email address and direct telephone numbers of their DWP colleagues to address any enquiries.

6. A letter was issued to all LA Chief Executive Officers on 12 August.

Queries

If you have any queries re the above please contact:

benefitcap.external@dwp.gsi.gov.uk
Benefit cap implementation update

7. DWP commenced national implementation of the benefit cap on 15 July 2013 using a two tranche approach agreed with the LA Authorities (LAA) steering group. LAs in tranche 1 have been applying the benefit cap to HB over the last 5 weeks and we are now coming to the end of the implementation of the cap for their current claims. The DWP benefit cap team have identified some claims which could be awarded a grace period before the cap is applied and are making some further enquiries on these cases. When enquiries have been completed these cases will be sent to authorities where appropriate in the normal course of business.

8. National implementation for tranche 2 LAs commenced on schedule on 12 August 2013. As we move into the final stage of national implementation this bulletin provides a timely update on when and how LAs should interact with the DWP benefit cap team in using the agreed template and some key processing points to consider.

9. The DWP benefit cap team will:

- only return templates sent to an email address with GCSX; GSX; GSE or GJSM after the @ sign in the email address. If a secure email address is not available on the template or on the LA email address list the team will not return the template
- only return templates to the LA email address on the template. If this is not available, or not a secure address they will send the template back
- give a full explanation
- reply to all received templates as in the Memorandum of Understanding (MOU)
- reply on the LA template, not on an email
- update the DWP benefit cap system if a change is notified on the template

10. The DWP benefit cap team will not:

- use jargon or abbreviations
- provide information about dependant children, e.g. names or dates of birth

11. LAs should:

- use the agreed template in the correct format
- email the template to the DWP benefit cap team email address printed on the template
- always provide a full explanation in the free text box in the LA Section at Section 6, the DWP recipient will not have HB knowledge
- have a secure email address for return of the template from the DWP benefit cap team. To meet security level requirements the email address must include GCSX; GSX; GSE or GJSM after the @ sign in the address. Include the secure email address to which a reply is required on the LA
template in the LA Section at Section 7, line 18, before sending to the DWP benefit cap team
• make a fraud referral if potential fraud is identified

12. Please do not:
• stockpile templates; attach only one template to the email
• review the cap when you have sent a template to the DWP benefit cap team until you have received a benefit cap Automatic Transfer to Local Authority Systems (ATLAS) transaction which will follow the return of the template.

Processing information for DWP and LA benefit cap teams

13. Benefit cap is bound by LA HB Regulations and as such the DWP benefit cap team in will, if necessary, ask the LA to confirm the make up of the household for HB award purposes. For example, in the case of separated families where parents have joint custody, the DWP benefit cap team may ask in which household the child is treated as a dependant when calculating HB; or, if one member of the household is in prison, to establish if they continue to be entitled to HB.

14. LAs will receive ATLAS transactions from DWP benefit teams when there is a change to a DWP income related benefit, i.e. Income Support, Income Related Jobseekers Allowance (JSA (IR)), Income Based Employment and Support Allowance (ESA (IB)), which might impact the HB award amount. On receipt of this notification the LA can re-assess the HB award, but should not use this information to amend the benefit cap. Another file informing the LA of the impact of the change will be sent by the DWP benefit cap team.

15. The DWP benefit cap team will also be informed of the change in DWP benefit award via a daily Change of Circumstance report produced from the Customer Information System (CIS) and will re-calculate the cap. If there is a change in the benefit cap calculation the LA will receive a benefit cap ATLAS transaction. At this stage the LA can add the revised HB award, as above, to the new DWP/ Her Majesty’s Revenue and Customs (HMRC) itemised benefit transaction and apply the cap as appropriate.

16. The DWP benefit cap team will calculate and send benefit cap ATLAS transactions on the same day for changes to a benefit cap calculation that has different effective dates. They will not send benefit cap ATLAS transactions on the same day that have the same effective date.

17. The DWP Benefit Cap team check all the DWP/HMRC benefits downloaded into the Benefit Cap Application System (BCAS) against real time DWP and HMRC IT systems. They cannot check the current HB award. The DWP benefit cap team will use the HB amount taken from the Single Housing Benefit Extract (SHBE) report that is downloaded each month into BCAS. At the point of download into BCAS the SHBE data can be one to two months old. The benefit cap ATLAS transaction includes an itemised list of
DWP/HMRC benefits; it does not include the HB, because the DWP benefit cap team cannot confirm the current amount.

18. When the LA includes the current HB award in the calculation it could result in a cap not applying. For new cases the LA will send a template to the DWP benefit cap team stating “cap not applied” and in section 6 of the template state the current non-capped HB award and the date from which it is payable.

19. The DWP benefit cap team will re-calculate the cap including the revised HB award. The benefit cap ATLAS transaction will again only show the DWP/HMRC benefits, which are likely to be the same as in the first transaction. The benefit cap ATLAS transaction will display “DWP/HMRC Income Change – Reconsider”. This is correct, even though the DWP/HMRC benefits have not changed. There is no benefit cap ATLAS transaction to notify a change to HB or a “do not apply cap”.

20. The LA should re-check the HB award amount, in case of any changes, and if below the cap threshold not apply. The LA does not send another template to the DWP benefit cap team.

21. The LA does not notify the DWP benefit cap team of cap not applying following receipt of a benefit cap ATLAS reconsideration transaction, unless it is a HB only case. The change to the HB will be notified to the DWP benefit cap team via the SHBE report at the next BCAS monthly download.

22. This process will be revised by the BCAS Release 3 at the end of September 2013.

Queries

If you have any queries re the above please contact:

margaret.watkinson@dwp.gsi.gov.uk

Update to Housing Benefit General Information Bulletin G4/2013

23. LAs were notified about funding for new burdens in 2013/14 via circular S4/2013, and that this included £0.5m for the net impact of Universal Credit implementation. Subsequently, bulletin G4/2013 stated that, whilst the majority of new burden funding would be paid in April 2013, the Universal Credit element would be issued in late summer/early autumn. This assessment of the Universal Credit new burden for 2013/14 was based on the Universal Credit roll out planning assumptions in place at that time and used within the Universal Credit business case in December 2012.

24. The Ministerial statement made on the 10th July advised that Universal Credit national rollout will commence by going out to a further 6 Jobcentres/LAs by March 2014. The LAs involved in this roll out will be funded through direct
bilateral agreements with Universal Credit (following a similar approach to that followed in pathfinder). There should be no Universal Credit new burden impact on other LAs (outside of the pathfinder sites and roll out sites) during the period to the end of 2013/14. The original proposed payment will therefore not now be paid.

Queries

Please send any queries to:

hbctb.subsidyqueries@dwp.gsi.gov.uk

HB/CTB cases awaiting decision by the Upper Tribunal

25. Decision Making and Appeals (DMA) Leeds is aware of the following HB/CTB cases that are awaiting decision by the Upper Tribunal:

- CH/140/2011: Claimant has applied to the Court of Appeal for permission to appeal to that court on the interpretation of “adapt a dwelling”. Judge Mesher says that the issue of whether R(H) 4/07 is right is “arguable at the level of the Court of Appeal” and indicates that it should be for the Court of Appeal to make the judgement about permission.

26. Thank you to those LAs that have let us know about cases they are appealing. Please notify us of cases at the point that the application for leave to appeal is made to the Upper Tribunal office, or the appeal is lodged following grant of leave by a First Tier Tribunal Judge. Please let us know if a case reference (CH/.. or CSH/..) has been allocated.

Queries

If you have any queries about cases before the Upper Tribunal Judges or courts, please contact us by

Email at:

fldmdma.customersupportservices@dwp.gsi.gov.uk

or fax on: 0113 2324841

What’s new on the web

27. The following items can be found on the website link shown

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<td>LA Consultation</td>
<td>Letter to LA CEOs – additional funding to support those affected by the removal of the spare room subsidy</td>
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**HB circulars recently issued**
HB A16/2013
HB S5/2013
HB S6/2013