Editorial

I hope those of you who have managed to get away on holiday have had a good break. I managed to resist the temptation to investigate Italian housing benefits, deciding instead to concentrate on the pasta and the red wine! Meanwhile, many thanks to all of you who have replied to my letter to Chief Executives about Pension Credit. We have received a very encouraging response overall – over 270 replies to date, with by far the majority showing a positive response to the questions we asked about issues such as recruitment, training, processes, software and arrangements with The Pension Service. About 60 authorities have outstanding problems with one or more of these issues, but most of these should be resolved by 6 October. I am very grateful for all the work you have done (and continue to do) to make this possible. Of course, we realise that there is still a lot to do. We are working on further products (see article inside) and continue to update the Question and Answer Log weekly. Please take time to look through this on the website, if you haven’t already. There are over 300 questions and answers on it! If you do have any further queries please contact Christine.Watkins@dwp.gov.uk. Also, I hope by the time you read this that the Pension Credit scan CD will be on the way to you. The initial run was not successful but is being re-run this week – watch out for bulletins about this. Finally, we are also working hard on implementation arrangements for the Local Housing Allowance pathfinders, which start in November. There’s a short update this month, but we will do a longer feature in the October edition.

Paul Howarth, Head of Housing Support Division.
Email: Paul.Howarth@dwp.gsi.gov.uk

Local Housing Allowance - Update

We are continuing with our preparations for the Local Housing Allowance (LHA), with less than three months to go now before Blackpool becomes the first Pathfinder to “go-live” on 17 November. We are continuing our programme of visits to organisations involved in or impacted by the LHA, to explain and discuss the new scheme.

The remaining Pathfinders (no longer including Middlesbrough, which unfortunately has had to withdraw from the project) will begin to operate LHA between December (when Lewisham “goes live”) and February (when the other 7 will have begun). Some have opted for a phased approach while others will transfer all their existing caseload in a “big bang” on their respective start dates.

The Regulations needed to bring in LHA will be laid before Parliament later this month, and will come into effect during October, in time for rent officers to begin drawing up the Broad Rental Market Areas (BRMA) that each set of LHAs will relate to. LHA details will then be passed to Blackpool and then the other Pathfinders to enable them to assess the rates applicable to each HB claim.

We are also working closely with the Rent Service to ensure all our Pathfinders are supported and equipped to operate the new scheme effectively. Additionally, we are continuing work on a range of information products about the Allowance, designed for tenants, landlords and the public in general.

In HB Direct Issue 19, we mentioned publication of our Landlord’s newsletter. Responses to this have indicated that landlords have found the publication informative, and over 50 have sent in comments on the policy. We are now looking at the possibility of producing another newsletter for other organisations.

Equally important are our plans to evaluate the LHA, as the results of the evaluation will play a key role in determining our approach to national rollout. Look out for an update in next month’s issue, for further information.

Next month:

Coming in next month’s issue:
- more on LHA Pathfinders
- readers’ letters
Best Value performance indicator - Recovery of HB overpayments

We have received representations from your Associations and individual authorities on concerns raised regarding the performance indicator that measures the percentage of recoverable HB overpayments that were recovered in year. In light of these concerns, we have agreed to undertake a review of this indicator with the intention of replacing it from April 2005.

To assist in developing a replacement indicator, we have set up a working group with LA and BFI/DWP representatives to reconsider a performance indicator that focuses on the management of HB overpayments and which can be used to measure an authority’s performance in this specific area. The working group will also look at setting examples of good management information that is essential to improve financial accountability. The working group will first meet in early October 2003 and we aim to have produced a suitable option by January/February 2004.

We propose to start the review by inviting suggestions on what you would like to see as a replacement to the current overpayment performance indicator. Any suggestions would need to be acceptable to the majority of authorities that are providing, or taking steps to provide, the data for the current performance indicator. We continue to urge LAs that have not yet taken action to provide accurate data for the current performance indicator to make arrangements to do so for 2003/04 and beyond.

We still require a representative from Wales to be part of the working group. If you would be willing to take part in this review please contact Jocasta.fletcher@dwp.gsi.gov.uk by 23 September 2003.

Please forward your suggestions to Jocasta.fletcher@dwp.gsi.gov.uk by 30 September 2003. She will forward them on to the working group for their consideration. If you have any concerns regarding this review, please contact either: tony.withers@dwp.gsi.gov.uk or jane.Autherson@dwp.gsi.gov.uk.

HB/CTB - IB/SDA extended payment scheme

In his Pre Budget report 2002, and again in his Budget speech on 9 April 2003, the Chancellor announced the extension of the HB/CTB extended payment provisions to those customers in receipt of Incapacity Benefit (IB) and Severe Disablement Allowance (SDA).

These new provisions will come into force in April 2004, and the normal consultation process with your Associations has recently been completed. The IB/SDA extended payment scheme will be based on the characteristics of the Income Support/Jobseeker’s Allowance extended payment provisions, albeit with some subtle differences to take account of the abolition of benefit periods and the movement into work being treated as a change of circumstance.

You will be able to identify customers entitled to the IB/SDA extended payment via Remote Access Terminals (RAT). The national rollout of the relevant dialogues, which will allow you to access this information via the RAT, began on 21 July.

Other changes, coming in from April 2004, which complement the new extended payment scheme, are:

- movement from benefit into work to be treated as a change of circumstance (part of the abolition of benefit periods for working age people)
- abolition of the fast track scheme (rendered obsolete by the abolition of benefit periods for working age people)

If you have any queries about the IB/SDA extended payment scheme please contact by email Dave.Pryce@dwp.gsi.gov.uk

Getting queries answered

As you will be aware, Corporate Document Services (CDS) are our publishers for HB Direct, A and S circulars and the Housing Benefit Guidance Manual to name but a few of our Housing Benefit publications. They also email any urgent “Dear Benefit Manager” letters (DBML) to you on our behalf.

They have advised us that, with increasing frequency, they are being contacted with technical questions about the content of various publications, or being asked to provide contact details for HB or CTB related matters.

Although CDS are pleased to help as far as they can, all technical queries should be directed to the person named on the circular, etc and not CDS. If you have a general question concerning HB/CTB and you do not know who to contact please refer to the latest contact list – Circular A24/2003.

Contact CDS if you need to amend contact details for distribution of all publications except DBML’s. If you need to amend the DBML distribution list, please email Phil.Marchant@dwp.gsi.gov.uk.
Recovery of HB/CTB overpayments from DWP benefits

HB/CTB Circular A29/2001 gives details of this method of recovery and provides a copy of the referral form within the appendices. The following benefits are prescribed benefits, ie HB/CTB overpayments can be recovered from these benefits.

- Attendance Allowance
- Income Support
- Invalid Care Allowance
- Retirement Pension
- Widow’s Pension
- Disability Living Allowance
- Industrial Death Benefit
- Jobseeker’s Allowance
- Severe Disablement Allowance
- Incapacity Benefit
- Industrial Disablement Benefit
- Maternity Allowance
- Widowed Mother’s Allowance
- Invalid Care Allowance
- Jobseeker’s Allowance
- Maternity Allowance
- Retirement Pension
- Severe Disablement Allowance
- Widowed Mother’s Allowance

Remote Access Terminal (RAT)

The RAT can be used to trace an HB/CTB overpayment debtor’s whereabouts; it can also be used to acquire details of whether or not DWP benefits are in payment and where they are in payment. This can be done through the Income Support and Jobseeker’s Allowance dialogues or via the Departmental Central Index (DCI). The Accountability Agreement for the provision of RAT’s in Local Authorities confirms the RAT can be used for this purpose. This agreement can be found in the LA RAT Handbook, which is available at www.dwp.gov.uk/housingbenefit/remote/index_archive.asp. Enquiries regarding the use of the RAT should be directed to the Local Authority Support Team (LA ST) in Lytham, on 01253 334117.

Once the whereabouts of the DWP benefit paying office is known, you will need to send the HB/CTB overpayment referral to the correct debt management site. Referrals should go to the Debt Management site that is linked with the DWP benefit paying office. This information can be found in the DWP link to Debt Management Directory at www.dwp.gov.uk/housingbenefit/manuals/index.asp. This lists all the local benefit paying offices and links then to the relevant debt management site.

As 45% of referrals currently have to be rejected, either because there is no benefit in payment or the referral has gone to the incorrect address, it is important that the above methods are followed when referring HB overpayments to Debt Management. For further information please contact Eleanor White on 0161 873 2352 or email Eleanor.White@dwp.gsi.gov.uk.

Housing Benefit Security

This article sets out the information already available to you on the replacement regime for the abolition of benefit periods, and lets you know about forthcoming items. Since June we have

- issued a Dear Benefit Manager letter, setting out the arrangements for the abolition of benefit periods (available on the website)
- attended the IRRV Fraud Symposium and led a session to explain the implications for fraud teams on the replacement of benefit periods
- issued a HBMS Newsletter in July
- issued an update circular which includes the Dear Benefit Manager letter (Circular F15/2003, also issued as Circular A21/2003). This appears on the website
- issued a circular explaining the adjustments that will be made to the SAFE scheme thresholds from October 2003 to take account of the impact of Pension Credit (Circular F17, also issued as Circular S8/2003). This appears on the website
- notes of the recent VF/SAFE Review Steering Group meeting to be placed on the website

We also plan to issue

- a circular in September setting out the compensation arrangements for Scottish authorities as you were unable to administer formal cautions under the SAFE scheme during the period April 2001 to October 2002
- a circular in September on the data matching and high risk case intervention arrangements that are being introduced from October
- details of forthcoming workshops following the review of the VF and SAFE schemes. We will be holding workshops for all LAs, including non-VF LAs, from October 2003. Spaces will be allocated to one Benefit Manager and one Fraud Manager per LA. Further information will be available shortly

continued
Go-Live approaches

You will be aware that the introduction of Pension Credit including the impact of HB/CTB changes, is likely to benefit large numbers of pensioners. We appreciate the hard work that all our colleagues in LAs have carried out over the past few months to ensure that everything is in place to make this happen successfully.

Pick It Up. It's Yours

You are likely to become very familiar with the above expression in the TV advert over the next few months. The advertising campaign will be launched in early September, and the key message **Pick it up. It's yours** emphasises that this is a new entitlement which pensioners are encouraged to collect as a right. The new telephone processes will ensure that applying is easy - personal details are collected over the phone so pensioners will face no more form-filling and no more trips to an office.

MIG conversion

The Pension Service has almost completed the conversion of the 1.8 million Minimum Income Guarantee (MIG) cases to Pension Credit, and all conversion work is expected to be completed on target by 6 October 2003. Most ex-MIG pensioners will receive the guarantee credit element of Pension Credit, which will continue to provide linked entitlement to HB/CTB.

ETD changes

The Electronic Transfer of Data (ETD) reports will be increased substantially in detail for savings credit-only cases from 6 October 2003. This is because you will need to use data from The Pension Service (a breakdown of the Assessed Income Figure) to complete your standard HB/CTB assessments. We are currently testing the new software to make sure that the changes will be successfully introduced.

August scan

The scan of the Pension Credit system was run over the weekend of 23/24 August but due to a technical problem was not issued as planned and is now being run again. You should now receive the scan results on a CD-ROM, early in w/c 8 September. The data includes MIG conversions and advance Pension Credit applications. More details are in the Pension Credit Handbook. We can now confirm that the scan will be re-run shortly after 6 October and we will provide a further CD-ROM to you which will include all cases processed, including those in the period between the first and second scans. If you do not receive your CD, please contact Matin Dennehy on 01253 689279, email Martin.Dennehy@dwp.gsi.gov.uk.

LA Pension Credit Awareness Training

To complement the Pension Credit Handbook and Pension Credit Information Pack, DWP has developed awareness training for LAs. The training material comprises

- Trainer Support Pack
- Trainer Brief
- Trainee Workbook, and
- PowerPoint slides

A CD containing the material was issued to LAs in August.

LAs will still need to supplement this with technical training. However, they will find the material a useful building block when developing this.

Part 2 of The Pension Credit Handbook, & amendments to Part 1 of the Handbook, are with the printers and will be released as soon as the regulations which amend The HB & CTB (State Pension Credit) Regulations 2003 are laid – this is scheduled for early September. This will shortly be made available on the Internet.

Camden Conference success

Finally, our thanks to Peter de la Mothe and the London Borough of Camden for organising the one day Pension Credit conference on 26 August. Nearly 300 delegates from around 180 local authorities attended, and particularly welcomed, the different workshops that were part of the day's busy agenda. Thanks to all who attended and contributed to the discussions.