Editorial

I am sure you will all have seen the announcement by Chris Pond that The Rent Service, currently an Executive Agency of the Office of the Deputy Prime Minister, is to transfer to DWP from April 2004. As you may know, nearly all of the work of The Rent Service relates to HB. They still do some work on fair rents but that is only a small part of what they do. So, for some time, there has been a strong case to transfer responsibility to the DWP. Given the vitally important role of the Rent Service in providing independent market evidence to help us take forward the HB Reform Programme, there is an even stronger case now. I think this is an excellent opportunity for us to work more closely together – see article inside from the Rent Service’ Chief Executive, Charlotte Copeland. We look forward to working with Charlotte and her team. We will let you have more information shortly, but our assumption is that it will be very much ‘business as usual’ from April.

It was good to see so many of you at the IRRV Conference last month. As usual, I thought this was as extremely useful and informative event. I was particularly impressed with Steve Carey’s (from Leeds) presentation about his involvement with the LHA pathfinders - I thought this was a very positive and balanced view of the experiences of an authority taking on the LHA, and what this means in practice. Leeds and all of the other pathfinders, have now gone live successfully, including three of the pathfinders who have taken the ‘big bang’ approach and switched their entire caseload over simultaneously. We will continue to keep you updated with their progress and the evaluation as it happens.

As we head towards April and another tranche of measures that we hope will improve the HB scheme, I wanted to draw attention to the work incentives measures we are introducing. As you will be aware, one of the key of objectives of this Government is to remove barriers to work. I firmly believe that treating movement into work as a change of circumstances will go a long way to help people get back into work – HB has often been seen as a barrier for people getting a job and I am personally keen to ensure this measure is implemented effectively, to help break down these perceptions.

We are working hard to ensure the publicity material is available for our joint Council Tax Benefit take-up campaign. Our Ministers are committed to make sure this is a success, and of course, you clearly have the major role to play in this. I know that this is a very busy time for you given your council tax billing activity, but I do think this is a very good opportunity to work together to make a real difference to the lives of our customers.

Our research into harmonising HB rules with New Tax Credits rules is continuing, many thanks to those of you who have contributed to progressing this so far. I’m confident that we will soon begin to see some positive changes in this important area.

Finally, see the enclosed article for a summary of your responses to our communications survey. I was delighted that so many of you took the trouble to respond to this. We are currently formulating a communications strategy that I hope will be in place for April. I’m not intending to completely transform the way we communicate with you, but I do want to ensure we have a clear, consistent approach, and that we get information to you at the right time.

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

Secondment Opportunity

We are looking for a secondee from an LA to join us in the HB policy team for six months, as our current secondee is returning to his LA after “an enriching year”. His responsibilities have included dealing with queries from LAs on specific areas of HB and CTB and providing detailed guidance and advice. The post therefore offers a real opportunity for development.

Other tasks were also taken on, the biggest of which was to see through from start to finish a change in the HB/CTB Regulations. This included writing submissions to ministers and drafting the HB/CTB circular. If you are interested in a similar opportunity, telephone Gail Knowles on 020 7962 8295 for more information or email Gail at Gail.Knowles@dwp.gsi.gov.uk

Please note that, although we cannot pay accommodation expenses, we may be able to pay reasonable travel expenses.
We promised in last month’s issue we would provide details of the results of our communications survey. Many thanks to all of you who contributed, in total we received 239 responses from 175 Local Authorities.

Generally, the results were very positive, with many of you commenting how our communications have improved over the last couple of years. However, we realise that we need to do more to provide you with more modern, streamlined communications, which will provide you with clear and consistent support. And provide you with the right information when you want it, and where you want it.

A summary of the results

Right information at the right time

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Other results showed

• 91% were happy for circulars and bulletins to be distributed by email only
• 67% of you wanted policy queries answered by email and 32% by telephone
• 86% felt some material could be combined and issued as general bulletins rather than as circulars

Note: These figures are rounded.

Many of the issues raised and how you rated the information we send to you has gone a long way in helping us establish a more efficient communications strategy which we aim to have in place by April. Next month, we hope to bring you details of how this will work. For further information, contact Penny Higgins, email: Penny.Higgins@dwp.gsi.gov.uk
A message from the Chief Executive of The Rent Service

I am delighted to hear that The Rent Service is to join the Department for Work and Pensions. There are good business reasons for the transfer, in that the over 90% of our work is now HB related, and the move from ODPM to DWP seems a natural step. I feel that this change can only bring about positive improvements to the delivery of HB to customers through the forging of an even closer working relationship between The Rent Service, local authorities and DWP.

Apart from the clear business advantages, I am conscious that the DWP is a leading service delivery department, and that they have ambitions to make their services world class. I am pleased that The Rent Service will be able to make its contribution to such a department and I look forward to forging a new relationship with colleagues there.

Charlotte Copeland
Chief Executive, The Rent Service


The current VF and SAFE guidance is being revised to take account of the new VF and SAFE schemes which will come into effect in April 2004. We are intending to allocate two copies per LA, one each for the Benefit Manager and Fraud Manager. If your individual requirement is different, please contact HBSD on Safe-VF@dwp.gsi.gov.uk

RSL VF Scheme - Reminder

Funding for the RSL VF scheme is still available, but only until March 2004. All applications must be received by Housing Benefit Security Division by the 8 March 2004.

For further information please contact Sonia Adams on 020 7712 2297.

Post Office® card accounts

We have received several queries regarding possible access to Post Office card accounts® for payments of HB.

The Post Office card account® was developed as part of DWP’s payment modernisation programme, to move away from the payment of benefit by order books. Currently, it is not possible to pay Housing Benefit into a Post Office card account®, due to technical and contractual constraints. Post Office card accounts® utilise the following sort codes, so any requests from tenants for payments of Housing Benefit into accounts using these sort codes should be refused:


The Post Office Card Account was designed specifically for receiving DWP benefits. It does not allow customers to set up direct payments or standing orders, unlike basic bank accounts which are also available from the Post Office.

Details of bank accounts can be obtained from the Financial Services Authority in the customer leaflet ‘No bank account? - why it could pay you to have one’ and which is available by calling 0845 606 1234 or at the FSA’s consumer website at:

http://www.fsa.gov.uk/consumer/banking/index.html

For any further information on this, please contact jason.barrett@dwp.gsi.gov.uk
From April 2004 there will a number of changes to how families on benefit receive support for their children. These changes will have no significant impact on HB or CTB. Child Tax Credit (CTC) and Working Tax Credit (WTC) will continue to be taken into account in HB/CTB and IS/JSA will continue to passport to maximum HB/CTB.

HB/CTB will continue to include allowances.

**New claims to IS/JSA(IB)**

From 6 April 2004, CTC will replace the child and family-related elements within IS/JSA(IB). This means that a family making a claim to IS/JSA(IB) on or after 6 April 2004 will receive the appropriate adult elements of these benefits only.

Most families coming on to IS/JSA(IB) on or after 6 April 2004 will already have CTC in payment. Jobcentre Plus staff will help those not in receipt to make a CTC claim.

**IS/JSA families with existing CTC awards**

Around 300,000 families who have already claimed CTC during 2003/2004 have continued to receive the child and family-related elements of IS/JSA(IB) and their CTC has been taken into account in their IS/JSA(IB) assessment. From 6 April 2004, these families will have their child and family-related elements removed from their benefit, and CTC and Child Benefit will no longer be taken into account.

**Families who have not claimed CTC**

Most families on IS/JSA(IB) have not claimed CTC. These families will be migrated to CTC on a rolling basis during the tax year 2004/5. At the point at which Inland Revenue puts their CTC into payment, the child and family-related elements will be removed from their benefit assessment.

There will be no gap in provision for any of the above groups of families.

**Families who ‘float off’ benefit**

A small number of families – less than 70,000 – will float off IS/JSA(IB) when they are migrated to CTC. This happens because the applicable amount is reduced when the child and family related elements are removed which, when combined with other income (eg part time earnings, occupational pensions or other benefits) being taken into account, reduces their benefit entitlement to nil.

These families will be identified before they are migrated and will be invited to interviews on a rolling basis with a Jobcentre Plus adviser, who will provide information and support including a better-off calculation to establish whether the customer will be better of claiming CTC immediately rather than waiting for auto-migration. If the customer decides to claim CTC immediately, thereby floating themselves off IS/JSA(IB), the Jobcentre Plus adviser will help the customer to claim any other benefits to which they may be entitled. This includes help with making a standard claim to HB/CTB.

Working Tax Credit (WTC) will continue to be taken into account as income in IS/JSA(IB) post April 2004.

**Impact on HB/CTB of IS/JSA migration to CTC**

The vast majority of families who migrate to CTC will remain on the adult elements of IS/JSA(IB) and they will continue to receive maximum entitlement to HB/CTB.

Families who float off IS/JSA(IB) – less than 70,000 nationwide – will be helped to make a standard claim to HB/CTB.

CTC and WTC will continue to be taken into account as income in HB/CTB.

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**HB Guidance Manual**

Amendment 3 to the HB/CTB Guidance Manual was issued on 6 February 04 to all LAs. If you are the nominated person, and are sure your authority has not received a copy, please email

Lucy.Da-Silva@dwp.gsi.gov.uk

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**Next month:**

Coming in next month’s HB Direct issue

- more on Communications
- more on LHA Pathfinders
- more of your letters