Editorial

I am delighted to introduce this 100th edition of Housing Benefit Direct. This is indeed a significant milestone - it means that we have been publishing this newsletter continuously for over eight years. Over these eight years, we have seen substantial reforms, for example tax credits, Pension Credit and now Employment and Support Allowance. All have required major changes to ensure Housing Benefit aligns as far as possible with these wider reforms. We have also reformed Housing Benefit itself, through the Local Housing Allowance. And we have seen many process changes, most recently the In and Out of Work Programme, which is making it easier for the public to navigate the system and helping people into work. I am very grateful for all you have done, and continue to do, to implement welfare reform so effectively, and I hope we will continue to keep you well-informed through Housing Benefit Direct.

Leigh Lewis,
Permanent Secretary, DWP

I am personally very proud that we have reached 100 issues of Housing Benefit Direct. One or two articles inside this issue have something of a historical feel, reflecting on what has been achieved over the last eight years or so. It is certainly true that we have seen a lot of changes, hopefully most of them for the better. We first introduced Local Housing Allowance in 2003 (see inside) and in the same year we managed the introduction of Pension Credit and tax credits. Since then, we have abolished benefit periods, disregarded child maintenance and Child Benefit (so contributing to the reduction of child poverty), and made the claim process much simpler for pensioners (who can now claim four benefits in one go). Performance by any standard is much improved and you have made significant progress in reducing fraud and error. My impression is that the Housing Benefit service has now become of real force in local strategies to reduce poverty and prevent homelessness. And we’ve gone from RAT to CIS, and from insecure transfer of data, via courier, to a secure infrastructure (GCSX) and e-transfer. All of this, and much more, has been recorded in Housing Benefit Direct, which has now itself become paperless. I hope you think (or continue to think) that HB Direct is a good form of communication, but do let me know if you have any ideas on how to make it better.

Housing Benefit was prominent in the Budget, with announcements on the Local Housing Allowance (see inside), and the disregard of kinship payments. Also, I’m very pleased to say, it was confirmed in the Budget that we were successful in our (spend to save) bid to develop CIS Prompts further.

Paul Howarth  
Email: Paul.Howarth@dwp.gsi.gov.uk
Introduction of tough new legislation for benefit fraud – ‘One Strike’ sanction

DWP has a comprehensive and successful strategy for tackling benefit fraud, which has reduced by half since 2000-01. This is despite benefit expenditure increasing by 35% over the same period.

But we are not complacent and continue to enhance our strategy for combating deliberate attempts at defrauding the benefit system.

From 1 April 2010 significant new legislation for benefit fraud offences will be introduced. The ‘One Strike’ sanction means that fraudsters could lose their right to continue receiving benefit payments for a four-week period if they commit a first offence for benefit fraud (which results in a conviction, administrative penalty or caution).

This tougher sanction aims to deter more people from committing benefit fraud in the first instance. Currently, the loss of benefit provision known as ‘two strikes’ only applies for repeat offenders, whose benefit may be withdrawn or reduced for 13 weeks if they are convicted of benefit fraud in two separate proceedings within a five-year period, not just one.

Further information will be available via the local authority toolkit after 1 April 2010 but in the meantime, please contact Joanna Hennessy

Email: joanna.hennessy@dwp.gsi.gov.uk
Tel 0113 232 4783

Who remembers RATS?

During the life time of HB Direct the Information Flows Programme has transformed the way we share data. The antiquated system of Remote Access Terminals is a distant memory and, for newer readers of HB Direct, it may be a complete unknown. Now LA users have direct desktop access to CIS, including HMRC data on tax credits. Claims data (LAIDs and LACIs) is sent to LAs electronically over a new secure infrastructure. And, from next week, authorities will receive electronic prompts alerting them to new awards of a range of benefits and of changes to existing awards.

This is all very good news. But the even better news is that the programme team are continuing to work on innovative ways of improving the flow of data between our organisations. Next up will be ‘CIS Direct’ (only a working title!). This project aims to deliver data to authorities in a format capable of being fed directly into your processing systems (currently many authorities have to re-key the data we send). April 2011 is the planned start date for this exciting innovation and we will be writing shortly with more information and inviting you to volunteer to help with development.
Housing Benefit Recoveries and Fraud: Summer 2009 Review

Late last summer, we informally consulted you on the content and collection channel for the Housing Benefit Recoveries and Fraud (HBRF) form. The aim of the consultation was to ensure that the Department collects the information both it and other stakeholders require, while minimising the collection burden on you.

We would like to thank all of you and software suppliers who spent time responding to this consultation exercise.

As a result of the responses received:

• we believe that there is currently a need for all of the information collected across a range of stakeholders so there will be no immediate changes to the HBRF.

• given the likely cost and complexity implications, we are confident that it would not be either in your interest or the Department’s to collect this information via Single Housing Benefit Extract (SHBE) instead of on the HBRF.

Background

The HBRF was introduced in April 2008, and replaced the previous Stats 124 clerical form. At the time, we gave assurances that we would assess the feasibility of incorporating this information requirement into the SHBE to reduce the burden on you. The consultation last year forms part of that assurance.

HBFR queries

If you have any queries about the HBFR return please contact:

✉ Email: ifd.hbrf@dwp.gsi.gov.uk
Keep up to date with changes to HB

We have introduced an RSS (or Really Simple Syndication) feed for updates to the information about HB on the DWP website. This will make it easier for you to keep up to date with new guidance and other changes affecting HB.

RSS is a news feed that lets you know when a website has added something new as soon as it is published, without you having to visit the website.

You can access an RSS feed through an RSS reader, a news reader and through some web browsers. There are many different readers that check the websites you are interested in and let you know about any new articles that have been added. An RSS reader normally provides a

- headline
- summary
- link to the article itself

We have also improved the HB what’s new webpage to give a short description of new additions so you can easily check if they are relevant to you.

Sign up for the HB RSS feed and find out more at www.dwp.gov.uk/local-authority-staff/housing-benefit/hb-whats-new

The Housing Benefit Consultation

As Paul said in his editorial, this 100th Edition of HB Direct marks an auspicious occasion. And it’s not just because we’re celebrating eight years of this relationship between DWP and you. It’s not even because we’re (mostly!) still on speaking terms even after all these years of working together on HB. It’s because this issue marks the conclusion of the HB consultation which we launched in December last year!

Responses to the consultation have been considerable. We received around 380 responses from a wide variety of groups and individuals. In particular, almost 150 responses were received from LAs from up and down the country. And responses weren’t limited to benefit teams alone. The consultation seems to have caught the imagination of housing and welfare rights advisors, Environmental Health Officers and staff in Supporting People teams.

We are currently analysing responses to the consultation and Ministers hope to be able to publish a summary of responses in due course. We will then be able to set out how the Government intends to take forward its proposals to reform HB.

But, in the meantime, many thanks to all of you who took the time to respond to our consultation.

Adrian Pateman

Email: Hb.evidencereview@dwp.gsi.gov.uk
Creating a best practice Benefits service: How arvato government services and Sefton Council developed a model reference site

NB: Whilst we are happy to include this item we cannot endorse this product.

In October 2008, arvato government services (Sefton) agreed a 10 year public-private partnership with Sefton Metropolitan Borough Council (MBC) to deliver a range of strategic services, including the Council’s Benefits service.

To monitor and measure the Sefton Benefits service, a series of Key Performance Indicators was established, including the national benchmarks of Right Time and Right Benefit. Head of Customer Centric Services at arvato, Craig Geens, has worked closely with Christine Finnigan, Benefits Client Manager at Sefton MBC, to ensure that these performance targets were achieved against an increase in the Benefits caseload.

What was achieved?
Processing time for New Claims, Change Event and Right time have dropped significantly since July 2009 and this has resulted in week to week performance in the top quartile nationally.

Colleagues from the DWP visited Sefton and have complimented the Council and arvato for the rapid and significant performance improvements we have achieved. They have recognised this as good practice that could be of interest to other councils looking to improve their performance against these Indicators.

How performance was improved
To drive this pursuit of excellence, a number of crucial developments were introduced across the Benefits service, such as improving communications, building a customer-focused culture and clarifying roles and responsibilities.

Workshops were run with team leaders to identify improvements in existing processes, and targeted reviews were also carried out to ascertain necessary changes. To reinforce expectations training sessions were held with all members of staff to enhance understanding of their role and the significance of their contribution to the service.

The way ahead
The Benefits service will shortly undergo an important system conversion from Pericles to Northgate. Further integration of processes will take place around education and social service assessments. Benefits staff will be placed in public libraries throughout the borough to facilitate online processing of claims.

Sharing best practice know how
To pass on its knowledge and expertise, arvato and the Council will be offering advice and support to LAs on achieving Right Time and Right Benefit improvements; maximising the Benefits subsidy claim, training staff, and processing claims off-site to broaden access to services and improve the take-up of benefits.

For further information, please contact
Craig Geens, arvato government services (Sefton) Ltd.
Telephone: 0151 934 4079
Local Housing Allowance

One of the most significant changes since the launch of HB Direct has been the national rollout of the Local Housing Allowance (LHA) in April 2008. The aims and objectives of LHA that we first introduced in Issue 8, October 2002, have remained a constant fixture. Then, following the launch of the HB prospectus, we said that the LHA would

- promote choice and responsibility
- make the scheme more transparent
- remove the need for individual referrals to the rent officer

These are the objectives we took right through to national rollout of the LHA.

HB Direct over the past eight years has charted the progress of the key milestones of the LHA and demonstrates how a proposal develops from an initial idea into a national policy. For example, the following issues identified

- March 2003, Issue 13 – the original 10 pathfinders announced
- December 2003 – revealed that Blackpool was the first pathfinder to go live on 17 November, with eight pathfinders following on over the next couple of months
- April 2004 – announced our intention to introduce a second wave group of LAs to test operational readiness and October 2004 gave details of the nine LAs who would form this group in Issue 34
- February 2006 – highlighted the Green Paper on welfare reform, setting out proposals for national roll out of LHA in Issue 50
- June 2007 – the 2007 Welfare Reform Bill receiving royal assent was noted in Issue 66
- May 2008 – finally, post go-live, HB Direct congratulated you on the smooth implementation of LHA

The overall operation of the LHA has gone very well, removing the need to refer individual cases to the rent officer has helped streamline HB administration. Whilst making direct payments to the customer has not been universally popular, we are pleased with the way this has supported the overall financial inclusion agenda and promoted the use of bank accounts.

Most recently, you may be aware that Budget 2010 has announced the removal of the top 1% of rents (nationally) of the market evidence for each bedroom size in the calculation of LHA rates. This is to address concerns that the current approach has resulted in very high payments to a small number of tenants in the most expensive areas. This will take effect for new claims from October 2011 and existing customers will be affected on the anniversary of their claim. We expect this will only impact on the rates in a small number of LAs, but will liaise with you and your associations as we develop the detailed policy design of this measure.
The conversion of incapacity benefits to ESA

Since October 2008 Employment and Support Allowance (ESA) has applied to new customers. It replaces Incapacity Benefit (IB), Severe Disablement Allowance (SDA) and Income Support (IS) paid on incapacity grounds. We have now completed development of draft regulations that will mean existing awards of IB, SDA or IS on the grounds of incapacity will be converted to ESA.

The conversion exercise will start in October 2010 and will take three and a half years to complete. One and half million customers currently receiving the old style incapacity benefits will undergo the exercise - equivalent to around 10,000 cases a week.

The Social Security Advisory Committee has reported on the draft regulations. The Government’s response to that report was published when the regulations were laid before Parliament on 29 March.

The draft regulations contain related amendments to the HB and CTB Regulations which were subject to consultation with the LAAs and were also seen by LA software suppliers.

Although the conversion process will start this October on a trial basis in two parts of the country, it will be January 2011 at the earliest before you need to make any changes to HB/CTB awards to take conversion into account. We will provide guidance on those changes for all of you this summer.

For further advice or information please contact

Email: Christine.Watkins@dwp.gsi.gov.uk

Supported ‘Exempt’ Accommodation

One issue that has gained increasing prominence over the years is the way HB is worked out for those living in social and voluntary sector supported housing. When the ‘new’ rules, including the Local Reference Rent (LRR), were introduced in 1996 the ‘old’ rules were kept for this group.

These rules have been regularly challenged and case law has sought to clarify their meaning. Meanwhile the way in which care and support is provided has moved on with the increased use of specialist teams and individuals being encouraged to take control of their own care or support which means that this is less likely to be provided by the landlord.

We are looking to change the way these individuals are treated within the HB system to ensure a simpler, clearer and fairer system. An extensive research project is underway and a working group which includes LA reps has been set up to examine all the issues. It is important to get this right; this is a complicated area with no quick fixes and involving very vulnerable tenants. It is likely therefore that we shall need to consult widely once we have formulated a draft policy. We need to ensure that whatever changes are made are soundly based and appropriate for funding through HB. More articles will be posted as these reforms develop.

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Employee Authentication Service Customer Information System (EAS CIS) Implementation Project Update

This month we have been mainly focusing on the ‘tscheme’ audit of the DWP National Registration Authority (RA).

Key items for this update are

1 Audit continues: We are currently in the middle of the audit of the DWP National RA. This audit looks at the processes and structures we have set-up to run the national RA and scrutinises whether they are compliant with the ‘tscheme’: a documented set of standards for identity (ID) authentication systems. We have successfully completed an audit of the central hub and a satellite RA and so will ideally be live by the end of April.

2 Detailed Implementation Approach: As we approach the implementation phase beginning in the summer we have provided a paper detailing how we intend to implement EAS access across all LAs on the DWP National RA. This will give you an overview of how we intend to operate the system [www.dwp.gov.uk/eas](http://www.dwp.gov.uk/eas)

3 Frequently Asked Questions (FAQ) Updated: We have updated the implementation FAQs to reflect the information learned in the pilots. This is particularly useful around the technical elements of the roll-out and use of the webcam. You will find this in the ‘What’s new’ section of the EAS website [www.dwp.gov.uk/eas](http://www.dwp.gov.uk/eas)

4 Piloting the system: Thanks to everyone who has responded to our request for authorities to pilot the system. We are currently conducting the small implementation pilot but are looking for volunteers for the large implementation pilot. Training for the large implementation pilot will be held in London but any LA is welcome to join [www.dwp.gov.uk/docs/eas-tor-pilot.pdf](http://www.dwp.gov.uk/docs/eas-tor-pilot.pdf).

Please write to us at Email: eas.info@dwp.gsi.gov.uk if you have any further queries or questions and check out the website for the latest news and information at [www.dwp.gov.uk/eas](http://www.dwp.gov.uk/eas).
How life has changed since we ‘worked in Chimneys’

In the bad old days government departments worked on their own benefits with little or no collaboration between them. The process was duplicated every step of the way with little thought for the poor customer who had to give the same information again and again and again . . .

By introducing the new Integrated Claims Process, we made the transition into putting the customer first!

In conjunction with Jobcentre Plus we developed the Customer Management System (CMS) which enabled working age customers to experience, as far as possible, a single claims process when claiming HB and/or CTB alongside claims to Income Support (IS) and Jobseeker’s Allowance (JSA).

Building on this we worked alongside the Employment and Support Allowance team (ESA), who were introducing a brand new benefit, to ensure that a full gather of HB/CTB data would be included when appropriate.

Pensioners weren’t overlooked. Working with the Pensions Transformation Programme, we ensured that the Customer Account Management system would enable the vast majority of customers to claim HB/CTB alongside departmental benefits in a single transaction.

Removing the chimneys has helped break the barriers between them!

Data sharing review – Update

Data sharing has become an issue for LAs over the recent years. Advances in technology, demands on budgets, and increasing expectations among customers, have all helped to focus minds on how customer data can be used to improve service delivery.

We have been reviewing data sharing policy and practice over the last few months, and have identified a few areas where improvements could be made, for example making more use of customer consent, so that their data can be re-used for secondary purposes. This is a tricky area, and guidance will be issued by early summer which will include advice on how this might be done.

I would like to thank all the people who sent in comments at the end of last year – these have been very helpful in illustrating how data could be used more effectively, if the law allowed, and why it is proving to be so difficult to ensure customers get their full entitlements. Please continue to send in any examples of the problems you have encountered, and also any success stories! We can make sure the guidance covers the key scenarios, and shares examples of good practice.

You can contact me by email

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