

TONBRIDGE & MALLING BOROUGH COUNCIL
FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

07 January 2015

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 BENEFITS UPDATE

A report advising Members of current issues arising in the benefits field

1.1 Performance and Workload of the Benefits Service

1.1.1 The average number of days to process new housing benefit and council tax support claims is currently 11.7 days, whilst changes in circumstances are taking on average 6.9 days. At the last Board meeting I informed Members of the significant improvement in performance and I am pleased to report that the level has been maintained.

1.2 Discretionary Housing Payments (DHP)

1.2.1 The total DHP fund for the financial year is £165,494. The balance now stands at £42,801. The Council has received 555 applications for assistance, of which, 444 have been successful.

1.2.2 The most common reason for applications by far is hardship caused by the spare room reduction, but awards have been made for a variety of other reasons, including assistance with rent arrears to prevent homelessness, rent in advance to assist moves and 'down-sizing', help to residents with disabilities, help to foster carers, help with the 'benefit cap' and general assistance due to private rents being higher than housing benefit levels.

1.3 Universal Credit Update

1.3.1 In October, Secretary of State for Work and Pensions, Iain Duncan Smith announced that the roll-out of Universal Credit will be brought forward, making the new benefit available to single job seekers across the country from early 2015.

1.3.2 Since that announcement, more details have emerged of the change to the Government's planned roll-out of Universal Credit. During 2015, volunteer Councils will start to work with their local Jobcentres to provide Universal Credit for single unemployed persons making new claims as job seekers. The volunteer

Councils in Kent are Swale, Ashford and Maidstone. The pilots are due to be up and running with the new benefit around April 2015.

- 1.3.3 Through recent meetings and talks with local Jobcentre staff responsible for the introduction of Universal Credit, it is fair to say that, at present, they are not prepared. Knowledge of Universal Credit is minimal, there is no operational detail, staff have received no training, there is very little concept in how Councils currently administer housing benefit and a new computer system designed for Universal Credit is not due until May 2016.
- 1.3.4 During the piloting and early roll-out phase of Universal Credit, any person who is assessed under the new rules, will stay under those rules regardless of whether that person moves to another area which is not part of a pilot. It is possible that at some point during 2015, someone who has been awarded Universal Credit will move into the Borough.
- 1.3.5 The Government's timescale for the total national roll-out of Universal Credit has slipped again, with completion now set for 2019. At that point, local Councils will not administer housing benefit claims for the working age but continue to do so for pensioners.
- 1.3.6 The Government announcements, local meetings and other communications regarding the changes to the time-table and pilots fail to provide any assurances on which to base future service provision of housing benefit for local Councils, moreover, they re-enforce the degree of uncertainty that looms over the project.

1.4 Local Council Tax Reduction Scheme 2015/16

- 1.4.1 In April 2015 we will be entering the third year of our local council tax reduction scheme. The original scheme was agreed by Members in January 2013 and planned to run for three years. As Members will be aware, the scheme is based on the calculation for council tax benefit but reduces entitlement by 18.5% for working age claimants. Pensioners have been granted statutory protection from any financial loss
- 1.4.2 As in previous years, I will look to refresh the 2015/16 scheme by bringing it in line with relevant national changes to the housing benefit scheme. This will include matters such as uprating amounts of state benefits used in assessments and restrictions on eligibility for European Economic Area migrants.
- 1.4.3 In October 2014, using up to date information, an equality impact assessment was carried out against the Council's 2014/15 council tax reduction scheme. The conclusion was that no further action was needed to mitigate the impact of the scheme at that point in time. A further assessment will take place early in the New Year to consider the impact of bringing the 2015/16 scheme in line with housing benefit rules.

Details of the updated Council Tax Reduction Scheme for Tonbridge & Malling Borough Council (2015/16) will be made available on the Council's website in the New Year.

1.5 Legal Implications

1.5.1 None

1.6 Financial and Value for Money Considerations

1.6.1 None

1.7 Risk Assessment

1.7.1 None

Background papers:

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Nil

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