

# Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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## HB/CTB A3/2007

### ADJUDICATION AND OPERATIONS CIRCULAR

<b>WHO SHOULD READ</b>	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
<b>ACTION</b>	For information
<b>SUBJECT</b>	HB/CTB Performance Standards Changes to the Changes of Circumstances performance measure for 2007/08 Consolidated guidance and frequently asked questions on the New Claims performance measure Consolidated guidance and frequently asked questions on the Change of Circumstances performance measure and good practice on processing changes of circumstances

### Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual. You may find it useful to file a copy of the Circular in your HB/CTB Performance Standards binder.

### Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at [www.dwp.gov.uk/hbctb](http://www.dwp.gov.uk/hbctb)
- have any queries about the
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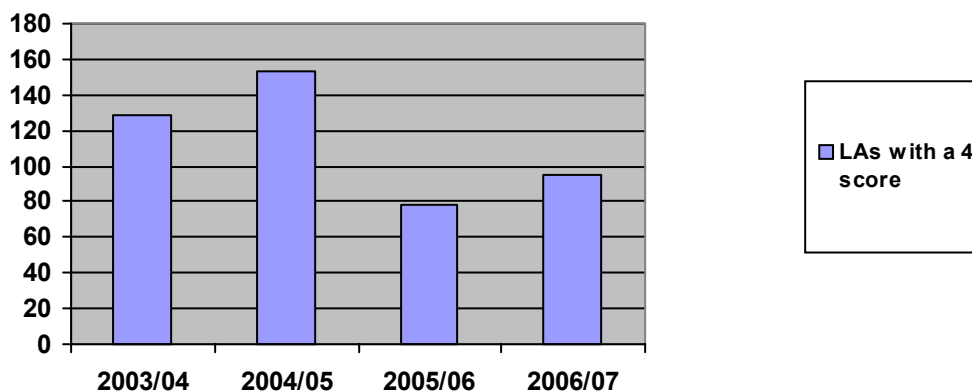
## HB/CTB Performance Standards

### Introduction

- 1 This circular provides you with
  - details of a change to the Change of Circumstance performance measure (PM5) which means that, from April 2007, the requirement for a 4 or excellent score will be an average processing time of less than ten days instead of the current less than nine days
  - consolidated guidance and frequently asked questions (FAQs) on the New Claims performance measure (PM1)
  - consolidated guidance and FAQs for PM5
  - good practice for processing changes of circumstances

### Change to the requirement for a 4 or excellent score for PM5

- 2 Since the introduction of the 2005 HB/CTB Performance Standards we have been keeping the less than nine days requirement for a 4 score against PM5 under review. This was in response to concerns raised by Local Authorities (LAs) that processing times would be affected by the abolition of benefit periods from April 2004.
- 3 Performance data for PM5 submitted by LAs during 2004/05 did not demonstrate any deterioration in performance against the measure. A substantial number of LAs achieved top performance throughout 2004/05. There was a sharp deterioration in 2005/06 which coincided with major changes to software to take account of the abolition of benefit periods and changes to the reporting of processing times. However, we were also aware that some software had previously been understating processing times. We therefore decided to allow a period of time for the changes to bed in and the affected authorities have now begun to recover their performance over the first three quarters of 2006/07. See graph below.



- 4 Towards the end of last year, we asked the Benefit Fraud Inspectorate (BFI) to carry out research in a small number of excellent and good performing authorities to identify good practice for processing changes of circumstance. The BFI research concluded that the less than nine days' requirement for excellent performance was stretching but achievable.
- 5 The research also established that due to the complexity of the measure there was some misreporting of performance. On the basis of the small BFI sample, out of the six LAs reporting a 4 score for PM5, just three were processing changes in less than nine days. The BFI recommended that Department for Work and Pensions (DWP) issue further guidance to address inaccuracies in reporting processing times. In the light of the BFI research the Local Authority Associations have recently requested that the requirement for a 4 score be changed to less than 12 days from April 2007.
- 6 Ministers have carefully considered this request but have concluded that without a more widespread sampling exercise it would be difficult justify a significant change to the requirement for an excellent performance. By definition the target should be stretching. As the performance measure now has a limited life (we are looking to introduce new measures from April 2008 for the new performance framework proposed by Communities and Local Government) it would not be cost effective to carry out further sampling. Ministers, have however agreed to change the requirement for a 4 score, to less than 10 days. On the basis of current performance this would bring the number of LAs achieving excellent performance for this measure to pre April 2004 levels.
- 7 The HB/CTB Performance Standards Guide has been amended to reflect this change from April 2007.

### **Consolidated guidance and good practice**

- 8 The remainder of this circular contains consolidated guidance and FAQs for PM1 and PM5 and good practice for processing changes of circumstances. The guidance was previously contained in
  - Circulars A31/2004
  - A10/2005
  - A18/2006
- 9 The good practice for processing changes of circumstances was identified by the BFI during their recent research.
- 10 We strongly recommend that LAs report their performance in line with this guidance as we will be using the data you submit over the forthcoming year to inform targets for processing times from April 2008.
- 11 We have not included guidance on all the performance measures in this circular but we do continuously update the FAQs and guidance for the performance measures on the DWP website  
<http://www.dwp.gov.uk/housingbenefit/faq/perform-indicators.asp>

## Speed of processing of New Claims – Performance Measure 1

Throughout the guidance you will find some words are *italicised*. This signals the fact that further general guidance on that subject can be found at paragraphs 33-46.

### Purpose of the measure

- 12 The purpose of the New Claims performance measure (PM1) is to establish the average time taken by an LA to process all new claims from the date of receipt to the date of decision.

### General rule

- 13 Receipt of a *claim* for HB/CTB at any *designated office*, whether it is *effective* or *defective*, will be the starting point at which the clock starts ticking for PM1. The clock stops ticking the day a decision is made. Please see paragraph 21 for exceptions to the general rule. Claims can be made in a number of ways

#### Written claims

- 14 For *claims* made in writing on a claim form provided specifically for that purpose or in some other form acceptable to the LA, the time taken to process will start from the date the *claim* is received at the *designated office*.

#### Electronic Claims

- 15 For electronically submitted *claims*, whether or not the LA requires a signature, the date of receipt is the day the form is received electronically. This could be a non-working day. The time taken to process will start with the date the *claim* is electronically received, whether or not it is *effective* or *defective*, and will end on the day the LA makes a decision.
- 16 Where an LA has e-enabled its business (see *HB/CTB Circular A18/2006*) a handwritten signature will no longer be required, although an electronic signature may be.

#### Tele-claims

- 17 In the case of tele-claims (see *HB/CTB Circular A18/2006*) the time taken to process will start from the date of the telephone call when the claim details are taken, regardless of whether the LA then requires a signed confirmation of the details.

#### Intention to Claim

- 18 Where the customer contacts the LA stating their intention to make a *claim* in advance of making the *claim* by any of the methods described above, the time taken to process will start from the date of receipt of the *claim* not the date of first contact.

19 When calculating processing times all days should be counted, not just working days. This must include any days when there are reasons for additional processing days beyond the LA's control, for example, a customer's failure to provide additional information and delays between

- *designated offices*, and
- the Rent Service and the benefit processing centre

20 Note

- count all *defective* and *effective* claims
- do not count a decision to make a *payment on account* as a decision on a claim
- do not include the period of backdated awards
- do not count any subsequent decision resulting from a revision or an appeal.
- do not count *withdrawn* claims

**Example**

An LA receives a claim for HB/CTB on 1 April 2006. The LA makes a decision on 28 April 2006. The time taken to process the claim for the purposes of PM1 is 28 days.

**Exceptions to the general rule**

**Claim made in advance**

21 Where a claim to HB/CTB is made in advance under HB R 83(10), 83(11)<sup>1</sup>, the clock starts ticking for the performance measure on the date the claim is Treated As Made by the LA under those regulations. If the claim is properly decided on or before the Treat As Made date, the time taken to process the claim for the purposes of the performance measure will be one day. However, if the claim is not decided on or before the Treat As Made date, the clock will continue to tick until the date a decision is made.

**Example**

A customer aged 60 on 4 October 2006 makes a claim for HB/CTB on 6 July 2006. The LA determines the Treat As Made date as 4 October 2006. The decision is made on 29 September 2006. The time taken to process the new claim is one day.

<sup>1</sup> CTB R 69(12) and (13); HB SPC R 64(11); CTB SPC R 53(12).

**Property unbanded for Council Tax purposes**

- 22 If an LA is unable to make a decision on a new CTB claim because the property in which the customer lives is unbanded for Council Tax pending a valuation, the clock starts ticking on the date the Council Tax payable is notified to the Benefits section.

**Example**

A customer makes a claim for HB/CTB on 6 July 2006. The Benefits section is notified of the Council Tax payable on 13 July 2006. The decision is made on 17 July 2006. The time taken to process the new claim is five days.

- 23 When a customer makes an HB/CTB claim direct to the LA instead of or in addition to, making a claim at the Jobcentre Plus office, the clock starts from the date the LA designated office receives the claim form or the date it receives the LAID, whichever is earlier.

**Example**

A customer makes a claim for HB/CTB at their Jobcentre Plus office on 3 August 2006. The customer also makes a claim direct to the LA on 4 August 2006. The LAID is forwarded to the LA on 8 August 2006. The decision is made on 25 August. The time taken to process the new claim is 22 days.

<b>Frequently asked questions about processing the New Claims performance measure (PM1)</b>		
<b>Types of questions (using key words)</b>	<b>Question</b>	<b>Answer</b>
<b>1. Decisions on claims</b>	What is meant by a decision on claims?	A decision will result in the claim being successful or unsuccessful. Claims are normally decided once the customer has been given an opportunity to provide all the information requested on the form, and any additional information the LA may require has been received from the customer and/or third parties. This includes decisions made on claims where the customer may have been asked to provide further information but has declined to or has not taken the trouble to reply to the request within the time given.
<b>2. Ineligible claims</b>	Should all ineligible claims be counted as 'effective' new claims? For example, when the customer's capital exceeds the limit.	Yes, all claims which are ineligible should be counted in the same way as other effective new claims.

<p><b>3. Property not valued</b></p>	<p>What happens when a CTB claim is received for a property which has not yet been valued?</p>	<p>In this instance the clock starts on the day the Benefits section is notified of the Council Tax payable.</p>
<p><b>4. Counting processing days</b></p>	<p>When should the time taken to process a claim start? Is it with the receipt of a 'properly' completed claim form or LA Input Document, i.e. when the customer has filled in the form correctly and has also provided all the information that was requested on that form, or is it from the receipt of the claim form or LAID regardless of whether or not it has been properly completed?</p>	<p>The time taken to process a claim starts from the day that the claim form or LAID is received, regardless of whether or not the claim form or LAID has been properly completed or whether any additional information necessary to determine the claim has been provided. The clock will only stop when a final decision has been made on that claim.</p>
<p><b>5. What days to count</b></p>	<p>Is the processing time working days only?</p>	<p>No, the processing time includes all calendar days (including the day the claim is received and the day the claim is decided)</p> <p><b>Example</b></p> <p>The local authority receives the claim 1 March  The local authority makes a decision 28 March  Processing time = 28 days</p>

<p><b>6. Revised action</b></p>	<p>A claim is decided with benefit not payable. Following a request for a review of the decision it is realised that the claim should have been successful (i.e. benefit payable). What should be counted here?</p>	<p>The claim will have originally been included in the new claims count as a 'new claim decided unsuccessful – benefit not payable'. Should the decision on the claim be 'revised' with the revised decision that the claim should have been successful, it will not be counted again for PM1 purposes. The time taken to review and revise the original decision should be recorded under PM17.</p>
<p><b>7. Waiting for Rent Officer determination</b></p>	<p>Where all the necessary information has been provided but the Rent Officer determination has not been received, can we use the Indicative Rent Level to make a payment, count this as a decision, and then treat the actual determination, when received, as a change of circumstances?</p>	<p>No. Where it has been decided to use an Indicative Rent Level to ensure that a payment is made pending the Rent Officer's decision, this is a payment on account and should not be treated as a decision for PM1. A decision can only be made once all the information is received, including the Rent Officer's determination. For the purposes of this indicator, the processing time should be counted to the day that the decision is made, and <b>not</b> the day that the payment on account is made.</p>

<p><b>8. Incomplete claim form</b></p>	<p>A customer has failed to provide a properly completed claim, even when given one calendar month (or such longer period as is reasonable) to rectify the defect. Should this be included in PM1?</p>	<p>Yes. Such claims should be treated as defective and counted as 'new claims decided unsuccessful'. Therefore, they will be included in PM1. Remember that you should give a decision that the customer has failed to satisfy the conditions of entitlement to HB/CTB because they have not made a claim in the prescribed manner and within the prescribed time (by virtue of section 1(1) (a) of the Social Security Administration Act – see paragraph 8 of Circular HB/CTB A21/2005).</p>
<p><b>9. Additional information requested not provided</b></p>	<p>A customer has provided a properly completed claim form, including the information and evidence requested on that form, but has not provided the additional information requested. Should this be included in PM1?</p>	<p>Yes. As the claim has been properly completed, this will be an effective claim. If the additional information or evidence requested is not forthcoming, you will need to make a decision based on the information and evidence available (see paragraph 12 et seq. of Circular HB/CTB U9/2004). Depending on your decision the claim will be counted as successful or unsuccessful.</p>

<p><b>10. Change from non-standard HB/CTB to standard HB/CTB</b></p>	<p>A customer informs the LA that they are no longer receiving Income Support (IS) or Jobseeker's Allowance (income-based) (JSA(IB)). Should this be counted as a new claim or a change in circumstance?</p>	<p>Any change from non-standard HB/CTB to standard HB/CTB or vice versa is now a change of circumstances, including if IS or JSA (IB) stops or starts. See related FAQ under changes of circumstances.</p>
<p><b>11. Backdated awards</b></p>	<p>Should the period of any backdated award be counted in the processing time?</p>	<p>No, backdated awards are not included in the time taken to process.</p>
<p><b>12. Decision appealed</b></p>	<p>What happens if a decision is made on a claim which is subsequently appealed?</p>	<p>When a decision is made on a claim the clock stops even if the decision is subsequently appealed. The time to process the appeal is counted under PM18 or PM19.</p>

<p><b>13. Backdated claims</b></p>	<p>A claim received on 1 April 2006 was decided (with a start date of 4 April 2006) on 14 April 2006, (processing time 14 days). Following a decision on 30 May 2006 to accept a backdated claim, the case is revised to show the date of claim as 6 January 2006. Should the claim be counted again for performance measure purposes as a new claim, i.e. new claim date of 6 January 2006?</p>	<p>The speed of processing new claims basically measures the time from the day that the claim is first received at the designated office (unless it is an advance claim) until the day that a decision is made.</p> <p>Any subsequent decisions resulting from appeals, backdating or revision should not be counted again towards PM1. Requests for reconsideration should be counted under PM17 and appeals under PM18 or PM19. Although a claim for backdating is considered separately from the main claim, it is not counted separately for the purpose of PM1.</p>
<p><b>14. Advance claims</b></p>	<p>Where a claim is accepted and logged up to 13 weeks before the tenancy actually commences, is the calculation for the days to process based on application date to determination?</p>	<p>No. Where a claim is made in advance, under HB R 83(10), 83(11)<sup>2</sup>, the clock starts on the Treat As Made date determined by the LA.</p>

<sup>2</sup> CTB R 69(12) and (13); HB SPC R 64(11); CTB SPC R 53(12).

<p><b>15. A new claim with a change of circumstances notified</b></p>	<p>If the customer notifies a change of circumstances before a decision is made on a new claim should this be counted as a new claim successful and a change of circumstances or just as a new claim as the change has been notified prior to the benefit decision being made on the new claim?</p>	<p>The change of circumstances would not count as the notice was not received 'during the course of the benefit award', as benefit had not been awarded at that time. This applies whether or not a payment on account is made. Instead, the change of circumstances was notified as part of the making of a new claim.</p>
<p><b>16. Extended payment</b></p>	<p>When a new claim is processed following an extended payment and benefit is continuous should the new claim be recorded?</p>	<p>When an extended payment is awarded there is a break in the HB claim so any subsequent in-work claim is still treated as a new claim and should be recorded as a new claim for PM1.</p>

## Changes of Circumstances – Performance Measure 5

Throughout the guidance you will find some words are *italicised*. This signals the fact that further general guidance on that subject can be found at paragraphs 33-46.

24 The purpose of the Changes of Circumstances performance measure (PM5) is to measure the service being provided by LAs following receipt of a written notification which affects the amount of benefit payable. It is not a work count and, therefore, there will be occasions when a written notification is not included in the count.

### General rule

25 For the purpose of PM5 a change of circumstance means any change notified in writing to the LA by the customer, another person or body during the course of a benefit award which affects the

- customer's right to HB/CTB, e.g. if they cease to have a liability to pay rent or Council Tax
- amount of HB/CTB the customer is entitled to, e.g. if they have a change of earnings
- customer's right to receive payments of HB/CTB, e.g. a notification of rent arrears which justifies direct payment to the landlord

26 Any changes that do not affect any of the above or changes which are not notified in writing should not be included in the performance measure.

27 Changes notified electronically are treated as a written notification, for example e-mails or details of large scale rent increase notifications from Registered Social Landlords (RSLs).

28 Receipt of a written notification of a change of circumstance at any designated office will be the starting point at which the clock starts ticking for PM5. The clock stops ticking the day the last decision is superseded or the claim is terminated.

29 All days should be counted, not just working days. This must include any days when there are reasons for additional processing days beyond the LA's control, e.g. a customer's failure to provide additional information and delays

- between *designated offices*
- between the Rent Service and the benefit processing centre, and
- in obtaining the necessary information when the claim has been suspended

**Example**

On 10 January 2006, the customer reports in writing that he has moved and that his tenancy commenced on 1 January. The LA makes a decision on 19 January. As this change is notified after the day the change occurred, the time counted in calendar days is from the day the written notification of the change was received (10 January) to and including the day the decision is superseded (19 January). The time counted for the purpose of PM5 is 10 days.

**Exceptions**

**Change of circumstances notified in advance**

- 30 If a change of circumstances is notified in advance, i.e. before the date from which the change takes effect, the clock starts ticking from the date determined under HB R 79<sup>3</sup> (date on which a change of circumstances takes effect). If a decision is made on the change of circumstances on or before the date the change takes effect, the time taken to process the change of circumstances for the purposes of PM5 will be one day. However, if a decision is not made on the change of circumstances by the date the change comes into effect, the clock would start ticking from the date the change takes effect and will continue to tick until the date a decision is made.

**Example**

An RSL notifies the LA on the 15 February 2006 of its planned individual rent increases with varying amounts for services to 525 properties effective from Monday 3 April. As these are advance notifications the clock starts on 3 April, the date the changes take effect. Providing all the claims in the example are re-calculated before the date the rent increases affect HB entitlement, each case has taken one day to process for the purposes of PM5.

If a decision on one of the rent increases is not made until 10 April the time taken to process the change is eight days.

**Property unbanded for Council Tax liability**

- 31 The LA is unable to make a decision on a Council Tax Benefit (CTB) claim on a change of address because the new property in which the customer lives is unbanded for Council Tax pending a valuation. In this instance the decision on the ending of liability at the old address stops the clock ticking on the change of circumstances. Any subsequent action once the Council Tax liability is known is not counted for the purpose of the performance measure.

<sup>3</sup> See also CTB R 67; HB SPC R 59; CTB SPC R 50 and 51.

**Example**

So, on 6 April the customer notifies the LA that they changed address on 5 April. They do not know what their Council Tax will be at the new property as it has not yet been valued. The LA makes a decision on the ending of his Council Tax liability at the old address on 10 April. This stops the clock ticking for the purposes of the performance measure. The time taken to process the change of circumstances is five days. Subsequent activity to award CTB when Council Tax liability is known is not counted as another change of circumstance.

**Notification of a change through Electronic Transfer of Data (ETD) reports**

- 32 If the change notification is received through ETD reports, regard it as having been received on the first working day it becomes retrievable (usually the first or second working day following the day the data was generated). If an LA defers accessing the ETD, include the days of delay in the number of calendar days taken to process the change.

**Example**

The Pension Service sends an ETD on the 6 April 2006, and it becomes retrievable by the LA on 7 April 2006, for the purposes of PM5, the elapsed time on change of circumstances should start from 7 April 2006. If an LA chooses not to access the ETD information until 10 April 2006, the elapsed time for counting the number of days taken to process a change of circumstances still starts from 7 April 2006.

**Exclusions from the changes of circumstances performance measure**

- 33 PM5 is not intended to be a work count and, by definition, some changes are excluded from the measure. Do not include in PM5 changes to HB/CTB entitlement resulting from
- an annual rent increase when the customer does not have a duty to notify the LA, i.e. annual rent increases for rent rebate cases
  - changes in the amount of Council Tax payable when the customer does not have a duty to notify the LA, e.g. increases in Council Tax
  - annual upratings to - the applicable amounts in HB/CTB
    - the Pension Credit Assessed Income Figure (AIF) and savings credit
    - other benefits administered by DWP
  - changes which do not result in a change to the customer's entitlement to benefit
  - any telephone notifications not followed up by written confirmation or evidence
  - revisions resulting from requests for reconsideration
  - appeals
  - changes notified as part of, or in the context of, the making of a new claim

- information received
  - in connection with a risk-based review (unless the review action was instigated as a result of a written notification of a change of circumstances)
  - following a diary date prompt
  - after a further application to the Rent Officer during an ongoing award (*HB R schedule 2 para 2*)<sup>4</sup>, unless the application was made as a result of
    - a change to the number of occupiers in the dwelling
    - *a change in the condition of the dwelling or terms of the tenancy other than relating to rent*
    - *a rent increase allowed for under the terms of the tenancy*
    - *a child reaching 10 years of age or a young person reaching 16*
    - *a change in the composition of the household*

### **Good practice**

- 34 For recommended good practices you should refer to the Performance Standards Guide under *Claims Administrations* Good Practice. The following good practice for processing all changes was identified by the BFI during its recent research in a number of better performing LAs. The good practice is also included in the Performance Standards Guide

### **Targets**

- Ensuring robust formal target setting is in place.
- Setting team and/or individual targets.
- Monitoring 'open' interventions through management information (MI) reports.

### **Customer service**

- Setting up a good network of local advice and contact points.
- Ensuring comprehensive training in HB/CTB for customer service staff.
- Placing a strong emphasis on ensuring that all information is collected/requested on initial contact.
- Ensuring the website contains information on changes of circumstances.
- Placing a change of circumstances form on the website for customer completion.

### **Publicity**

- Putting strong emphasis on the need to provide frequent reminders to customers and landlords on the need to report changes of circumstances.

### **Claim form**

- Including a change of circumstances reminder as part of the declaration on the claim form.
- Including requests for future income changes on the claim form.

<sup>4</sup> See also HB SPC R schedule 2 para 2.

**Procedures**

- Scanning and indexing documents onto Document Imaging Processing systems quickly and accurately.
- Identifying changes in advance (by making full use of diary dating) and contacting the customer with details of full requirements.
- Not waiting until the deadline for the customer to provide further evidence expires, i.e. making early reminder calls to customers.
- Making comprehensive procedural guidance available to all staff.

**Process**

- Ensuring a clear and robust process that supports the processing of changes of circumstances. See the process map as an example.

**Validate MIS returns**

- Validating changes of circumstances performance measurement data through random checks.
- Undertaking quality checks that incorporate changes of circumstances notifications, dates and classifications.

**Training**

- Ensuring comprehensive training is in place.

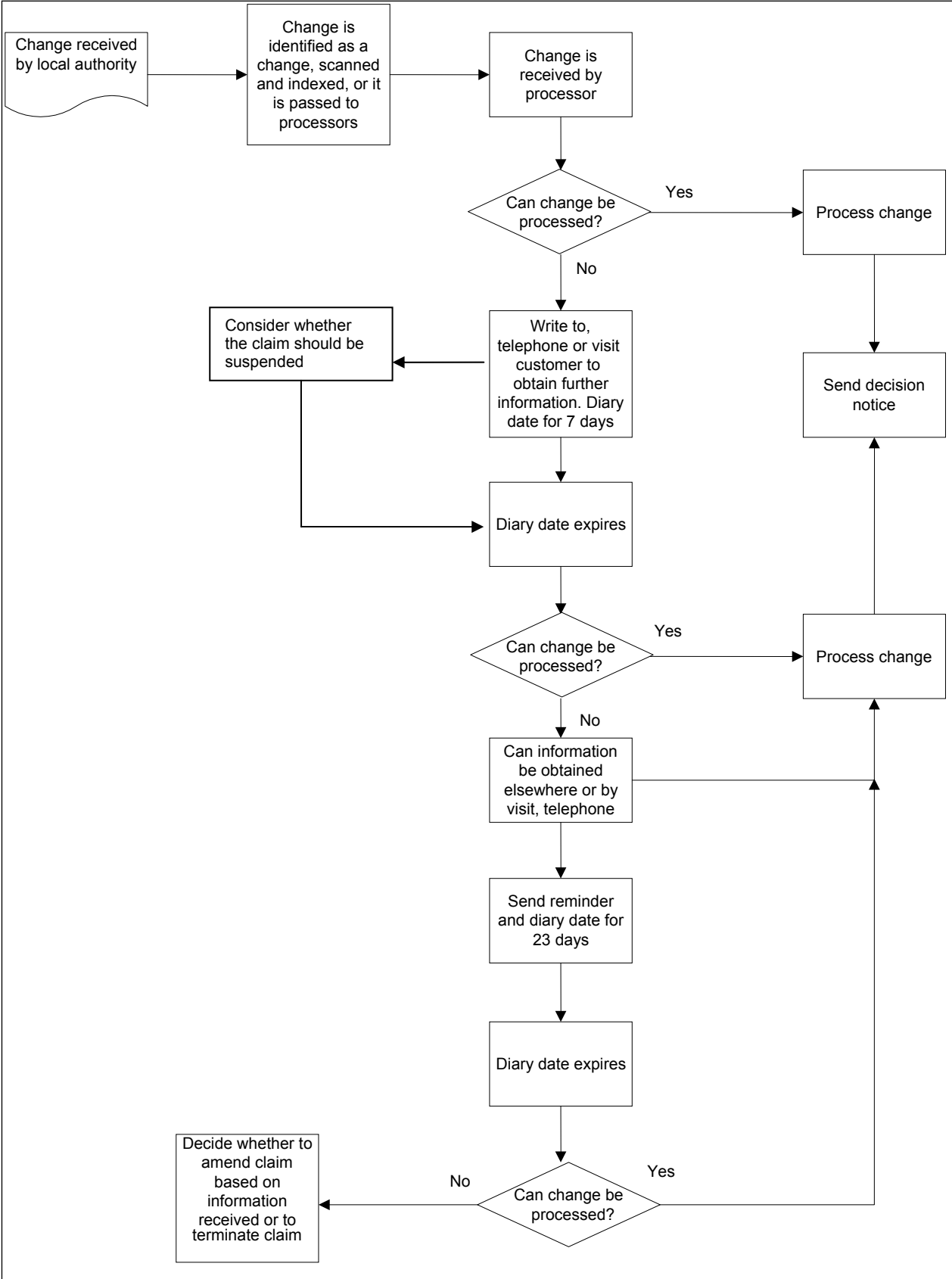
**Management**

- Ensuring a strong management and organisational structure is in place.
- Undertaking routine management and monitoring of work.

**Staffing**

- Retaining a knowledgeable and stable workforce.
- Putting in place contingency for peaks of work and absences.

**An efficient change of circumstances process map**



<b>Frequently asked questions about processing the Changes of Circumstances performance measure (PM5)</b>		
<b>Types of questions (using key words)</b>	<b>Question</b>	<b>Answer</b>
<b>1. End of entitlement to IS/JSA(IB) or Pension Credit guarantee</b>	If we get an ETD from DWP notifying us that IS/JSA(IB) or Pension Credit has ended can we make a decision to end the non-standard HB/CTB claim at that point?	If the information provided means that there is no longer entitlement to HB/CTB, for example the customer has died or moved away from the area, a superseding decision could be made to end the award. Where the customer's circumstances are not clear or it is known the customer has started work the LA must make further enquiries before making a decision. The clock for PM5 will start when you receive notification of the cessation of that other income-related benefit. The clock will stop when you are either able to give a decision regarding any ongoing entitlement or you decide to terminate the claim because the customer has not provided you any information. However, the change would only be included in the count if the customer's right to HB/CTB or the amount of HB/CTB payable was affected.
<b>2. Extended payments</b>	At what point is a statistic for the changes of circumstances performance measure generated when dealing with an Extended Payment?	Where an extended payment is appropriate the LA must terminate the HB/CTB award. Include this change in PM5. The extended payment award is not counted. But any subsequent new claim is counted for the new claims measure.

<p><b>3. Weekly batch runs</b></p>	<p>Our software system produces a weekly batch run which is a notification of the assessments made during that week. Should that be counted as the end date in the change of circumstances processing time?</p>	<p>No. The last date that should be included in the change of circumstances processing time is the date that the superseding decision is made and not the date that the customer is notified, although as a matter of good practice you should, of course, notify the customer of the decision as quickly as possible.</p>
<p><b>4. Review action</b></p>	<p>Does information received from the customer or somebody acting on their behalf following the issue of a 'review' form on a case identified as 'at risk', count for the changes of circumstances performance measure?</p>	<p>Information received as a consequence of review action would not be counted for the changes of circumstances performance measure.</p>
<p><b>5. Notifications received in response to mail shots</b></p>	<p>If we issue mail shots reminding customers to report changes do any subsequent written notifications count for the performance measure?</p>	<p>Yes. Written notifications sent in following any <u>general</u> activity to promote reporting of changes should be included in the performance measure.</p>
<p><b>6. New claim with a change of circumstances</b></p>	<p>If the customer notifies a change of circumstances before a decision is made on a new claim, should this be counted as a new claim and a change of circumstances or just as a new claim.</p>	<p>The change of circumstances would not count as the notice was not received 'during the course of the benefit award', as benefit had not been awarded at that time. This applies whether or not a payment on account is made. Instead, the change of circumstances was notified as part of the making of a new claim.</p>

<p><b>7. Single person discount affected</b></p>	<p>Should a change which would affect entitlement to the single person discount be included?</p>	<p>If a written notification of a person leaving or joining the household is provided to the LA, such a change would normally lead to change in the non-dependant deduction. If there is a change to the amount of Council Tax payable this should also be taken into account. If at the time the non-dependant deduction is dealt with the correct Council Tax payable cannot be established and it is notified at a later date, do not include the late change in PM5 (the customer is not under a duty to notify the change).</p>
<p><b>8. Changes not included in count if HB/CTB amount payment not affected</b></p>	<p>If a customer moves to a property with the same rental value, there is no effect on the amount of HB/CTB in payment. Similarly, if the customer notifies that their non-dependant's income has increased, it does not necessarily take the income into the next banding and therefore does not affect the amount of HB/CTB. We have to deal with these changes quickly to pay the correct amount, therefore why should they not be included in PM5?</p>	<p>The purpose of the change of circumstances performance measure has always been to only count certain changes which affect the customer's right to HB/CTB, amount of HB/CTB payable and the right to receive payments of HB/CTB. Therefore, these scenarios should both be excluded from PM5.</p>
<p><b>9. E-mails</b></p>	<p>Do e-mails count as a written notification?</p>	<p>Yes.</p>

<p><b>10. Date a notification through ETD is received</b></p>	<p>When should notification of change received by ETD be treated as received?</p>	<p>If the notification of the change is received through ETD reports, this should be regarded as having been received on the first working day following the day that the data were generated from The Pension Service and Jobcentre Plus. However, there may be occasions when the ETD reports take two working days to arrive at the LA. The date used, should be the day when the ETD reports were first retrievable.</p>
<p><b>11. Pensions Credit savings</b></p>	<p>Do changes notified by customers receiving Pension Credit savings credit only count towards the changes of circumstance performance measure?</p>	<p>As a general rule, only changes that the customer is required to notify to the LA should be included in the changes of circumstances performance measure (see HB SPC R 69 (6) (7) (8)<sup>5</sup>). Changes notified to the LA should be notified to The Pension Service. The Pension Service may then send a revised Assessed Income Figure (AIF) by EDT. This will generate a change of circumstances statistic for the LA.</p>

<sup>5</sup> See also CT SPC R 59.

<p><b>12. Telephone notifications</b></p>	<p>When a customer telephones the office with information about a change of circumstance followed by written confirmation or evidence, do we start counting the number of days from the day of the phone call or receipt of the confirmation and or evidence?</p>	<p>If you ask the customer to confirm in writing or supply evidence about a change reported over the phone, the clock would start from the date that written confirmation and or evidence is received. If you decide you need written confirmation/evidence, the time taken to process will be from the day the information is received to the day a decision is made.</p>
<p><b>13. Internal written notifications</b></p>	<p>If we receive an internal written notification of a change, i.e. notice from our housing department that a tenancy has ended or from our revenues section that a customer has moved out of an address, should this count as a change of circumstance?</p>	<p>Change of circumstances means any notice given in writing (where that notice is physically received at the designated office of an LA) by the customer or another person or body during the course of a benefit award. It should be counted as change of circumstances for the purpose of PM5.</p>
<p><b>14. Changes reported to Council Tax Office – Revenues Office</b></p>	<p>When a change is notified to a Council Tax office or a Revenues office other than a Benefit office it takes several days for the Benefit office to receive the notified change. What date can we use as a date of notification? Is it the date the notification was received at Council Tax/Revenue offices or is it a date notification was actually received at the benefit office?</p>	<p>It is for the LA to decide which offices should be designated and provide clear information to the customers about their location. If you have decided the Council Tax office or Revenues office within your LA is a <i>designated office</i>, in order to meet your customer's needs, then the date of receipt of written notification of changes of circumstance is the day it was received at that office. If, for example, your Revenues Office of Council Tax Office is based elsewhere at a different postal address and is not a designated office then a written notification of a change of circumstance from them would start the clock ticking for the purpose of the performance measure.</p>

<p><b>15. Uprating</b></p>	<p>Should annual uprating of benefits or rents be included?</p>	<p>Changes to HB entitlement resulting from an annual rent increase should not be included when the customer does not have a duty to notify the authority (see HB R 88<sup>6</sup>). This covers annual rent increases for rent rebate cases, Council Tax increases and general annual uprating of benefits and so these should not be counted for the purposes of this indicator.</p>
<p><b>16. Uprating exemptions</b></p>	<p>What is and is not exempt from being counted at uprating?</p>	<p>Upratings are excluded from the changes of circumstances performance measure therefore LAs should exclude from the changes of circumstances performance measure upratings to</p> <ul style="list-style-type: none"> <li>• the applicable amounts in HB/CTB</li> <li>• the Pension Credit AIF and savings credit</li> <li>• benefits administered by DWP, e.g. state pensions, incapacity benefits, etc</li> </ul>
<p><b>17. Changes that coincide with upratings</b></p>	<p>Do we count changes that coincide with uprating in the change of circumstances performance measure?</p>	<p>If, for example, the customer notifies in writing an increase in rent in a Rent Allowance case or an increase in an occupational pension that coincides with uprating include the change in PM5. (The up-rated AIF in Pension Credit may include a change to the occupational pension – this would still count as an uprating and be excluded from the measure unless the change to the occupational pension takes effect from a different benefit week).</p>

<sup>6</sup> See also CTB R 74, HB SPC R 69 and CT SPC R 59.

<p><b>18. DWP annual uprating</b></p>	<p>On the 15 February 2006 a customer on Incapacity Benefit (IB) notifies the LA of their new award from April 2006 and at the same time of an increase to their occupational pension from the 1 May 2006 and RSL rent from the 1 April 2006. Are DWP suggesting that the IT system should discount the change to IB but produce a performance measure for the change to rent and another for the change to occupational pension?</p>	<p>The April change to IB is a consequence of the DWP annual uprating exercise and should not be counted in the changes of circumstances performance measure. The changes to the rent and occupational pension will each count towards PM5 and as they are not associated changes, the LA should count two changes.</p>
<p><b>19. Tax Credit awards</b></p>	<p>Are the April provisional payments on the Tax Credit award notices considered as uprating and therefore excluded from PM5?</p>	<p>These are not considered as uprating but should be treated like other advance notifications. For the purpose of the changes of circumstances performance measure the clock starts from the date the change to the Tax Credit award takes effect in HB/CTB. The clock continues until a decision is made. If a decision is made by the date the change takes effect the time taken to process is one day.</p>

<p><b>20. Large scale electronic rent increases</b></p>	<p>What about large-scale electronic rent increase notifications (i.e. uprating e-notifications from a large RSL)?</p>	<p>These count as changes of circumstances. Providing decisions are made by the date the changes take effect in HB/CTB, the time taken to process the changes will be one day. This also applies to individual notifications of future changes. If a decision is not made on the change of circumstances by the date the change comes into effect, the clock continues from that date until the decision is made.</p>
<p><b>21. Rent increases</b></p>	<p>If a rent increase is included in the terms of a customer's tenancy and a referral is made to the Rent Officer when the increase is notified to the local authority and as a consequence the amount of HB changes, should this be counted for PM5?</p>	<p>If the local authority receives a written notification of the rent increase and the referral to the Rent Officer results in a change to the amount of benefit due it would be counted for PM5.</p>
<p><b>22. Annual Rent Officer reviews</b></p>	<p>Does the standard 'annual review' referral to the Rent Officer count for the changes of circumstances performance measure?</p>	<p>The 52 week rent referral would not normally count towards the changes of circumstances performance measure, unless it coincided with a written notification of a rent increase and there was an increase in the amount of benefit payable.</p>

<p><b>23. 52 week rent referral exclusions</b></p>	<p>If a customer notifies us of a change to their rent but the 52 week exclusion period has not expired does this change count as a change of circumstances at the time of the notification or at the 'annual review'?</p>	<p>Although this change would need a decision at the time it was notified, it would not normally result in a change to the amount of HB payable. Therefore, it would not count for PM5. It would subsequently be referred for the annual review. However, because the referral would not be a consequence of a written notification of a rent increase, any change to the amount of HB would not count towards the changes of circumstances performance measure.</p>
<p><b>24. Advance notifications</b></p>	<p>An LA is notified on the 17 April that a customer's income has changed slightly but on examining the wages it is clear that the change in take home pay is due to tax and NI changes. The LA decides to exercise its discretion and disregard this change for 30 weeks as the claim has been highlighted for review in June because a child is turning 16. When the claim is reviewed in June and the change in income taken into account, is the 17 April the start date for the performance measure?</p>	<p>This should be treated as an advance notification. The clock starts for the performance measure from the date the change takes effect. If a decision is made by that date the time taken to process the change is one day.</p>

<p><b>25. Advance notifications</b></p>	<p>A 78 year old customer has a non-dependant whose income has increased to a point where the next deduction would apply. The LA is notified of this on the 10 January 2007 and the new non-dependant deduction does not apply until 12 June 2007. Can this be treated as an advance notification if so when does the clock start ticking for the performance measure?</p>	<p>This should be treated as an advance notification. The clock starts for the performance measure from the date the change takes effect, e.g. on 13 June 2005.</p>
<p><b>26. Multiple changes</b></p>	<p>Should associated changes be counted separately or as one change? For example</p> <p><b>Example 1</b> Customer notifies birth of baby and award of child benefit</p> <p><b>Example 2</b> An addition to the household results in a change to the Rent Officer determination</p> <p><b>Example 3</b> Customer's partner who is working leaves the household and therefore the income of the household changes</p>	<p>In each of these three examples one event leads to a multiple change. As there is a clear association between the changes each example should be treated as one change.</p>

<p><b>27. Multiple changes</b></p>	<p>The revised tax credit entitlement letter gives revised rates for child tax credit and working tax credit as follows</p> <ul style="list-style-type: none"> <li>• the rate from March 2005</li> <li>• the rate for first payment in April 2005</li> <li>• the settled rate of entitlement from the next week in April 2005 onwards</li> <li>• finally a change in October 2005</li> </ul> <p>Should the tax credit change be recorded merely as one change of circumstances for both CTB and HB or four different changes based upon various entitlement rates quoted in the letter?</p>	<p>In this example you should record the tax credit change as one change of circumstances for the CTB claim and one change for the HB as the changes in the tax credit amount can be dealt with at the same time.</p>
<p><b>28. Multiple changes</b></p>	<p>On one letter we have been notified of three changes of circumstances i.e. non-dependant moved in (10 May 2006), the customer's earnings increased (31 May 2006) and his capital decreased (13 June 2006). For stats purpose, how should this be counted – as one change or as three changes?</p>	<p>These changes are not linked to a single event and should be counted separately.</p>

<p><b>29. New properties not yet banded for Council Tax</b></p>	<p>What happens to a claim for CTB when the customer reports a change of address to a new property which has not been banded?</p>	<p>The LA should make a decision on the ending of Council Tax liability at the old address. The clock stops at that point. Any subsequent action to award CTB in line with the correct banding at the new address would not be counted for the PM.</p>
<p><b>30. Claims with gaps in IS/JSA</b></p>	<p>When we are advised that a customer has had a gap in IS/JSA should we make a superseding decision to end the award from the start of that period and ask the customer to re-apply?</p>	<p>No, you should allow the customer one calendar month to establish any entitlement during that period and make any changes retrospectively. If you then determine that the claimant was not entitled to HB during that period then you would need to make a decision to terminate the claim. A new claim would then be needed. However, a shortened claim form would be acceptable in this circumstance.</p> <p>If you establish that there was an ongoing entitlement but that the amount of benefit payable was affected, the reduction in entitlement during that period and the return to the original entitlement would be treated as two changes of circumstances.</p> <p>If you are dealing with all these changes retrospectively it is possible to make one superseding decision providing you hold all then necessary information to correctly calculate benefit entitlement for the past and ongoing claim.</p>

<p><b>31. Calculating earnings of a Working Age customer</b></p>	<p>How can I avoid waiting for five weeks before calculating earnings?</p>	<p>For cases where the customer has started work or increased their hours of work, instead of waiting for five week/two month-based evidence LAs should use the provisions under HB Reg 29 to either contact the</p> <ul style="list-style-type: none"> <li>• employer in order to attain a cert of employment, or</li> <li>• customer to request any documentary evidence available to date (such as just one wage slip) to estimate earnings</li> </ul> <p>Otherwise, waiting for the required wage slips will mean the customer will either accrue an overpayment or, if benefit is suspended, get into rent arrears. Both would result in making a move into work more stressful for the customer.</p>
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## General guidance

### Acceptable claim forms

- 35 HB/CTB claims must be made in writing
- on a claim form approved for the purpose and provided free of charge by the LA, for example
    - HCTB1, full claim form
    - HCTB1(PC), pensioner claim form
    - HCTB1 (PCA), shortened pensioner claim form
    - LA Input Document – received from Jobcentre Plus when a claim associated with IS/JSA/IB and made through the Customer Management System (CMS), see Customer Management System – A Guide for Local Authorities
    - HBRR1, HB Rapid Reclaim form, or
    - LA ‘shortened’ claim form

Examples of these forms are available on the DWP website:  
<http://www.dwp.gov.uk/housingbenefit/model/>

- in a form otherwise acceptable to the LA, for example a letter (see *HB/CTB Guidance Manual Chapter A2 paragraph 2.190*)

### Tele-claims or e-enabled claims

- 36 New options for making claims without the need for a signature are available to LAs from 20 December 2006. Existing arrangements are unaffected by this change, which is purely optional. For further information see *Circular HB/CTB A18/2006*.

### Effective claims

- 37 A claim on an approved form is **properly completed** and, therefore, **effective** when the claim form or LAID has been completed in accordance with the instructions on the form **and** the customer has provided the supporting information and evidence requested on that form.
- 38 If a customer makes a dated statement in writing that they want to claim benefit, **and** otherwise provides you with the information and evidence that you would have required if the claim had been made on an approved claim form or LAID, then this claim will also be an effective claim. (See *Circular HB/CTB U9/2004, paragraph 21.*)
- 39 In some cases, you may then require additional information or evidence. The customer should provide this within a calendar month (or such longer period as is reasonable).

### Defective claims

- 40 A claim is **defective** if it is
- made on an approved form but is **not** properly completed, or
  - clearly a claim **but** is not made on an approved form and does **not** provide the necessary information or evidence that you would have required if the claim had been made on an approved claim form, for example a letter saying that the writer wants to claim benefit but with little or no other information
- 41 However, the claim must be Treated As Made from the date the original claim was received if it is followed up within the appropriate timescales by a properly completed claim form or LAID (see Circular HB/CTB A21/2005, paragraphs 8) or the necessary information or evidence requested on that form to make it effective.

### Decisions on claims

- 42 A decision will result in the claim being successful or unsuccessful. Claims have to be effective before they can be properly decided. Once a claim is effective, a decision must then be made, even if any additional information you require has not been received (assuming that this is available and can reasonably be provided). See Circular HB/CTB U9/2004, paragraphs 11-15 and 28.
- 43 When the customer has failed to remedy a defective claim and the time limit lapses, a decision must be given on that basis. See Circular HB/CTB U9/2004, paragraphs 24-27.

### Payments on account

- 44 A decision by the LA to make a payment on account in respect of any claim does not count as a proper decision on that claim.

### Withdrawn claims

- 45 When the customer decides not to proceed and withdraws a claim, no decision is required as there is no longer a claim on which to make a decision.

## Designated offices

- 46 The definition of a designated office is (from HB regulation, R 2(1))<sup>7</sup>
- 'The office designated by the relevant authority for the receipt of claims to HB/CTB either by*
- a notice upon or with a form approved by it for the purpose of claiming HB/CTB, or*
  - b reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application and without charge, or*
  - c any combination of the provisions set out in sub-paragraphs a and b above.'*
- 47 The LA's claim form for HB/CTB, or a covering notice accompanying the form, will specify either a list of designated office addresses to which the customer can return the claim form, or state where these addresses can be found, or a combination of both. This information should include all the designated offices as required by the above regulation.
- 48 By definition, not all LA offices are designated offices unless they are specifically stated as being designated to receive HB/CTB claims on the forms and notices mentioned above. This also applies to DWP offices, which are also not designated offices unless they, too, are specifically stated as being designated to receive HB/CTB claims on the forms and notices mentioned above.

<sup>7</sup> See also CTB R 2(1); HB SPC R 2(1); CTB SPC R 2(1).