

## Housing Benefit Circular

Department for Work and Pensions

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# HB A1/2015

### ADJUDICATION AND OPERATIONS CIRCULAR

<b>WHO SHOULD READ</b>	Housing Benefit Managers
<b>ACTION</b>	For information
<b>SUBJECT</b>	Real Time Information Bulk Data Matching Initiative – Frequently Asked Questions

### Guidance Manual

The information in this circular does not affect the content of the HB Guidance Manual.

### Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <https://www.gov.uk/government/collections/housing-benefit-for-local-authorities-circulars>
- have any queries about the
  - technical content of this circular,  
email: [la-sst.hdd@dwp.gsi.gov.uk](mailto:la-sst.hdd@dwp.gsi.gov.uk)
  - information flow content of this circular, contact : Local Authority Support Team (LAST) T: 01253 689422 or email: [la-sst.hdd@dwp.gsi.gov.uk](mailto:la-sst.hdd@dwp.gsi.gov.uk)
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**Real Time Information Bulk Data Matching Initiative – Frequently Asked Questions**

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# **Real Time Information Bulk Data Matching Initiative – Frequently Asked Questions**

## **Background**

1. On 6 October 2014 the Real Time Information (RTI) bulk data matching initiative issued the first of the RTI referrals to local authorities (LAs) across England, Scotland and Wales. Since this time the Department for Work and Pensions (DWP) has issued several further tranches and has been working closely with LA representatives to respond to incidents raised and to refine guidance where appropriate.

## **Purpose**

2. The purpose of this circular is to provide you with further information regarding progress of the project and to refine guidance through the provision of Frequently Asked Questions (FAQs).
3. Guidance is already available in circulars [HB A15/2014](#) and [HB A16/2014](#) and should consider the following in conjunction with this guidance.

## **Progress**

4. Following implementation the first tranche of referrals highlighted a number of issues for clarification and/or correction.
5. The second tranche of referrals were issued over the period 22 to 27 October 2014 where fixes were applied to correct some of these known errors. As a result of these corrections feedback from LAs has been very positive and the LA Implementation Working Group has reported significant improvements in the quality of the referrals received which are providing much higher hit rates and increased savings.
6. The third tranche of referrals was issued over the period 19 to 24 November 2014 with fixes applied to further improve the quality and usefulness of the data. Early indications show that this tranche is also providing similar hit rates to tranche two, with the identification of similarly valuable overpayments. DWP will continue to resolve other known issues and these will be reported as progress is made.

## **Frequently Asked Questions (FAQs)**

7. Appendix A is a log providing details of issues already raised by LAs to DWP, along with guidance on how each of these issues can be resolved locally.
8. This FAQ log will help remove and/or alleviate some of the issues LAs are still experiencing. Any questions regarding this guidance should be referred to the Local Authority Support Team using the contact details shown on page one.

## FAQ Log

## Appendix A

Ref:	Issue Details	Resolution Details
FAQ1	The LA has identified a passported Housing Benefit (HB) or savings credit case in the RTI referrals	<p>Where an LA receives a referral for a passported or savings credit case, and has confirmed the DWP benefit is still in payment by checking the Customer Information System(CIS); the referral should be rejected using code 14 = DWP/external data source error.</p> <p>During the RTI test phase LAs informed us that scrutiny of CIS identified a number of cases where passporting arrangements or the Assessed Income Period (AIP) had ceased some months earlier. On this basis LAs will need to check CIS on all of these cases to confirm if the passporting or AIP arrangements are still on-going.</p>
FAQ2	The customer has been in receipt of a passporting benefit or savings credit for a past period and the RTI data shows that they had been working whilst claiming or had not declared a pension to DWP	<p>The referral should be processed as normal from the period when the passporting benefit or assessed income period ceased. However, if it appears that the RTI referral identifies a past period where the DWP benefit may need to be reviewed, the LA should consider whether the case should be referred to their fraud team as per their usual process.</p> <p>If not, form LA17 should be sent to DWP following normal business practice. Unlike the cases received for live passported or saving credit claims, an RTI referral will not be automatically sent to DWP for dormant DWP benefits.</p>
FAQ3	Additional Statutory Paternity Pay (ASPP) is shown on the RTI data in error. This may be apparent to the LA as the claimant could be female.	This is a known error and a fix has been put into place to correct it for referrals received from December 2014 onwards. It is likely that the ASPP is actually Statutory Sick Pay and has been recorded in the wrong field. The LA should query any pay periods in doubt with the employer.
FAQ4	The pay information for two or more different jobs or pensions is being treated by the system as though it is the same employment or pension.	DWP are aware of this issue. It is caused by the same Employment Sequence number being recorded against different employments or pensions. The RTI system differentiates between different employments and pensions by assigning each one with a unique number. In some instances, these numbers are repeated and the system then treats the pay

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		<p>records as though they are for a single employment or pension. DWP is investigating this issue and recommends that the quickest course of action for the LA is to complete the reassessment manually using the RTI information provided in the RAW data supplied with the referral.</p>
FAQ5	<p>The LA has incorrectly recorded a national insurance number (NINo) on their business system and the error caused the RTI income details for a completely different person to be linked to the HB claimant</p>	<p>Where an LA receives an RTI referral and identifies that the NINo held on the LA database for that individual is incorrect due to an error such as mis-keying, it is likely that the RTI data returned will not relate to that HB claim. Once the LA has confirmed the correct NINo by checking CIS and is satisfied the RTI data does not relate to the HB claim, the LA should take steps to correct the NINo held on its database and should reject the referral using code 6Z = LA input error.</p> <p>Where an LA believes the NINo discrepancy may be due to identity fraud it should investigate as per normal business practice and treat the referral accordingly.</p> <p>Identity Fraud should be reported to DWP Identity &amp; Cyber Fraud team by emailing <a href="mailto:houghton-le-springba.fis@dwp.gsi.gov.uk">houghton-le-springba.fis@dwp.gsi.gov.uk</a></p> <p>Personal Details Verification Reports are sent to all LAs with their HB Matching Service (HBMS) referrals. DWP recommends that LAs keep these reports up to date as they identify cases where NINos or other personal details may be incorrect. If these reports are cleansed before RTI referrals are loaded to the LA IT system it will help mitigate these issues to a large extent, and will also improve the effectiveness of Automated Transfer to LA Systems (ATLAS), Electronic Transfer of Data (ETD) and HBMS processes.</p> <p>Where possible LAs should take steps to delete any data they have received for an incorrect NINo; for instance where an LA has completed its Personal Verification Reports before uploading the RTI referrals and referrals received do not link to an HB claim.</p>

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FAQ6	The LA IT system is treating tax, pension or National Insurance refunds as income.	<p>LAs should regard National Insurance and occupational pension tax refunds as income for the period in which the earnings were attributed to or received.</p> <p>Income tax refunds should be treated as capital, in accordance with regulation 46(2) of the HB Regulations 2006.</p>
	<b>File Delivery and Receipt</b>	
FAQ7	The LA has problems opening their RTI referral files or has not received the file	<p>This needs to be reported to the HBMS team for resolution. Contact details are:  email: HBMS@dwp.gsi.gov.uk  Tel: Nikki Richardson 01253 688501  or Rebecca Dickinson 01253 688500</p>
FAQ8	The RTI files have an unexpected file name	<p>This is caused by an issue with the "unpacking" process after the LA receives the file. The LA can contact the HBMS team for additional help with renaming the file to the correct name.</p>
FAQ9	The LA reports a failure on loading the RTI files	<p>The LA should contact their IT Supplier helpdesk to raise an incident with them.</p>
	<b>Data Integrity</b>	
FAQ10	The LA has received RTI data that differs from the payslip which the customer had previously supplied to the LA	<p>If the LA requires further information to clarify any pay periods in doubt, they can confirm this information directly with the employer or they can verify payments by asking the claimant to provide bank statements.</p> <p>The RTI data is transferred from Her Majesty's Revenue and Customs (HMRC) and not altered in any way. It is down to the LA to investigate and verify details with information provided by the claimant.</p> <p>Discrepancies can be caused by one of the following:</p> <ul style="list-style-type: none"> <li>• fraud, including employer collusion in some instances</li> <li>• employer error when running payroll</li> <li>• defect in the IT systems of the employer/HMRC/DWP or the LA.</li> </ul> <p>Where it is identified that the employer has provided incorrect information to HMRC via RTI, it is in the claimant's interest for their employer to correct this situation because it</p>

Ref:	Issue Details	Resolution Details
		could affect the claimant's tax or NI record.
FAQ11	Duplicate wage details are recorded from the same employer	<p>This is usually caused when an employer resubmits pay records to correct a payroll error. This duplication may not have changed the pay information for the claimant so where there is more than one pay submission for the same date, the LA should use the pay record with the highest unique payment ID. This is field 25 on the RAW file.</p> <p>The LA should check their IT supplier's guidance to confirm how they can view the unique payment ID within the software. Alternatively the LA can also verify payments by asking the claimant to provide bank statements for the periods in question or by contacting the employer.</p>
FAQ12	The RTI data shows earnings far in excess of those verified from payslips seen by LA	<p>The RTI Project's chief aim is to detect undeclared or under-declared income. If the LA requires further information to clarify any pay periods in doubt, they can confirm this information directly with the employer or verify payments by asking the claimant to provide bank statements.</p> <p>The RTI data is transferred from HMRC and not altered. As such LAs will need to investigate and verify information with the claimant where applicable.</p> <p>Any discrepancies could be caused by one of the following:</p> <ul style="list-style-type: none"> <li>• fraud, including employer collusion in some instances</li> <li>• employer error when running payroll</li> <li>• defect in the IT systems of the employer/HMRC/DWP/LA.</li> </ul> <p>If it is identified that the employer has provided incorrect information to HMRC via RTI, it is in the claimant's interest to get their employer to correct the situation. This is because it could affect the claimant's tax or NI record.</p>

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FAQ13	The LA reports missing pay periods on claimant's or partner's earnings in RTI data	<p>If the LA requires further information to clarify any pay periods in doubt, they could confirm this information directly with the employer or they could also verify payments by asking the claimant to provide bank statements. The RTI data is transferred from HMRC and not altered in any way. As such LAs will need to investigate and verify information with the claimant where applicable.</p> <p>Any discrepancies could be caused by one of the following:</p> <ul style="list-style-type: none"> <li>• fraud, including employer collusion in some instances</li> <li>• employer error when running payroll</li> <li>• defect in the IT systems of the employer/HMRC/DWP/LA</li> </ul> <p>If it is identified that the employer has provided incorrect information to HMRC via RTI, it is in the claimant's interest to get their employer to correct the situation. This is because it could affect the claimant's tax or NI record.</p>
FAQ14	The LA sees large non-taxable payments made to the claimant or partner	We are aware of issues with certain company pay records and are pursuing this with HMRC. When in doubt the LA can confirm any pay periods/details directly with the employer.
	<b>System Calculations</b>	
FAQ15	Payments on previously submitted payslips show deductions made for an occupational pension but RTI data does not show pension deductions	<p>If the LA requires further information to clarify any pay periods in doubt, they could confirm this information directly with the employer or they could also verify payments by asking the claimant to provide bank statements. The RTI data is transferred from HMRC and not altered in any way. As such LAs will need to investigate and verify information with the claimant where applicable.</p> <p>Any discrepancies could be caused by one of the following:</p> <ul style="list-style-type: none"> <li>• fraud, including employer collusion in some instances</li> <li>• employer error when running payroll</li> <li>• defect in the IT systems of the employer/HMRC/DWP/LA.</li> </ul>



Ref:	Issue Details	Resolution Details
		If it is identified that the employer has provided incorrect information to HMRC via RTI, it is in the claimant's interest to get their employer to correct the situation. This is because it could affect the claimant's tax or NI record.
FAQ16	The LA reports minimal change to benefit entitlement	<p>DWP acknowledges that LAs need to decide whether or not there has been a relevant change in circumstances in accordance with HB regulations, case law and guidance.</p> <p>When an LA decides to reject a referral on the basis that there hasn't been a relevant change in circumstance, the LA should send an R record with a rejection code in field 319. LAs should check their software supplier's guidance for further information on how this can be done.</p> <p>However where there is a change to benefit entitlement DWP expects that the LA will make the reassessment and report the new benefit entitlement details using the Single Housing Benefit Extract (SHBE).</p>
FAQ17	The LA reports there is no change to benefit entitlement	If there is no change to benefit entitlement, the LA should reject the referral using Code 11 (income below applicable amount/no change to benefit entitlement). LAs should check their software supplier's guidance for information on how to reject a referral.
FAQ18	The LA queries the "average" pay figures presented by their software (certain sites only)	<p>The averaging of payslips is not done by HMRC. The data supplied on the RTI files contains lots of individual pay submissions (payslips). The software then displays this information to the LA user and allows the income details to be applied to the claim. On some LA IT systems payslips are grouped together according to rules set by the system.</p> <p>DWP understands software suppliers have developed these rules in accordance with LA wishes. LAs are advised to contact their software supplier if these rules are not providing the desired outcome.</p> <p>DWP is also aware that some software suppliers are currently developing improvements to their payslip averaging</p>

Ref:	Issue Details	Resolution Details
		functionality. Further information will be available from your software supplier via the usual channels.
	<b>Claimant Disputes</b>	
FAQ19	The claimant disputes the RTI information, claims to have never worked for an employer or claims to earn less than the RTI information shows.	<p>The LA should follow its normal business as usual dispute process. However DWP recommends the following steps are undertaken as part of this process:</p> <ol style="list-style-type: none"> <li>1. Where a claimant totally disputes the income shown on RTI the LA should firstly check that the NINo(s) registered on its IT system for the claim is/are correct by checking CIS.</li> <li>2. The LA should check whether it has recently corrected any incorrect NINos for that claim, as incorrect RTI data may have attached itself to that claim prior to the correction taking place.</li> <li>3. If after completing the above two steps and the LA is satisfied that the RTI data is for that claimant or partner, the LA can then clarify any pay periods in doubt by seeking confirmation from the employer or cross-checking bank statements.</li> </ol> <p>Note that any discrepancies could be caused by one of the following:</p> <ul style="list-style-type: none"> <li>• fraud, including employer collusion in some instances</li> <li>• employer error when running payroll</li> <li>• defect in the IT systems of the employer/HMRC/DWP or the LA.</li> </ul> <p>If it is identified that the employer has provided incorrect information to HMRC via RTI, it is in the claimant's interest to ask their employer to correct the situation as this could affect the claimant's tax or NI record.</p>
FAQ20	The claimant tells the LA that they have two NINos	The LA should undertake its own investigation to ascertain whether the person has two NINos (e.g. checking records, checking CIS, contacting the claimant, completing Personal Verification Reports, etc.).

Ref:	Issue Details	Resolution Details
		<p>Where an LA has carried out a personal verification report the LA should check the NINOs listed on the RAW file following the upload of the RTI referrals, for erroneous payslips attached to the wrong claim. This should be carried out even when the NINO has been corrected.</p> <p>If the LA is certain that the claimant has two NINOs, the LA needs to advise DWP of these duplicate NINOs so that one can be shut down. The LA needs to email (via GCSx) the Identity &amp; Cyber Fraud Team who deal with issues such as duplicate NINOs for the entire UK, regardless of whether any benefits (DWP or otherwise) are in payment.</p> <p>The email address is  <a href="mailto:houghton-le-springba.fis@dwp.gsi.gov.uk">houghton-le-springba.fis@dwp.gsi.gov.uk</a></p> <p>There is no specific form to fill in but LAs should send the following information with the email:</p> <ul style="list-style-type: none"> <li>• customer full name</li> <li>• date of birth</li> <li>• customer contact details</li> <li>• NINOs the customer is using</li> <li>• what they have been using the NINOs for</li> <li>• any other background information which may be useful</li> </ul> <p>The LA should also refer the case to HMRC as there are likely to be problems with tax and NI records.</p>
	<b>LA Error Subsidy</b>	
FAQ21	The LA has a query regarding the LA Error Subsidy	<p>We negotiated a grace period of four weeks from the point the RTI information is presented for administration by the LA before the error is treated as 'Local Authority Error and/or Administrative Delay'. This will minimise the impact on the calculation of the 'Local Authority Error and/or Administrative Delay' subsidy and will provide LAs with a window in which to manage their caseload and deal with competing priorities. Further information is provided in circular <a href="#">HB A15/2014</a>, paras 17 to 20.</p>